

LAW AND POLICY

Government of Nepal has developed various acts, regulations and guidelines for environmental friendly development activities. Similarly, WB has some guidelines and requirements for EIA study. The policies, laws, rules and regulations, and other guidelines and directives, which will govern the undertaking of ESIA, include the followings:

Table 16: Relevant Law, Regulations and Policies

SN	Acts/Regulations/ Guidelines	Relevant Details
1	Constitution of Nepal	It has ensured the provision of environmental protection and right to live in clean environment. The article 30 (1) of the constitution has granted 'every person shall have the right to live in clean environment' as a fundamental right for the people while the article 51 (f) (2) of the constitution in its Development policy gives priority for under-developed regions for balanced, environment-friendly, qualitative and sustainable physical infrastructure development. Similarly, Article 51 (g) (5) of the constitution in the conservation, management and use of natural resources policy, negative impacts of industrialization and physical development should be minimized for environmental cleanliness and protection. It has also defined the right of working area of Federal, Provincial and Local Government. According to Constitution of Nepal, Local Level has right over small hydropower project (Annex 8, SN. 19 of Constitution of Nepal).
2	Plans, Policies and Strategy	
2.1	Plan	
2.1.1	Fifteenth Plan (FY 2076/77-2080/81)(2019/20 – 2023/24)	The plan has emphasized for development of micro and small hydropower for alternative energy promotion. It has expected to generate 13 MW electricity through micro and small hydropower development.
2.1.2	Nepal Biodiversity Strategy and Action Plan 2071-2077 (2014-2020)	The overall goal of the strategy and action plan is to enhance the integrity of ecological systems by 2020, thereby contributing to human well-being and sustainable development of the country. It considers that haphazard development activity is becoming a major threat to the biodiversity. Similarly, it has prioritized for the promotion of hydropower energy to reduce the demand of firewood to protect forest. It also urges for the effective implementation of EIA for conservation of biodiversity.
2.1.3	Nepal Environmental Policy and Action Plan, 2050 (1993)	The Nepal Environmental Policy and Action Plan (NEPAP) endorsed in 1993 recognizes that a growing number of people are exposed to pollution from industrial enterprises and development activities. The Action Plan for infrastructure development within NEPAP recommends the finalization of draft EIA guidelines for water resources, the development of EIA guidelines for road construction and the use of EIA when designing hydroelectric projects.
2.2	Policy	
2.2.1	National Occupational Safety and Health Policy, 2076	The policy came to exist to ensure for the safety of workers through reduction of risks at works through appropriate occupational health safety gears and better working condition.
2.2.2	National Environmental Policy 2076 (2019)	GoN has endorsed the 'National Environment Policy-2019' with the goal to control pollution, manage wastes and promote greenery so as to ensure citizens' right to live in a fair and healthy environment. It

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		has proposed 10 targets with 6 policies with strategies and working policies for the policy. The six policies are I) Pollution Prevention, Control and Minimization, II) Environmental Mainstreaming, III) Environmental Justice, IV) Public Participation, V) Sustainable Development and VI) Good Governance, Research and Capacity Development. It has ensured for the participation of all three Governments while preparation of policy, laws, implementation, monitoring and evaluation of environment sector. It targets to lessen and prevent all types of environment pollutions, manage wastes emanated from all sectors including home, industry and service, expand parks and greenery in urban area and ensure environment justice to the pollution affected population. It has mentioned for mainstreaming the environmental concerns in all phases of development works. It has mentioned the issues of adverse and beneficial impacts of development works, and their monitoring and auditing.
2.2.3	Renewable Energy Subsidy Policy, 2073 (2016)	The policy has long term goal to achieve universal access to clean, reliable and affordable renewable energy solutions by 2030. It has taken a strategy to encourage public-private sector participation in the renewable energy technology. To promote renewable energy, it has clearly mentioned to provide subsidy in different category as per districts of Nepal.
2.2.4	AEPC Gender Equality and Social Inclusion Policy, 2075 (2018)	The policy came to the existence for the mainstreaming of rural women, poor, marginalized and vulnerable population, and excluded groups in utilization of various technologies of renewable energy to support for the livelihood enhancement.
2.2.5	Public-Private Partnership Policy, 2072 (2015)	The policy was formulated to enhance public-private sector investment on development and operation of public infrastructure services through the adoption of the PPP model for comprehensive socio-economic development.
2.2.6	Land Acquisition, Resettlement and Rehabilitation Policy, 2071 (2015)	<p>With an aim to improve social and economic status of project affected families by providing fair and adequate compensation, appropriate resettlement and rehabilitation assistances/ allowances, the GoN has released Land Acquisition, Rehabilitation and Resettlement Policy in 2015. The Policy mission is to facilitate timely execution (completion) of development projects by minimizing adverse impacts on economic, social and cultural aspects of affected families/people and the project area. The Policy classifies projects on the basis of numbers of families to be displaced such as;</p> <ul style="list-style-type: none"> i. High risk project: Project that displaces (both physical and economic) 50 or more families in the mountain region, 75 or more families in the hills and 100 or more families in the Terai plains ii. Medium risk project: Project that displaces (both physical and economic) less than 50 families in the mountain region, less than 75 families in the hills and less than 100 families in the Terai plains. iii. Low risk project: Projects with no physical displacement. Project with only economic displacement and None of Affected person loose more than 10% of their productive asset <p>Four approaches for land acquisition has to be adopted namely,</p>

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		voluntary donation, direct negotiation, land development program and expropriation (Use of eminent domain). The proposed AMHSP falls under low risk project as per the categorization of the Policy.
2.2.7	Rural Energy Policy 2063 (2006)	GoN formulated the policy is to contribute to rural poverty reduction and environmental conservation by ensuring access to clean, reliable and appropriate energy in the rural areas. It has taken strategy to encourage local groups and private sector to distribute the electricity by producing the power up to 1000 kW in rural areas.
2.2.8	Hydropower Development Policy, 2058 (2001)	<p>The main objective of Hydropower Development is to generate/produce electric power at low cost by utilizing water resources available within the country. And to supply/extend reliable electricity service nationwide at reasonable price. Other objectives are to develop hydropower as export orientated commodity and also relate electrification with the economic activities of the country. Some of the highlights of Hydropower Development Policy 2001 are as follows:</p> <ul style="list-style-type: none"> • Develop small, medium, large and reservoir type projects considering maximum and optimum benefit to the country with minimum environmental consequences. • Encourage local bodies, co-operatives and private sectors participation with clear, simple and transparent rules and regulation. • Develop hydropower as an alternative to Bio and Thermal energy with an aim to contribute in the environmental protection. • Encourage people's participation in hydropower development with a view to dissemination of benefit at local level also. • Render priority to Nepalese labour, skill and resources in implementation of hydropower projects.
2.2.9	Environmental and Social Safeguard Policy of AEPC, 2018	<p>AEPC has developed its social and environmental safeguard principles to align with the International Finance Corporation's (IFC) Performance Standards (2012) with 7 principles as follows:</p> <ol style="list-style-type: none"> ESS Policy Principle 1: Assessment and management of environmental and social risks and impacts; ESS Policy Principle 2: Biodiversity conservation and sustainable management of living natural resources; ESS Policy Principle 3: Human Rights; ESS Policy Principle 4: Labour and working conditions; ESS Policy Principle 5: Community Health Safety and Security; ESS Policy Principle 6: Land acquisition and involuntary resettlement; ESS Policy Principle 7: Resource efficiency and pollution prevention <p>It has also provided Environmental and Social Management Frameworks to categorize the project into A, B or C as per its impact on environment and society. The proposed proposal has been considered as A category project.</p>
2.3	Strategy	
2.3.1	National Energy Efficiency Strategy, 2075	One of the objective of the strategy is to maintain environmental balance and bring positive improvements in health by efficient use of energy through the strategic intervention of establishment of policy, legal and institutional frameworks for resources management, resources mobilization, infrastructure development and human

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		resources development required 5 for energy efficiency and develop national standards for energy efficiency based on established international and regional standards as well as to develop equipment and means for measuring energy efficiency.
2.3.2	National Water Resource Strategy, 2058 (2002)	Nepal has adopted National Water Resource Strategy taking a holistic and systematic approach to develop and manage water resources for sustainable use of resources ensuring conservation and protection of the environment. This strategy underscores the interdependencies between water resource development and environment conservation, and has adopted environment principles related, inter alia, to the integration of ecological aspects at every level of hydropower development process, conserve biodiversity, watersheds and adopt ecosystem approach. The NWRS has a target of developing 820 MW of hydropower by 2063/064 to meet the domestic demand at base case scenario including export to the tune of 150 MW and achieve per capita electricity consumption of 100KWh.
3	Act, Rules and Regulations	
3.1	Act	
3.1.1	Environment Protection Act, 2076 (2019)	Any development project, before implementation, to pass through environmental study report, which may be a Brief Environmental Study, an IEE or an EIA depending upon the location, type and size of the projects. It has made the provision for the approval agency of environmental study report as per prevailing laws It has also made provision for quality assurance of environmental study reports. According to Clause 3-2-GA of Environment Protection Act, 2019, for the development work or proposal falling under the jurisdiction of local level, Brief Environmental Study (BES) or Initial Environmental Examination (IEE) report should be to the concerned body specified by local law and Environmental Impact Assessment (EIA) report should be submitted to provincial government body specified by state law. The proposed proposal falls under the jurisdiction of Local Government.
3.1.2	Province No. 1 Environment Protection Act, 2076 (2020)	This act has been come to exist to address the environmental concerns of development activities under the jurisdiction of Province 1. It has made the provision of environmental assessment for the development works, projects or proposal under the jurisdiction of the province given in Annex I
3.1.3	Forest Act 2076 (2019)	It has recognized the importance of forests in maintaining a healthy environment. And major objective of the Forest Act is the promotion of a healthy environment. It has made the provision for the approved work plan for different categories of forest, i.e. Community Forests, Leasehold Forests, Private Forests and religious forest. Similarly, the act has made the provision for handover of forest area for physical infrastructure development, and also for environmental examination as per prevailing laws and regulations.
3.1.4	Local Government Operation Act, 2074 (2017)	It has been formulated to assist the local governments to make clarification about their working area demarcation. Similarly, Local Government Operation Act, 2074 BS has provided authority for policy, law, standards, planning, implementation, monitoring and regulatory works (परिच-३, ११ (२), ४). Thus KPLRM has right to

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		produce a generation license for the proposed proposal.
3.1.5	Intergovernmental Fiscal Arrangement Act, 2074	It came into the existence for the financial sharing among three level of government in Nepal. It has clearly stated the taxes may levy by Federal Government, Provincial Government and Local Government in Schedule 1, 2 and 3. It has also made the provision of distribution of royalty from natural resources in Schedule 4.
3.1.6	Labor Act, 2074 (2017)	The Act has clearly mentioned about minimum salary, working hours, prohibition of discrimination in terms of ground of religion, colour, sex, caste, tribe, origin, language, ideological conviction or any other similar ground; and prohibition of unequal payment for similar works in term of gender. The Act defines working hours in a day and a weekend leave. Clause 68 to 83 under Chapter 12 gives details for occupational health and safety requirement to be maintained for labors. Child labor (below 14 years) is prohibited. It calls for insurance and safety management and other facilities for labors.
3.1.7	Act to Regulate and Control on International Trade in Endangered Species of Wild Fauna and Flora Act, 2074 (2016)	This acts states about the regulation and control of international trade of such endangered flora and fauna species. The species are protected by CITES against over exploitation and they are listed in three CITES Appendices I, II, and III for different levels or types of protection.
3.1.8	Muluki Criminal Code Act, 2074(2017)	This law has been issued to maintain law and order in the economic, social and cultural spheres in interests of the general public in the country through ethics, morality, virtue and goodness. It has the provision of penalty for various criminal activities. It is relevant to the proposed proposal if any kinds of criminal activities are prevalent.
3.1.9	National Civil Code Act, 2074	This is the law that came into force in order to maintain morality, decency, etiquette and convenience as well as economic interest of the public by maintaining law and order in the country and maintain harmonious relationship between various castes, races and communities, by making just provisions in the economic, social and cultural fields. It has described the right of person in different perspectives from marriage to property. It is also relevant in terms of proposed proposal as implementation of the proposal should not violate others' right and vice-versa. Clause 617 states that the tenure of lease contract lasts for forty years for the construction, development and operation of infrastructure like electricity generation. Clause 640 states about the age of person engaging in the manual works. It states that a person under 16 years should not be forced to engage in physically challenging works. Clause 641 states that workers should not be liable to work more than 8 hours a day and 48 hours a week without extra time payments.
3.1.10	Solid Waste Management Act, 2068 (2011)	The Act clearly envisages about management of solid waste and provision of licensing for management. In such case, the article (7) on discharge of solid waste entails about the person, organization that produces hazardous waste or chemical waste shall have to manage such waste as prescribed (sub article 2). It is restricted that nobody shall do or cause to do the work relating to the solid waste management without obtaining license from the Local Body as

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		prescribed by article 13 of chapter, miscellaneous sub article 1.
3.1.11	Plant Protection Act 2064 (2007)	The preamble of this act explains that it is expedient to make legal provisions for preventing the introduction, establishment, prevalence and spread of pests while importing and exporting plants and plant products, promoting trade in plants and plant products by adopting appropriate measures for their effective control.
3.1.12	Child labor (Prohibition and regularization) Act, 2056 (2000)	The Act has made the provision of prohibition of engagement of child in factory, mining and similar other risky work and to make necessary provision for health. Child's safety and services and facilities while engaging them in other work.
3.1.13	Electricity Act, 2049 (1992)	Electricity Act governs the use of water for hydropower generation, establishes a system of licensing, sets out the power functions and duties of a license holder provides certain financial incentives for the license holder and sets out the powers to the government. It requires any person or corporate bodies to obtain license prior to survey, generation, transmission or distribution of electricity of more than 1000 KW. In article 24 of the Act, it states that "While carrying out electricity generation, transmission or distribution, it shall be carried out in such manner that no substantial adverse effect be made on environment by way of soil erosion, flood, landslide, air pollution etc." Article 33 deals with land acquisition. Licensed individuals can apply the government to acquire land for the purpose of electricity generation, transmission and distribution. The government shall acquire the land for the stated objectives under existing regulations the compensation incurred to acquire land and other property shall be paid by the applicant.
3.1.14	Water Resources Act, 2049 (1992)	Water Resource Act, 1992 is the umbrella Act governing water resource management, which declares the order of priority of water use, vests ownership of water in the State, provides for the formation of water user associations, establishes a system of licensing and prohibits water pollution. Article 19 (1) of the act mentions that the government through notification in the Nepal Gazette prescribe pollution tolerance limits for the water resources. Similarly, article 19 (2) requires any person to abide by the act not to pollute water resources beyond specified limit. Article 20 states that while utilizing water resources, there should not be significant adverse impact on the environment with regard to soil erosion, flood, landslide and other similar cases. Articles 16, 19, 20 of the Act are also related to land acquisition. According to article 16 (3), the government shall, according to existing laws, acquire land for the licensed person or institution and any compensation in this regard shall be paid by the licensed person.
3.1.15	Land Acquisition Act, 2034 (1977)	The Act aims at amending and consolidating current legislation relevant to the acquisition of land. The Government may acquire any land at any place for any public purpose, if it so deems necessary, according to the procedure set out by this Act. To this end it regulates the nomination of an officer responsible for preliminary action in charge of the determination of the land area to be acquired (through a survey, collection of samples of soil, demarcation of land, installation of equipment), the determination of the compensation and the submission of a report to the local officer regarding the findings of preliminary action. After having received the report, the

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		local officer shall issue a notification containing all the particulars required (e.g. purpose of acquisition, location of the land, terms of acquisition, plot number or boundaries of the land, land area). Further provisions concern the publication of said notice, the decision by the Zonal Commissioner of complaints filed by the landowner, the occupation of the land by the local officer, the criteria for the determination of the compensation which shall be paid either in cash or by allotment of other lands in exchange, if so, required by the landowner.
3.1.16	National Parks and Wildlife Conservation Act, 2029 (1973)	This act governs the various activities inside the protected areas. Schedule 1 relating to section 10 of this act provides the list of protected wildlife, which is prohibited for hunting. According to section 11, no person shall be permitted to hunt wildlife without obtaining license. There will be punishment in terms of fine or imprisonment or both if any person illegally kills or injures wildlife within protected areas.
3.1.17	Aquatic Animal Protection Act, 2017 (1960)	This act mainly focuses on the protection and management of aquatic ecology, aquatic fauna including fish and wetlands. This act prohibits the use of poison or harmful chemicals or materials in the water bodies or explosives to dismantle any embankment with a view to catching or killing aquatic animals including fish. However, there is no specific law for fishing and fisheries management.
3.2	Rules/Regulations	
3.2.1	Environment Protection Regulation, 2077 (2020)	This Regulation describes the details of the processes of level and type of environment assessment of different projects as per Schedule 1, 2 and 3. As per EPR 2020, Annex 3, KA-12, it is mandatory conduct EIA for the proposed proposal of construction of hydropower within National Park as the proposed project lies in Sagarmatha National Park.
	Province No. 1 Environment Protection Regulations, 2077 (2020)	This Regulation describes the process of environment assessment of different projects under the jurisdiction of province as per Schedule 1, 2 and 3.
3.2.2	Labor Rules, 2075 (2018)	This regulation is intended to provide the rights, interests and benefits of workers, to develop good labor relations by clearly defining the rights and duties of workers and employers, and to increase the productivity ending all forms of labor exploitation.
3.2.4	Electricity Regulatory Commission Rules, 2075	GoN has made these rules as per Electricity Regulatory Commission Act-2017 to clarify the key functions and duties of the Commission, and provide a more focused list of action points, mandatory requirements and guidance for the Commission on distribution lines, tariff management and electricity quality.
3.2.5	Solid Waste Management Regulation, 2070	Solid waste management rules 2070 BS have been issued by the Government of Nepal using the power conferred by section 50 of the Solid Waste Management Act 2068. Rule 3 of this Rules enforced the segregation and management of the solid waste. Sub rule 1 of this rule stipulates the segregation of solid waste at least organic and inorganic solidwaste at its source under section 6 have to management and segregation of harmful and chemical waste separately. The responsibility of managing of the chemical and harmful solid waste under sub rule1 shall be a concern generator.

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		Rule 4 of this rules endorsed the discharge the solid waste as comfortable manner for transportation, processing and final discharge by take in to account the possible adverse effect on the public health and environment and the ways of reduction of such effect.
3.2.6	Plant Protection Rules, 2067 (2010 AD)	It prescribes terms and restrictions relating to the trafficking and use of plants and plant products, biological control agents and beneficial organisms.
3.2.7	Child Labor (Prohibition and Regulation) Rules, 2063 BS (2006 AD)	GoN has prepared this rule as per provision of Child Labour (Prohibition and Regulation) Act, 2056 (1999 A.D). It details out various conditional arrangements for child labour use and other legal provisions related with child labour.
3.2.8	Conservation Area Management Rules, 2053	It was promulgated by the GoN pursuant to section 33 of the NPWCA provides institutional framework, systems, mechanisms and processes (management modality) for the management of the Conservation Area. It authorizes National park to establish headquarters for the management and the development of the conservation area (Rule 4), divide the area into different sub-areas (Ilakas) as per the need, and establish Unit Conservation Officers and other staff as necessary. As the project is in National Park, it attracts the rules.
3.2.9	Buffer Zone Management Regulation, 2052	If any actions being operating or to be operated within or outside the buffer zone, have or wit, have the negative impact on the land use, public health, natural environment and natural resources conservation, the warden may on the recommendation of the users' committee give an order to the concerned person or institution to stop such activities immediately or to mitigate the impacts. After necessary investigation on the application tendered under the Sub—Rule (1), the warden may hand over such buffer religious forest as demanded by the applicant, or with necessary amendment to the religious authority, group, or community with a certificate under the Appendix—6. Provision should be made so as not to affect the right of the traditional users while handing over such forest. If the Ministry wishes to operate any services or amenities within the buffer zone through any person according to the Section—6 of the Act, it shall publish a bid tender notice in major newspapers giving at least 35 days' notice with necessary specifications of such services or amenities and the terms and conditions of the operation, and it shall also mention the office or official for the submission, the opening date and time of the bid tender in such a bid notice. Any religious authority, group or community willing to develop, conserve and utilize any religious place situated in the buffer zone from ancient time or the peripheral forest of such place will have to give an application in accordance with Appendix—5 to the warden by describing the area, boundaries and programs to be carried out in such a forest.
3.2.10	Forest Regulations, 2051 (1995)	Rule 65 of the Forest Regulation stipulates that in case the execution of any project having national priority in any forest area causes any loss or harm to any local, individual, or community, the proponents of the project itself shall bear the amount of compensation to be paid. Similarly, the entire expenses required for the harvesting, logging and transporting of the forest products in a forest area will be borne

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		by the proponents of the projects.
3.2.11	Electricity Rules, 2050 (1993)	Section (७) of Article 12 and section (७) of Article 13 of Electricity Regulation 1992 are important from environmental viewpoint. The Environmental Impact Assessment report will address the environmental issues, measures required to mitigate the significant adverse impacts. This regulation has also made provision for the formation of Compensation Fixation Committee for compensation of the land required for the project.
3.2.12	Water Resources Regulations, 2050 (1993)	It is mandatory under Rule 17 (e) of the regulation that any person or corporate body, who desires to obtain a license for utilization of water resources must state in his application that appropriate measures will be taken to lessen the adverse effects due to the project on the overall environment. Measures are to be taken for the conservation of aquatic life and water environment and for mitigating social and economic effects of the project in the concerned area.
3.2.13	Himali National Park Rule, 2036	It explains about the protection and conservation of National Park located in Himalayan region of Nepal. It includes the do and don'ts inside a National Park. Harm to any wildlife animals, birds or fishes as well as trees/plants are not allowed but feeding birds and fishing after permission of the national park is allowed. Any kind of pollution such as solid waste, liquid waste as well as noise pollution is restricted in this area. But, development works can be done taking permission with government.
3.2.14	National Parks and Wildlife Conservation Rules, 2030 (1974)	The rules prohibits any activities inside the protected area without permission from the authorized persons including hunting, damaging any form of wildlife, building or occupying any form of shelter, hut or house, occupying, clearing or cultivating land, pasturing domesticated livestock, damaging, felling or removing any trees, shrubs of forest products and setting of forest fire, mining and removing stone, minerals, creating earth works using explosives, using immunization or poisons, block, diverting river or streams.
4	Guidelines/manuals /Directives	
4.1	Directive Relating to Licensing of Power Projects 2075	GoN by virtue of the power conferred by Rule 94A of the Electricity Regulation 2050 (1993) issued the Directive Relating to Licensing of Power Projects 2075 ("Directive") replacing the previous Directives Relating to Licensing of Power Projects 2073 (2017). This directive has set various provisions on survey license of electricity generation, transmission and distribution as well as issuing license of generation, transmission or distribution or license amendment and its cancellation.
4.2	Hydropower Environmental Impact Assessment Manual, 2075 (2018)	Ministry of Forests & Environment has prepared this manual, in line with the National Environmental Impact Assessment Guideline. It has undergone extensive gap analysis of existing Nepali EIA related documents and legislation followed by a series of multi-stakeholder participatory processes in order to assist hydropower companies conduct better EIAs that meet international standards and aid the Government with the review and approval process. The Manual has been designed in a format that is user-friendly and aims to guide practitioners, regulators and developers in the industry understand in detail the importance of several existing gaps like meaningful engagement of stakeholders, adequate definition of areas

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		of influence and study areas, sufficient identification of baseline studies, knowledge on identifying and quantifying impacts, need of precision on impact predictions, and suitable alternatives analysis.
4.3	Working Policy on constructing and operating physical infrastructures in Protected Area 2065 (2008)	If any activity that has been conducted or to be conducted outside of the National Park or Conservation Area has to release such quantum of water which is higher of either at least ten per cent of the minimum monthly average discharge of the river/stream or the minimum required quantum as identified in the environmental impact assessment study report. Similarly, any activity that has been conducted or to be conducted within to the National Park or Conservation Area has to release such quantum of water which is higher of either at least fifty per cent of the minimum monthly average discharge of the river/stream or the minimum required quantum as identified in the environmental impact assessment study report. Legal provisions shall be made to prevent adverse effects on the availability of water or water right of the projects for which license is not required or being operated after obtaining the license. The view of environment conservation will be required to plant and rectify 25 trees in the form of a single tree cut or removed. The public, public or service within the conservation area will be used without pre-approval of the organization for the purposes of public tree plantation (except for the purpose of planting local species).
4.4	Community Forest Inventory Guidelines, 2061 BS (2003 AD)	The guideline for inventory of community forests advice to classify the forest into timber trees, pole size trees and regeneration on the basis of diameter. It has recommended using 25 m x 20 m size of quadrat for timber trees, 10 m x 10 m for shrub and 5 m x 5 m for sapling and 2 m x 5 m for seedling plots in the community forest. Plants having DBH (Diameter at Breast Height, i.e. 1.3 m above ground) greater than 30 cm is considered as trees. Trees having DBH between 10 to 29.9 cm are categorized as poles and plants having less than 10 cm DBH and more than one-meter height belongs to sapling and plants having height of less than one meter categorized as seedlings. The guidelines provided the methods of calculating volume of timber and fuel wood. The guideline also advises to stratify the large areas in the hills and mountains to eliminate variations in slope aspects etc. After stratification, area of each stratum could be calculated.
4.5	National EIA Guidelines, 2050 BS (1993 AD)	The guideline provides clear directions about the process of conducting EIA. This guideline makes EIA in Nepal legally mandatory and contains process for ensuring public involvement during the preparation of EIA report. It calls for information regarding identification of physical, biological, socio-economic and cultural impacts. Impacts ranking method also suggested in this guideline. It stresses the inclusion of mitigation measures to avoid, minimize and mitigate adverse impacts and maximize beneficial impacts resulting from the development project and monitoring & environmental auditing in the EIA report. Its revision in 1997 calls for the ensuring local people's participation, collection of relevant information, identifying major issues of public concerns, evaluate them and establishing priorities for EIA study. These guidelines further provide guidance to project proponent on integrating environmental mitigation measures, particularly on the management

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		of quarries, borrow pits, stockpiling of materials and spoil disposal, operation of the work camps, earthworks and slope stabilization, location of stone crushing plants, etc.
4.6	Guideline on Environmental & Social Risk Management (ESRM) For Banks And Financial Institutions, May 2018	It is the guideline prepared by Nepal Rastra Bank for Banks And Financial Institutions those providing loans for development activities. The guideline helps to assess environmental and social risks and their management. The guideline has the exclusion lists of activities in which banks and financial institutions cannot provide the loan. The guideline is also relevant to the proposed proposal as it has to take loan from the Bank.
5	Working Procedures/Work Plan	
5.1	Working Procedure for the Use of National Forest Area for National Priority Project, 2074 BS (2017 AD)	<p>Realizing the need to manage the provision in relation with giving approval to use forest area for operation of national priority projects, Government of Nepal has endorsed this “Working Procedures relating to use of National Forest Area for Projects of National Priority, 2017” under provisions stipulated in Clause 68 (1) of the Forest Act, 1992. This working procedure supersedes the previous “<i>Working Procedures relating to use of National Forest Area for other purposes, 2006</i>”.</p> <p>Section 3 (1) of this procedure requires Ministry (concerning to specific national priority project) to carry out feasibility study and alternatives of the project avoiding the national forest to the extent possible. However, as per the provision of Section 3 (2), if such study carried out in accordance with Section 3 (1) requires use of forest area, then the alternative requiring minimum forest area or clearance of minimum number of trees and vegetation shall be selected.</p> <p>Section 4 (1) of the Procedures provisions need of preparation of an Initial Environmental Examination or an Environmental Impact Assessment Report relating to environmental impacts of such project which requires forest area for its implementation in accordance with the prevalent Environment Protection Act and Environment Protection Regulation. If the investigation carried out in accordance with Section 4 (2) reveals implementation of the project causes impacts on the environment, then the concerned Ministry shall prepare a report incorporating mitigation measures to minimize such impacts along with environmental management plans for the project. Section 4 (4) requires concerned Ministry to take approval from the Ministry of Forests and Environment prior approval of the IEE or EIA reports in accordance with prevalent law for the projects requiring national forest area.</p> <p>Section 5 (1) describes the procedures to submit application for the use of national forest areas. Section 10 explains provisions relating to compensatory plantation and requires 25 saplings to be planted for loss of a tree. As per Section 11, the project shall pay annual lease amount for temporary occupancy of national forest at the rate fixed for leasehold forests as per Schedule 20 of Forest Regulations, 1993. Section 12 of the Procedure mandates the project to implement mitigation measures mentioned in IEE or EIA report of the project</p>

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		and the cost for such measures shall be borne by the project itself.
5.2	Renewable Energy Subsidy Delivery Mechanism 2073 BS (2016 AD)	AEPC has prepared the mechanism as per mandate given by Renewable Energy Subsidy Policy 2073 BS. It has spell out the detail mechanism of subsidy delivery mechanism in context of renewable energy provided by GoN. As the proposed proposal is also a program of AEPC under renewable energy, it is certainly relevant to the proposed project.
6	Standards	
6.1	National Ambient Air Quality Standard, 2069 BS (2012 AD)	National Ambient Air Quality Standard is established for various parameters such as TSP, PM ₁₀ , Sulphur Dioxide, Nitrogen Dioxide, Carbon Monoxide, Lead, Benzene, PM _{2.5} and Ozone. The standard states that the maximum concentration stated for averaging time of 24 hours for TSP, PM ₁₀ , Sulphur Dioxide, Nitrogen Dioxide, and PM _{2.5} and the maximum concentration stated for averaging time of 8 hours for Carbon Monoxide and Ozone should be under standard limit for at least 95% duration for one fiscal year and should not exceed maximum concentration for 18 days in 365 days. No any parameters shall exceed its maximum concentration limit for two consecutive days within one year
6.2	National Noise Quality Standard, 2069 BS (2012 AD)	National Standard for Sound Quality is established as per Rule 15 of Environment Protection Rules, 2054. The maximum limit of sound for city and residential area is 55 decibels for daytime and 50 decibels for night hours. Whereas for the industrial area, the maximum limit of sound is 75 decibels for daytime and 70 decibels for night hours. Further, for the peace zone, the maximum limit of sound is 50 decibels for daytime and 40 decibels for night hours.
6.3	Standards for Emission from in-use and Imported Diesel Generators, 2069 BS (2012 AD)	The MoSTE(now MoFE) introduced in October 2012 the National Diesel Generator Emission Standard (NDGES) for new and in-use diesel generators with a capacity of 8 kW-560 kW (under the 1997 Environment Protection Act). In doing so they followed the Indian standards for construction equipment rather than for diesel gensets. Hence, the Nepal emission standards for new and in-use diesel gensets are less stringent than in India. The emissions standards set for new diesel generator imports is equivalent to Bharat Stage III standards and, for in-use diesel generators, is equivalent to Bharat Stage II. The emissions limits are set for four major pollutants: CO, HC, NO _x , and PM. The emissions limit for PM for new DG sets less than 19 kW is 0.80 g/kWh; for 19 to <37 kW, the emissions limit is 0.60 g/kWh; for 37 to <75, it is 0.40 g/kWh; for 75 to <130 kW, it is 0.30 g/kWh; and for 130 to <560 kW, it is 0.20 g/kWh. MoSTE has not yet been able to monitor the compliance of emissions standards for new and in-use DG sets.
6.4	Tolerance Limits for Industrial Effluents to be Discharged into Inland Surface Waters, 2003	The Ministry of Environment has set tolerance limits for the industrial effluents to be discharged into the inland surface water. Since the project is considered as an industry it will have to comply with the tolerance limits set in the standard prior to the discharge of the effluents into the inland surface water during the construction and operation period.
7	World bank ESS Instruments	
7.1	Operation Policy	
7.1.1	Environmental	The policy is to ensure that Bank financed projects are

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	Assessment EA (OP 4.01)	environmentally sound and sustainable. As per the policy, an integrated Environmental Screening and Environmental Assessment (EA) with Environmental and Social Management Plan (ESMP) has to be prepared or developed to manage environmental risks and maximize environmental and social benefits wherever applicable.
7.1.2	Natural Habitats (OP 4.04)	The policy is to support the protection, maintenance and rehabilitation of natural habitats in its project financing, as well as policy dialogue and analytical work. The Bank also expects the Borrowers to apply a precautionary approach to natural resources management to ensure environmentally sustainable development. Here the policy is triggered by the Project due to activity requiring land of SNP for implementation of the proposed proposal.
7.1.3	Involuntary Resettlement (OP 4.12)	Objective of this policy is to avoid or minimize involuntary resettlement where feasible, exploring all viable alternative project designs. Furthermore, it intends to assist displaced person in improving their former living standards; community participation in planning and implementing resettlement; and to provide assistance to affected people, regardless of the legality of title of land. This policy may not be attracted as the proposed proposal does not acquire any land displacing the people.
7.1.4	Physical and Cultural Resources (OP 4.11)	This policy is to assist in the preservation of cultural property, historical, religious and unique natural value-this includes remains left by previous human inhabitants and unique environment features, as well as in the protection and enhancement of cultural properties encountered in Bank- financed project. It may be triggered by the project as the proposal has to be implemented in SNP where Sherpa communities reside with their cultural, historical, religious and unique natural value; and SNP has unique environment features.
7.1.5	Indigenous People (OP 4.20)	This policy aims to protect the dignity, right and cultural uniqueness of indigenous people to ensure their participation in project design and implementation, do not suffer from development activities; that they receive social and economic benefits. This policy is relevant to the proposed proposal as SNP is the home of Sherpa Community.
7.2	General Environmental Health and Safety Guidelines	The Environmental, Health, and Safety (EHS) Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP). When one or more members of the World Bank Group are involved in a project, these EHS Guidelines are applied as required by their respective policies and standards. These General EHS Guidelines are designed to be used together with the relevant Industry Sector EHS Guidelines, which provide guidance to users on EHS issues in specific industry sectors. The general EHS guidelines covers four different concerns; Environment, Occupational Health and Safety, Community Health and Safety, and Construction and Decommissioning.
7.3	Environmental Health and Safety Guidelines for Electric Power Transmission and Distribution	This guideline includes information relevant to power transmission between a generation facility and a substation located within an electricity grid, in addition to power distribution from a substation to consumers located in residential, commercial, and industrial areas. The guideline provides a summary of EHS issues associated with electric power transmission and distribution that occur during the construction and operation phases of a facility, along with

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		recommendations for their management.
8	International Instruments	
8.1	The United Nations Declaration on the Rights of Indigenous Peoples, UNDRIP, 2007	It has established a universal framework of minimum standards for the survival, dignity and well-being of the indigenous peoples of the world and it elaborates on existing human rights standards and fundamental freedoms as they apply to the specific situation of indigenous peoples. Significantly, in Article 3 the UNDRIP recognizes Indigenous peoples' right to self-determination, which includes the right "to freely determine their political status and freely pursue their economic, social and cultural development." Article 4 affirms Indigenous peoples' right "to autonomy or self-government in matters relating to their internal and local affairs," and Article 5 protects their right "to maintain and strengthen their distinct political, legal, economic, social and cultural institutions." Article 26 states that "Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired," and it directs states to give legal recognition to these territories
8.2	International Labour Organization Convention, 1998	It is the Declaration on Fundamental Principles and Rights at Work in 1998.
8.3	Convention on Biological Diversity (CBD), 1992	Nepal signed the Convention on Biological Diversity (CBD) during the Earth Summit in June 1992; ratified it in the fall of 1993; and it has entered into force since 21 February 1994. Nepal is committed to implementation of the convention. The Forest Act, 1993, Forest Rules, 1995, EPA, 1997 and EPR 1997 are enforced by GoN in response to CBD. As the state is fully committed to conserve its biodiversity, the proposed subproject being an entity of state itself is also full-heartedly committed to conserve biodiversity in and around subproject area.
8.4	Concerning Indigenous and Tribal Peoples in Independent Countries, 1991 Convention (No.169)	Article 7 of the convention provides the right to the indigenous and tribal people to decide their own priorities for the process of development. However, for the national development plans and programs, it mandates consultation with them in the formulation of the plans and programs. Article 12, 13, 14 and 15 safeguards rights of the indigenous people in the land and natural resources in territories traditionally occupied by them. In the event that the state retains the right of the natural resources in their territories, it mandates formulation of special provisions under the state legislation for participation in the decision-making process and resettlement process with full compensation of the resulting loss or injury (Article 16). As Nepal is signatory of the convention will have to comply the provisions stipulated in the conventions, if the subproject is to impact the safeguard rights of the indigenous people.
8.5	World Heritage Convention, 1975	This convention has been adopted to address the threats to the world's cultural and natural heritages by traditional/natural decay and socio-economic changes occurring globally. The Sagarmatha National Park of Nepal parts of which, this subproject will be implemented within has been designated as World Heritage Site based upon the criteria VII (UNESCO, 1979) for its superlative natural phenomena or areas of exceptional natural beauty and aesthetic

SN	Acts/Regulations/ Guidelines	Relevant Details
		<p>importance.</p> <p>The convention with total of 38 articles defines and describes World Heritage Sites, responsibilities of parties for protection, conservation and presentation of heritage sites. The convention also addresses study and research, Cooperation and Funding related to World Heritage Sites.</p> <p>The article 1 and 2 define cultural and natural heritage sites. Article 5 urges the parties to adopt a policy which aim to give functional life to community with integration of protection and if required establishment of multiple services that assure conservation. Parties are bound to report periodically the status of world heritage sites including the threats and dangers posed by traditional decays, changing socio-economic status and natural disasters (article 11). Article 17 considers encouraging establishment of national, public or private foundations or associations that could contribute to the efforts of protection and conservation of heritage sites. Article 34 of the convention mentions that if the heritage sites belong to any federal jurisdiction, the role of that state or province towards the heritage site shall equally be that of the nation to which the state belongs.</p> <p>Any project in a world heritage site requires World Heritage Impact Analysis to be integrated in the EIA of the project. The guideline is given as per the IUCN's advice notes (IUCN, 2013 a).</p>
8.6	World Heritage Advice Note: Environmental Assessment (18 Nov 2013): Astep-by-step guidance on environmental assessment for world heritage properties.	<p>IUCN advice notes on EIA for projects occurring in heritage sites (IUCN, 2013a) provides the principles guidance for the assessments that needs to incorporated in the EIA study suggesting additionally incorporation of the CBD's voluntary guidance of biodiversity inclusive impact assessment and Ramsar impact assessment handbook. The IUCN, 2013a focuses on impact on heritage's outstanding universal values that comprise of Values, Integrity and Protection and Management as inscribed for the site. The assessment needs to be assessed for direct, indirect and cumulative impact on environmental and social aspects of the OUVs. Alternative assessment also needs to be done with 'No Project Option' and that mitigation measure should be sought with avoidance and reduction. A separate chapter should be included in the EIA report that concludes the impacts and their mitigation measures and should be summarized too.</p>
8.7	Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES),1973	<p>The convention classifies species according to criteria where access or control is important (e.g. I-species threatened with extinction, II-species which could become endangered; III-species that are protected; E- Endangered; V- Vulnerable, R-Rare (CITES 1983)). The subproject will have to minimize impacts to the species as far as possible.</p>