New Thinking on Water Governance

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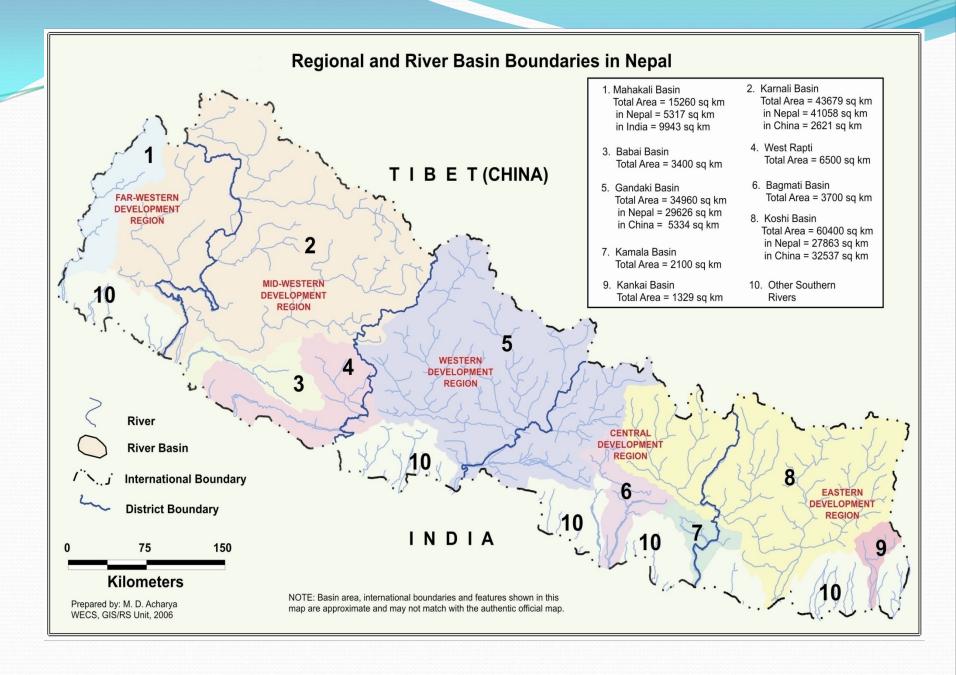
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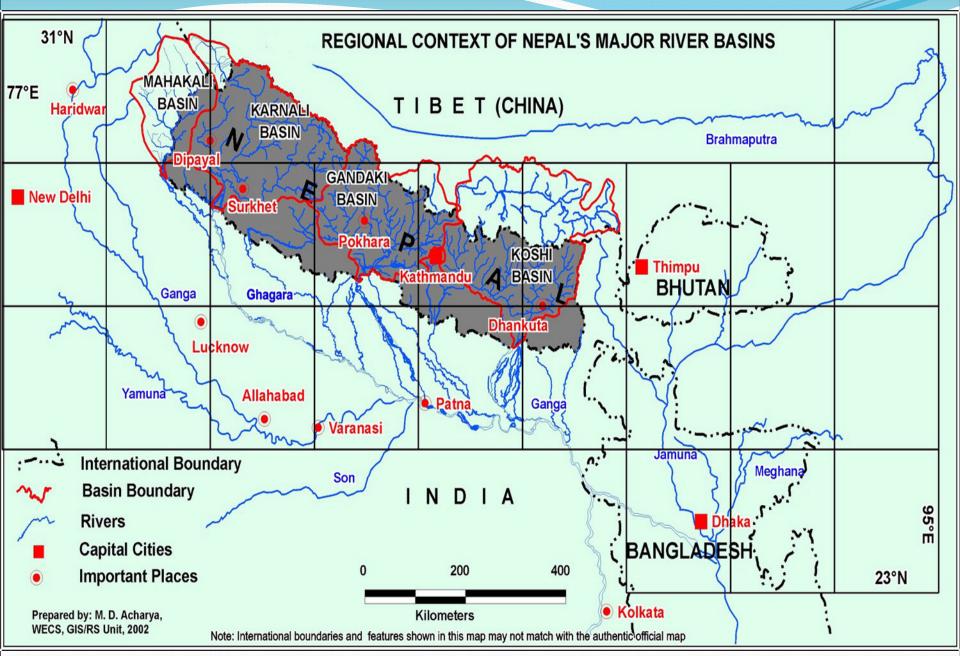
Introduction- Nepal

Landlocked country with land area of 147000 sq. kms and population of 27 million.

- Physiography:
 - Plains, Siwalik, Middle Mountains, High Mountains and High Himalayas
 - > Administrative
 - 75 Districts and 5 Development Regions



- More than 6000 rivers and rivulets
 - Estimated annual runoff about 225 billion cubic meters
- Rainy season
 - > June to September (80% of the total rainfall)
 - > Other months (remaining 20% of the total rainfall)
- Surface runoff comprises 45% of average annual flow of Ganges and around 70% of the Ganges' dry season flow.



Water Resources Strategy

Approved by government in 2002

• National goal: "Iving conditions of Nepali people are significantly improved in a sustainable manner"

WRS outputs would contribute through the achievements of

• Short-term (2002-07): Tangible benefit s to people in line with basic need fulfillment

• Medium-term (2007-17): Substantial benefit to the people for basic needs fulfillment

• Long-term (2017-27): Benefits from WRS maximized in sustainable manner

Ten Strategic Outputs of WRS:

Water Security:

- Effective measures to manage and mitigate water induced disasters are made functional.
- Sustainable management of watersheds and aquatic eco-systems is achieved.

Water Use:

• Adequate supply of and access to potable water and sanitation and hygiene awareness is provided.

Water use contd....

- Appropriate and efficient irrigation is made available to support optimal and sustainable use of irrigable land.
- Cost effective hydropower is developed in a sustainable manner.
- Economic uses of water by industries and water bodies by tourism, fisheries and navigation are optimized.

Mechanisms:

- Enhanced water related information systems are made functional.
- Appropriate legal frameworks are made functional.
- Regional cooperation for substantial mutual benefits is achieved.
- Appropriate institutional mechanisms for water sector management are made functional.

National Water Plan(2002-27)

- Approved in 2005
- Prepared to operationalize the Water Resources Strategy.
- Doctrine of NWP: Integration, Coordination,
 Decentralization, Popular Participation within good governance and equitable distribution;
- IWRM as one of the principal themes.

Institutions in Water Sector:

- Planning, Policy and Coordinating
 - National Planning Commission
 - National Water Resources Development Council
 - Water and Energy Commission
 - Environment Protection Council
 - Ministry of Energy
 - Ministry of Irrigation
 - Ministry of Physical Planning and Works
 - Ministry of Environment,
 - Ministry of Local Development
 - Ministry of Forest and Soil Conservation

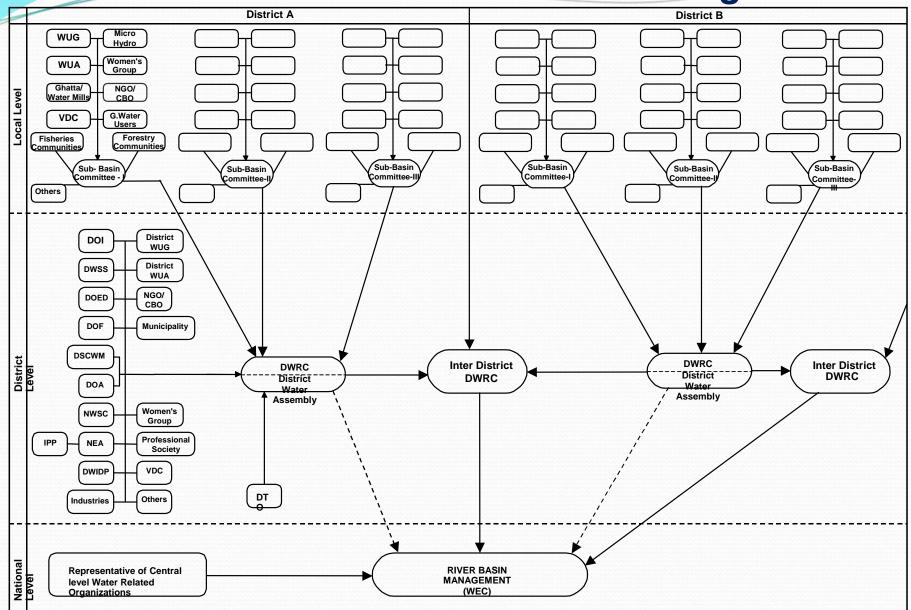
Implementing Agencies:

- Department of Irrigation
- Groundwater Resources Development Board
- Department of Hydrology and Meteorology
- Department of Electricity Development
- Department of Water Supply and Sewerage
- Department of Local infrastructure Development and Agriculture Roads
- Nepal Electricity Authority
- Nepal Water Supply Corporation
- Kathmandu Valley Water Supply Management Board

IWRM and River Basin Concept:

- Water and Energy Commission Secretariat (WECS) to be transformed to WEC
- WEC as Apex Level institution in Water Sector
- WEC members in Consultative and Advisory Committee
- Establishment of River Basin Management Offices(RMBO):
 - Koshi, Narayani and Karnali
- RBMO to be responsible for allocating waters

Institutional Framework for Basin Managment



Legislation:

- Current Legislation
 - Water Resources Act and Regulation (1992)
 - Umbrella legislation for hydropower, Irrigation, drinking water and other water use
 - Electricity Act and Regulation (1992)
 - Legislation of Power sector emphasizing Hydropower
 - Regulations under Water Resources Act
 - Drinking Water Supply Regulation and Irrigation Regulation
- Nepal Water Supply Corporation Act, 1989
- Water Supply Management Board Act, 2007.
- Environmental Protection Act, 1996

Policies and strategies:

- National Water Supply and Sanitation Policy, 1998
- Rural water Supply and Sanitation sector strategy and action Plan, 2004
- National Sanitation Policy 1994
- Kathmandu Valley Strategy on Water Supply and Sanitation
- Irrigation Policy 2003
- Hydropower Policy 1994
- Water Resources Strategy 2002
- National Water Plan 2005

Water Management and Regulatory Agencies:

- Water and Energy Commission Secretariat (WECS).
- Ministry of Energy (Hydro-electricity),
- Ministry of Irrigation,
- Ministry of Physical Planning and Works (Drinking water),
- Nepal Water Supply Corporation.
- Kathmandu Valley Water Supply Management Board.
- Water Tariff Fixation Commission.
- District Water Resources Committees.
- Rural Water Supply and Sanitation Fund Development Board.

Water Service Providers:

- Nepal Water Supply Corporation
- Kathmandu Upatyaka Khanepani Limited(KUKL)
- Water User Committees(small towns and rural settlements)
- Private sector(water tanker operators, bottled water suppliers in urban areas).

Cost Recovery Mechanisms:

- Government policy requires all urban water supplies to raise adequate tariff to pay for the capital and operation and maintenance cost.
- ADB funded Small Town Water Supply Project require community to contribute 50 percent of the project cost(30% loan, 20% cash, kind or labour).
- In rural areas tariff is fixed through community meetings which cover maintenance and operation.

Cost Recovery(Contd)

- In all municipalities covered by Nepal Water Supply Corporation, government is traditionally responsible for fixation of tariff. This tariff is low and inadequate to maintain desired level of services.
- KUKL requires its tariff to be fixed by newly established Water Tariff Fixation Commission.

Strategy for Cost recovery

- Irrigation:
 - > Promote more shallow tube-well development.
 - wherein the O&M costs are borne by farmers;
 - ➤ Policy reforms to promote farmers managed small irrigation systems.
- In drinking water:
- Private sector management of the supply systems in urban areas;
- User groups-based system in rural areas will bring in efficiency and reduce O&M costs.

Participation of the Poor:

- KUKL has established Low Income Consumer Service Unit to facilitate poor communities access to distribution network including addressing affordability issue.
- Poor people are provided with free water through public stand-post.
- Poor households in rural areas are paid in cash for the 50% of the voluntary labour they contribute for the construction.
- Very poor households are given subsidies or soft loans for the construction of latrines.

