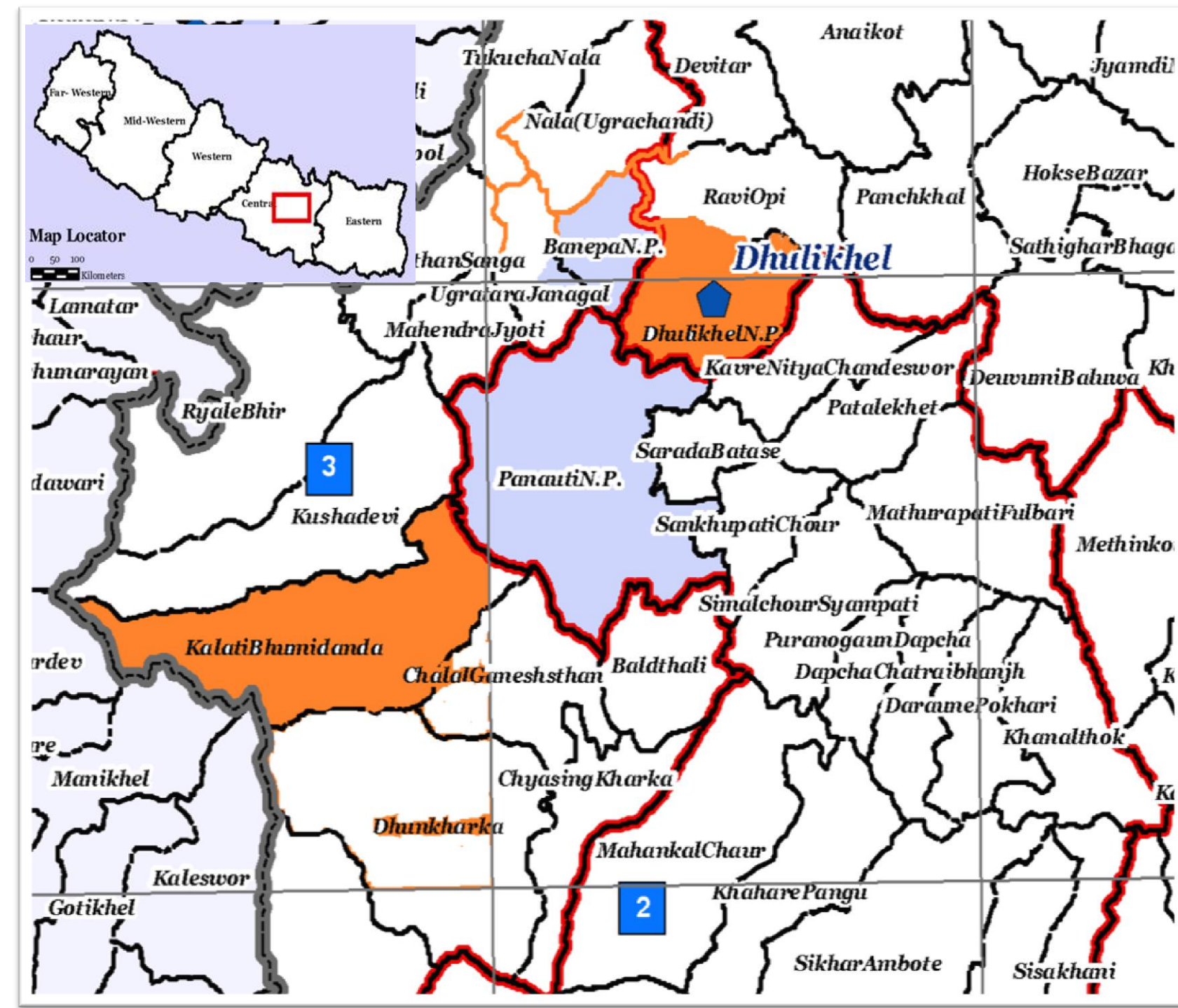


Introduction

Dhulikhel town relies on water from Roshi River, which is at 13.5 km distance from the town at *Bhumedanda VDC* of Kavrepalanchok district. This water supply scheme is widely mentioned as an example of upstream-downstream cooperation for the last two decade.

Situation has changed in recent years. There are attempts for defying the previous contract with Dhulikhel. A wall painting in the source area reads 'beware of water sellers', clearly expressing dissent to the leaders who agreed to offer water to Dhulikhel. This paper analyzes sustainability of negotiated agreement with past and present contexts.



This study is part of "Political economy of water security, ecosystem services and livelihoods in the western Himalaya" conducted by Cambridge University, SIAS and CEDAR.

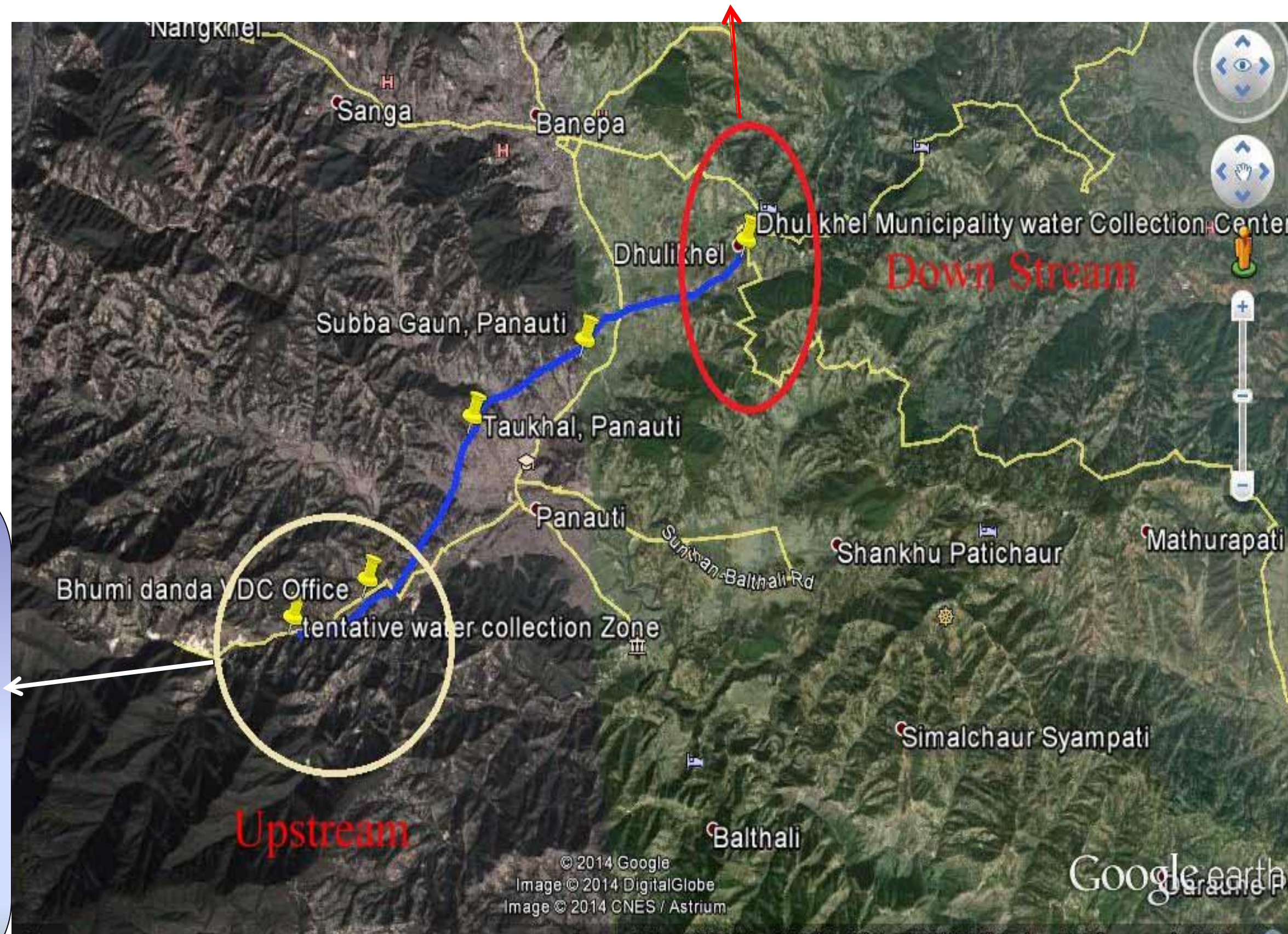
Methods

Case Study Research Method was followed. Data were collected by primary as well as secondary with both qualitative and quantitative in nature following methods.

Tools	No.
Key Informant Interview	9
Focus Group Discussion	2
Observation	7
Desk Study: Review of Grey Literature	8

Down Stream

Dhulikhel Municipality : Bagmati Zone, Central Development Region along the Arniko Highway, 32 km east of Kathmandu Valley
 Area :14.01 Sq. Km
 Population :16,263 (3291 HH (CBS 2011)).



Upstream

Bhumedanda Village Development Committee
 Bagmati Zone, Central Development Zone, 14km South west Of Dhulikhel
 Population: 3638(766 HH)

References

Dhulikhel Drinking water Users Committee, 2011. *12th Annual Report*. Dhulikhel ,Kavre Nepal: Dhulikhel Drinking water Users Committee.

Results

1. **Contested Agreement**: Open polity and growing market of water led to create the new environment for negotiation.

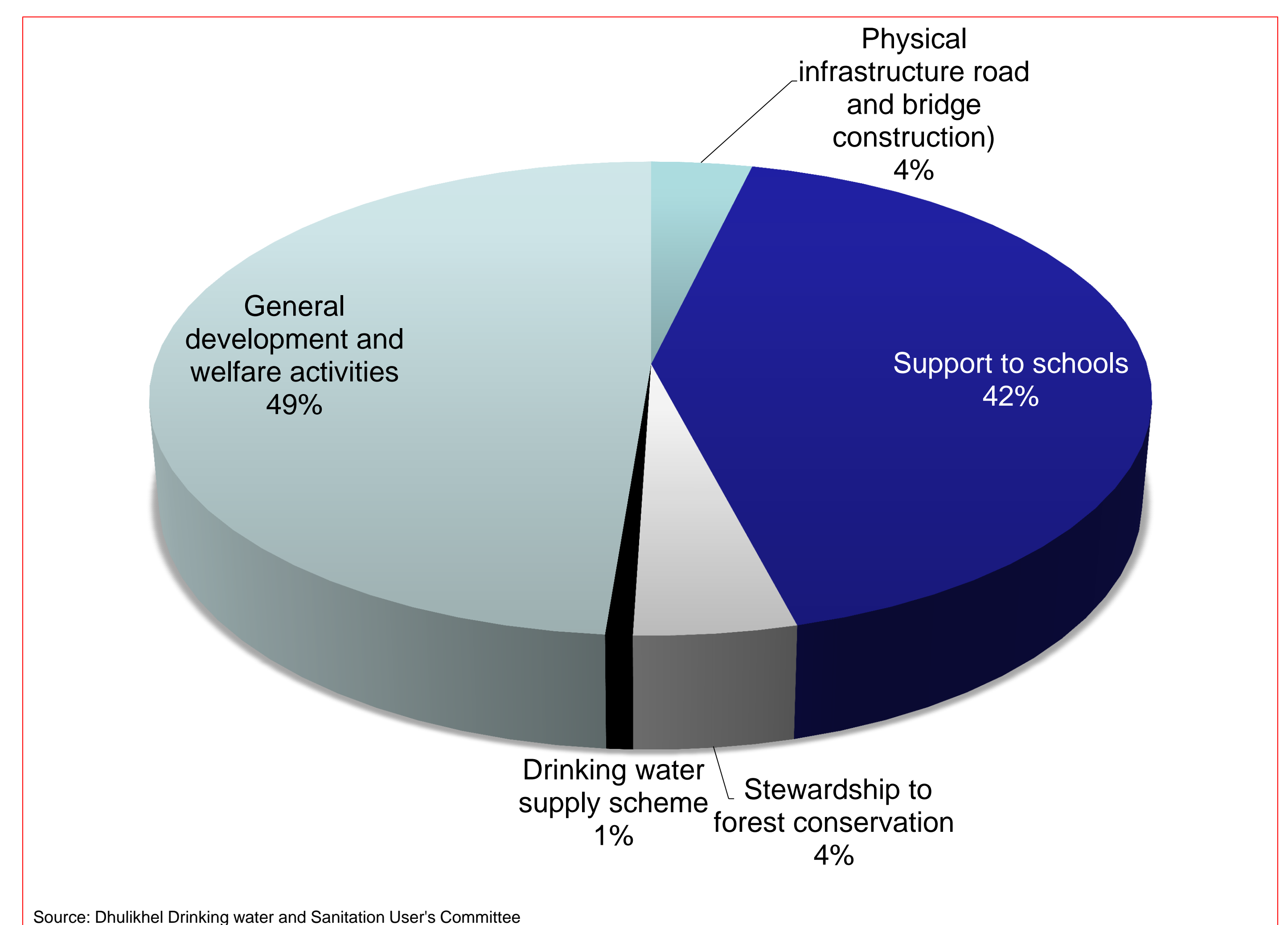
Elements of Past Negotiation

- Plenty of water at source
- Political power on certain elite Group
- Low water market

Elements of New Negotiation

- Kavre valley integrated drinking water supply project funded by ADB
- Decrease in water volume
- Awareness /Misinterpretation of right to local resources
- High water market
- Democratic norms and values/Power at individuals

2. Investment Priority of Dhulikhel Upstream Community



Key Findings

- Sustainability of water supply depends on conservation of source area, the revenue received from downstream has spent on general development activities and school support.
- No principles of negotiation has been adopted. In this context, the present agreements do not mention any responsibilities of upstream for payment received from downstream. This may eventually leave ground to question this agreement in future.

"Pradhan Pancha with some prominent people from Dhulikhel came to my home and asked for the source of water in Bhumidanda to overcome problem of water scarcity at Dhulikhel. We further asked them to built a school building which was washed by huge flood in Roshi River. We allowed them to take water from our source where we had sufficient water after they agreed to built the proposed building."

Statement of Ex. Pradhan Pancha of Bhumidanda man to sign the agreement in 1985