# MANAGEMENT RESPONSE TO REQUEST FOR INSPECTION PANEL REVIEW OF THE NEPAL: NEPAL-INDIA ELECTRICITY TRANSMISSION AND TRADE PROJECT (NIETTP) (P115767) AND ITS ADDITIONAL FINANCING (P132631)

Management has reviewed the Request for Inspection of the Nepal: Nepal-India Electricity Transmission and Trade Project (NIETTP) (P115767) and its Additional Financing (P132631), received by the Inspection Panel on October 18, 2021 and registered on November 30, 2021 (RQ21/04). Management has prepared the following response.

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#### ABBREVIATIONS AND ACRONYMS

BB Bharatpur-Bardaghat (transmission line)

COVID-19 SARS-CoV-2

CPP Compensatory Plantation Plan
DAO District Administration Office
EIA Environmental Impact Assessment
EMAP Environmental Management Action Plan

GoN Government of Nepal

GRM Grievance Redress Mechanism

ha Hectare

HB Hetauda-Bharatpur (transmission line)

IPN Inspection Panel

ISDS Integrated Safeguards Data Sheet

km Kilometer kV Kilovolt

LAHURNIP Lawyers' Association for Human Rights of Nepalese Indigenous Peoples

m meter

MD Management Director (NEA)

MW Megawatt

NEA Nepal Electricity Authority

NIETTP Nepal-India Electricity Transmission and Trade Project OHS/CHS Occupational health and safety/Community health and safety

OP Operational Policy

PDO Project Development Objective RAP Resettlement Action Plan

RoW Right of Way

SIA Social Impact Assessment US\$ United States dollar

VCDP Vulnerable Communities Development Plan

VDC Village Development Committee

WBG EHS World Bank Group Environment, Health and Safety (Guidelines)

#### **EXECUTIVE SUMMARY**

# The Project

- i. The Nepal-India Electricity Transmission and Trade Project (NIETTP) (P115767) was approved by the Board on June 21, 2011 for US\$99 million. An Additional Financing (P132631) for US\$39 million equivalent was approved on June 24, 2013. The Project closed on October 31, 2021. The Project's development objectives were to: (a) establish cross-border transmission capacity of about 1,000 MW to facilitate electricity trade between India and Nepal; and (b) increase the supply of electricity in Nepal through the sustainable import of at least 100 MW of electricity.
- ii. The Request for Inspection pertains to Component B3 of the Project, the construction of a ca. 74-km transmission line from Bharatpur to Bardaghat, and associated substations, in particular the section in the Binayi Triveni Rural Municipality Ward No. 2, formerly the Dumkibas Village Development Committee, Ward No. 2 (hereinafter Dumkibas) of Nepal.

# Request for Inspection

- iii. The Request for Inspection was submitted by 49 individuals living in the Dumkibas area. The Requesters have designated an advocate from the Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP) to represent them. The Requesters have requested confidentiality.
- iv. The Request raises a variety of concerns about: (i) the routing of the transmission line, and specifically alleged changes made to this routing; (ii) the proposed land acquisition required for the transmission line; (iii) potential harm stemming from the operation of the transmission line; (iv) the Government's use of police force; and (v) compliance with Nepali law and international conventions.

### Management's Response

- v. Management notes that the planning and original alignment for the BB transmission line goes back more than 20 years, and many of the related problems and conflicts that the Project tried to address are legacy issues that the Project inherited. Management has been aware of a variety of concerns at Dumkibas since well before the Request for Inspection and has worked with the Nepal Electricity Authority (NEA) to help address them. There have been delays stemming from difficulties due to lags in forest clearances, disagreements between the contractor and NEA, the political situation in Nepal, and disputes with local landowners. These various factors contributed to the line not being completed by the time the Project closed on October 31, 2021.
- vi. Management notes the Requesters' long-standing opposition to the transmission line and their wish to see it moved to a different location. Unfortunately, the realities of essential national infrastructure construction, such as transmission lines that serve

the entire country, are such that the impacts have to be jointly borne by residents and may affect some more than others. Specifically, linear infrastructure, such as transmission lines for distribution of power, cannot always be placed away from private land and settlements to accommodate landowners' preferences.

- to minimize the impact on Project-affected people and the environment. The 2012 alignment impacts considerably fewer households than the earlier proposed alignment would have. It affects 46 landowners and will require the physical movement of 16 households in the Dumkibas area. There are 5 landowners who will be affected by land acquisition for tower pads for towers no. 198 and no. 199. The other 41 landowners have land that is otherwise affected by the Right of Way (RoW) easement. There are some non-title holders currently using land within the RoW, who will be identified and compensated in accordance with Bank policy as part of the finalization and implementation of the 2021 Resettlement Action Plan (RAP).
- viii. Management notes that the dispute about the line's routing is also driven by the landowners' incorrect belief that the line's original routing avoided their area altogether, and that the routing was changed illegally later on to their disadvantage. This is not correct. Management reviewed all pertaining documentation and can confirm that starting from the 1998 route alignment, all subsequent adjustments to the routing did pass through the same part of Dumkibas.
- ix. These disputes that currently keep the line from being completed have escalated into a court case leading to an interim injunction to halt the works pending the court's review and decision on the merits of the landowners' complaint. It is not clear when the court will hear the case or take a decision on the matter. Until such time, the construction works in the Dumkibas area will remain stalled.
- x. The Bank has consistently requested NEA to seek an amicable resolution of the disputes concerning the route alignment and the acquisition of the land needed for the route. NEA has complied with the Bank's request and refrained from initiating land acquisition in Dumkibas using eminent domain powers without first forging an agreement with the landowners. Towards this end, NEA has engaged an external facilitator to improve interactions with the communities and to help negotiate solutions. Pending the outcome of the lawsuit, NEA intends to continue to negotiate a compensation package for landowners that is acceptable to them and complies with both Nepali law and Bank policy.
- xi. A substantial aspect of the Request pertains to concerns about physical and health-related impacts that Requesters fear could result from the operation of the transmission line. Management understands these concerns but notes, however, that they do not reflect likely occurrences. The concerns include, for example, the risk of failing transmission towers or possible "leaking" of electricity. These concerns also assume that residents would retain housing in the RoW, which is not legally allowed. Moreover, the Request seems to imply that crossing under the transmission line is harmful and hence to be avoided, which would have far reaching impacts on

communities and livelihoods. Those assumptions are incorrect. Management has reviewed the Project design and has confirmed that the Project complies with the relevant environmental, health, and safety requirements of Bank policy. All impacts were carefully studied in the Project's Environmental Impact Assessment (EIA) and the mitigation measures in the Project's Environmental Management Action Plan (EMAP), which are under implementation, are adequate.

- xii. Management was made aware of confrontations between the Nepali police and landowners at Dumkibas through complaints it received. The Bank had no prior knowledge of the reported use of police at the Project site. When it became aware of the incident, Management raised the matter with the Government of Nepal (GoN), requesting that all Project activities cease to help calm the situation. At the same time, Management is not in a position to respond to the allegations regarding the Government's use of police. No Bank staff were on site to witness the incident and Management has obtained divergent reports from multiple sources regarding the incident.
- xiii. Regarding the international conventions cited in the Request, Management would like to clarify that the Bank is not mandated nor in the position to review the Borrower's compliance with international conventions and declarations or national law, outside the requirements of the Bank's operational policies and procedures.
- xiv. *The Project closed on October 31, 2021.* The Bank has agreed with NEA on an action plan to address outstanding safeguard obligations beyond Project closure. For the BB line, such obligations exclusively pertain to the finalization and implementation of the RAP.

#### Conclusion

XV. Management believes that the Bank has made every effort to apply its policies and procedures and to pursue concretely its mission statement in the context of the Project. In Management's view, the Bank has followed the policies and procedures applicable to the matters raised by the Request. As a result, Management believes that the Requesters' rights or interests have not been, nor will they be, directly and adversely affected by a failure of the Bank to implement its policies and procedures.



#### I. INTRODUCTION

- 1. On November 30, 2021, the Inspection Panel registered a Request for Inspection, IPN Request RQ21/04 (hereafter referred to as "the Request"), concerning the Nepal: Nepal-India Electricity Transmission and Trade Project (NIETTP) (P115767) and its Additional Financing (P132631) financed by the International Development Association (the Bank).
- 2. **Structure of the Text.** The document contains the following sections: Section II presents the Request; Section III provides background on the Project; and Section IV contains Management's response. Annex 1 presents the Requesters' claims, together with Management's detailed responses, in table format. Annex 2 is a list of community consultations and Annex 3 contains information on the disclosure of the safeguard documents for the transmission line from Bharatpur to Bardaghat. Annex 4 is the Action Plan: Post-Closure Safeguards Rectification Measures (for the transmission line from Bharatpur to Bardaghat).

# II. THE REQUEST

- 3. On October 18, 2021, the Request for Inspection was submitted by 49 community members living in the Project area in Nepal (hereafter referred to as the "Requesters"). On November 17, 2021, the Panel received a letter signed by 51 community members designating an advocate from the Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP) to represent them. The Requesters have requested confidentiality.
- 4. The Request makes note of the following attachments, which were provided to Management on December 14, 2021:
  - Requesters' Signatures (redacted)
  - Letter of Authorization (Representative)
  - National Human Rights Commission
  - Gorkha Patra Notice
  - Stay Order
  - Dumkibas Photo
  - Application to Government for shifting transmission line
  - Letter requesting to Shift Transmission Tower
  - Letter requesting NEA to provide information

5. No further materials were received by Management in support of the Request.

### III. PROJECT BACKGROUND

- 6. **The Project.** The Nepal-India Electricity Transmission and Trade Project (NIETTP) (P115767) was approved by the Board on June 21, 2011 for US\$99 million (total Project cost US\$182.3 million). The Additional Financing (P132631) for US\$39 million equivalent was approved on June 24, 2013. The Project closed on October 31, 2021. The Project was prepared under the Bank's Operational Policies (OPs) for environmental and social safeguards that were applicable at the time.
- 7. **Project Objectives.** The project development objectives (PDO) of the NIETTP were to: (a) establish cross-border transmission capacity of about 1000 MW to facilitate electricity trade between India and Nepal; and (b) increase the supply of electricity in Nepal through the sustainable import of at least 100 MW of electricity. No change was made to the PDO for the Additional Financing.
- 8. **Project Components.** The original NIETTP was comprised of three components: Component A (Dhalkebar-Muzaffarpur Transmission Line); Component B (Hetauda-Dhalkebar-Duhabi Transmission Line and Grid Synchronization); and Component C (Technical Advisory Services). Component A was not financed by IDA, but it was considered a linked activity to Components B and C, which received IDA financing.
- 9. The 2013 Additional Financing added Component B3, which included the construction of two 220 kV transmission lines between Hetauda-Bharatpur and Bharatpur-Bardaghat, and associated sub-stations. The Bharatpur-Bardaghat (BB) line is the continuation of the Hetauda-Bharatpur (HB) 220 kV transmission line that was already under construction under a different Bank-supported Project. The BB section of the line starts from Aaptari Substation, Bharatpur municipality, Chitwan district, and terminates at Bardaghat Substation, Bardaghat municipality, Nawalparasi district. The total length of this section of the transmission line is 73.40 km, covering two districts of Nepal.



Map 1. Planned transmission lines

10. **Project area related to the Request for Inspection.** The Request for Inspection pertains to a section of the BB transmission line in the Binayi Triveni Rural Municipality Ward No. 2, formerly Dumkibas Village Development Committee, Ward No. 2 (hereinafter Dumkibas area or Dumkibas) of Nepal (see Map 1).

### IV. MANAGEMENT'S RESPONSE

- 11. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1.
- 12. Management has carefully reviewed the Request for Inspection. The Request raises a variety of concerns about: (i) the routing of the transmission line, including subsequent changes in the routing; (ii) the proposed land acquisition that is required for the transmission line; (iii) potential harm stemming from the operation of the transmission line; (iv) the Government's use of police force; and (v) compliance with Nepali law and international conventions. Management addresses each of these concerns below.
- 13. Management notes that the planning and original alignment for the 220 kV BB transmission line goes back more than 20 years, and many of the related problems and conflicts that the Project tried to address are legacy issues that the Project inherited. Management has been aware of a variety of concerns at Dumkibas since well before the Request for Inspection and has worked with the Nepal Electricity Authority (NEA) to help address them. There have been delays stemming from difficulties due to lags in forest clearances, disagreements between the contractor and NEA, the political situation in Nepal, and disputes with local landowners. These latter disputes have escalated into a court case leading to an interim injunction to halt the works pending the court's review and decision on the merits of the landowners' complaint.
- 14. These various factors contributed to the line not being completed by the time the Project closed on October 31, 2021. Although the Bank and the Borrower have agreed on an action plan for the completion of outstanding environmental and social safeguards measures after Project closure, the disputes that currently keep the line from being completed are still not resolved. These disputes need either to be settled between NEA and the landowners directly or resolved in court where they are currently pending.
- 15. Management notes the Requesters' long-standing opposition to the transmission line and their wish to see it moved to a different location. Unfortunately, the realities of essential national infrastructure construction, such as transmission lines that serve the entire country, are such that the impacts have to be jointly borne by residents and may affect some more than others. Specifically, linear infrastructure, such as transmission lines for distribution of power, cannot always be placed away from private land and settlements to accommodate landowners' preferences, especially in a challenging topography as is the case in Nepal.
- 16. Management notes that the dispute about the line's routing is also driven by the landowners' incorrect belief that the line's original routing avoided the Dumkibas settlement altogether, and that the routing was changed later on to their disadvantage. This is not correct. Management reviewed all pertaining documentation and can confirm that starting from the 1998 route alignment, including subsequent adjustments to the routing, it did pass through Dumkibas.

- 17. The current routing of the transmission line was finalized in 2012. The current alignment is designed to minimize the impact on Project-affected people and the environment. The 2012 alignment impacts considerably fewer households than the earlier proposed alignment would have. It affects 46 landowners and will require the physical movement of 16 households in the Dumkibas area. There are 5 landowners who will be affected by land acquisition for tower pads for towers no. 198 and no. 199. The other 41 landowners have land that is otherwise affected by the Right of Way (RoW) easement, which means that structures in the RoW need to be moved and new ones may not be built there. In Dumkibas, there are some non-title holders currently using land within the RoW. These persons will be identified and compensated in accordance with Bank policy as part of the finalization and implementation of the 2021 Resettlement Action Plan (RAP).
- 18. NEA is still in the process of negotiating a compensation package for landowners that is acceptable to both sides and that complies with both Nepali law and Bank policy. The affected landowners' resistance partly stems from their demand that in the absence of a change in routing NEA should fully acquire the entire RoW corridor. This is not required under OP 4.12. NEA has informed the Bank that it is also not consistent with Nepal's legal provisions for land acquisition for transmission lines. NEA intends to continue to negotiate a compensation package for landowners that is acceptable to them and complies with both Nepali law and Bank policy.
- 19. The Bank has consistently requested NEA to seek an amicable resolution of the disputes concerning the route alignment and the acquisition of the land needed for the route. NEA has complied with the Bank's request and refrained from initiating land acquisition in Dumkibas using eminent domain powers without first forging an agreement with the landowners and non-title holders. Towards this end, NEA has engaged a facilitator to improve interactions with the communities and to help negotiate solutions. If no agreement can be reached with the landowners, Bank policy requires that any adverse impacts as a result of involuntary acquisition be avoided or minimized where possible, or otherwise mitigated and compensated.
- 20. A substantial aspect of the Request pertains to concerns about physical and health-related impacts that Requesters fear could result from the operation of the transmission line. Management has reviewed the Project design and has confirmed that the Project complies with the relevant environmental, health and safety requirements of Bank policy. As discussed in more detail below, Management considers that all impacts were carefully studied in the Project's Environmental Impact Assessment (EIA) and that the mitigation measures in the Project's Environmental Management Action Plan (EMAP), which are under implementation, are adequate and will continue to address the impacts identified in the EIA.
- 21. Management understands the Requesters' concerns regarding potential environmental, health and safety impacts but notes, however, that these concerns do not reflect likely occurrences. They include, for example, the risk of failing transmission towers or possible "leaking" of electricity. These concerns also assume that residents would retain housing in the RoW, which is not legally allowed. Moreover, the Request seems to imply that crossing under the transmission line is harmful and hence to be avoided. Those

assumptions are incorrect and prompt the need for additional community outreach and education by NEA about transmission line safety.

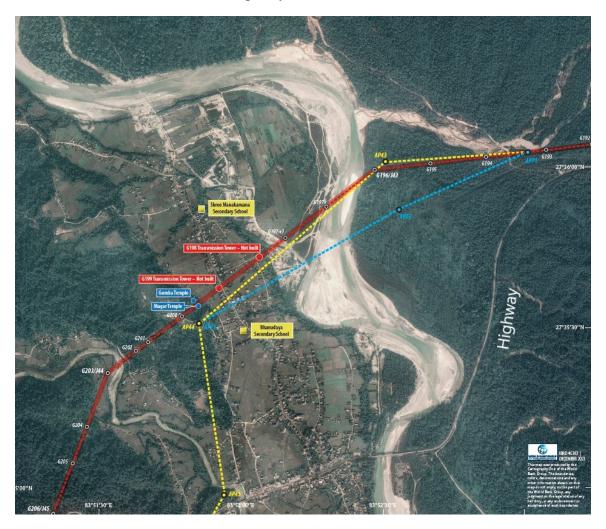
- 22. Management was made aware that there have been confrontations between the Nepali police and landowners at Dumkibas through complaints it received. The Bank had no prior knowledge of the reported use of police at the project site. As soon as the Bank became aware of the reported incident, Management raised the matter with the Government of Nepal (GoN), requesting that all Project activities cease immediately to help calm the situation. At the same time, Management is not in a position to respond to the allegations regarding the Government's use of police. No Bank staff were on site to witness the incident and Management has obtained divergent reports from multiple sources regarding the incident. The landowners and NEA/police both claim that the other side made an unprovoked attack and that there have been injuries on both sides. Irrespective of these differing views, Management has communicated to the GoN that project-affected persons need to be able to freely engage in consultations and express their grievances.
- 23. Regarding the international conventions cited in the Request, Management would like to clarify that the Bank's responsibility is limited to ensuring that the Borrower has complied with its operational policies and procedures. The Bank is not mandated nor in the position to review the Borrower's compliance with international conventions and declarations, insofar as they do not relate to Bank policy. Allegations that the GoN has failed to comply with its obligations under international declarations and treaties and national law go beyond the Bank's institutional mandate to ensure Project compliance with Bank safeguard policies and are not relevant for reviewing such compliance.

#### **Specific Issues Raised in the Request**

### Transmission line routing

- 24. The proposed route alignment for the BB line, which is central to the Requesters' complaint, has gone through various changes over a period of more than 20 years, reflecting primarily efforts to minimize the impacts on local communities and the environment. In Management's view, the current alignment, adopted by NEA in 2012, reflects a reasonable effort on the part of NEA to weigh alternatives and to minimize impacts on landowners and the environment.
- 25. On April 5, 2021, a group of landowners affected by the BB line in Dumkibas filed a complaint with the Supreme Court of Nepal against the construction of the transmission line in the current routing. The Supreme Court admitted the lawsuit and on April 7, 2021 issued a Stay Order on any works pending the court's decision. It is currently not clear by when the Supreme Court will render a decision on the matter. In addition, it is unclear what other legal avenues may be pursued by either party subsequently. Until such time, the construction of the two remaining towers and the completion of the line will remain stalled.

26. A key component of the lawsuit is again the landowners' incorrect assertion that the line's routing originally avoided the Dumkibas settlement north of the East-West Highway altogether, and that this routing was illegally changed later to go through the part of Dumkibas located north of the East-West Highway. This is not correct. As illustrated in Map 2 below, all alignments that were surveyed did pass through the part of Dumkibas that is located north of the East-West Highway.



Map 2. The routing of the transmission line according to the surveys. (1998 survey - blue line; 2004 survey - yellow line; and final 2012 survey - red line)

# Background

27. The route alignment for BB, originally outlined in 1998, was revised in 2004 with the aim to avoid settlements. Based on the 2004 route alignment, a survey license was issued on October 13, 2006. The 2007 EIA Report of the Hetauda-Bharatpur-Bardaghat 220 kV Transmission Line Project then proposed two route alternatives for the transmission line and recommended the alternative under which only 31 houses would need to be relocated, rather than 200 as under the previously proposed alignment. The chair of the Local Government unit covering Dumkibas expressed support for the Project, as

described in the 2007 EIA. Local landowners at that time, however, asked that the line be re-routed, and wrote to the Minister of Energy in 2006 and again in 2008 to request realignment.

- 28. As per standard practice, the contractor who was awarded the contract finalized the route alignment in 2012 for the BB transmission line segment as part of its scope of work. In the Dumkibas area, minor adjustments to the location of the angle towers<sup>2</sup> were made compared to the 2004 alignment. The final BB route sought to avoid settlements as much as possible and passes through forest land for about 80 percent of the route. No further change was made to the route alignment after 2012.
- 29. In 2013, the BB transmission line was incorporated into the NIETTP through Additional Financing, as the project it was originally part of was closing. At that time, the Bank team noted that a number of landowners in the Dumkibas area sought either a rerouting of the transmission line or the complete acquisition of their properties in the RoW corridor, rather than partial acquisition or payment of easement fees. This, however, was not consistent with the policy for land acquisition in RoWs in Nepal and not required by OP 4.12. Hence, this demand could not be accommodated.
- 30. The contract for construction works had been signed in November 2010 under the previous project. Procurement of goods and obtaining approvals for forest clearance and land acquisition took almost two years. An ensuing contractual dispute between the original contractor and NEA led to the contract's termination in June 2017. A new contractor was selected and mobilized in August 2018.
- 31. Due to these delays, the Bank requested NEA in 2017 to revisit and confirm the alignment for those areas where disputes with landowners had emerged. NEA produced a draft alternative alignment analysis based on a desk study. However, the NEA team was not able to discuss the options for route alignment adjustments with the community members who declined to engage on this, absent a complete re-routing away from Dumkibas. The desk study results indicated that changes to the alignment either would not be feasible financially, or they would increase adverse impacts on the environment, or transfer the land acquisition impacts from one group of landowners to another.
- 32. NEA prepared and disclosed the RAP in 2012 for the angle towers and structures. For the purpose of starting the stringing works in the RoW, NEA updated the RAP in 2021 based on the current alignment (see Map 2), which now needs to be finalized, disclosed, and implemented.<sup>3</sup> Due to the pending lawsuit, however, NEA has halted any

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<sup>&</sup>lt;sup>1</sup> The EIA includes a letter from the then Chief of the Village Development Committee of Dumkibas. The letter states that as per the letter received from NEA on March 16, 2005 (2061/12/3 BS), it is understood by the VDC that there is no major adverse impact on the community. Therefore, as per Article 10 of the Environmental Act 2054, the VDC recommends implementation of the Project.

<sup>&</sup>lt;sup>2</sup> Angle towers are used where a line must change direction.

<sup>&</sup>lt;sup>3</sup> So far NEA has (i) advertised affected land plots in the local newspapers and through local government offices requesting landowners to present their ownership documents for verification; (ii) carried out a verification process for landowners and non-title holders through site visits; and (iii) put in place a robust implementation process that includes a mobile GRM team to identify non-title holders as well as any missing

further assessment of possible alternative routings to await the court's decision on the appropriateness and legality of the current line routing.

# Land acquisition and compensation

- This update is based on several years of consultations with affected communities. It provides for additional benefits for Project-affected people, reflecting an effort on the part of NEA to address the potential economic costs associated with the limitations placed on the use of land subject to the RoW. Finalization and implementation of the RAP will likely be delayed pending the Supreme Court's decision on that routing of the transmission line.
- 34. To date in the Dumkibas area, NEA has constructed towers only on public land, pending a resolution with private landowners. The section of the BB line that passes through the Dumkibas area is about 0.75 km (between towers no. 197+ and no. 200). The private landowners in Dumkibas have not yet accepted compensation or allowed construction to date. The two remaining towers in Dumkibas are no. 198 and no. 199 (Note that the tower numberings in the Request are not correct).
- 35. The current routing of the transmission line has resulted in minimizing the impact on Project-affected people and the environment. The current alignment affects 46 landowners and will require the physical movement of 16 households in the Dumkibas area. There are 5 landowners who will be affected by land acquisition for tower pads (for towers no. 198 and no. 199). The remaining 41 landowners have land that is affected by the RoW easement. The affected landowners' resistance partly stems from their demand that in the absence of a change in routing NEA should fully acquire the entire RoW corridor, an action that is not required under OP 4.12. Management understands from NEA that it is also not consistent with the national legal provisions for land acquisition for transmission lines. NEA believes that the improved compensation package for landowners and non-titleholders under the 2021 RAP may be acceptable to both sides.
- 36. The 2021 RAP covers full compensation for the tower pad areas, structures, trees, and crops, in addition to payments for economic losses and disturbances caused by the displacement. Structures and trees in the RoW which had to be dismantled and/or removed (i.e., where the land itself was not acquired) were also fully compensated for.
- 37. Regarding the stringing of the transmission line over private property, the Bank and NEA recognized that the easement creates economic impacts due to the restrictions on land use in the RoW, despite the fact that ownership of the land within the RoW remains unaffected. Such economic impacts include the inability to build structures in the RoW or plant economically valuable trees beyond a certain height.

title holder, or trees and assets that may not have been surveyed. The next step in the process is conducting a full census.

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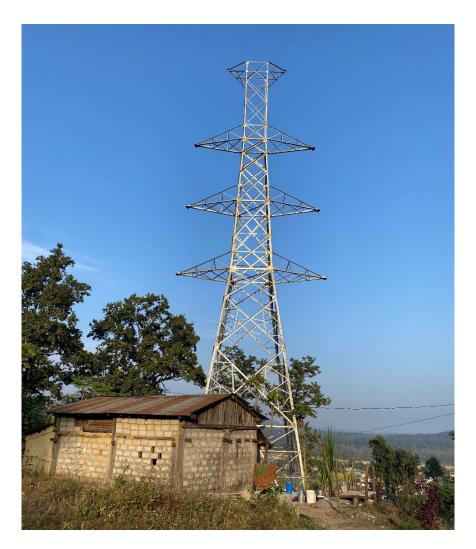


Photo 1. Example of a building (close to tower no. 200) that has to be compensated for and moved

- 38. Another aspect that had a specific impact on land acquisition was the Government's economic recovery plan after the civil war ended in Nepal in 2006. The plan included support for international work programs to allow workers to go abroad and provide remittances. This led to a practice of mortgaging land to pay for the migration costs involved. Most of the financial institutions in Nepal, however, do not accept land in a RoW as collateral for loans. Therefore, landowners now demanded full acquisition and compensation of properties in the RoW, while such compensation according to NEA is not consistent with Nepali law.
- 39. In the past, the GoN has paid a flat rate of 20 percent of land value once as easement fee to people affected by a transmission line strung over their property. This led to disputes in transmission line projects across Nepal, as the payment was not considered as adequately reflecting the real economic loss experienced by landowners. The Bank has been working with the GoN for many years to develop a more robust and equitable RoW policy. This draft policy is yet to be passed by the Cabinet. In the absence of this policy being approved, the Bank supported NEA to revise the RAP to more adequately take into account the

impacts of the RoW and provide a graduated easement fee up to 50 percent of the land value.<sup>4</sup> The revised RAP provides for that.

# Disputed land acquisition notice of May and September 2021

- 40. On May 19, 2021, the Bank team was contacted by LAHURNIP regarding a land acquisition notice, which was issued on May 15, 2021, by the District Administration Office for the two remaining tower pads (no. 198 and no. 199) on the transmission line. This land acquisition notice was issued despite the Supreme Court's Stay Order.
- 41. On May 21, 2021, Management met with the Managing Director (MD) of NEA on the issue of the land acquisition notice, during which meeting the MD decided to withdraw the notice. NEA noted in a letter on May 23 that the land acquisition notice was issued only with the intent to process valuation of land, but not to move ahead with works. Nevertheless, the Bank received confirmation that NEA withdrew the notice of land acquisition for the Dumkibas area on May 24, 2021. The Bank informed LAHURNIP both of the Bank's actions and of the withdrawal of the land acquisition notice by NEA (by telephone on May 25, 2021, and by e-mail on May 29, 2021).
- 42. In September 2021, NEA published a second land acquisition notice on the grounds that the Supreme Court's Stay Order applied to a cessation of construction activities. In any case, NEA will have to wait for the court's decision regarding the current routing before it can proceed. The Bank has reminded NEA that applicable policies still apply, and that any land takings remain subject to the provisions of OP 4.12.

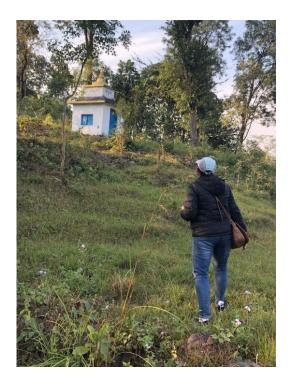
### Environmental impacts

Cultural sites and schools

43. *Cultural, sacred, or religious sites.* The Request alleges that such sites would be affected by the transmission line, but provides no specific information, name, or location. The 2007 EIA did not identify any cultural or sacred sites in the RoW corridor in the area concerned. Likewise, the 2012 Social Impact Assessment (2012 SIA) also did not identify sites in the area concerned. During consultations and community meetings to date this issue has never been raised. The Bank team visited the site again on December 13, 2021 and found two small shrines that are located on public land close to the transmission line. One shrine is located outside the RoW, while the other one falls within it. In line with Bank policy, the Project will offer to relocate the affected shrine, as per the community's preference. This will be discussed with Project-affected people as part of the RAP finalization and implementation.

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<sup>&</sup>lt;sup>4</sup> Per the 2021 RAP, easement fee to be paid as per the area of the land: 20 percent of valuated amount paid as easement fee if 25 percent or less land falls under RoW; 30 percent for 25 to 50 percent of land under RoW; 40 percent for 50 to 75 percent of the land under Row; and 50 percent for 75 percent and over.



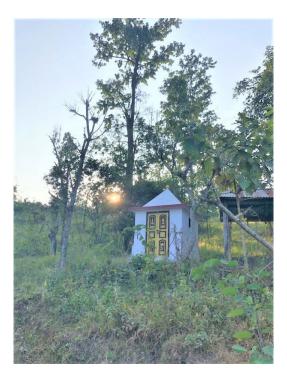


Photo 2: Small private shrines (of Gumba and Magar origin) located near the transmission line

#### Schools

- 44. Two schools are located in Dumkibas but are well outside of the RoW. *Manakamana Secondary School* is about 250 m north of the transmission line routing, and *Bhanudaya Secondary School* is about 200 m south of the transmission line (see Map 2).
- 45. The access to schools and forest sites will not be adversely impacted by the transmission line. There is no risk in walking underneath the transmission lines, which are built according to standards to ensure human safety. These standards also require weather patterns to be taken into account when designing transmission lines in order to ensure they are safe, including during rainy seasons.

### Forest

- 46. The transmission line route selected had the least impact on forest among the alternatives, as the others would have entailed more forest clearance. Based on the 2007 EIA and the 2012 EMAP, the Project employed a mitigation hierarchy to avoid and minimize impacts on flora and fauna and biodiversity.
- 47. The 2012 EMAP estimated that within the RoWs of the BB and HB transmission lines, approximately 193 ha and 187.5 ha of forest land would be affected, respectively. In several sections of the RoW of both segments, the forest quality is degraded, with short trees (less than 3 m), shrub and grasslands. The species of vegetation affected are prevalent in the adjoining forests and throughout the Terai forests in Nepal. The 2012 EMAP estimated that about 16,267 trees in the BB RoW and associated substation areas would

have to be cut from community and government forests. As of June 2021, the total forest area affected by the BB transmission line was 193 ha.

- 48. The Project followed the mitigation hierarchy by avoiding and minimizing forest clearance and followed stringent procedures for tree felling, which required identification and marking of trees to be felled in the presence of Forest officials and the final permit for felling to be scrutinized by Forest offices at various levels (Divisional Forest Office, Department of Forest, Ministry of Forest & Environment, and final approval by the Council of Ministers).
- 49. Compensatory plantation is the main mitigation measure, with 25 trees to be planted and maintained for each tree cut, in compliance with the Department of Forest Regulations. As compensatory plantation had not been completed by Project closure, NEA committed to completing the remaining plantation as part of the Action Plan agreed with the Bank on Post-Closure Safeguard Rectification Measures.
- 50. The EIA also confirmed that the transmission line route is not within the path of migratory bird species. NEA closely monitored the construction activities in the forest areas. There has been no report of any impact on wildlife during construction. Impacts on the forest, wildlife and avifauna during operation are expected to be minimal as regeneration of vegetation up to a certain height under the transmission line (in the RoW) is permitted, and there will be no disturbances to wildlife movement arising from the operation of the transmission line.

# Alleged health and safety impacts

- 51. Management understands the concerns of the Requesters regarding potential environmental, health and safety impacts that relate to the Project. Management has reviewed again the Project design and has confirmed that the Project complies with the relevant environmental, health and safety requirements of Bank policy. Management considers that all impacts were carefully studied in the Project's EIA and that the mitigation measures in the Project's EMAP, which are under implementation.
- 52. The concerns about physical and health-related impacts from the transmission line raised in the Request are not realistic and are based on incorrect assumptions. This specifically pertains to the assumption that Project-affected people would be required to continue living in houses which would then be under the transmission line or in the immediate proximity of the towers, and that crossing under the line would be dangerous.
- 53. A Bank team visited the Dumkibas site on December 13, 2021, to review the concerns expressed in the Request and verified the specific cases cited, as follows:
  - The tower cited in the Request as no. 201 appears to be tower no. 200, which has been built on public land, about 5 meters away from a house. These residents cannot remain there and will have to be compensated and moved away from the RoW should the line be completed on the current alignment. There are 4 more structures close to tower no. 200 that need to be removed, because they are in the RoW. One resident confirmed that he is aware that he will need to move.

- The tower cited in the Request as no. 200 appears to be tower no. 199. This tower will indeed have to be built in a location between two houses. However, both houses would then be in the RoW and would need to be compensated for and moved, should the line be completed with the current alignment.
- Towers no. 198 and no. 199 are yet to be built. No lines have been strung yet.
- 54. Management recognizes the need for additional community outreach and education about transmission line safety. Management will request NEA to organize and carry out such informational campaigns.
- 55. It is not clear from the Request what "ramifications" people allegedly suffer from already, given that the transmission line is not completed and energized. The transmission line is designed and constructed in line with the appropriate technical specifications and industry standards. As per the contract, the transmission lines are to be built with a minimum ground clearance of 7.5 m above the ground. Agriculture and other activities can be pursued under the towers as long as equipment or vehicle height does not exceed 4.5 m. Given the type of agriculture pursued in this area, no vehicles or equipment taller than 4.5 m are used.
- 56. The transmission line will be built with an earth wire (acting as a lightning rod) and grounding of each tower to protect the line from lightning. The contractor is responsible for performing a Tower Footing Resistance test of each tower and ensuring that tower footing resistance complies with the applicable safety standards. Like trees and other tall objects, transmission towers may indeed intercept lightning strikes, but they do not attract lightning. In any case a lightning strike on a grounded transmission tower does not create a safety hazard for community members.

# Alleged livelihood impacts

- 57. The adverse economic impact alleged in the Request is based on the wrong assumption that people cannot safely walk under the power line, which would prevent the cited economic activities from taking place, thus creating further economic impacts. This, however, is incorrect. None of the livelihoods cited in the Request will be affected by the operation of the transmission line: Agricultural activities, livestock, dairy, farming, nursery, fodder for cattle, and grazing can continue to take place under the transmission line. Agricultural and livestock activities take place under transmission lines around the world without any problems.
- 58. Any other impact on livelihoods that may result from temporary access restrictions during construction works or be related to the Project's permanent use of private or public land is governed by the Bank's policy, OP 4.12 on Involuntary Resettlement, to ensure that due process is followed, and adequate compensation provided.

# Indigenous Peoples

- 59. Management recognizes that Indigenous Peoples are present in parts of the Project area and that OP 4.10 on Indigenous Peoples is applicable to the Project. This recognition is based on the requirements of OP 4.10 as well as Nepal's National Foundation for Upliftment of Adivasi/Janjati Act, 2058 (2002). This was noted in the Project's appraisal stage Integrated Safeguards Data Sheet (ISDS).
- 60. It is important to note, however, that Dumkibas is a mixed community and that most of the Indigenous Peoples living in Dumkibas migrated into the area for economic and other reasons. As such, the OP 4.10 criterion of "collective attachment to geographically distinct habitats or ancestral territories in the project area" is not met by the Indigenous Peoples living in the portion of the Project area that is subject to this Request. The 2012 SIA identified Dalits and women-headed households as among the most vulnerable to negative impacts of the Project. Given this diverse set of groups with differing levels of vulnerability, a Vulnerable Communities Development Plan (VCDP) was prepared rather than an Indigenous Peoples Plan in addition to the RAP, to help mitigate impacts on the community.

# **Consultation and disclosure**

- 61. A public consultation about the Project was conducted by NEA on September 12, 2005 at Kawasoti, Nawalparasi. Prior to the consultation, the following approaches were used by the Project to disseminate information and seek input from affected community members:
  - Letters sent to Village Development Committees (VDCs), including Dumkibas, to send representatives August 31, 2005;
  - Letters sent to civil society organizations and journalist association informing about the consultation;
  - Notices published in national daily newspaper on June 4-6, 2005;
  - Notice posted in affected areas VDCs in June 2005;
  - Three mobilizers informed Project-affected people about the consultation; and
  - Local FMs disseminated information.
- 62. Furthermore, consultations for the 2012 SIA, the 2012 VCDP, and the 2012 RAP were also conducted in Dumkibas. These consultations included approaches such as focus group discussions, participatory rapid appraisal, and household survey. Dumkibas was one of the consulted villages.
- 63. According to NEA, during the years of 2015 2017 several consultations were held with community members in Dumkibas, but those are not fully documented as participants refused to sign in or sign meeting minutes. During site visits in February 2017 and February 2018, this was also noted by Bank teams.
- 64. In 2018 NEA recruited an external facilitator upon the Bank's recommendation in order to find a new engagement with local landowners. The facilitator was to improve

interactions with the communities and to help negotiate solutions. The facilitator visited Dumkibas on February 11, 2020, February 17, 2021 and again on August 12, 2021. In Management's view, attempts to resolve compensation-related disputes may benefit from facilitated negotiation. For this reason, Management had encouraged NEA to pursue engagement through the external facilitator, or to consider an independent mediation.

65. Annex 2 provides more details on the consultations carried out in Dumkibas. Information on disclosure of safeguards documents under the BB line is included in Annex 3.

# Police deployment

- 66. Management is aware of a confrontation between the Nepali police and landowners on April 9, 2021. The Bank had no prior knowledge that police forces were present on site. As soon as the Bank became aware of the reported incident, Management raised the matter with the GoN, requesting that all Project activities cease immediately to help calm the situation.
- 67. The confrontation apparently occurred following the Stay Order granted by Nepal's Supreme Court on April 7 stopping any further work on the transmission line in the Dumkibas area. According to NEA, the Stay Order was only received on April 9, 2021 at 3 pm at the office of the local Chief District Officer and not properly communicated to the local authority. This lack of communication appears to be one of the reasons for the incident which took place on April 9, 2021.
- 68. No Bank staff were on site to witness the incident and Management has obtained divergent reports from multiple sources regarding the incident. Management has also reviewed the available media reports and videos shared on social media about the incident. However, the video and photo footage obtained is insufficient to determine what specific activities NEA was conducting on site and hence did not help to clarify the situation.
- 69. There are conflicting assertions by NEA and landowners as to what happened.
- 70. According to NEA, it attempted on April 9 to survey land jointly with a government land surveyor from the District Survey Office to identify the plots under the RoW of towers no. 198 and no. 199. NEA claims that it had obtained the consent of the affected persons to undertake this survey on their property. NEA, further claims that its team was attacked unprovoked by protesters throwing stones and injuring NEA personnel when they attempted to access one of the sites. This was when police intervened.
- 71. According to the landowners, <sup>5</sup> NEA allegedly attempted to undertake construction activities defying the Stay Order, which landowners tried to physically stop. At this point the police intervened with force and several people were physically hurt. The police also arrested a number of people, but subsequently released them on the same day. It is also the Bank's understanding that no charges were brought against any landowners.

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<sup>&</sup>lt;sup>5</sup> Expressed in virtual meeting with affected landowners, LAHURNIP and the Bank.

- 72. As stated before, the Bank was unaware of the police action until the complaint letters received on April 13 and 15, 2021. In response to the incident, Management met with the MD of NEA on April 15 and requested that all Project activities cease immediately to help calm the situation on the ground. Management has communicated to the GoN that project-affected persons need to be able to freely engage in consultations and express their grievances, which is the case for the Project. The GoN has confirmed this shared understanding but also pointed to the need to protect project staff from physical attacks.
- 73. While the Bank deplores any physical confrontation and injury to people, Management is not in a position to respond to the specific allegations regarding the Government's use of police, or questions of the legality or proportionality of such police deployments.

### Actions

- 74. Management has agreed with NEA that NEA will implement an Action Plan of "Post-Closure Safeguards Rectification Measures," which contains detailed time-bound actions that NEA has committed to follow through on, with a view to addressing weaknesses in the implementation of selected safeguard obligations.
- 75. Management has reminded the Borrower that finalization and implementation of the RAP in a manner that is aligned with Bank policy remains an obligation of the Borrower notwithstanding closure of the Project. The Bank will continue to follow up with the Borrower on this and other aspects of implementation of the post-closure action plan.
- 76. Furthermore, NEA has agreed to implement a communication plan by April 2022 to provide accessible information to communities about the transmission line that would address questions about health and safety in a manner accessible by different target groups.

### Conclusion

77. Management believes that the Bank has made every effort to apply its policies and procedures and to pursue concretely its mission statement in the context of the Project. In Management's view, the Bank has followed the policies and procedures applicable to the matters raised by the Request. As a result, Management believes that the Requesters' rights or interests have not been, nor will they be, directly and adversely affected by a failure of the Bank to implement its policies and procedures.

ANNEX 1
CLAIMS AND RESPONSES

No.	Claim	Response
1.	1. We the undersigned petitioners, are the affected people by the belowmentioned project, residing at [] which encompasses both Indigenous people – Magar, Gurung, Tamang – as well as non-Indigenous people – Dalits, Madhesis, and Khas Arya, and the constitution of Nepal recognizes them as Nepal's legal residents.	Management recognizes that Indigenous Peoples are present in parts of the Project area and that OP 4.10 on Indigenous Peoples is applicable to the Project. This recognition is based on the requirements of OP 4.10 as well as Nepal's National Foundation for Upliftment of Adivasi/Janjati Act, 2058 (2002). This was noted in the Project's appraisal stage ISDS.
		It is important to note, however, that Dumkibas is a mixed community and that most of the Indigenous Peoples living in Dumkibas migrated into the area for economic and other reasons.  As such, the OP 4.10 criterion of "collective attachment to geographically distinct habitats or ancestral territories in the project area" is not met by the Indigenous Peoples living in the portion of the Project area that is subject to this Request.
		The 2012 SIA identified Dalits and women-headed households as among the most vulnerable to negative impacts of the Project. Given this diverse set of groups with differing levels of vulnerability, a VCDP was prepared – rather than an Indigenous Peoples Plan – in addition to the RAP, to help mitigate impacts on the community.
2.	Original route changed: As per the survey license issued on [September 2006] the proposed original route of the transmission line was Jyamire Hulaki Khola of Ward No. 1 of the same Rural Municipality. There was no survey conducted to move the transmission line to [] and this area falls under densely populated residential areas. This license was valid till 2008. However, without community members' consent and public	The original route was not changed. Management notes that the dispute about the line's routing is partly driven by the landowners' incorrect belief that the original routing led the line south of the East-West Highway and hence avoided their area of Dumkibas altogether (passing it at a distance 5 km south), and that this routing was later changed to their disadvantage. This is not correct. Management reviewed all pertaining documentation and can confirm that starting with the 1998 alignment, all subsequent adjustments to the routing led the line north of the highway. NEA also confirms no routing that would have avoided Dumkibas partly or entirely was ever considered, discussed, or communicated. It is not clear on what basis the landowners assert otherwise.
	notification, the tower 44AP of the transmission route is moved to [].	Adjustments to the 1998 transmission line alignment were made as per standard practice to minimize the impact on people and the environment. As noted in the 2007 EIA, notification of the BB line was made, and consultations were held in line with Nepali law. Any adjustments made to routing however, were marginal and remained within the current RoW corridor.
		Irrespective of this, the Request claims that the landowners' consent was required for the final routing and land acquisition, which is not required under Nepali law or Bank policy.
		In Management's view, the current alignment, adopted by NEA in 2012, reflects a reasonable effort on the part of NEA to weigh alternatives and to minimize impacts on landowners and the environment. Nevertheless, in light of continuing concerns raised by landowners in Dumkibas, the Bank has encouraged NEA to continue

No.	Claim	Response
		to explore the costs and benefits of further adjustments to the routing, and to include such considerations in ongoing dispute resolution efforts with the landowners.
		On April 5, 2021, a group of landowners affected by the BB line in Dumkibas filed a complaint with the Supreme Court of Nepal against the construction of the transmission line in the current routing. The Supreme Court admitted the lawsuit and on April 7, 2021 issued a Stay Order on any works pending the court's decision. It is currently not clear by when the Supreme Court will render a decision on the matter. In addition, it is unclear what other legal avenues may be pursued by either party subsequently. Until such time, the construction of the missing towers and the completion of the line will remain stalled.
		A key component of the lawsuit is the landowners' incorrect assertion that the line's routing originally avoided the Dumkibas settlement north of the East-West Highway altogether, and that this routing was illegally changed later to go through the part of Dumkibas located north of the East-West Highway. This is not correct. All alignments that were surveyed did pass through Dumkibas.
		Background
		The route alignment for BB, originally outlined in 1998, was revised in 2004 with the aim to avoid settlements and important landmarks. Based on the 2004 route alignment, a survey license was issued on October 13, 2006. The 2007 EIA Report of the Hetauda-Bharatpur-Bardaghat 220 kV Transmission Line Project then proposed two route alternatives for the transmission line and recommended the alternative under which only 31 houses would need to be relocated, rather than 200 as under the previously proposed alignment. The chair of the Local Government unit covering Dumkibas expressed support for the Project, as described in the 2007 EIA. Local landowners at that time, however, asked that the line be re-routed, and wrote to the Minister of Energy in 2006 and again in 2008 to request realignment.
		As per standard practice, the contractor who was awarded the contract finalized the route alignment in 2012 for the BB transmission line segment as part of its scope of work. In the Dumkibas area, minor adjustments to the location of the angle towers <sup>2</sup> were made compared to the 2004 alignment. The final BB route sought to avoid settlements as much as possible and passes

<sup>&</sup>lt;sup>1</sup> The EIA includes a letter from the then Chief of the Village Development Committee of Dumkibas. The letter states that as per the letter received from NEA on March 16, 2005 (2061/12/3 BS), it is understood by the VDC that there is no major adverse impact on the community. Therefore, as per Article 10 of the Environmental Act 2054, the VDC recommends implementation of the Project.

<sup>&</sup>lt;sup>2</sup> Angle towers are used where a line must change direction.

No.	Claim	Response
		through forest land for about 80 percent of the route. No further change has been made to the route alignment after 2012.
		In 2013, the BB transmission line was incorporated into the NIETTP through Additional Financing, as the project it was originally part of was closing. At that time, the Bank team noted that a number of landowners in the Dumkibas area sought either a rerouting of the transmission line or the complete acquisition of their properties in the RoW corridor, rather than partial acquisition or payment of easement fees. This, however, was not consistent with the policy for land acquisition in RoWs in Nepal and not required by OP 4.12. Hence, this demand could not be accommodated.
		The contract for construction works had been signed in November 2010 under the previous project. Procurement of goods and obtaining approvals for forest clearance and land acquisition took almost two years. An ensuing contractual dispute between the original contractor and NEA led to the contract's termination in June 2017. A new contractor was selected and mobilized in August 2018.
		Due to these delays the Bank requested NEA in 2017 to revisit and confirm the alignment for those areas where disputes with landowners had emerged. NEA produced a draft alternative alignment analysis based on a desk study. However, the NEA team was not able to discuss the options for route alignment adjustments with the community members who declined to engage on this, absent a complete re-routing away from Dumkibas. The desk study results indicated that changes to the alignment either would not be feasible financially, or they would increase adverse impacts on the environment, or transfer the land acquisition impacts from one group of landowners to another.
		NEA prepared and disclosed the RAP in 2012 for the angle towers and structures. For the purpose of starting the stringing works in the RoW, NEA updated the RAP in 2021 based on the current alignment (see Map 1), which now needs to be finalized, disclosed, and implemented. Due to the pending lawsuit, however, NEA has halted any further assessment of possible alternative routings to await the court's decision on the appropriateness and legality of the current routing.
3.	Community appeal to Ministry of Energy (MOE): On [] community appealed to the then VDC (Village Development Community) to send a letter on their behalf to the Ministry of	Management notes that under Nepali law and Bank policy, NEA is not required to secure the consent of local landowners for a change in route alignment or land acquisition. Bank policy requires adverse impacts to be avoided or minimized, where possible, and otherwise mitigated and compensated.
	Energy (MOE) to reconsider the original route. The letter detailed that the new route had an adverse impact on	<b>Route alignment.</b> See Item 2 above regarding the transmission line alignment.
	96 households' residential and agricultural land also causing health	Alleged health hazards. Regarding health issues, please see Item 4 below.

#### No. Claim Response hazards, violation of human rights, and Consultations. A public consultation was conducted on September 12, 2005 at Kawasoti, Nawalparasi. Prior to the consultation, the potential displacement. following approaches were used by the Project to disseminate On [...] the [...] (VDC) issued a letter information and seek input from affected community members: on behalf of the community to MOE requesting to move tower no. 199 and Letters sent to VDCs, including Dumkibas, to send representatives 200 and choose a safe alternative route - August 31, 2005; through the northeast of [...] (Mijing Letters sent to civil society organizations and journalist *River*) this route avoids human association informing about the consultation; settlement areas. Or follow the original Notice published in national daily newspaper on June 4-6, 2005; route as mentioned in Survey One. Notice posted in affected area VDCs in June 2005: Three mobilizers informed Project-affected people about the Despite all the appeals sent to MOE, consultation; and towers no. 197 and 198 were installed Local FMs disseminated information. in [...] riverbank and tower no. 201 and 202 were installed in forests [that they Furthermore, consultations for the 2012 SIA, the 2012 VCDP, and the usel by mobilizing armed security 2012 RAP were also conducted in Dumkibas. These consultations forces. To date, MOE never procured included approaches such as focus group discussions, participatory expressed consent and all the rapid appraisal, and household survey. Dumkibas was one of the installation work is carried out without consulted villages. Annex 2 provides more details on the consultations the consent of the 96 households. On carried out in Dumkibas. Information on disclosure of safeguards September 12, 2005, as per the EIA documents under the BB line is included in Annex 3. report, a public hearing was carried out The Bank has consistently requested NEA to seek an amicable in Kawasoti 30 KMs from [...] and it's resolution of the disputes concerning the route alignment and the a different municipality. The affected acquisition of the land needed for the route. NEA has complied with community was absent in this hearing the Bank's request and refrained from initiating land acquisition in due to no prior public notification and Dumkibas using eminent domain powers without first forging an [...] (VDC)'s lack of communication. agreement with the landowners. Towards this end, NEA has engaged a facilitator to improve interactions with the communities and to help negotiate solutions. If no agreement can be reached with the landowners, Bank policy requires that any adverse impacts as a result of involuntary acquisition be avoided or minimized where possible, or otherwise mitigated and compensated. With regard to community concerns about consultation and decision making, the Bank asked NEA on December 19, 2018 to engage an external facilitator to help understand these concerns and develop possible options for settling disputes. Unfortunately, COVID-19 restrictions led to serious delays and a subsequent illness of this individual resulted in the hiring of a new external facilitator by NEA on July 18, 2021. The new external facilitator visited the site on August 12, 2021, spoke to some members of the community and made a preliminary report to NEA. Management notes that there are slight discrepancies in the tower numbers referenced in the Request. Towers in the Dumkibas area are nos. 197, 197+, 198, 199, 200, 201, and 202 (which are located between angle towers J43 and J44). NEA built towers no. 197 and no. 197+ on the east riverbank and nos. 200, 201, and 202 in the

No.	Claim	Response
		forest (on the west bank) in November-December 2020, but refrained from any construction involving private land.
		The Bank was unaware this construction had occurred until it was brought to the Bank's attention in the complaint by landowners in April 2021.
		See Item 11 below for details regarding the Bank's response to this incident.
4.	Adverse Impacts.  The project has adverse impacts as follows: (People have begun to already experience and suffered ramifications of this project, and some have a grave impact if the project executes in status quo).	Management understands the concerns of the Requesters regarding potential environmental, health and safety impacts that relate to the Project. Management has reviewed again the Project design and has confirmed that the Project complies with the relevant environmental, health and safety requirements of Bank policy. Management considers that all impacts were carefully studied in the Project's EIA and that the mitigation measures in the Project's EMAP, which are under implementation.
	Physical harm: The project harms the people's life directly as the transmission line passes through – agricultural land, houses, schools, community houses, public places, and sacred sites. A leak of electricity, thunder harms the lives of people while engaging in farming, school commute, and performing rituals and festivals. For instance, putting life at grave risk a tower pad (Tower No. 201) has been installed in front of the house within 5	The concerns about physical and health-related impacts from the transmission line raised in the Request are not realistic and are based on incorrect assumptions. This specifically pertains to the assumption that Project-affected people would be required to continue living in houses which would then be under the transmission line or in immediate proximity of the towers, and that crossing under the line would be dangerous. These assumptions are incorrect. Any Project-affected people living in houses in the RoW would be compensated and required to move out of the RoW. Passage through and across the RoW does not present a risk of physical harm and the RoW can be crossed freely.
	meters of [] family members reside in the house including an infant. Community members protested for the	A Bank team visited the Dumkibas site on December 13, 2021, to review the concerns expressed in the Request and verified the specific cases cited, as follows:
	installation, but the police force was deployed, and installation was carried out.  [From Notice of Registration:	- The tower cited in the Request as no. 201 appears to be tower no. 200, which has been built on public land, about 5 meters away from a house. These residents cannot remain there and will have to be compensated and moved away from the RoW should the
	According to the Requesters, another tower, 200, was going to be built "in the middle of two houses" and a community member's cow shed was dismantled in the process.  The Requesters state that the power lines have not yet been put in place and nothing currently prevents community members from accessing the forest and	line be completed on the current alignment. There are 4 more structures close to tower no. 200 that need to be removed, because they are in the RoW. One resident confirmed that he is aware that he will need to move.  - The tower cited in the Request as no. 200 appears to be tower no.
		199. This tower will indeed have to be built in a location between two houses. However, both houses would then be in the RoW and would need to be compensated for and moved, should the line be completed with the current alignment.
	the wood collection area. However, due to the proximity of these lines to houses and schools, and the location of wood	- Towers no. 198 and no. 199 are yet to be built. No lines have been strung yet.

No.	Claim	Response
	concerned about various potential harms that could occur once these lines are installed. They claim the power lines are dangerous and might cause accidents, especially during rainy seasons.]	Management recognizes the need for additional community outreach and education by NEA about transmission line safety. Management will request NEA to organize and carry out such informational campaigns.
		It is not clear from the Request what "ramifications" people allegedly suffer from already, given that the transmission line is not completed and energized. The transmission line is designed and constructed in line with the appropriate technical specifications and industry standards. As per the contract, the transmission lines are to be built with a minimum ground clearance of 7.5 m above the ground. Agriculture and other activities can be pursued under the towers as long as equipment or vehicle height does not exceed 4.5 m. Given the type of agriculture pursued in this area, no vehicles or equipment taller than 4.5 m is used.
		The transmission line will be built with an earth wire (acting as a lightning rod) and grounding of each tower to protect the line from lightning. The contractor is responsible for performing a Tower Footing Resistance test of each tower and ensuring that tower footing resistance complies with the applicable safety standards. Like trees and other tall objects, transmission towers may indeed intercept lightning strikes, but they do not attract lightning. In any case a lightning strike on a grounded transmission tower does not create a safety hazard for community members.
5.	Impacts to flora and fauna, environment, biodiversity: Environmental degradation, and adverse impacts to flora & fauna, and biodiversity is another crucial aspect	The transmission line route selected had the least impact on forest among the alternatives, as the others would have entailed more forest clearance. Based on the 2007 EIA and the 2012 EMAP, the Project employed a mitigation hierarchy to avoid and minimize impacts on flora and fauna and biodiversity.
	the project will cause.	The 2012 EMAP estimated that within the rows of the BB and HB transmission lines, approximately 193 ha and 187.5 ha of forest land would be affected, respectively. In several sections of the RoW of both segments, the forest quality is degraded, with short trees (less than 3 m), shrub and grasslands. The species of vegetation affected are prevalent in the adjoining forests and throughout the Terai forests in Nepal. The 2012 EMAP estimated that about 16,267 trees in the BB RoW and associated substation areas would have to be cut from community and government forests. As of June 2021, the total forest area affected by the BB transmission line was 193 ha.
		The Project followed the mitigation hierarchy by avoiding and minimizing forest clearance and followed stringent procedures for tree felling, which required identification and marking of trees to be felled in the presence of Forest officials and the final permit for felling to be scrutinized by Forest offices at various levels (Divisional Forest Office, Department of Forest, Ministry of Forest & Environment, and final approval by the Council of Ministers).

No.	Claim	Response
		Compensatory plantation is the main mitigation measure, with 25 trees to be planted and maintained for each tree cut, in compliance with the Department of Forest Regulation. As compensatory plantation had not been completed by Project closure, NEA committed to completing the remaining plantation as part of the Action Plan agreed with the Bank on Post-Closure Safeguard Rectification Measures.
		The EIA also confirmed that the transmission line route is not within the path of migratory bird species. NEA closely monitored the construction activities in the forest areas. There has been no report of any impact on wildlife during construction. Impacts on the forest, wildlife and avifauna during operation are expected to be minimal as regeneration of vegetation up to a certain height under the transmission line (in the RoW) is permitted, and there will be no disturbances to wildlife movement arising from the operation of the transmission line.
		There is no significant conversion of critical natural habitat because the BB TL does not pass through protected area or known critical natural habitat, or of critical forests areas. Most of the affected forests are community forests and it is estimated that less than 1 percent of the forest in the area is affected. Further, during the operation phase, regeneration of the vegetation in the RoW is permitted as long as it does not exceed a certain height.
		The EIA and EMAPs also identified risks to and impacts on wildlife movement and biodiversity during construction due to disturbances and human activity, and corresponding mitigation actions were identified and included in the EMAPs and implemented by the contractors.
		Further research undertaken in 2021 indicates the possibility of the NIETTP-funded transmission lines intersecting with some bird movement corridors east of Dhalkebar, which is more than 200 km east of Dumkibas. This, however, needs further studies. That said, bird collision with or electrocution by existing 132 kV lines are not known to be a common issue.
6.	Safety and security: It also threatens	See also item 4.
	the safety and security of people residing in the project areas. Three schools fall under 500 meters of the transmission line and pose a grave danger to lives. [] Secondary School, [] Secondary School, and [] Academy).	<b>Schools.</b> Two schools are located in Dumkibas but are well outside of the RoW. <i>Manakamana Secondary School</i> is about 250 m north of the transmission line routing, and <i>Bhanudaya Secondary School</i> is about 200 m south of the transmission line (see Map 2).
		The third school cited in the request ("[] Academy") could not be identified during the field visit. Local communities and the local authorities were also not aware of a third school in the vicinity of the transmission line.
		The access to schools and forest sites will not be adversely impacted by the transmission line. There is no risk in walking underneath the

No.	Claim	Response
		transmission lines, which are built according to standards to ensure human safety. These standards also require weather patterns to be taken into account when designing transmission lines in order to ensure they are safe, including during rainy seasons.
		The transmission line and towers were routed and designed so as to keep the minimum distance from any building, structure, and the ground as per industry standards and practice and in accordance with the Nepal Electricity Regulation 1993 and WBG EHS Guidelines (Electric Power Transmission and Distribution). This is to ensure health and safety of communities during the operation of the line.
		There are no threats to the safety and security of people residing in the Project area stemming from the transmission line. The RoW of the transmission line is 30 meters wide. There is no limitation or impacts on the cited structures, which are 200-300 meters away from the transmission line.
		It remains unclear what the Request means by "grave dangers." No serious risks from the operation of transmission lines are plausible nor were such risks identified in the ESIA.
		Occupational health and safety and community health and safety (OHS/CHS) during construction was one of the risks identified by the EIA and EMAPs, for which mitigations measures were identified. These measures were included in the bidding documents and civil works contracts. The contractor is required to comply with OHS measures. Monitoring done by the NEA and by the Bank during site visits noted variations in the level of compliance with OHS/CHS measures at different sites along the length of transmission lines, and highlighted during the regular supervision missions. These issues were raised to the Borrower and action plans were developed to improve this performance. No OHS/CHS-related incident or accident affecting workers or community members has been reported or observed during construction and there have been no fatalities reported during construction.
		While not articulated in the Request, Management notes that the Requesters' lawsuit raises concerns about electromagnetic radiation. Management has researched the matter and concluded that the scientific consensus is that no known health impacts can be linked to the electromagnetic exposure that is expected to stem from the Project.
		Internationally recognized radiation protection agencies and national health agencies have reviewed the scientific literature and evidence available and have concluded that evidence is insufficient to establish a definitive causal relationship between low frequency magnetic field exposure and increased incidences of cancer and other illnesses.
		The WBG EHS Guidelines (Electric Power Transmission and Distribution) state that: "Although there is public and scientific concern over the potential health effects associated with exposure to

No.	Claim	Response
		[electric and magnetic field] EMF (not only high voltage power lines and substations, but also from everyday household uses of electricity), there is no empirical data demonstrating adverse health effects from exposure to typical EMF levels from power transmissions lines and equipment."
		Furthermore, in Nepal there is a clear regulation (Electricity Regulation 1993) regarding safety of transmission lines with respect to the ground clearances, road crossing, distance to be maintained on either side of the line and grounding, etc., with which the Project complies.
7.	Displacement: Displacement of people is another major concern. It will cause displacement from houses, lands (agricultural and residential), economic, cultural, social, livelihoods, subsistence, income generations, etc.	The updated RAP prepared by NEA was reviewed by the Bank in September 2021. This update is based on several years of consultations with affected communities. It provides for additional benefits for Project-affected people, reflecting an effort on the part of NEA to address the potential economic costs associated with the limitations placed on the use of land subject to the RoW. Finalization and implementation of the RAP will likely be delayed pending the Supreme Court's decision on that routing of the transmission line.
		To date in the Dumkibas area, NEA has constructed towers only on public land, pending a resolution with private landowners. The section of the BB line that passes through the Dumkibas area is about 0.75 km (between towers no. 197+ and no. 200). The private landowners in Dumkibas have not yet accepted compensation or allowed construction to date. The two remaining towers in Dumkibas are no. 198 and no. 199.
		The current routing of the transmission line has resulted in minimizing the impact on Project-affected people and the environment. The current alignment affects 46 landowners and will require the physical movement of 16 households in the Dumkibas area. There are 5 landowners who will be affected by land acquisition for tower pads (for tower no. 198 and no. 199). The remaining 41 landowners have land that is affected by the RoW easement. The affected landowners' resistance partly stems from their demand that – in the absence of a change in routing – NEA should fully acquire the entire RoW corridor, an action that is not required under OP 4.12. Management understands from NEA that it is also not consistent with the national legal provisions for land acquisition for transmission lines. NEA believes that the improved compensation package for landowners and non-titleholders under the 2021 RAP may be acceptable to both sides.
		The 2021 RAP covers full compensation for the tower pad areas, structures, trees, and crops, in addition to payments for economic losses and disturbances caused by the displacement. Structures and trees in the RoW which had to be dismantled and/or removed (i.e., where the land itself was not acquired) were also fully compensated for.

No.	Claim	Response
		Regarding the stringing of the transmission line over private property, the Bank and NEA recognized that the easement creates economic impacts due to the restrictions on land use in the RoW, despite the fact that ownership of the land within the RoW remains unaffected. Such economic impacts include the inability to build structures in the RoW or plant economically valuable trees beyond a certain height.
		Another aspect that had a specific impact on land acquisition was the Government's economic recovery plan after the civil war ended in Nepal in 2006. The plan included support for international work programs to allow workers to go abroad and provide remittances. This led to a practice of mortgaging land to pay for the migration costs. Most of the financial institutions in Nepal, however, do not accept land in a RoW as collateral for loans. The landowners now demanded full acquisition and compensation of properties in the RoW, whereas according to NEA such compensation is not consistent with Nepali law.
		In the past, the GoN has paid a flat rate of 20 percent of land value as easement fee to people affected by a transmission line strung over their property. This led to disputes in transmission line projects across Nepal, as the payment was not considered as adequately reflecting the real economic loss experienced by landowners. The Bank has been working with the GoN for many years to develop a more robust and equitable RoW policy. This draft policy is yet to be passed by the Cabinet. In the absence of this policy being approved, the Bank supported NEA to revise the RAP to more adequately take into account the impacts of the RoW and provide a graduated easement fee up to 50 percent of the land value. The revised RAP provides for that.
8.	Adverse impacts to sacred sites: The project will cause adverse impacts to sacred sites, public places (schools), cultural, religious sites, etc.	Cultural, sacred, or religious sites. The Request alleges that such sites would be affected by the transmission line, but provides no specific information, name, or location. The 2007 EIA did not identify any cultural or sacred sites in the RoW corridor in the area concerned. Likewise, the 2012 SIA also did not identify sites in the area concerned. During consultations and meetings with the local community, to date this issue has not been raised. The Bank team visited the site again on December 13, 2021 and found two small shrines that are located on public land close to the transmission line. One shrine is located outside the RoW, while the other one falls within it. In line with Bank policy, the Project will offer to relocate the affected shrine, as per the community's preference. This will be discussed as part of the RAP finalization and implementation.
		Regarding school locations, see Item 6. A church is located about 300 m away from the transmission line.
		Following the recent complaint by the Dumkibas community in March 2021, and a virtual meeting with the community, concerns were raised that children would have to cross under the transmission

No.	Claim	Response
		line. It was explained that there is no risk to adults or children crossing underneath the transmission line (see Item 6 above on safety). The transmission line does not restrict movement of people who need or wish to pass under it.
		NEA will follow up by providing educational and informational materials to address the community's questions and concerns regarding health issues in an accessible manner for different age and literacy groups.
9.	<b>Right to housing:</b> It also deprives the community of the right to housing. The community members, residing in the project areas for generations, and some	The Project does not deprive community members of housing. If land needs to be acquired for or is impacted by the Project, the affected household will be resettled and/or compensated in line with Bank policy requirements.
	of them have allocated their land plots and planned for the construction of	See Item 7 for land acquisition.
	houses there already. But, suddenly the project came to operate of making those constructions illegal, and they cannot build houses forever where the transmission line goes. People cannot freely dispose of their property (due to devaluation of land, neither banks accept them as collateral for loans nor they can sell or Kitta Kaat (Split the land for plotting in small sizes).	Physical displacement of people caused by the transmission line was addressed in the original RAP for the Project, which was disclosed on March 2, 2012. Management recognized, as discussed in Item 7 above, that some impacts to land and structures in the RoW were not adequately addressed in the original RAP and hence worked with NEA to revise the RAP to achieve an appropriate compensation package. The revised 2021 RAP also provides for transportation costs and a disruption allowance.
		Compensation for residential structures is paid at full replacement cost, including the full cost of the land on which the structure was built (both for tower pads and in the RoW). This allows affected Project-affected people to buy an equivalent piece of land in case they do not have enough remaining land to rebuild their house outside the Project's footprint.
		To mitigate the economic impact due to land use restrictions in the RoW, the revised RAP includes additional compensation of up to 50 percent of the value of the land in the RoW.
10.	<b>FPIC:</b> Free, Prior, and Informed Consent is one of the important aspects	The Bank's operational policies applicable to this project do not require Free, Prior, and Informed Consent.
	that need to respect by the projects in accordance with the provisions of ILO Convention No. 169 and the United Nations Declaration on the Rights of Indigenous Peoples. Those mandatory provisions were violated by the project as did not have disseminated	The Bank's responsibility is limited to ensuring that its operational policies and procedures mandated by the Bank's Board are complied with by the Borrower. The Bank is not mandated nor in the position to review the Borrower's compliance with international conventions and declarations, insofar as they do not relate to Bank policy.
	information pertaining to the project and no consultations have been carried	The Bank does recognize the presence of Indigenous Peoples in this Project and therefore triggered OP 4.10.
	out with the affected communities. Rather it has prepared forged documents related to the consultation or public hearing was added. The project gathered people who are not	Annex 2 provides a list of all documented community consultations and document disclosures. The concerns of the communities have remained the same over the years, with communities preferring a change in line routing, and expressing concern about the loss of land.

No.	Claim	Response
	affected by the project and name it consultation. In fact, there was no participation of actually affected peoples in the process. This has created conflict among the community.	Management is not aware of the allegation that documents for the consultation have been forged. This issue has not been raised previously. Without more specific information it is not possible to review this claim.
11.	Torture/Intimidations: Despite an interim stay order in place issued by Supreme Court (Dated []), a tower pad was dug, and the community organized a peaceful protest. But the authorities retaliated by deploying armed forces, physically assaulted, and used tear gas. Women, senior citizens, and a toddler were wounded.	The Bank had no prior knowledge of the reported use of police. As soon as the Bank became aware of the reported incident, Management raised the matter with the GoN, requesting that all Project activities cease immediately to help calm the situation.  The confrontation apparently occurred following the Stay Order granted by Nepal's Supreme Court on April 7 stopping any further work on the transmission line in the Dumkibas area. According to NEA, the Stay Order was only received on April 9, 2021 at 3 pm at the office of the local Chief District Officer and hence was not properly communicated to the local authority. This lack of communication appears to be one of the reasons for the incident which took place on April 9, 2021.  No Bank staff were on site to witness the incident and Management has obtained divergent reports from multiple sources regarding the incident. Management has also reviewed the available media reports and videos shared on social media about the incident. However, the video and photo footage obtained is insufficient to determine what specific activities NEA was conducting on site and hence did not help to clarify the situation.  There are conflicting assertions by NEA and landowners as to what happened:  • According to NEA, it attempted on April 9, 2021 to survey land plots jointly with a government land surveyor from the District Survey Office to identify the plots under the RoW of towers no. 198 and no. 199. NEA claims that it had obtained the consent of the affected persons to undertake this survey on their property. NEA, further claims that it that was attacked unprovoked by protesters throwing stones and injuring NEA personnel when they attempted to access one of the sites. This was when police intervened.  • According to the landowners, NEA allegedly attempted to undertake construction activities defying the Stay Order, which landowners tried to physically stop. At this point the police intervened with force and several people were physically hurt. Police also arrested a number of people

No.	Claim	Response
		As stated before, the Bank was unaware of the police action until the complaint letters received on April 13 and 15, 2021. In response to the incident, Management met with the MD of NEA on April 15 and requested that all Project activities cease immediately to help calm the situation on the ground. Management has communicated to the GoN that project-affected people need to be able to freely engage in consultations and express their grievances, which is the case for the Project. The GoN has confirmed this shared understanding but also pointed to the need to protect project staff from physical attacks.
		While the Bank deplores any physical confrontation and people getting injured, Management is not in a position to respond to the specific allegations regarding the Government's use of Police, or questions of the legality or proportionality of such police deployments.
12.	Illegal land acquisition notice: Land acquisition public notification was	Management took action as soon as it learned of this issue and has confirmed that the land acquisition notice was removed.
	never published during the project scoping or implementation. After the Interim Stay-order was issued by the Supreme Court Dated [] On the First [] 1 <sup>st</sup> notice was issued amid COVID 19, community members protested stating that this was a violation of Stay Order and Lockdown rules. Eventually was forced to withdraw. On [] 2 <sup>nd</sup> land acquisition notice was issued.  [From Notice of Registration:  The Requesters allege that other houses in the community were marked for resettlement, but that these markings have since been erased.]	On May 19, 2021, the Bank team was contacted by LAHURNIP regarding a land acquisition notice, dated May 15, 2021, issued by District Administration Office for the two remaining tower pads (No. 198 and mo. 199) on the transmission line. This land acquisition notice was issued despite the Supreme Court's Stay Order.
		On May 21, 2021, Management met with the MD NEA on the issue of the land acquisition notice, during which meeting the MD decided to withdraw the notice. NEA noted in a letter on May 23 that the land acquisition notice was issued only with the intent to process the land valuation, but not to move ahead with works. Nevertheless, the Bank received confirmation that NEA withdrew the notice of land acquisition for the Dumkibas area on May 24, 2021. The Bank informed LAHURNIP both of the Bank's actions and of the withdrawal of the land acquisition notice by NEA (by telephone on May 25, 2021, and by e-mail on May 29, 2021).
		In September 2021, NEA published a second land acquisition notice on the grounds that the Supreme Court's Stay Order applied to a cessation of construction activities, but not of notification of Project affected persons. In any case, NEA will have to wait the court's decision regarding the current routing before it can proceed. The Bank has reminded NEA that applicable policies still apply, and that any land takings remain subject to the provisions of OP 4.12.
		Whether or not houses were marked for resettlement could not be ascertained during the site visit of December 13, 2021.
13.	Impacts to the Livelihoods: The project directly impacts the agriculture activities, lives, and economies affiliated with it, such as livestock,	The adverse economic impact alleged in the Request is based on the wrong assumption that people cannot safely walk under the power line, which would prevent the cited economic activities from taking place, thus creating further economic impacts. This, however, is incorrect. None of the livelihoods cited in the request will be affected by the operation of the transmission line. Agricultural activities,

No.	Claim	Response	
	dairy, farming, nursery, fodder for cattle, and grazing.	livestock, dairy, farming, nursery, fodder for cattle, and grazing can continue to take place under the transmission line. Agricultural and livestock activities take place under transmission lines around the world without any problems.	
		Any other impact on livelihoods that may result from temporary access restrictions during construction works, or be related to the Project's permanent use of private or public land is governed by the Bank's policy, OP 4.12 on Involuntary Resettlement, to ensure that due process is followed and adequate compensation provided.	
		The RAP is complemented by a separate VCDP, which addresses poverty among vulnerable community members in the Project area. Consultations were conducted during preparation of the SIA and RAP and these have been disclosed.	
		According to NEA, compensation for tower pads on private land has been paid, except for those areas where there is disagreement with the local landowners in relation to the line routing. Once the disputes have been resolved, these areas can be included in the RAP for compensation.	
		The VCDP focused on providing training to upgrade skills of vulnerable people to prepare them for income-earning opportunities and provided community support in accessing drinking water, health, sanitation, and small-scale irrigation facilities.	
14.	Previous Contact:	Management engaged with LAHURNIP promptly when issues were raised.	
	With the support of the Lawyers' Association for Human Rights of Nepalese Indigenous Peoples, we have submitted the complaint to the	Management undertook the following actions after receipt of the complaint on April 13 and 15, 2021, respectively.	
	management of the World Bank ([]).  Despite the response of the	<ul> <li>Responded immediately to the complaint by email to LAHURNIP on April 15, acknowledging receipt of message.</li> </ul>	
	management, the NEA and the government of Nepal keep on intimidating the community to allow them to continue project activities.  Through the communication, the community requested to facilitate to	• Bank's Country Director met with the MD NEA, and followed up with a letter dated April 26 (due to an administrative lapse only sent on May 21, 2021), stating the unacceptability of using security personnel, and requesting an immediate stop to survey and construction work (meetings held on April 15 and May 21, 2021), which was done	
	construct the transmission line in an original route that is stipulated in section 1 or take the alternative route to save human settlement to ensure safety	• Held virtual (due to COVID-19 lockdown in Nepal) meetings of Bank Project team with LAHURNIP on April 30, 2021, and with LAHURNIP and communities of Dumkibas on May 10, 2021.	
	and security. The project should respect fundamental rights enshrined under the Constitution, 2015 including to live, security, freedom of movement, residence, work, respect ILO C. 169 and UNDRIP, and respect the WB Safeguard Policies including	NEA confirmed the stoppage of construction and site activities in Dumkibas, aligned with the Court Stay Order issued by Nepal's Supreme Court, while resolution was being sought with communities. The external facilitator visited the site on August 12, 2021 and also confirmed that construction had stopped. Moreover, this was reported in the media.	

No.	Claim	Response
	Indigenous Safeguards, Social and Environment Safeguard Policies, etc.	See Item 16, below for actions Management has taken to support NEA in resolving the disputes with the communities.
15.	Safeguard policies: Following WB policies are not followed: The World Bank safeguard policies; a social and environmental, indigenous policy, ESS 7/10.	The ESF does not apply to this Project, which was approved prior to the ESF became effective in October 2018. The Operational Policies (OPs) applicable to the Project are OP 4.01, 4.04, 4.10, 4.12, and 4.36.
16.	Retaliation or threats for filing complaint:  The government and NEA may deploy security forces to oppress and intimidate the community, as the government did it before, The government commonly misused its power, including deploying the armed security forces and trap into false cases	The Bank does not tolerate reprisals and retaliation against those who share their views about Bank-financed projects. When complaints, including allegations of reprisal in connection with Bank projects, are brought to its attention, the Bank works with appropriate parties to address them. Those who feel they have been negatively affected are entitled to seek redress through robust mechanisms and instruments. In the case of the Project, Management engaged immediately with NEA on the April 9, 2021 incident as soon as it became aware of it.
	to suppress Indigenous Peoples and locals to implement development aggression.	With regard to the Project more broadly, the Bank wrote to NEA on April 26, 2021 listing 5 concrete action items that NEA should take in order to improve its overall approach to managing disagreements with local landowners, including the need to improve consultations, by making them fully transparent, inclusive, and well documented.
		The Bank's team supported NEA in the implementation of these measures by conducting a workshop dedicated to lessons learned from dispute resolution on June 18, 24 and 30 and July 1, 2021. On July 29, 2021, a further workshop was held to provide information on holding consultations in a safe manner with regard to COVID-19. On August 11, 2021, a further virtual workshop was held dedicated to managing the (new) RAP Implementation Plan, Grievance Redress Mechanism (GRM) and Communication Plan for NIETTP.
		The new external facilitator was hired as per the Bank's request on of July 18, 2021. The Bank team provided hands-on training to the facilitator on July 23, 2021. The external facilitator made a first visit to the site in August 2021 and reported back to NEA. It appears that the facilitators may have only spoken to landowners of tower pads during that first visit. The Bank team raised concerns about the need for a community-based approach, given the history of the dispute, and the need for a transparent process for all concerned, and suggested a follow-up meeting with the external facilitator and NEA on the process agreed in the former's terms of reference.
		On July 22, 2021, NEA provided a report on the proposed approach to dispute resolution in each of the disputed areas, which was one of the requirements for lifting the threat of suspension. It was informed by one of the workshops held between the Bank team and NEA at the end of June 2021, which focused on identifying new approaches for resolving disputes along transmission lines.

No.	Cla	aim	Response
	Re	quests	
17.	1.	Ensure full compliance with the World Bank safeguard policies including the policies related to Indigenous Peoples (ESS1 ESS4, ESS5, ESS6, ESS7, ESS 10, etc.).	As noted in Item 15, the Bank's OPs applicable to the Project are OPs 4.01, 4.10 and 4.12. The ESF is not applicable to this project.  The Project was prepared and implemented in accord with the requirements of the respective OPs. NEA has prepared the Action Plan: Post-Closure Safeguard Rectification Measures to implement all outstanding resettlement commitments and meet policy requirements. NEA confirmed that the required budget would be available to implement the plan.
18.	2.	Respect the provisions enshrined in ILO Convention 169 and United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).	The Bank's responsibility is limited to ensuring that its operational policies and procedures mandated by the Bank's Board are complied with by the Borrower. The Bank is not mandated nor in a position to review the Borrower's compliance with international conventions and declarations, as far as they do not relate to Bank Policy.
19.	3.	Conduct an independent investigation to reroute the transmission line to follow either the original transmission line route or to find the safer alternative ways.	See response under Item 2.
20.	4.	Remove the tower pad from in front of []'s house, this poses a life-threatening danger for [] kids.	During a field visit conducted on December 13, 2021, the Bank's team ascertained that a house was at about 5 m distance from tower no. 200. The house is in the RoW and will have to be moved along with 4 more structures nearby. See Item 4.
21.	5.	Immediate cease of violent use of power, Adho armed force deployment at tower pad installation site, violation of human rights, random visits by local authorities for solicitation with a permit to enter houses and questioning (affected communities are treated like suspects and local authority personnel enters their houses without consent).	Following the incident in Dumkibas on April 9, the Bank communicated to NEA and the GoN that local communities' concerns need to be adequately addressed, and that any construction activity was to cease immediately around the site to help calm the situation on the ground.  The Bank also requested NEA and the GoN to assess and report on the incident, including an account of what happened, whether any arrests/charges were made and whether and when those arrested (if any) were released. Further, the Bank requested NEA to review the adequacy of the latter's protocol related to the engagement of security personnel, and to adopt improvements if needed.
22.	6.	Restore the rights of indigenous peoples, Dalits, and other affected communities and find an amicable way to implement a new route implementation plan.	See Item 19 above.

Annex 2
List of Community Consultations in Dumkibas

Date	Mode of communication	Location	Reference
15-Mar-05	Letter sent by NEA to Dumkibas village development committee (VDC).	N/A	Annex 5-a of ESIA of Hetauda - Bardaghat 220 kV TL
31-Mar-05	Dumkibas VDC responded to NEA.	N/A	Annex 5-a of ESIA of Hetauda - Bardaghat 220 kV TL
4-6-Jun-06	<ul> <li>Public notice published in the national daily (Gorakhapatra).</li> <li>Local FM radio also announced the details of the public consultation such as dates and location.</li> <li>Notice posted in affected areas about the public consultation by mobilizing local helpers.</li> </ul>	N/A	Annex 5 of ESIA of Hetauda - Bardaghat 220 kV TL
31-Aug-05	<ul> <li>Letters sent to Civil Society         Organizations and Journalist         Association to inform about the         public consultation.</li> <li>Letters sent to VDCs to send         their representatives to the public         consultation.</li> </ul>	N/A	Annex 5 of ESIA of Hetauda - Bardaghat 220 kV TL
12-Sept-05	<ul> <li>Public consultation conducted:</li> <li>Participants were provided with booklet in Nepali language consisting of Project information and outcomes of the EIA report.</li> <li>The route alignment and maps were displayed for the participants.</li> </ul>	Shivamandir, Kawasoti, Nawalparasi	Annex 5 of ESIA of Hetauda - Bardaghat 220 kV TL
14-Sept-05	Public consultation conducted:  Participants were provided with booklet in Nepali language consisting of Project information and outcomes of the EIA report.  The route alignment and maps were displayed for the participants.	Basamadhi, Makwanpur	Annex 5 of ESIA of Hetauda - Bardaghat 220 kV TL
25-Jul-07	ESIA disclosure notice published on local and district level including	Multiple locations	Annex 5 of ESIA of Hetauda -

Date	Mode of communication	Location	Reference
	municipalities and District		Bardaghat 220
	development committees.		kV TL
7-May-12 (dates for these consultation varied, included the disclosure date of SIA)	development committees.  2012 SIA conducted multiple consultations in Dumkibas  16 households surveyed;  One market survey;  One participatory rapid appraisal done on November 19, 2011) (15 participants);  One focus group consultation done on January 15, 2012 (30 participants); and  One key indicator survey was conducted.  During the consultation, the participants were requested to express their concerns/issues regarding the Project as well as being informed regarding the Project and its activities. Information such as Project purpose, type, impact area, likely impacts and potential	Dumkibas	
1-Feb-12		Dumkibas	Annex I and II of VCDP-2012 Also refer
			Chapter 3 of the VCDP
1-Feb-12	Consultations held with Project-affected families (as listed in the RAP).	Dumkibas	Annex I and II of RAP-2012 Also refer Chapter 3 of the RAP
2015/2016/ 2017	Project team organized meeting and interaction program with Project-affected families.	Dumkibas	
Feb-17	Bank team visited the Dumkibas site and observed consultation. The Bank team noted that the affected community had requested a change of alignment and had not allowed the Project to survey the site.	Dumkibas	
Feb-18	The Bank team visited the site and interacted with the community.	Dumkibas	

Date	Mode of communication	Location	Reference
14-Sep-18	External facilitator: Consultation carried out. It was agreed that after the paddy harvest, survey works would be allowed to start in the Dumkibas area.	Dumkibas	
June 2019 Nov 2019 Dec 2019	<ul> <li>External facilitator: Meetings (June, November, and December) were organized with stakeholders (including local government representatives, political representatives, and Project-affected families but without success.</li> <li>Project Manager visited related ministers, chief ministers of provinces 4 and 5 and high-level politicians to resolve the issue.</li> <li>Meeting with Project-affected families along with all stakeholders planned in the presence of Minister of Energy, Water Resources and Irrigation and Chief of Province. But the Project-affected families cancelled at the last moment.</li> </ul>		
11-Feb-20	External facilitator visited the Dumkibas site.	Dumkibas	
24-Jan-21	Former Energy Minister, Project Manager with team visited the site and discussed with local leaders and community. The community agreed to allow the survey for land under tower pad and RoW, structures under RoW and also asked to measure land pieces of the same parcel left over on left and right side of the RoW and evaluate the compensation amount.	Dumkibas	
17-Feb-21	External facilitator visited Dumkibas to provide an orientation session to Project-affected people about the dialogue process.	Dumkibas	
15-Mar-21	Consultation carried out.	Dumkibas	
23-Mar-21	Consultation carried out at the Chief District Officer's office with the aim of starting the compensation process.	Dumkibas	

Date	Mode of communication	Location	Reference
	Participants included the Chief		
	District Officer, the Chief of Rural		
	Municipality, the NEA Project team,		
	Dumkibas community, and the		
	Dumkibas affected people (RoW and		
	tower pad). According to NEA the		
	affected people suggested that in		
	order to start the discussions they		
	wished to meet on neutral ground. It		
	was agreed that a next meeting would		
	be held on March 31, 2021 at the		
	District Police Office with the same		
	participants to resolve the matter.		
31-Mar-21	Consultation carried out at the	Dumkibas	
	District Police Office to study the		
	impact of the RoW and what		
	structures needed to be removed. But		
	the Project-affected people (those		
	living between towers 198 and 199)		
	were absent. Since these were absent		
	it was decided to postpone the		
	meeting to April 5, 2021.		
5-Apr-21	Consultation carried out but the	Dumkibas	
	Project-affected people (those living		
	between towers 198 and 199) were		
	again absent, so the meeting was		
	postponed until further notice.		

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<sup>&</sup>lt;sup>1</sup> The Chief District Officer is Government appointed. The Chief of Rural Municipality is elected by the municipality which the Chief represents, which in this case is Dumkibas.

Annex 3: Disclosure of Safeguards Documents on the BB Transmission Line

SN	Project Documents disclosed at NEA website	Date	Documents attached (language)	Links
1	Resettlement Action Plan (RAP) (Hetauda-Dhalkebar-Duhabi 400 kV and Bharatpur-Bardaghat 220 kV TLP)	2021-08-11	RAP report (Nepali)	https://www.nea.org.np/publ ications
2	सामाजिक प्रभाव मुल्याङ्कन (SIA) ¬प्रतिवेदन पुर्नावास कार्य योजना (RAP) प्रतिवेदनको शारंस जोखीम समुदाय विकाश योजना (VCDP) प्रतिवेदनको शारंस	2013-09-11	Nepali-जोखीम समु दाय िवकाश योजना (VCDP) प्रितवेदनको शारंस (VCDP -Hetauda – Bharatpur summary in Nepali)	https://www.nea.org.np/publ ications?page=15
2	RAP and SIA for Bharatpur Bardaghat 220 KV Transmission Line Project	2013-08-27	Entitlement matrix (Nepali); RAP summary (Nepali); VCDP summary (Nepali); SIA summary (Nepali)	https://www.nea.org.np/publ ications?page=15
3	Environmental Management Action Plan of Bharatpur-Bardaghat 220kV Transmission Line Project	2012-06-12	EMAP report (English)	https://www.nea.org.np/publ ications?page=16
4	Social Impact Assessment (SIA) of Bharatpur-Bardaghat 220 kV Transmission Line	2012-05-07	SIA report (English)	https://www.nea.org.np/publ ications?page=16
5	Resettlement Action Plan (Towers and Structures falls in Row) of Bharatpur-Bardaghat 220 kV Transmission Line Project	2012-03-20	RAP report (English) with; List of households with type of affected structures (English)	https://www.nea.org.np/publ ications?page=16
6	Vulnerable Community Development Plan of Bharatpur- Bardaghat 220 kV Transmission Line Project	2012-03-20	VCDP report (English); Affected structures and Affected households (English)	https://www.nea.org.np/publ ications?page=16
7	Environmental Management Action Plan of Hetauda-Bharatpur 220kV Transmission Line Project	2012-03-20	(English)	https://www.nea.org.np/publ ications?page=17
8	Resettlement Action Plan Report, Grid Development, Hetauda Bharatpur 220 kV Transmission Line Project.	2012-03-04	RAP main report (English); Route alignment with maps (English); Affected households with land and structure loss (English)	https://www.nea.org.np/publ ications?page=17
9	Social Impact Assessment Report, Grid Development, Hetauda Bharatpur 220 kV Transmission Line Project.	2012-03-04	SIA report; Route alignment; Affected households with land and structure loss (English)	https://www.nea.org.np/publ ications?page=17
10	Vulnerable Community Development Plan Report, Grid Development, Hetauda Bharatpur 220 kV Transmission Line Project	2012-03-04	VCDP main report (English); Route alignment (English); Affected households with land and structure loss (English)	https://www.nea.org.np/publ ications?page=17
11	Environmental Impact Assessment	2007-12-24	Main Report (English), Executive Summary (English and Nepali)	http://documents.worldbank. org/curated/en/4328914682 91026850/Main-report

Annex 4: Action Plan: Post-Closure Safeguards Rectification Measures (for the BB Line)

	(for the BB Line)					
	Task	Activities		Indicators of Completion	Estimated Duration	Comments
1.	Maintain GRM until RAP is fully implemented	Maintain avenues with requisite resources (e.g., staffing) for uptake of/proper handling of complaints/grievances     Investigate and resolve outstanding complaints     Share quarterly GRM records with World Bank	•	Quarterly report on GRM submitted to the World Bank. The report should indicate number of cases resolved, number of cases outstanding and describe issues/ complaints Final GRM report shared with World Bank	Until RAP is fully implemented (expected completion in Dec-2023)	
2.	Disclose the revised RAP as per the agreed RAP dissemination plan	<ul> <li>Use local radios to disseminate information about the RAP</li> <li>Produce and distribute brochures</li> <li>Hold community sessions when possible</li> <li>Use community notice boards</li> <li>make copies of revised RAP available at community level</li> </ul>	•	Disclosure notification records Minutes of consultations	Oct – Nov 2021	
3.	Fully implement the revised RAP	<ul> <li>Complete payments for Project-affected people impacted by tower pads &amp; substation</li> <li>Complete payments for easement fees and impacted structures, crops, private trees under RoW</li> <li>Complete payments in respect of demolition, relocation, transportation, and house rental allowances to Project-affected people</li> </ul>	•	Monthly RAP implementation report submitted to the World Bank (e.g., Excel sheet with payment information) RAP completion report submitted to World Bank	Oct 2021 to Dec 2022	There may be the need for an escrow account in the case of unresolved payments
4.	Compensation for non-title holders	<ul> <li>Complete compensation payment/ easement fees for non-title holders</li> <li>Actions on the verification of such long-term users by local</li> </ul>	•	Final report upon approval by World Bank Local government report on the	Oct 2021 to Dec 2022	Actions initiated by the NEA division offices

Task	Activities	Indicators of Completion	Estimated Duration	Comments
	government elected officials and other witnesses for land falling under tower pads and RoW  District Administration Office (DAO) forming a sub-committee to verify long term users  Field verification report by sub-committee and the details sent to NEA head office through the respective division  NEA through the Ministry of Energy, Irrigation and Water Resources to prepare a report to be tabled to the Cabinet Meeting of GoN for further action  Council of Ministers take a decision based on the Fast Track and Chattiwan nontitleholder precedents  Formation of a sub-committee to recommend valuation of such land  The CDC determines the valuation price of such land and a notice is published in a national newspaper specifying the names of the affected and the area of land	verification of long-term users also sent to NEA and District Administration Office  • A notice from DAO of formation of a sub-committee for verification of long-term users  • DAO field verification report  • Notices for compensation and easement fees to be provided to local governments, put out at public places in the communities affected  • Final report approved by World Bank after compensation and easement fees paid to nontitle holders		
5. Resolve community disputes	<ul> <li>Implement the dispute resolution action plan</li> <li>Agree on community-based approach for dispute resolution</li> <li>Use Independent Facilitator (IF)<sup>2</sup> to further engage and understand entrenched interest</li> <li>Document and respond community concerns</li> </ul>	Share     consultation     minutes with     World Bank     Final report upon     resolution of     community     disputes to     World Bank	Oct 2021 to Dec 2023	Dispute resolution process is underway with the help of an external facilitator

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 $<sup>^{2}</sup>$  Also referred to in this document as "external facilitator."

Task	Activities	Indicators of Completion	Estimated Duration	Comments
6. Complete outstanding plantation as per the Compensatory Plantation Plan (CPP) for Hetauda- Dhalkebar – Duhabi 400 kV Transmission Line and Hetauda- Bharatpur – Bardaghat (220 kV) Transmission Line 2021	<ul> <li>Update the CPP if final alignment of the TL in the disputed sections requires the plan to be updated</li> <li>Confirm the plantation sites and species to be planted, in accordance with the CPP/updated CPP</li> <li>Establish nursery or show evidence of purchase agreement with existing nurseries for supply of seedlings in accordance with the CPP/updated CPP</li> <li>Plant seedlings at identified sites during the next rainy season (June – August 2022 and 2023), in accordance with the CPP/updated CPP</li> <li>Undertake nursey care in accordance with CPP/updated CPP</li> <li>Undertake nursey care in accordance with CPP/updated CPP</li> </ul>	Updated CPP, if required     Submit Status report on plantation to the World Bank (after reconfirmation of sites and species, confirmation of nursery/ supply of saplings/ seedlings, and plantation progress)     Plantation Completion Report submitted to the World Bank	Updated CPP, submitted to Bank review and clearance by plantation season of 2022 (June-August 2022) and Plantation season of 2023 (June-August 2023)	Plantation will be done as agreed in the CPP/updated CPP with Department of Forests, Ministry of Forests & Environment  Plantation requirement may need to be updated depending on the final alignment of the TL in the disputed sections, in which case, the CPP will be updated  Plantation is seasonal activity done during rainy season June-August

