



ISSUE BRIEF
INFRA.DIP #3

TALKING INFRASTRUCTURE

SUSTAINABILITY THROUGH INCLUSION AND GOOD GOVERNANCE

In partnership with



Introduction

The lack of proper infrastructure has long hindered Nepal's development. The government has therefore made infrastructure development a top priority in recent years. To achieve economic growth and raise the living standard of Nepali citizens, the government has been investing in sustainable infrastructures such as transport, clean energy, irrigation systems, hospitals, schools, drinking water, and sanitation systems. The Fifteenth Plan outlines Nepal's goal of achieving the status of a middle-income country by 2030 AD. However, the government faces challenges of sustainability, inclusivity, and good governance.

'Talking Infrastructure' is a discussion series initiated jointly by the Society of Economic Journalists-Nepal (SEJON) and Policy Entrepreneurs Incorporated (PEI) and aimed at increasing public awareness of key challenges in Nepal's infrastructure development. The third part of the discussion series included representatives from the bureaucracy, non-governmental organizations and the media. The discussion focused on three key aspects of infrastructure development: sustainability, inclusion, and governance:

Sustainability

Sustainable infrastructure refers to buildings, roads, energy, transportation, and communication systems that are designed with due consideration to economic, social and environmental implications. Several factors are integral to sustainable infrastructure development – good governance, financing capabilities, technological innovation, inclusiveness, and sectoral expertise. [1] In keeping with its commitment to the Sustainable Development Goals, the Nepal government has taken several steps towards promoting sustainable infrastructure. The government now requires all large infrastructure projects to conduct an Initial Environmental Examination (IEE) and an Environmental Impact Assessment (EIA) before getting approval for construction. [2] IEE and EIA allow project developers to understand and mitigate the negative environmental impacts of projects as well as help ensure the feasibility of the projects. The National Urban Development Strategy also focuses on the environmental aspect of urbanization and seeks to address rapid urbanization in Nepal.

However, implementation of these regulations has been far from satisfactory. Infrastructure projects generally tend to flout the regulations and overlook the findings of environmental impact studies. One example is the Mahakali River Bridge Project, embroiled in controversy due to non-compliance with conditions set by the IEE and EIA. [3] Other projects such as Nijgadh International Airport have seen delays in construction due to issues raised by the EIA. [4] Mr. Ajaya Dixit, Advisor to ISET-Nepal, said that the government still does not pay enough attention to ecological aspects of infrastructure development.

Inclusion

The Ministry of Physical Infrastructure and Transport [5] and the Ministry of Urban Development [6] have developed and operationalized 'Gender Equality and Social Inclusion (GESI) Guidelines'. It seeks to ensure the participation of women, the poor, and people from excluded and vulnerable groups in project development and implementation. However, these guidelines are yet to be translated into practice. As Ms. Sharu Joshi, writer, said, "Although women make up 51 percent of Nepal's population, they have largely been excluded from the development narrative." She cited the wage gap between men and women as one

[1] Organization for Economic Co-operation and Development. Sustainable Policy Infrastructure Initiative.

[2] Ministry of Population and Environment. Environmental Impact Assessment Section.

[3] Neupane, T. 2020. The Third Pole. On the Mahakali, contractors move in to eat the river.

[4] Ghimire, Y. 2019. What does the Environmental Impact Assessment Report say about the feasibility of the Nijgadh Airport Project?

[5] Ministry of Physical Infrastructure and Transport. 2017. Gender Equality and Social Inclusion Operational Guidelines 2017.

[6] Ministry of Urban Development. 2013. Gender Equality and Social Inclusion Operational Guidelines 2013.



of the many examples of gender discrimination in the development sector. Mr. Daya Sagar Shrestha, Chairperson of the National Campaign for Social Development, said that the displacement of indigenous people due to infrastructure projects such as roads and hydropower projects remains a significant challenge in building an inclusive society.

Governance

Good governance is essential for Nepal to achieve its development goals. Some of the components of good governance are sound policies and legislation, accountability, equity and inclusiveness, and transparency. In infrastructure development, good governance entails proper coordination of projects, involvement of stakeholders/beneficiaries including marginalized communities, a robust public procurement system, and clear public-private partnership models. [7] Mr. Ashutosh Tiwari, the founder of SAFAL Partners, suggested that poor governance remains a major obstacle to infrastructure development in Nepal. He further pointed out that due to a lack of governance practices being followed, it has been difficult to explain the judgments regarding infrastructure projects to the public. Mr. Govinda Raj Pokharel, former Vice-Chairman of the National Planning Commission, added that weak governance has resulted in poor preparation and coordination, hampering long-term planning of infrastructure development.

Recommendations

Some of the general recommendations that emerged from the consultations were – improve monitoring systems; ensure stricter compliance with regulations; make gender-responsive budgets; increase investment in human development; and reduce political interference in infrastructure projects. Two major recommendations were as follows:

Building pro-community infrastructure: An infrastructure development project should consider community needs right from the planning stage. Otherwise, the risk of local people being displaced by the project will be high, and the project might fail to be inclusive and sustainable. It is important to ensure that labor rights and human rights are not violated during project planning and implementation. In addition, an infrastructure project must have an effective mechanism for sharing project benefits with the local community in a fair and equitable manner.

Creating resilient infrastructure: Nepal's complex topography and climate vulnerability should be taken into consideration while designing infrastructure projects. Durability and long-term maintenance of the infrastructure should also be prioritized. Mr. Ajaya Dixit, Advisor to ISET-Nepal, said that the government should explore possibilities for commodity change and de-carbonization during infrastructure construction.

[7] Organization for Economic Co-operation and Development. Sustainable Policy Infrastructure Initiative.



The Society of Economic Journalists-Nepal (SEJON) is an umbrella organization of the professional journalists working to disseminate facts and figures in the economic, business and financial sectors of Nepal.

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