

April 1, 2011

Sultan H. Rahman
Director-General
South Asia Department
Asian Development Bank

Cc: Zhang Lei, Kaoru Ogino, Hitchcock, Barry

Dear Mr. Rahman:

**Questions on Social and Environmental Consideration
in Kali Gandaki 'A' Hydroelectric Project and Upper Seti Hydroelectric Project**

We are very concerned about the lack of accountability and transparency in ADB-supported Kali Gandaki 'A' Hydroelectric Project and Upper Seti Hydroelectric Project in Nepal. We would like to ask you the following questions based on our joint research activity in the project sites in March 2011.

Section 1: Kali Gandaki 'A' Hydroelectric Project

Question 1:

According to the *Bote* indigenous people, who were displaced due to this project, they have lost their traditional means of livelihoods such as boating and fisheries. They also have been forced to work outside in rice plantation fields and houses as temporary workers. Young *Bote* people have been compelled to migrate to India for temporary jobs. They complain that their income sources were decreased and became seriously vulnerable in continuing with indigenous livelihoods, cultures and traditions. Please let us know how ADB recognizes this situation and come up with a comprehensive post-project impact assessment, compensation and resettlement plan as agreed during the project closure meeting held in Kathmandu in which WAFED was also represented and had asked for such an assurance.



Photo: Preparation for only 2 months fishing

Question 2:

They complain that the newly constructed houses for them as part of resettlement are not scientific in their designs and not sufficient for the size of their families. Some of those houses are occupied even by two families. The houses have no required numbers of windows, ventilations, kitchens and toilets. They have not been provided with clean and safe drinking water facilities. One roof of the house has already been broken, and they are managing it with some plastics under the roof to prevent water, heat and wind coming in. Please let us know about how ADB recognizes this problem and come up with a solution urgently and before the forthcoming monsoon.



Photo: Sheet under the roof



Photo: Dark bed room in a day time

Question 3:

As ADB is also concerned about sustainability in the Project Completion Report, currently there are only five fish hatcheries floating on the reservoir in March 2011. According to the local people, these fish hatcheries are still in a trial stage and they don't know how these hatcheries are operating. Please let us know how ADB recognizes the effectiveness of these hatcheries.



Photo: Fish hatcheries on the reservoir

Question 4:

In the downstream of the dam, water is not released to keep the minimum environmental flow, and the river environment is being significantly destroyed. Please let us know how ADB recognizes this serious environmental problem.



Photo: Downstream of the dam

Section 2: Upper Seti Hydroelectric Project

Question 5:

The tunnel construction is conducting and rocks are dumping on the river directly. Please let us know how ADB recognizes the objective and environmental impact of this tunnel construction as the EIA has not been made available to the public.



Photo: Rocks were dumping to the river directly

Question 6:

According to the people of Kahushivapur VDC-1 at Jhaputar, they are able to use water taps only for 6 hours after the under construction of tunnels when they had it for 24 hours before the construction. Please let us know how ADB recognizes the basic water access and water right issue in the absence of EIA.



Photo: Waiting water pots Kahushivapur VDC-1

Question 7:

According to the affected people in Kahushivapur VDC-1 at Jhaputar, when they went to complain to the Upper Seti project office and the office of Nepal Electric Authority (NEA) in Damauli in March 2011, in order to discuss on the water access issue, they were denied of meeting with them. Please let us know how ADB recognizes the denial of such meeting, the availability of related information, the lack of consultation and participation.

Question 8:

According to the affected people in Ontang Khola, the submergence site of the dam, they are very concerned that there is no consultation in this village. Please let us know how ADB recognizes the lack of information release, public consultation and participation.

Question 9:

According to the affected people in Ontang Khola, they are very concerned that there are more than 30 families surviving with the cultivation of 30 different lands for a long time in which they have no land certificates. Please let us know how ADB recognizes the lack of information disclosure, compensation and rehabilitation plans for them.

We look forward to hearing from you soon.

Best Regards,

Ratan Bhandari

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