

Water and Energy in Nepal: An Alternative Approach to Management

Chandra S. Rana
WAFED

Abstract

Nepal is rich in water resources but lacks sufficient amount of right policy, strategy and project plans for their sustainable harnessing. Till 1996 all the bi-lateral agreements reached between Nepal and India has largely been unilaterally guided by India. In the meantime, the post-1990 policy, strategy and project plans have largely been dominated by the regressive forces of globalisation, economic liberalisation, privatisation and free trade.

This followed the imperialist-conditionality-based large dam project plans began with Arun III and Kali Gandaki 'A' hydro projects in 1993 and 1996 respectively. Arun III was cancelled in 1995 by the World Bank due to successful activist campaigns and litigation and Kali Gandaki 'A' was slightly reformed. But the private sector hydro projects were appeared to be worse that included Khimti and Bhotekoshi hydropower projects funded by International Finance Corporation and Asian Development Bank. On the positive side, construction of Chilime and under construction Upper Tamakoshi appeared to be pro-people under the Nepal Electricity Authority. There have also been some small and medium-size hydro projects constructed by public and private sectors as well as some communities. However, the main trend is construction of large dam projects by multinational corporations under the Build, Own, Operate and Transfer (BOOT) framework of privatisation of not only projects but also the resources as a whole.

On the drinking water side, the Nepali government has actively endorsed the donor-led conditionality privation beginning from Kathmandu to Narayangadh and Hetauda water supply. Although, called public-private partnership, the main intention has been private profit over public property and authority. Its experiences have been much more poorer compared with the public water supply under the Nepal Water Supply Corporation due to high cost of operation and corruption among officials. The water quality has gone down completely while basic right to water being grossly undermined for the poor or low income families.

Nepal has a long trend of public and community-led management of water supply and irrigation. Although hydropower sector has been new, there have been some positive examples of policy and project framework oriented towards the goals of human rights and social justice -- the unfulfilled targets of Millennium Development Goals. As regards the legal safeguards, Nepal has binding obligations under the International Covenant on Economic, Social and Cultural Rights for the guarantee of basic water as a human right. The 1993 Interim Constitution has also made a provision for the right to health under which adequate access to water comes within. It is yet to see how the new Constitution in drafting stage will guarantee the right to water and health as a fundamental human right.

This paper will discuss the various negative and positive lessons from the past in the light of changing and conflicting development of public versus private management of global water and energy. It will also draw conclusions and make recommendation for post-2015 global action plan as to the mandatory participation of local communities and beneficiaries in the management of their water resources as well as energy development from the perspectives of public-community-cooperative partnership (PCCP) -- private sector to be engaged mainly for technical aspects of investment and supply side management -- from the perspective of human rights, peoples' rights, environmental conservation, climate change adaptation so as to achieve the goal sustainable development.

This paper will surely be a positive contribution for other countries and global managers and multi-stakeholders of water and energy resources that are very much depleting while the needs are dramatically rising. It will also touch upon the need of the ratification of 1997 UN Convention on the Non-Navigational Uses of International Water Courses so as to guarantee the rights and benefits of all the co-riparian countries as well as watershed beneficiaries.