Arnaud Cauchois
Country Director
Asian Development Bank Nepal Resident Mission
Metro Park Building, Lazimpat
Kathmandu
Submitted via email to acauchois@adb.org

Dear Mr. Cauchois,

We, the Indigenous Newa and other locals affected by the Bagmati and other river corridors across Kathmandu valley, hereby submit this letter regarding violations of our rights and of the Asian Development Bank's (ADB) Safeguards in the Nepal: Bagmati River Basin Improvement Project (43448-013). We thus call on the ADB for immediate actions to resolve our grievances in relation to the project described below and suspend its financing of the project until our asks are addressed as listed at the end of this letter.

We are aware that the ADB has been providing support for improvement of the Bagmati river basin for decades now, including under the following projects:

- Nepal: Bagmati Command Area Development (Supplementary) (TA1335) Archived without any documentation (approved in 1993) – USD 16 million (TA)
- Nepal: Bagmati River Basin Improvement Project (43448-012) Closed without any documentation (2012-2014) – USD 1,270,000.00 (TA)<sup>i</sup>
- Nepal: Bagmati River Basin Improvement Project (43448-013), including Additional Financing (43448-014) – Active (2013-date)
  - Grant: 4.50 million USD
  - Loan: 25.50 million USD
  - TA: 500,000.00 USD
  - TA: 500,000.00 USD
  - · Loan: 63 million USD
  - TA: 600,000.00 USD
- Nepal: Bagmati River Basin Improvement Project Additional Financing (43448-015)<sup>ii</sup> Closed without any documentation available (2017-2019) USD 225,000 (TA)
- 5. Regional: Strengthening Integrated Water Resources Management in Mountainous River Basins (46257-001) Closed (2016-2020) USD 2,000,000.00 (TA)
- 6. Nepal: Kathmandu Valley Urban Environment Improvement Project (43534-012)<sup>iii</sup> Closed (2011-2013) USD 700,000.00 (TA)
- Nepal: Kathmandu Valley Wastewater Management Project (43524-014) Active (2013-date) –
   USD 78 million (Loan)
- 8. Nepal: Kathmandu Sustainable Urban Transport Project (44058-013) Closed (2010 2019)
  - Grant: 10 million USDLoan: 10 million USD
  - Grant: 2.52 million USD

#### **Project description**

Primary among the above-listed projects, the most concerning to us is the Bagmati River Basin Improvement Project, which was originally conceived as part of the Bagmati Action Plan 2009 and later approved by the Asian Development Bank (ADB) to improve water management and the river environment in the Upper Bagmati River Basin<sup>1</sup>. While the river remains an important source of drinking water, irrigation, and a site for cultural practices, poor mismanagement has led to significant pollution and disruption of the river system. The BRBIP ostensibly seeks to address these challenges through, as stated in the Project Administration Manual (PAM), the following project outputs:<sup>iv</sup>

- 1. Established systems and capacity for integrated and participatory river basin management.
- 2. Improved riverbank environment in urban areas. This output will include:
  - a) 7.2 km of river corridor constructed with aesthetic river walls and recreational amenities
  - b) rehabilitation of two former irrigation regulator
  - c) improving the river channel profile around 2 cultural sites and stabilize temple ghats
  - d) removal and safe disposal of contaminated and accumulated riverbed material at key sites
  - e) riverbank stabilization at Sundarijal where existing housing structures are under threat of riverbank erosion
  - f) enhancement and management of the riparian banks (green zones with foot and bicycle paths
  - g) enhancement and beautification of the riparian banks
  - h) green zones with foot paths and amenities areas

There is also the mention of "non-structural interventions" which entail the following:

- a) Mobilization of local communities for adopting river stretches for river environment protection which will include prevention of disposal of solid waste along the stretches
- b) implementation of a Communication strategy Action Plan for awareness raising and community ownership of the river a Gender Action Plan addressing gender needs and issues
- c) mobilizing the private sector by project closure to maintain at least 2 km of the river stretch as a pilot
- 3. Increased water availability in the basin during dry season and watershed conservation. This output will include:
  - a) the construction of a dam downstream of the existing Dhap within the Shivapuri National Park with a storage capacity of 850,000 m³ to enable dilution of wastewater effluents and increase environmental flows in Upper Bagmati during the dry season
  - b) detail design of a Nagmati Dam with the potential capacity of 8 million cubic meters
  - c) installation of rainwater harvesting by 2500 households to provide 45,000 m3 of safe water supply and recharge 135,000 m3 groundwater
  - d) 12.5 ha of outward sloping agricultural land prone to soil erosion will be stabilised by establishing community interventions to increase water retention and reduce soil erosion.
- 4. Functioning flood forecasting and early warning system for Bagmati River basin
- 5. Efficient project management with effective stakeholder communication. This output will be achieved by setting up Project Coordination and Management Unit (PCMU) supported by a Project Management Design and Supervision Consultancy (PMDSC), which besides supporting the PCMU will assist in overseeing and supervising construction, as well as supporting the formation of an RBO."

The Bagmati River Basin Improvement Project – Additional Financing (BRBIP-AF) was introduced in October 2013 to scale up these efforts and expand project scope. The key additional project outputs were:

- 1) "Landscaping activities and beautification works along various stretches of the Bagmati River, specifically Uttar Gaya, Gokarna, Guheswari, and Thapathali to Balkhu. This involves the construction of ghats, stone masonry walls, new pavements, school buildings, toilets, sheds, weirs, plantation works, and solar lights.
- 2) Construction of a Wastewater Treatment Plant (WWTP) at Tukucha.
- 3) Restoration and reconstruction of archaeological (Cultural Heritage) Monuments between Thapathali to Balkhu, including temples, ghats, and dharamshalas."<sup>vii</sup>

In terms of key actors, the Ministry of Urban Development (MoUD) is the Executing Agency, with the High-Powered Committee for Integrated Development of Bagmati Civilization (HPCIDBC), the Water and Energy Commission Secretariat (WECS), and the Department of Water Resources and Irrigation (DWRI) as Implementing Agencies. HPCIDBC is specifically responsible for riverbank improvement works, beautification, and monument restoration.

### Impacts and concerns

While we appreciate the aim of the BRBIP to improve water security and resilience to potential climate change impact in the Bagmati river basin and note that there have been some positive impacts of the Project, together with the Kathmandu Valley Wastewater Management Project. However, we also remain seriously concerned about the ongoing impacts of the Project on Indigenous Newa and other communities living or with lands along the Bagmati River and other rivers as well as their tributaries across the Kathmandu valley. The impacts faced by and concerns of the communities along the Bagmati river and other rivers as well as their tributaries are associated and include primarily the following:

- 1. Lack of information and clarity about no-construction zones along the banks of Bagmati and other rivers and tributaries as per the government guidelines and the additional 20-meter buffer zone as per the recently published 2023 Supreme Court order<sup>ix</sup>
- 2. Determination of the government guidelines for the no-construction zones along the riverbanks without consultation with the affected communities or their representatives infringing our right to participation in decision-making affecting us
- 3. Violations of right to property over private/titled lands along the riverbanks due to imposition of noconstruction or buffer zones while those lands are used for river corridor roads/footpaths and river beautification works such as establishment of parks, etc.
- 4. Impacts on our businesses and lives due to imposition of no-construction or buffer zones along the riverbanks that has caused devaluation of our properties, caused mental and psychosocial pressure and other impacts on our wellbeing and lives.
- 5. Encroachment of river corridors for construction of new structures such as stadium and building (at Bagmati Manohar Dovan), parking area, ward office and new temples (along Thapathali to Teku stretch), etc.
- Narrowing of Bagmati and other rivers or tributaries in above mentioned and other stretches for river corridor and beautification works, as well as the subsequent decrease in water flow and groundwater recharge, including due to new construction

- Significant impacts on our lives and livelihoods due to "flooding" in the settlements along the river corridors almost every monsoon due to narrowing of the rivers and decrease in water flow or recharge, including due to new construction
- 8. Concerns and risks with Nagmati dam to be built in a seismically sensitive area upstream of a place with such high population density as Kathmandu valley while submerging significant area of a protected area<sup>x</sup>

We raise concerns about those impacts along the Bagmati and other rivers as well as their tributaries with the ADB because we understand that the fifteen-year master plan for Bagmati river basin was prepared by WECS and HPCIDBC, both of which were trained with support from the ADB. Similarly, the ADB has supported the organizational development and functioning of the HPCIDBC.<sup>xi</sup> The HPCIDBC is the main entity implementing river corridors and river beautification works not only along the Bagmati river but also other rivers and the tributaries.

More recently, as per a news report<sup>xii</sup>, under the proposed 1.5 million USD technical assistance project of the ADB – Nepal: Kathmandu Valley Urban Transportation System Project (Ropeway) (59163-001), ADB has initiated support for a pre-feasibility study for cable car transit along the Bishnumati river corridor route. That is even more concerning for us as we have not received any official information of the project – let alone been consulted for it. Such cable car could give the justification for imposition of the 20-meter buffer zone as per the court order and thus imply loss of lands along the Bishnumati river and potentially other rivers to follow.

#### **Questions to the ADB**

Thus, in above context, we call for responses from the ADB to the following questions in relation to its support for the above-mentioned projects:

- 1. How has the ADB ensured meaningful consultation with and consent of Indigenous Newa communities and stakeholders for development and implementation of Bagmati Action Plan, particularly for the determination and implementation of the no-construction zones on the banks of Bagmati and other rivers and tributaries as per the government guidelines?
- 2. Why are the BRBIP and other associated projects categorized as Safeguard Category C for Indigenous Peoples when Bagmati is a source of civilization of Indigenous Newa nation? What documentation has the ADB undertaken or received on the impacts on Indigenous Newa communities due to the BRBIP and other associated projects?
- 3. Has the ADB undertaken or received any documentation on loss of private lands, properties and businesses due to imposition of no-construction or buffer zones along the Bagmati river and other rivers/tributaries while those lands are used for river corridor roads/footpaths and river beautification works such as establishment of parks, etc.?
- 4. As the landowners for those lands have not been even though they possess land titles based on the 2021 BS land survey, which provides the point of departure for determining the width of Bagmati and other rivers as well as their tributaries, how has the ADB Safeguard Policy on Involuntary Resettlement been complied with in the BRBIP and other projects? Or does the ADB have any documentation about how the landowners of those lands impacted under the BRBIP and other associated projects been compensated if at all or if they should?

- 5. How has the ADB ensured consistency and fairness in application of no-construction zones or right of way of river along the Bagmati and other rivers/tributaries based on the 2021 BS land survey? How has it guaranteed that the Bagmati and other rivers/tributaries have not been narrowed or encroached with new construction, including river corridor roads/footpaths and parks, particularly concrete structures, that have caused impacts on the environment as well as our lives and livelihoods?
- 6. How is the ADB ensuring that there is consent of Indigenous Newa and other communities that are and will be impacted by the BRBIP, including the construction of the proposed Nagmati dam?
- 7. Finally, as it seems that the Kathmandu Valley Development Authority (KVDA) has also been involved in the implementation of the no-construction zones along the Bagmati river and other rivers/tributaries, what has been the funding or other support from the ADB to the KVDA?

We have also posed many of the above questions and raised our concerns to the HPCIDBC and other concerned authorities, including our local governments. However, our concerns remain unaddressed.

# **Violations of ADB Safeguards**

While we wait for ADB's responses to our questions above, we already affirm that that BRBIP and other associated projects are non-compliant to the ADB's Safeguard Policy Statement 2009 as indicated in our questions above. Further, the projects also infringe our constitutionally guaranteed fundamental rights, including to live with dignity, to property, to freedom of religion, to clean environment, to language and culture, and to housing. Nepal's Constitution also requires the State to ensure the right of Indigenous Peoples to live with dignity, along with their identity, and protect and promote their traditional knowledge, culture and social traditions through their participation in making decisions concerning them with special provisions for opportunities and benefits for them. Furthermore, the projects also violate our rights as per the international human rights obligations of Nepal, including under the Indigenous and Tribal Peoples Convention (No. 169) of the International Labour Organization (ILO) and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP).

We describe below how the BRBIP and associated projects are in non-compliance with the ADB Safeguards:

## **Lack of Meaningful Consultation**

The HPCIDBC is described as a 28-member team composed primarily of government officials and technical experts who fill the posts of project director, deputy project director, engineers, and safeguard focal person. However, apart from the mention of "civil society" members, there is no reference to any local representation from the affected communities on the board.<sup>xiii</sup> No explicit local representation is guaranteed as part of this committee. As such, the HPCIDBC is primarily a technocratic body, devoid of insight from communities within the Bagmati River Basin and other communities for whom the Bagmati River is crucial.

Further, the ADB's Involuntary Resettlement Safeguard Policy Principles clearly state that project developers must "carry out meaningful consultations with affected persons, host communities, and

concerned nongovernment organizations." It is the "incorporation of all relevant views of affected people and other stakeholders into decision making" that is sorely missing within the technocratic structure of the HPCIDBC.<sup>xiv</sup> While the environmental impact assessment makes mention of various local consultations through training and hearings, there is no mechanism for insights to become part of decision making if affected people are not represented in the decision-making bodies themselves.

### Overlooking Indigenous People's Safeguards

Similar to the resettlement impacts, the project blueprint overlooks the impacts of the corridor on Indigenous Newa communities. For any project with involuntary resettlement impacts (even "not significant" impacts, classified as Category B), a Resettlement Plan (RP) is required. Its level of detail should be proportionate to the severity of impacts. For projects with potential Indigenous Peoples (IP) impacts, an Indigenous Peoples Plan (IPP) or combined IPP/RP is required.

The project stated at its inception that "No IP issues are foreseen to be addressed." This blanket statement is concerning given the Bagmati River's cultural significance and the traditional reliance of various communities, including and particularly including Indigenous Newa communities, on its resources and banks. Without a specific Indigenous Peoples Plan (IPP) or detailed IP screening that goes beyond a superficial assessment, there is a significant risk that adverse impacts on Indigenous Peoples—or the denial of culturally appropriate benefits—could be overlooked or unaddressed. Such a plan is imperative to accurately determine the impacts of the Bagmati river corridor.

# Further Encroachment on the Bagmati River Basin

The reports from the ADB, including the environmental report and the involuntary resettlement report, make no mention of the risk of flood increases due to further encroachment of the Bagmati River basin, for the river corridor roads and beautification works. In fact, the project is touted as a means of reducing the risk and damage floods will have on surrounding infrastructure and communities through improved water management. As previously stated, a key project objective is the construction of a 7.2 km of river corridor with "aesthetic river walls and recreational amenities," including but not limited to masonry walls, pavements, ghats, parks, and walkways.\*\* We assert that this represents encroachment along the Bagmati River.

Urbanization and subsequent floodplain reduction has been identified as a "strong cause of disturbing the Bagmati river." When construction occurs along the river channels, the channel width is thereby reduced. Furthermore, when the river takes its natural course, it floods the surrounding area due to the development of this new infrastructure. In some ways, "flooding" is a mischaracterization of the issue as it is not unprecedented, a new behavior of the Bagmati river that is causing overflow. It is rather the urbanization and development of the areas surrounding the river which have placed infrastructure in the natural path of the river.

More recent articles also find similar insights. In a 2021 article published in The Kathmandu Post, Suman Meher Shrestha, an urban planner, lamented how "Kathmandu's rivers have narrowed due to encroachment, so they are becoming more dangerous during the monsoon." Furthermore, Bhai Kaji

Tiwari, former chief of the Kathmandu Valley Development Authority said it is not that rivers are entering settlements but humans have encroached upon rivers instead. He noted how prior to 1990, the flooding concerns of the Bagmati and other rivers were not an issue as development was not allowed within 100 meters of both sides of any river and, in general, urbanization in these areas was not permitted. The encroachment of the Bagmati River Basin constitutes a violation of the ADB's Environmental Safeguard. The proposed construction of the cable car transit along the Bishnumati route will involve further encroachment.

#### **Involuntary resettlement**

Our concerns about involuntary resettlement along Bagmati and other river corridor roads and beautification works are evident, particularly in the case of the Kathmandu Sustainable Urban Transport Project. The project's completion report indicates that the project faced significant issues regarding compliance with the ADB's involuntary resettlement safeguard. Although the project was classified as Category B for involuntary resettlement at appraisal and had a resettlement framework and plan prepared in accordance with ADB's Safeguard Policy Statement (2009), the implementation of mitigation measures was not fully complied with.<sup>xix</sup> The updated resettlement plan's implementation and its mitigation measures were deemed unsatisfactory.<sup>xx</sup> Yet, despite these admissions, the report maintains the conclusion that there was no significant impact on the livelihoods of the affected households.<sup>xxi</sup> These contradictory impulses mirror the aforementioned projects in the Bagmati River area and indicate that despite necessary protocol not being followed, livelihood impacts on indigenous and other affected communities was deemed marginal.

## What we want

In context of above situation, we call on the ADB to address our following asks in line with its Safeguard Policy Statement 2009 and as per the principle of accountability:

- The ADB should suspend its financing to the BRBIP and other associated projects or other support to the High-Powered Committee for Integrated Development of Bagmati Civilization (HPCIDBC) until our concerns are addressed.
- The ADB should use its leverage with the HPCIDBC and the concerned government authorities to maintain the width of Bagmati river and other rivers/tributaries as per the 2021 BS land survey. Accordingly,
  - the existing 20-meter or associated no-construction zones (right of river or river basin criteria) along riverbanks as per the government guidelines, which are not in line with Indigenous Peoples' rights, should be scrapped, and private and communal lands in riverbanks used for river corridor roads and beautification works should be compensated/restored.
  - New private or public structures constructed in the 20-meter river basin criteria should be demolished and the basin should be maintained as green area.
  - Private and communal lands acquired beyond the river width should be compensated or restored.
- 3) The ADB should use its leverage with the HPCIDBC and the concerned government authorities to get the additional 20-meter buffer zone (river basin criteria) imposed on by Supreme Court justices scrapped entirely.

- 4) The HPCIDBC should be scrapped and replaced with a decision-making body composed of Indigenous People's Organizations, representatives, and locally elected leaders. Any decision about the no-construction or buffer zones along the banks of the Bagmati or other rivers, and particularly their tributaries, should be with the Free, Prior and Informed Consent of the Indigenous and local communities living along the riverbanks.
- 5) Similar actions should be taken with the Kathmandu Valley Development Authority (KVDA), with decision making placed in the hands of Indigenous Peoples' Organizations and representatives.

We have authorized

to advise

and represent us in this complaint and the subsequent processes.

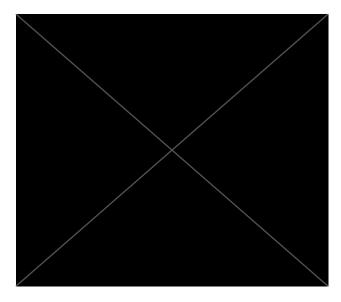
Formal communications about the complaint should be sent in English as well as (Khas) Nepali. For less formal communication, to facilitate greater ease and faster response times, it can be in English directly with our advisor from CEMSOJ, who have committed to keep us up to date on all developments. Additionally, we urge you to also conduct in-person field investigation and information exchange sessions with us in the affected areas, including when releasing key documents related to this complaint.

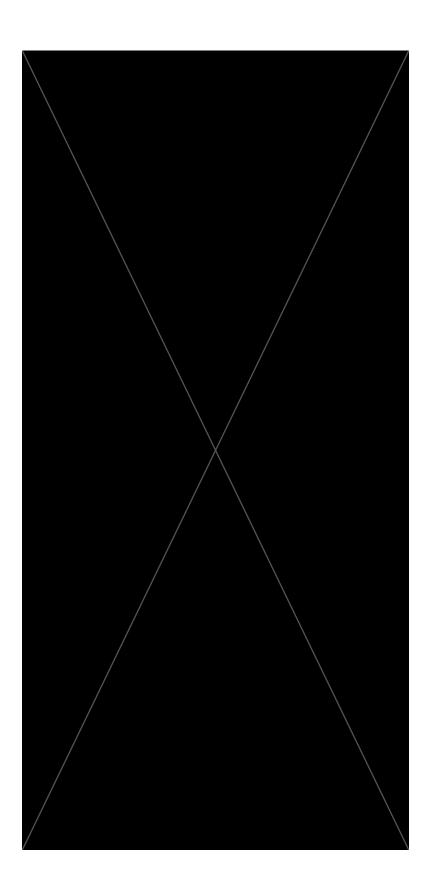
We hope that you will undertake meaningful consultations with us in a timely manner, including disclosure of regular updates, for an independent resolution of our concerns, which will lead to effective remedy for the harms we have faced.

Please do not hesitate to contact us with any questions you may have.

Sincerely,

On behalf of गैर न्यायिक खोला मापदण्ड पिडित संघर्ष समिति





<sup>1</sup> The major investment components may include (i) stakeholder mobilization, awareness raising and integrated planning; (ii) IWRM focused institutional reform and capacity building; (iii) riparian river environment improvement that may include community/civil society based (a) awareness and education, (b) river training works, (c) river cleaning, (d) river side beautification including cultural heritage sites restoration; (iii) increased surface water availability (rain water harvesting and storage, catchment regeneration, irrigation rehabilitation and efficiency and natural wetland enhancement); and (iv) water-induced disaster mitigation that may include (a) river training works, (b) watershed regeneration, (c) sabo works, and (d)

The BRBIP-AF aims to provide additional funds to (i) complete unfinished works under BRBIP output 2 and (ii) undertake additional works including (a) improving the environment of 4.2 km of riverbank in Kathmandu urban area, and (b) augmenting water availability in the upper Bagmati River basin during the dry season by 1,400 liters per second through the construction of the 8 million m3 water storage Nagmati dam upstream of the Kathmandu Valley and construction of four DEWATS. Riverbank environment improvement includes the construction of additional regulators and beautification of riverbanks through river training, landscaping, and restoration of cultural heritage buildings located along the bank of the river. The expected outcome will be to achieve the bathing standard at Pashupatinath Holy Temple on a perennial basis and improve water quality downstream of the temple.

The project will invest in rehabilitation and expansion of sewerage network, modernization and new construction of wastewater treatment plants, and improvement of wastewater management in Kathmandu Valley, which will complement the past and ongoing Asian Development Bank (ADB) projects. The project will coordinate with other related projects to fulfill the medium-term priority investment needs identified in the program and Bagmati Action Plan. The project will help in reducing pollution in the holy Bagmati River in Kathmandu Valley and complement efforts at further improving river basin management under the proposed ADB-financed Bagmati River Basin Improvement Project.

iv https://www.adb.org/sites/default/files/project-documents//43448-013-pam.pdf pp. 9-10

community-based flood early warning systems and adaptation programs.

- https://www.adb.org/sites/default/files/project-documents//43448-013-pam.pdf pp. 9-10
- vi https://www.adb.org/sites/default/files/project-documents/43448/43448-013-smr-en 3.pdf pp. 6
- vii https://www.adb.org/sites/default/files/project-documents/43448/43448-013-smr-en 3.pdf pp.6
- https://www.adb.org/sites/default/files/project-documents/43448/43448-013-smr-en 3.pdf pp.9
- https://news.mongabay.com/2024/09/supreme-court-decision-on-saving-kathmandu-rivers-stirs-up-heated-reactions/, https://www.myrepublica.nagariknetwork.com/news/sc-mandates-20-meter-buffer-zone-for-kathmandu-valley-rivers
- x https://nepalitimes.com/editorial/nagmati-wont-clean-bagmati
- https://www.adb.org/sites/default/files/evaluation-document/664746/files/tcrv-9095 6.pdf, Pp 5, 14 and 18
- xii https://bizmandu.com/content/20250720124938.html
- xiii https://www.adb.org/sites/default/files/project-documents/43448/43448-013-smr-en 3.pdf pp.9
- xiv Asian Development Bank, Bagmati River Basin Improvement Project Project Administration Manual (Manila: Asian Development Bank, 2013), 7–9.
- xvhttps://www.adb.org/sites/default/files/project-documents//43448-013-pam.pdf pp.40
- xvi https://www.adb.org/sites/default/files/project-documents//43448-013-pam.pdf pp.8
- ramila Shrestha and Naresh Kazi Tamrakar, "Effects of Human Disturbances and Climate on Morphological Changes of Bagmati River, Central Nepal," Journal of Nepal Geological Society 43 (2011): 205–18, <a href="https://doi.org/10.3126/jngs.v43i0.25586">https://doi.org/10.3126/jngs.v43i0.25586</a>
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- https://www.adb.org/sites/default/files/project-documents/44058/44058-013-pcr-en.pdf pp.21
- https://www.adb.org/sites/default/files/project-documents/44058/44058-013-pcr-en.pdf pp.21