



CAO statement from the meeting held between Allain Duhangan Hydro and Complainants from Jagatsuk village

Sunday April 3, 2005.

A delegation of people from Jagatsuk village representing the Complainants met together with staff and management from the AD Hydro project in Manali on the 3rd of April 2005. The purpose of the meeting was to explore opportunities to improve dialogue between the company and villagers in the interests of resolving the complaint submitted to the CAO.

The participants had focused discussions and have agreed upon the following next steps:

- The company's consultants (ERM) will produce a briefing note on the assumptions and methods used to calculate minimum flows at the Duhangan weir. This note will explain how current and future demand for drinking as well as agricultural water has been calculated. It will also indicate how project-affected people will be involved in the monitoring of releases of water and the avenues available to them to ensure compliance of the project with its commitments.
- Concerned members of the community will contribute to the preparation of detailed contingency plans for the protection of water supplies to the village in the unlikely event that damage to the existing supplies is caused by the project.
- The company, together with representatives from Jagatsuk will prepare a schedule for the implementation of key commitments made in the ESIA and will ensure that affected people can participate in the monitoring of these commitments.
- The company will work with representatives of Jagatsuk village to create an appropriate community development programme.
- Concerned members of the community will contribute to improving the credibility and function of the project grievance and appeals processes. The company is open to reconsidering the appointment of people to the appeals mechanism.

Furthermore, the Complainants and company commit themselves to:

- Regular constructive and positive dialogue to continue to resolve current and emerging issues;
- Ensuring that participation at these meetings is fully representative and that the outcome of these discussions are shared widely both within the village and the company.

There is still considerable apprehension about the project amongst the Complainants group and they are as yet still unwilling to support the project. The company has confirmed that it will not undertake any further ground work in the village of Jagatsuk until the beginning of May 2005. Both parties will hold their 2nd meeting at this time to continue their dialogue.