



## Electricity Transmission Project (ETP)

# Questions and Answers

## Consultations with Affected Indigenous People and Communities



Millennium Challenge Account Nepal (MCA-Nepal)



1

**What initiatives has MCA-Nepal taken to inform affected indigenous people and communities in Electricity Transmission Project (ETP) implementation areas?**

MCA-Nepal informed affected indigenous people and communities in 30 affected local municipalities within 10 districts through various events and channels based on international practice on Information, Consultation and Participation (ICP).

- In 2019, scoping meetings were organized to determine impact areas and conduct environmental impact analysis;
- In 2019, information on transmission lines route alignment was shared in 30 municipalities;
- In 2019 and 2020, public hearings programs on draft Environmental Impact Assessment (EIA) were conducted in 30 municipalities;
- In 2020, consultations for MCA Partnership Program were organized in 30 municipalities;
- In 2022, consultations were carried out to address grievances along the route of the transmission line;
- In 2023, consultations for forest clearance were organized with 129 Community/Leasehold Forest Users Groups and;
- Additionally several consultations are being carried out at the local level as MCA-Nepal prepares its resettlement action plan.

In all of the events, MCA-Nepal encouraged the use of local language and hired interpreters where required.

MCA-Nepal continuously shares required information with affected people via its field staff (District Liaison Officers) stationed in respective districts of the project areas. MCA-Nepal also regularly publishes updates through its website and social media platforms.

2

**What is MCA-Nepal's approach to reduce adverse impacts of the project on indigenous people?**

MCC Compacts require adherence to International Finance Corporation (IFC) Performance Standard (PS) 7 to avoid and/or minimize adverse impacts, respect for human rights, dignity and culture of indigenous people, and distribution of development benefits in appropriate ways.

MCA-Nepal has conducted environmental and social impact assessment across project implementation areas as per the requirements of the local law and provision in MCC Environmental Guidelines. MCA-Nepal held extensive consultation with the indigenous people during the project preparations and design phase. As per suggestions received during such consultations, religious and cultural sites of indigenous people were avoided while finalizing transmission line routes. MCA-Nepal will continue consultations with indigenous people during project implementation phase also, and address their concerns to the extent possible.

3

**What are the practices adopted by MCA-Nepal to help indigenous people access information?**

MCA-Nepal follows required international practices such as IFC PS 7, MCC Environmental Guidelines and relevant Nepali laws to help indigenous people access information while implementing its projects.





All information is made available in local languages where required. Public hearings for the EIA were conducted in the presence of affected communities including indigenous people and local representatives from Federation of Community Forest Users Nepal (FECOFUN) in all affected 30 municipalities. MCA-Nepal continues to consult and facilitate Indigenous People (IP) in the following circumstances during project implementation:

- Impact on land and natural resources subject to traditional ownership or under customary use;
- Relocation of IP from lands and natural resources subject to traditional ownership or under customary use;
- Significant impacts on critical cultural heritage that is essential to the identity and/or cultural, ceremonial, or spiritual aspects of IP's lives, including natural areas with cultural and/or spiritual value such as sacred groves, sacred bodies of water and waterways, sacred trees, and sacred rocks; or
- Use of cultural heritage, including knowledge, innovations or practices of IP for commercial purposes.

4

#### What has MCA-Nepal done to attain International Finance Corporation (IFC) Performance Standards?

MCA-Nepal has involved, informed and ensured the participation of affected indigenous people and communities since the inception of the project to attain the provisions mentioned in IFC PS 5 and 7. Moreover, MCA-Nepal prepared a Stakeholder Engagement Plan (SEP) and established a grievance redress mechanism in the preparation phase of the project which will also extend into the implementation phase.



The plan includes disseminating required information and conducting informed consultations in local languages via the right channels to reduce potential adverse impacts on affected indigenous people and communities.

5

#### How will MCA-Nepal address the concerns of indigenous people?

MCA-Nepal has prepared an Indigenous People Plan (IPP) to address the concerns of indigenous people. The plan focuses on reducing adverse impacts of the project on indigenous people. The plan has identified impacts on indigenous people in comparison to non-indigenous population, describes the informed consultation and participation process to be adopted and proposes additional mitigation/or compensation measures for adverse socio-economic impacts. It also supplements the informed consultation and participation process in the SEP to make it culturally appropriate for indigenous people, and includes a framework for additional measures where the Free Prior and Informed Consent (FPIC) process is required.

6

#### How does MCA-Nepal ensure that grievances of affected indigenous people and communities are addressed?

MCA-Nepal has established a grievance redress mechanism that is designed to manage complaints and concerns on project activities or its impacts in a systematic way. Grievances are registered in person or via phone, letter or email at the district offices of MCA-Nepal, or directly reported to the central office in

Kathmandu. MCA-Nepal staff in the field are also available to assist all affected people including indigenous people to register a grievance. Grievance registers are maintained at the district offices with a copy at the central office. The Grievance Coordinator at the central office works with relevant teams at MCA-Nepal to address the grievance, or seek further escalation for appropriate solution. There are three tiers or levels of decision-making to address grievances depending on the scale and/or complexity of the grievance for a timely redress.

7

#### How does MCA-Nepal acquire land owned by indigenous people?

Any land required for development projects are acquired as per the provisions of the Land Acquisition Act, 1977 (2034 BS). MCA-Nepal acquires private land owned by affected indigenous people and communities as per the provision of the same law by providing compensation. Moreover, MCA-Nepal's land acquisition work is guided by the provisions in its Resettlement Policy Framework which outlines principles, entitlements and compensation as mitigation measures against the impacts.

The Resettlement Policy Framework guides the Resettlement Action Plan. The plan will describe the details of compensation and rehabilitation measures for each affected household.

For more information:

#### Millennium Challenge Account Nepal (MCA-Nepal)

Lal Durbar Convention Centre, Yak and Yeti Complex,  
Durbar Marg, Kathmandu, Nepal, Tel. No.: +977 01 4540951  
info@mcnp.org | www.mcnp.org



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