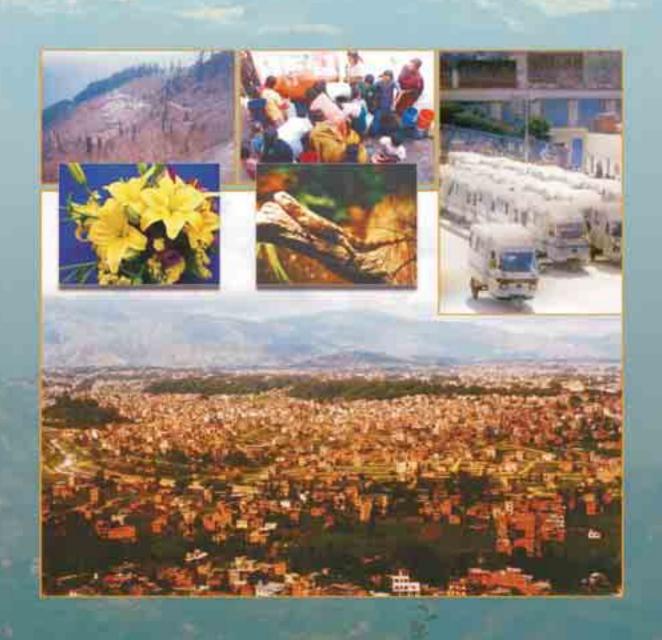
Environment Assessment of Nepal

Emerging Issues and Challenges







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Cover photo:

Background - View of the Kathmandu Valley (*M. Bajracharya*) Inset - Clockwise from top left - Deforestation (*NEFEJ*); Water Scarcity (*M. Bajracharya*); SAFA Tempos (*B. Pradhan*); Biodiversity (*ICIMOD file photo*)

This publication was prepared by staff and consultants of the International Centre for Integrated Mountain Development (ICIMOD) in collaboration with Asian Development Bank (ADB).

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Asian Development Bank Nepal Resident Mission Srikunj, Kamaladi, Ward No. 31 Post Box 5017 Kathmandu, Nepal Tel: +977 1 422 7779 Fax: +977 1 422 5063 adbnrm@adb.org www.adb.org/nrm ICIMOD Khumaltar, Lalitpur GPO Box 3226 Kathmandu, Nepal Tel (+977 1) 5525313 Fax (+977 1) 5524509 icimod@icimod.org www.icimod.org

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Foreword

he critical role of the environment in enabling and sustaining poverty reduction is magnified within mountainous ecosystems such as those found in Nepal. For this reason, the International Centre for Integrated Mountain Development (ICIMOD) was engaged to work with the Asian Development Bank (ADB) and the Government of Nepal to develop this publication.

The ADB's environment policy requires environmental considerations to be mainstreamed not only into investment projects but also into ADB's country and sector strategies. This important thematic work—the country environmental analysis (CEA)—informed ADB's current country strategy and program for Nepal, and provided the basis for the present publication.

The CEA provides an analysis of environmental status and trends in the country; the policy, legal and institutional framework for environmental management; and major environmental issues and opportunities. Review of available documents, update of the relevant information, and consultations with relevant stakeholders were conducted while undertaking the CEA and preparing this publication.

This publication also serves to demonstrate ADB's and ICIMOD's strong commitment to developing south Asia's environment knowledge base further, to disseminating the information widely, and to providing critically needed environment assessment information to policy makers, researchers and development practitioners for the development of economically and environmentally sound ecosystems while improving the living standards of mountain populations.

The report contains a wealth of data and information and highlights key environmental issues, emerging problems, and strategic priority areas. It seeks to provide a critical analysis of the impacts of policy, the status of environmental governance, and financing mechanisms.

This publication is the result of close collaboration between ADB and ICIMOD. Sungsup Ra, the Senior Program Specialist, and Nogendra Sapkota, Social and Environment Officer, Nepal Resident Mission (NRM), supervised the study on behalf of ADB. Basanta Shrestha and Bidya Banmali Pradhan provided overall guidance to the ICIMOD team of consultants comprising Mahesh Banskota, Govinda Raj Bhatta, Bandana Pradhan, and Drona Ghimire. We believe that this publication will be used widely within and beyond Nepal.

Kunio Senga Director General South Asia Department Asian Development Bank

Sultan Hafeez Rahman Country Director Nepal Resident Mission Asian Development Bank

 $p_{i}/2\omega \int_{\mathbb{R}^{2}} d\omega_{i} \, f_{i}(\cdot) \, d\omega = 0.$

Ji-Gabriel Campbell
Director General
International Centre for
Integrated Mountain Development

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We thank Batu Upreti and Sher Jung Shah, previously at the Ministry of Population and Environment, for the valuable suggestions they provided during the preparation of the report.

Several organizations and individuals provided photographs for use in this report and we thank them all, with special thanks to Rakesh Y. Shrestha of Practical Action and Deependra Joshi of the World Conservation Union (IUCN). As far as possible all sources have been credited, we apologize if any were overlooked.

This publication is an outcome of the country environmental analysis (CEA) undertaken by ICIMOD for ADB, and we wish to acknowledge the contribution of all those who contributed to the preparation of the CEA report.

This report could not have been prepared without the support of the staff of ICIMOD's Mountain Environment Natural Resources Information Systems (MENRIS) Division, in particular Gauri Dangol who prepared many maps and figures.

The extensive input of the Publications Unit in ICIMOD's Information Management, Communications and Outreach Section is gratefully acknowledged, in particular A. Beatrice Murray, the Senior Editor, Dharma R. Maharjan, who did the layout and design, and Asha Kaji Thaku, Cartographer/Artist. Matthew Zalichin, the consultant editor, made many valuable suggestions.

Finally the support of the ADB Publications Unit led by Kavita Sherchan was much appreciated. The assistance provided by Arun Rana, ADB, editorial consultant, was crucial for preparing the publication in its final form.

Acronyms and Abbreviations

ACAP Annapurna Conservation Area Project

ADB Asian Development Bank ARI acute respiratory infection BOD biological oxygen demand

BOD5 biological oxygen demand (over 5 days)

CBS Central Bureau of Statistics
CCCM Canadian Climate Change Model
CEA country environmental analysis
CFUG community forest user group
CHP Chilime Hydroelectric Project

CITES Convention on International Trade in Endangered Species of Wild Fauna and Flora

CO carbon monoxide

COD chemical oxygen demand

COPD chronic obstructive pulmonary disease
DANIDA Danish International Development Agency

DDC district development committee

DFID UK Department for International Development

DO dissolved oxygen

EIA environmental impact assessment ESPS Environment Sector Programme Support

EU European Union FY fiscal year

GATT General Agreement on Tariffs and Trade

GDP gross domestic product
GEF Global Environment Facility
GFD3 geophysical fluid dynamics model

GIS geographic information system
GLOF glacial lake outburst flood
GTZ German Technical Cooperation
HDI human development index
HEI human empowerment index

ICIMOD International Centre for Integrated Mountain Development

IEE initial environmental examination

INGO international nongovernment organization

IUCNWorld Conservation UnionLDFlocal development feeLPGliquefied petroleum gas

MDG Millennium Development Goals

MOEST Ministry of Environment, Science and Technology

MOFSC Ministry of Forest and Soil Conservation MOPE Ministry of Population and Environment

masl meters above sea level
NEA Nepal Electricity Authority
NGO nongovernment organization
NLSS Nepal Living Standards Survey

NO₂ nitrogen dioxide NO_x nitrogen oxides

NORAD Norwegian Agency for Cooperation and Development

NPC National Planning Commission NTFP non-timber forest product ODS ozone depleting substance OPD outpatient department

PM10 particulate matter of diameter 10 microns or less

PM2.5 particulate matter of diameter 2.5 microns or less

PAH polyaromatic hydrocarbon

RS remote sensing

SAARC South Asian Association for Regional Cooperation SACEP South Asia Cooperation for Environment Programme

SEA strategic environmental assessment

SO₂ sulfur dioxide

TSP total suspended particles

UK United Kingdom

UNDP United Nations Development Programme
UNEP United Nations Environment Programme

US United States (of America)
VDC village development committee

WEPCO Women Environment Preservation Committee

WHO World Health Organization WTO World Trade Organization

Weights and Measures

dBA decibels A
GJ Gigajoules
GW Gigawatt
GWh gigawatt-hour

GWh/y Gigawatt hour per year

kWh kilowatt-hour

mld million liters per day ppb parts per billion pph persons per hectare ppm parts per million

Currency Equivalent

(As of 28 February 2006)

Currency Unit—Nepalese rupees (NRs) \$1 = NRs 70.75

Notes

- (i) The Nepalese calendar year (B.S.) runs from mid April to mid April. Unless otherwise stated, year ranges written in the form 2005/06 denote a single calendar year.
- (ii) The fiscal year (FY) of the Government ends on 15 July. FY before a calendar year denotes the year in which the fiscal year ends. (For example, FY2000 begins on 16 July 1999 and ends on 15 July 2000.)
- (iii) In this report, \$ refers to US dollars.
- (iv) In this report, tons (t) refer to metric tons or tonnes (1,000kg).
- (v) Acts and Regulations are cited under the name of the ministry from which they originate. The official version of Acts and Regulations is published in the Nepal Gazette (in Nepali). Some Acts and Regulations are published by other Government agencies in English (unofficial translations).

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