

Date: 4th June 2017

To
The Director
Tanahu Hydropower Limited
Thapathali, Kathmandu.

Subject: Regarding formation of local consultation forum.

Regarding the above-mentioned subject, the letter sent by Tanahu Hydropower Limited to the Directly Concerned Inundation Area Conservation Committee and Tanahu Hydropower Directly Affected Area Concerned Committee was received. Firstly, it is welcome that the Tanahu Hydropower Project is going to form the local consultation forum by recognizing us the representatives of affected communities committee. We, the affected communities, are also committed for the construction of the project by addressing our concerns and demands through consultation and discussions.

However, based on our 26-point memorandum, we have two main concerns and demands regarding the formation of local consultation forum:

1. According to the letter, the local consultation forum will, during the construction of the project, convey information about the project to the affected areas, settle the complaints of affected persons or families at local level, properly invest and utilize the compensation and redress amounts received from the project, etc. But there has not been meaningful consultation undertaken with us, the affected communities, since formulation of the plans and conduct of the environmental impact assessment for the project. **Therefore, the local consultation forum should have a mandate to settle the complaints of the affected communities not only during the construction but also in the planning of the project.** Following tasks should be done after determining the mandate:
 - i. The first task of the local consultation forum should be to undertake meaningful consultations with us – the affected communities at the village and district levels about the design and environmental impact assessment of the project, the steps that will be taken to prevent or minimize the impacts from the construction of the project, and the national and international laws or policies for safeguarding the rights of the affected communities.
 - ii. Before such consultations, the Environmental Impact Assessment (EIA) report and safeguard policies of the Asian Development Bank for the project should be provided to affected communities.

Besides, the mandate should be made clear whether or not the main concerns of the affected communities about determination of compensation and redress for the lands without legal titles (deeds) can be discussed and settled through the local consultation forum. It is very important to clarify that issue as the distribution of compensation has already begun.

2. Our second concern is how the working procedure of the local consultation forum will be. **The working procedure of the local consultation forum should provide for decision making through**

consensus rather than majority votes. Further, following are the other issues which should be made clear in the working procedure:

- i. The affected communities will themselves determine the process for selecting their representatives in local consultation forum so that we can ourselves determine the gender representation and balanced representation of those who have no legal land ownership certificate.
- ii. Sufficient time should be given to the representatives of the affected communities to the local consultation forum for consultation and discussion with the communities.
- iii. The affected communities and their representatives can take advice from different organizations if they wish during the working process of the local consultation forum, and the representatives of those organization should be allowed to as observer(s) in the meetings of the local consultation forum or those of the affected communities with government agencies and project representatives.
- iv. The working procedure should indicate the meeting dates of the local consultation forum and the provision of informing about the venue and agenda of the meeting well in advance with sufficient time should be made.
- v. It should be ensured that the complaints would be settled through the consultation forum by an impartial and participatory process, whereas in case if local consultation forum could not settle a complaint, provision should be made that mediation could be done through an impartial third party.

Hoping that the Tanahu Hydropower Ltd will receive our above concerns and demands about the local consultation forum positively, we inform that we are committed to move forward by addressing our 26-points memorandum through consultations and discussions.

Chairperson

Directly Concerned Inundation Area Conservation Committee, Tanahu

Chairperson

Tanahu Hydropower Directly Affected Area Concerned Committee

Reference:

District Administration Office, Tanahu

District Coordination Committee Office, Tanahu