

Water Supply and Sanitation Act, 2022

Date of Authentication

6th September 2022

An Act made to make provisions regarding water supply and sanitation

Preamble: Whereas it is expedient to provide clean and quality water supply and sanitation services easily by respecting, protecting and fulfilling the fundamental rights of citizens to receive clean and quality water supply and sanitation services and to make necessary provisions regarding waste-water and sewerage management,

The Federal Parliament has made this Act.

Chapter One

Preliminary

1. **Short Title and Commencement:** (1) This Act may be cited as “Water supply and Sanitation Act, 2022.”
 - (2) This Act shall commence on the thirty-first day after its authentication.
2. **Definition:** Unless the subject or context otherwise requires, in this Act, -
 - (a) “License” means a license pursuant to Section 9.
 - (b) “Licensed institution” means a corporate body that provides water supply and sanitation services, and this term also refers to service providers who have obtained a license in accordance with this Act to provide water supply and sanitation services, to survey,

construct, operate and manage a project or service system and to use or cause public, institutional, commercial and industrial use of water resources.

- (c) “Commission” means the Water Supply and Sanitation Service Tariff Fixation Commission pursuant to Section 28.
- (d) “Project” means a project operated for the purpose of construction, extension or improvement of physical infrastructure and other related activities to provide water supply and sanitation services.
- (e) “Users” means a person, institution or body using water supply and sanitation services.
- (f) “Users organization” means a community organization that operates water supply and sanitation services.
- (g) “Water supply service” means the act of supplying water supply for domestic, public, institutional or industrial use by storing, transferring, processing and distributing water in accordance with the prescribed standard and this term also refers to the act of providing water supply in bulk, tanker or bottled form.
- (h) “Public use of water supply” means the use of water supply distributed to users from publicly connected taps and this term also refers to the use of water supply in public places in emergency situations including fire control.
- (i) “Institutional use of water supply” means the use of water supply used by the government, public, commercial or business organizations and this term also refers to water supply used by industrial organizations other than for the industrial purposes.
- (j) “Water supply” means the clean and quality water supply in accordance with the National Water supply Quality Standard, which does not contain elements harmful to human and animal

health.

- (k) “Domestic use” means the use of water supply for drinking, washing face, hands and clothes, bathing, cooking, feeding animals and livestock, kitchen gardening, toilet or other similar personal and household purposes.
- (l) “Sewerage” means the act of collecting and transferring waste-water with or without human excreta through an underground or surface sewer system or any other safe means.
- (m) “Prescribed” or “as prescribed” means prescribed or as prescribed in this Act or rules framed under this Act.
- (n) “Inspector” means an employee designated by the Ministry to work as an inspector in accordance with Section 39.
- (o) “Water resource” means surface or underground water resources such as rivers, streams, lakes, ponds, stone spouts (*Dhungedhara*), masonry wells, wells and origin of water from which water flows naturally, and this term also refers to sky water and man-made structures that supply water.
- (p) “Waste-water” means waste-water with or without human excreta discharged after domestic and institutional use of water supply and this term also refers to storm-water mixed with waste-water.
- (q) “Ministry” means the Ministry of the Government of Nepal that deals with water supply sector.
- (r) “Sanitation Service” means the act of maintaining environmental cleanliness through sewerage and waste-water management and this term also refers to the act of construction, development, operation and promotion of sewerage systems, waste-water treatment systems and public toilets to protect the water resources.
- (s) “Corporate body” means users organization, company,

cooperative organization registered and incorporated in accordance with the prevailing law to operate water supply and sanitation services and this term also refers to corporation, boards, committees, authority or body of similar nature formed and established for the purpose of providing water supply and sanitation services in accordance with the prevailing law.

- (t) “Service system” means a water supply source, pipe, treatment system, water storage structure, reservoir or structure related to sanitation service or other similar type of equipment or structure and this term also refers to houses, land and structures built on it connected with water supply and sanitation services.
- (u) “Service provider” means a licensed institution providing water supply and sanitation service through construction, operation and management of water supply service, sanitation service and service system.
- (v) “Service area” means the area prescribed in the license for the operation and management of water supply and sanitation service by the licensed institution.
- (w) “Local level” means rural municipality or municipality.

Chapter Two

Regarding source and rights of water supply and sanitation

3. **Right to water supply and sanitation:** (1) Every citizen shall have the right to access in clean water supply and sanitation and respect, protection, promotion and fulfillment of such right shall be in accordance with this Act and prevailing laws.

(2) Every citizen shall have the following rights under the right to access

in water supply and sanitation, in accordance with Sub-section (1): -

- (a) Right to easy and accessible access to clean water supply;
- (b) Right to obtain adequate, clean and quality water supply regularly;
- (c) Right to easy and accessible access to quality sanitation services.

(3) To respect, protect, promote, fulfill and implement the rights in accordance with Sub-section (1) shall be the responsibility of the Government of Nepal, Provincial Government and Local Level in mutual coordination.

4. Rights to water sources: (1) The Government of Nepal shall have rights to water sources subject to this Act and prevailing laws.

(2) In the water supply traditionally used by any person or community for domestic purposes, such person or community shall have the prior rights for the same purpose.

(3) Water supply service available for social institution such as any person, settlement, community, school, hospital, monastery, religious place from any water supply system, unless there is another alternative provision, the right to receive water supply service from such water supply system shall be protected in the name of social institution such as person, settlement, community, school, hospital, monastery, religious place thereof.

5. Conservation of water sources and springs: (1) Conservation of water sources and springs shall be done in coordination with the Government of Nepal, Provincial Government and Local Level.

(2) The following work shall be done for the conservation of water supply sources and springs: -

- (a) To control floods, landslides for the conservation of water sources

and springs,

- (b) To make necessary provisions to prevent water sources from being polluted and to protect water sources from being destructed or extinct,
- (c) To adopt appropriate measures to sustain the water sources and springs and maintain it regularly,
- (d) To conduct awareness or interaction programs for users or concerned parties regarding conservation, promotion and proper use of water,
- (e) To encourage farmers to do organic farming to protect water source or flowing areas and to avoid pollution of water sources.
- (f) To prohibit the use of pesticides or explosive substances in such a way as to have an adverse effect on the source or flowing areas of water supply or the animals in such area, and
- (g) To do other work related to the protection of water supply sources and springs.

6. **Duties of Citizen:** It shall be the duty of every citizen to keep the water source or spring clean, conserve and promote and use it sustainably.

7. **Operation and management of water supply and sanitation services:** (1) The Government of Nepal, Provincial Government and Local Level shall operate and manage clean and quality water supply and sanitation services.

(2) While operating and managing the service in accordance with Sub-section (1), the Government of Nepal, Provincial Government and Local Level may do it by itself or through corporate body.

(3) Notwithstanding anything written in Sub-section (2), the operation and management of basic water supply and sanitation services shall be carried out or caused to carry out by the Government of Nepal, Provincial Government and Local Level in mutual coordination by itself or through corporate body owned or controlled by them.

(4) The licensed institution shall provide water supply service in the prescribed quantity from the water supply system within the prescribed service area on a regular basis as mentioned in the license.

(5) In case the licensed institution is unable to distribute water supply regularly in accordance with Sub-section (4), it shall provide water supply of appropriate quality and quantity to the users through tankers or other alternative arrangements.

(6) In case the licensed institution is unable to distribute water supply regularly in accordance with the time schedule provided by it within its service area, it shall not be entitled to collect charges or tariffs for the period during which it was unable to distribute water thereof.

Chapter Three

Duties and responsibilities of water supply and sanitation

8. **Responsibilities and obligations of water supply and sanitation:** (1) The responsibility and obligation for providing water supply services, sanitation services and project license, construction, operation and management shall be of the Government of Nepal, Provincial Government and Local Level.

(2) The responsibilities and obligations of the Government of Nepal, Provincial Government and Local Level for the work pursuant to Sub-section (1) shall be as follows: -

(a) Responsibilities and obligations of the Government of Nepal: -

- (1) Project of large and complex nature of national level as prescribed regarding water supply service and sanitation,
- (2) Projects to be built in co-financing and foreign aid,
- (3) Project to provide water supply and sanitation services in the area as prescribed, in the prescribed estimated cost or to the prescribed population.
- (4) Projects related to more than one province,
- (5) Multi-purpose waste-water treatment and management work requiring large investments as prescribed,
- (6) Project to transfer water of natural resource from one watershed to another watershed,
- (7) Projects as prescribed by the Government of Nepal,
- (8) Monitoring of water supply and sanitation projects.

(b) Responsibilities and obligations of Provincial Government: -

- (1) Project to provide water supply and sanitation services in the prescribed area, to the population or estimated cost as prescribed.
- (2) Relating to waste-water management and treatment,
- (3) Projects affecting more than one local level within the province.

(c) Responsibilities and obligations of Local Level:-

- (1) Basic water supply and sanitation services at the local level,
- (2) Enhancing public awareness regarding sanitation,
- (3) Operation of waste-water management systems,
- (4) Project to provide water supply service in the prescribed area, to

the population or estimated cost as prescribed.

(5) Maintenance and rehabilitation of water supply and sanitation projects operated by the local level.

(3) The implementation of the responsibilities and obligations pursuant to clauses (b) and (c) of Sub-section (2) shall be in accordance with the laws of the concerned province and local level.

(4) Notwithstanding anything written in Sub-section (3), the Government of Nepal may carry out the work in accordance with this Act until the provincial and local laws are made.

(5) Notwithstanding anything written in this section, the local level may make a request to the provincial government and the provincial government may make a request to the Government of Nepal for the implementation of the project, in case if it is unable to complete such project due to geographical complexity and manpower and high cost or specialized technical skills required for the vital water supply and sanitation projects.

(6) The projects requested from the local level shall be implemented by the provincial government and the projects requested by the provincial government shall be implemented by the Government of Nepal in accordance with Sub-section (5).

(7) Government of Nepal, Provincial Government and Local Level shall have the right to regulate water supply and sanitation within its area as mentioned in Sub-section (2).

Chapter Four

Provisions regarding license

9. **License to be obtained:** (1) In case anyone desires to provide water supply and sanitation services, survey, construct, operate and manage projects or

service systems, and to use or cause to public, institutional and commercial use of water supply sources, shall obtain a license in accordance with this Act.

(2) Notwithstanding anything contained in Sub-section (1), a license shall not be required to carry on the following activities: -

- (a) To provide water supply and sanitation services by the institutions as prescribed to survey, construct, operate and manage small projects as prescribed based on technology, investment and number of users.
- (b) To infiltrate waste-water underground within one's house premises without adversely affecting anyone or to dispose it on one's land through any method.
- (c) To conduct such operations and services by the non-profit community organizations or water users groups, which are registered in accordance with the prevailing law before the commencement of this Act and are operating water supply conservation, promotion works and water supply and sanitation services,
- (d) To use the water supply for the domestic use of water source located within one's private land.

(3) Notwithstanding anything written in Sub-section (2), non-profit community organizations or water users groups that are registered in accordance with prevailing laws before the commencement of this Act and water source conservation, promotion and operation of water supply and sanitation services, shall be listed in the concerned local level within one year of the commencement of this Act.

10. **Application to be given for license:** Any corporate body desires to provide water supply and sanitation services, survey, construction, operation and management of projects or service systems or public, institutional or commercial and industrial use of water sources in accordance with this Act, shall have to submit an application for license to the designated authority in the prescribed format.

Explanation: For the purposes of this Section, "Designated officer" means the officer designated by the Ministry of Water Supply in the case of the Government of Nepal, the officer designated by the Ministry dealing with the matter related to water supply in the case of the Provincial Government and the officer designated by the local level in the case of the Local Level.

(2) While making an application in accordance with Sub-section (1), the economic, technical and environmental study report of the concerned subject in accordance with the prevailing law and other details as prescribed shall also be attached.

(3) While making the necessary investigation on the application received in accordance with Sub-section (1), if it appears that additional documents are required or any matter needs to be clarified, the designated officer shall give seven days' time to the applicant to submit or clarify such documents.

(4) If the applicant submits additional documents or makes further clarifications within the given time in accordance with Sub-section (3), then the same date shall be considered as the date of submission of the application.

11. **License to be granted:** (1) While conducting the necessary investigation on the application made in accordance with Section 10, if it is deemed appropriate to grant a license in accordance with this Act, the designated authority shall

issue a license in the prescribed format within the following period mentioning the necessary conditions: -

- (a) In case of projects of small capital or cost, within thirty days from the date of application,
- (b) In case of projects of large capital and cost, generally within ninety days from the date of application.

(2) Corporate body that involved in the construction, operation and management of water supply and sanitation services, projects or service systems and using public, institutional, commercial and industrial water supply sources prior to the commencement of this Act, shall obtain a license as prescribed within one year from the date of commencement of this Act.

(3) Corporate body that have not obtained a license in accordance with Sub-section (2), shall not be allowed for the construction, operation and management of water supply and sanitation services, projects or service systems or public, institutional, commercial and industrial use of water supply sources.

12. Provisions regarding survey license: (1) The corporate body that desires to survey water supply and sanitation services, projects or service systems, shall submit an application for a license to the designated authority as prescribed.

(2) The period of the license issued for the survey in accordance with Sub-section (1), shall be of three years at the maximum.

(3) If the survey cannot be completed within the period referred to in Sub-section (2), such permit shall be revoked automatically.

(4) The format, fee, procedure and survey permit charge including other provisions of the application given for the survey license shall be as prescribed.

13. **Period of license:** (1) The period of license granted for providing water supply and sanitation services, construction, operation and management of projects or service systems or public, institutional, commercial and industrial use of water supply sources in accordance with Section 11, shall be of twenty-five years at the maximum.

(2) Notwithstanding anything written in Sub-section (1), the period of license shall be of two years in case of service provider providing water supply service in bulk, tanker or bottled form.

(3) The licensed institution in accordance with Section 11, may apply for renewal in the prescribed format along with the prescribed fee, three months prior to the expiry of the license period.

(4) In case an application for renewal is submitted in accordance with Sub-section (3), the license shall be renewed at one time without extending it for five years to such licensed institution.

(5) The license of the licensed institution that does not renew in accordance with Sub-section (4) shall be revoked automatically.

(6) In case a licensed institution has been granted a license for a period less than the period prescribed in Sub-section (1) before the commencement of this Act, such licensed institution may apply for the extension of the license period at least thirty days before the expiry of the period mentioned in the license as prescribed.

(7) If any application is made in accordance with Sub-section (6), the designated officer shall examine the application as required, review the progress of the project and extend the period of the license not to exceed in five-five years subject to Sub-section (1).

14. **License not to be granted:** (1) In case a license is granted to any corporate body to provide water supply and sanitation services, for the construction, operation and management of project or service system or for the public, institutional, commercial and industrial use of water sources in any service area in accordance with this Act, no license shall be granted to any other corporate body that has obtained the license adversely affecting the water supply source during the period of such license.

(2) Notwithstanding anything written in Sub-section (1), a license may be granted to any other corporate body in the following circumstances: -

- (a) Failure to provide quality service in the service area,
- (b) Failure to provide water supply regularly,
- (c) Failure to provide water supply as per the demand, or
- (d) In case the license is revoked in accordance with Section 15.

15. **Revocation of License:** (1) The designated authority may order the concerned licensed institution to make necessary improvements in the work mentioned in the license or to operate the service by completing the construction work, in the following circumstances: -

- (a) In case any act is done contrary to this Act or the rules made under this Act,
- (b) Failure to provide water supply and sanitation services regularly,
- (c) Levy charges more than as prescribed for providing water and sanitation services, or
- (d) Failure for the construction, operation and management of the project or service system within the period mentioned in the license.

(2) In case of non-compliance with the order given in accordance with Sub-section (1) or in case of violation of the conditions mentioned in the license, the designated authority shall revoke the license issued in accordance with Section 11.

(3) Before revoking the license in accordance with Sub-section (2), the designated authority shall give the concerned licensed institution a reasonable opportunity to submit its defense.

16. Details to be submitted: The following details shall be submitted by the local level to the Ministry through the province and by the province to the Ministry:-

- (a) Name and number of the corporate body to which the license has been granted,
- (b) Area to be served by the corporate body to which the license has been granted,
- (c) The period and prescribed conditions of the license of the corporate body to which the license has been granted,
- (d) Number of projects conducted by the province or local level and other details deemed necessary,
- (e) Other details as deemed appropriate by the province and local levels.

17. Handover of the structure: (1) After the expiry of the period of the license in accordance with Sub-section (1) of Section 13, the licensed institution shall, handover, the water supply service, sanitation service, project and service system and the structure related to it in running condition, to the following bodies in free of cost: -

- (a) In the case of projects as referred to in Sub-section (2) of Section 8, the Government of Nepal or the body designated by the Government of Nepal,
- (b) In the case of projects as referred to in Sub-section (4) of Section 8, the provincial government or the body designated by the provincial government,
- (c) In the case of the project as referred to in Sub-section (5) of Section 8, the concerned local level.

(2) Other provisions regarding the handover of structures in accordance with Sub-section (1), shall be as prescribed.

(3) The prescribed details of the projects and structures handover by the licensed institution in accordance with Sub-section (1), shall be submitted to the Ministry by the bodies as referred to in clauses (a), (b) and (c), within three months from the date of handover to such body.

Chapter Five

Regarding the Operation of water supply and sanitation service

18. Services to be provided: (1) Licensed institution or users organization that are not required to obtain a license in accordance with this Act, shall make necessary arrangements so that they can use water supply and sanitation services in just manner within their service area.

(2) While providing water supply service to public, institutional and commercial consumers, the licensed institution may enter into a mutual agreement with such public, institutional and commercial organizations regarding the quantitative use of water and the management of waste-water discharged after using the water.

(3) While providing water supply and sanitation services within its service area in accordance with Sub-section (1), there shall be no discrimination on any basis.

(4) When providing services in accordance with this Section, the water source shall be used for public, institutional, commercial and industrial purposes only by making proper arrangements for the domestic use.

19. Water and sanitation services may be operated through contract: (1) The Government of Nepal may operate or caused to operate, any water supply service, sanitation service, project or service system constructed or operated by the Government of Nepal or owned by the Government of Nepal, by giving it to any corporate body through operation and management contract.

(2) Other provision regarding water supply service, sanitation service, providing project or service system in the operation and management contract, shall be as prescribed.

20. Quality water to be supplied: Licensed institution or Users organization that are not required to obtain a license in accordance with this Act, shall supply clean and quality water supply.

21. Connection of tap and meter: (1) A user who desires to receive water supply service in accordance with this Act, shall have to submit an application as prescribed to the licensed institution of the concerned service area for the connection of taps and meters.

(2) Upon receipt of the application in accordance with sub-section (1), the tap and meter shall be connected within the prescribed time by levying the prescribed charge by the licensed institution.

(3) Notwithstanding anything written in Sub-sections (1) and (2), if, for any technical reason it is not suitable to connect the meters to the taps within any service area, water supply service shall be provided by making other appropriate arrangements.

22. Obtaining Sewerage Services: (1) A user who desires to receive sewerage services in accordance with this Act, shall have to submit an application to the licensed institution of the concerned service area as prescribed.

(2) Upon receipt of the application in accordance with Sub-section (1), the licensed institution shall make arrangements for connection to the sewerage service within the prescribed period of time by levying the prescribed charge for sewage disposal.

23. May buy and sell: Licensed institution in accordance with this Act, may buy and sell treated, semi-treated or untreated water in bulk for domestic, public, institutional, commercial and industrial purposes by mutual agreement.

24. Service may be terminated: (1) In case the quality of water provided by the water supply service system cannot be maintained due to force majeure or the level of service is affected or the service has to be stopped, the licensed institution may terminate the service by providing prior notice of such situation to the user through appropriate means, including the estimated time required to resume such service.

(2) In case the licensed institution terminates the water supply service within its service area in accordance with Sub-section (1), such licensed institution shall make alternative arrangements and provide clean and quality water supply to the users.

(3) In case it is not possible to manage the waste-water discharging from the sewerage system due to the force majeure, the licensed institution shall publish a public notice including the estimated time required to resume such services, and manage such waste-water properly as soon as possible.

(4) Until the waste-water is managed in accordance with Sub-section (3), an alternative arrangement shall be made.

(5) In case the licensed institution within its service area is unable to provide water supply regularly as per the schedule provided by it in accordance with Sub-section (1), it shall not be entitled to collect charges or tariffs for the period during which it is unable to distribute water supply and for the period during which it is unable to manage the waste-water effluent from the sewerage system in accordance with Sub-section (3).

(6) The licensed institution may terminate the service of the user, who does not pay the tariff within the determined time or misuses the service or violates the conditions to be followed while using the service, by giving prior notice.

(7) In case of termination of service in accordance with Sub-section (6), if the concerned user submits an application to resume the service by paying tariff, the licensed institution shall have to resume the terminated service by charging the prescribed charges and if it is found that there is any loss or damage occurred due to the user, the amount of such loss or damage may be recovered from the concerned user.

- 25. May lay pipes or construct other structures on private or public land: (1)**
For the purpose of providing services to users, the licensed institution may lay water supply and sewerage pipes or construct other structures on private or

public land, after completing the process in accordance with the prevailing law.

(2) In case the licensed institution has to lay a pipe or construct a structure on the private land of a person, it may purchase the land from the concerned landowner or take it on lease by making a written agreement.

(3) In case private land cannot be acquired or it is not possible to acquire private land in accordance with Sub-section (2), the licensed institution may request the concerned body or authority to acquire such land in accordance with the prevailing law.

(4) In case any private property is damaged due to the pipe laid or structures constructed by the licensed institution for the construction and operation of the water supply service, sanitation service, project or service system, then such licensed institution shall have to pay appropriate compensation.

26. May enter into house and land: (1) In case a licensed institution or any employee employed in the course of work pursuant to this Act has to enter into the house and land of any person, may enter such house and land after giving prior notice to the concerned person.

(2) Notwithstanding anything written in Sub-section (1), if there are sufficient grounds and reason to suspect that any person is abusing the service or using the service illegally, the authorized employee from the licensed institution may enter into the house and land of such person without prior notice during the time from sunrise to sunset after completing the process in accordance with the prevailing law.

(3) Employees who enter into the house and land in accordance with Sub-sections (1) and (2), shall not cause loss or damage to any property of the

concerned owner of the house and land.

(4) In case the employee who enters into the house and land in accordance with Sub-sections (1) and (2), is found to have caused loss or damage to any property of the house and landowner, the concerned licensed institution shall compensate such house and landowner as prescribed.

27. Security of the structure related to the service system: (1) For the security of the project or service system, upon the written request of the licensed institution or if it deemed necessary to protect such system, the Government of Nepal, Provincial Government and the Local Level shall make necessary security arrangements.

(2) In case the security arrangements are made at the request of the licensed institution in accordance with Sub-section (1), all expenses incurred for the same shall be borne by such licensed institution.

Chapter Six

Regarding tariffs and service charges

28. Formation of Tariff Fixation Commission: (1) There shall be a Water supply and Sanitation Service Tariff Fixation Commission to determine the tariffs to be paid for providing water supply and sanitation services, by the users receiving such services.

(2) The commission pursuant to Sub-section (1), shall have the following chairman and members: -

- (a) A person designated by the Government of Nepal from among those who have obtained at least a postgraduate degree in engineering, management, economics or - Chairman financial management from a recognized educational

institution and who have at least ten years of experience in a concerned public institution with managerial responsibilities

- (b) One person designated by the Government of Nepal from among the persons who have obtained at least a bachelor's degree in Economics, Financial Management, Chartered Accountancy or Commerce from a recognized educational institution and have at least seven years of experience in the concerned field - Member
- (c) One person designated by the Government of Nepal from among the persons who have obtained at least a bachelor's degree in engineering, sociology or law subject from a recognized educational institution and have at least seven years of experience in the concerned field - Member

(3) While appointing the chairman and members in accordance with Sub-section (2), it shall be done in such a way that there is at least one female.

(4) The tenure of the chairman and members in accordance with Sub-section (2) shall be four years and may be re-appointed for one more term.

(5) Notwithstanding anything written in Sub-section (4), the Government of Nepal may remove the chairman or member at any time in case of his/her bad conduct or if his/her work is not satisfactory or if he/she do not fulfill the responsibilities honestly as per his/her post or works against the interest of the Commission.

Provided that, one shall be given reasonable opportunity to defend before removing thereof.

29. **Disqualification of Chairman and Members:** None of the following person shall be appointed or hold the office of Chairman or Member: -

- (a) Non-Nepali citizens,
- (b) Employed in any licensed institution or institution related to licensed institution or having an investment in such institution or having any kind of interest in it,
- (c) Not qualified in accordance with Sub-section (2) of Section 28,
- (d) Convicted of corruption, extortion, human trafficking and transportation, sale, distribute and export or import of narcotic drugs, money laundering, wildlife trafficking, organized crime, passport misuse, kidnapping-related offenses or criminal offenses involving moral turpitude or in other criminal offences, sentenced to imprisonment for three years or more, after final judgment thereof.
- (e) Having obtained a permanent residence certificate of a foreign country, or
- (f) Completion of sixty-five years of age.

30. **Meeting of the commission:** (1) The meeting of the commission shall be held at least twice a year at the date, time and place prescribed by the chairman.

(2) Notwithstanding anything written in Sub-section (1), the period between the two meetings shall not be more than six months apart.

(3) The meeting of the Commission shall be presided over by the Chairman.

(4) Other procedures regarding conducting the meeting of the Commission shall be as determined by the Commission itself.

31. **Employee and budget of the Commission:** (1) The Government of Nepal shall provide the employee as deemed necessary for the Commission.
- (2) The Government of Nepal shall provide the budget as deemed necessary for the administrative expenses and other functions of the Commission.
32. **Basis for fixing tariffs:** (1) While determining the tariff of water supply and sanitation services, the Commission shall do so on the basis of the cost-of-service operation, changes in the consumer price index, the policy of the Government of Nepal regarding water supply and sanitation services, the exchange rate of foreign currency and depreciation thereof.
- (2) While determining the tariff based in accordance with Sub-section (1), the commission shall also consider the quality of water, the purchasing power of the consumer and the level of service, keeping in mind the greater interest of the consumer.
- (3) Other provisions regarding tariff fixation shall be as prescribed.
33. **Right to levy tariff, charges and service charge:** (1) The consumers shall have the right to levy tariffs and service charges to the water supply and sanitation projects operated and managed by the Government of Nepal itself or through corporate body or under its control or ownership as determined by the commission for using water supply and sanitation services.
- (2) The user shall have the right to levy tariffs and service charges to the licensed institution based on the standard and basis as determined by the Commission for using water supply and sanitation services.
- (3) The concerned user shall have to submit the tariff and service charge for using the water supply service and sanitation service to the licensed

institution.

(4) Notwithstanding anything written in Sub-section (1), (2) or (3), the licensed institution may provide concessions as prescribed in services as prescribed including tap connection for the disadvantaged person and families, toilet construction and charges and tariffs for sewerage connection.

Explanation: For the purpose of this Section, "Disadvantaged person and family" means the person and family whose income is less than that prescribed by the Government of Nepal by publishing a notice in the Nepal Gazette.

34. To recover: In accordance with this Act, the licensed institution may recover such amount from the user who has not paid the tariff and fines for using the water supply service and sanitation service in accordance with the prevailing law.

35. May be waived: The Government of Nepal shall publish notices in the Nepal Gazette, the Provincial Government in the Province Gazette and the Local Level in the Local Gazette to reduce or waive the tariff charged to water supply connection for the poor marginalized communities or in case the users of any particular area are unable to pay the tariff of water supply due to the extraordinary circumstances of the water supply service operated and managed by them.

Explanation: For the purpose of this Section, "Extraordinary Circumstances" means a situation where water supply service is not operational or is operational to a limited extent due to any calamity.

Chapter Seven

Regarding quality and standard

36. **May prescribe quality and standard:** (1) The Government of Nepal shall prescribe the quality and standards of water supply and sanitation services by publishing a notice in the Nepal Gazette.

(2) The Provincial Government and the Local Level may prescribe the necessary standards regarding water supply and sanitation for their respective areas, subject to the standard pursuant to Sub-section (1), not less than the quality prescribed by that standard.

(3) The Government of Nepal may prescribe any specific method or technique to maintain the quality of water supply for any specific situation by publishing a notice in the Nepal Gazette.

(4) The quality and standards prescribed as per Sub-section (1) shall be reviewed at least in every five years.

(5) It shall be the duty of all concerned to comply with the quality and standards prescribe by the Government of Nepal in accordance with this Section.

37. **Not to mix waste-water:** (1) No one shall dispose waste-water with or without human excreta into the sewerage system contrary to the prescribed standards or mix or discharge human excreta directly into rivers, streams, lakes, ponds, reservoirs, human settlements or public lands.

(2) If anyone has to mix the waste-water emitted from themselves in the sewerage system, it shall be processed and mixed within the prescribed standards in accordance with the prevailing law.

38. **Establishment and Operation of Laboratory:** (1) The Government of Nepal shall establish and operate a laboratory for measuring and testing the quality of water supply and waste-water.

(2) The provisions regarding the establishment and operation of the laboratory in accordance with Sub-section (1) shall be as prescribed.

Chapter Eight

Regarding monitoring and surveillance of services

39. **Inspector to be assigned:** The Ministry may assign any employee as inspector having expertise in the concerned subject to implement, monitor and surveillance the quality and standards prescribed regarding water supply and sanitation.

40. **Surveillance to be done:** The inspector shall do regular surveillance regarding whether the standards of discharged waste-water and quality of water supply have been maintained or not, based on the collection of water supply samples provided by the licensed institution and testing and analysis thereof.

Explanation: For the purpose of this Section, "Surveillance" means the act of collecting and analyzing samples and necessary information regularly regarding the use of the service and its quality, taking into account the impact or effects that may occur on public health due to the low quality while providing water supply and sanitation services, and making suggestions for improvements based on the results obtained.

41. **Monitoring and regulation:** (1) The inspector shall regularly monitor the quality of water supply supplied by the licensed institution and the level of sanitation services provided.

(2) While doing monitoring in accordance with Sub-section (1), the inspector may collect and test samples of supplied water supply or discharged waste-water by the licensed institution or take or demand other necessary details.

(3) During the monitoring in accordance with Sub-sections (1) and (2), inspector may give direction to the concerned licensed institution to maintain the quality and standards, if it deemed necessary to improve the level of water supply and sanitation services, or if the water supply and waste-water samples are not found to be in accordance with the quality and standards during the test.

(4) It shall be the duty of the concerned licensed institution to comply with the directions given pursuant to Sub-section (3).

(5) Other provisions regarding monitoring and regulation of the level, quality and standards of water supply and sanitation services shall be as prescribed.

Chapter Nine

Regarding offence and punishment

42. **Offence and punishment:** (1) A person shall be deemed to have committed an offence under this Act if he/she commits or caused to commit any of the following acts: -

- (a) In case of construction or operation of water supply service, sanitation service, project or service system without obtaining license,
- (b) If the user organization or the licensed institution does not provide water supply service regularly from the water supply

system within the service area prescribed in the license,

- (c) In case of unauthorized use or misuse of water supply and sanitation services,
- (d) If the user does any act with the intention of taking any unwanted advantage in the private tap connected by the licensed institution without the approval of such institution.
- (e) In case of unauthorized use of water by connecting any device through the water supply pipe,
- (f) In case any action is taken to pollute the water supply within the watershed area or affect the quantity or flow of water,
- (g) If any structure or connected pipe or equipment or connected meter or processing system or other equipment is damaged or destroyed of water supply services, sanitation services, projects or service systems,
- (h) In case of disposing of waste-water with or without human excreta in the sewerage system contrary to the prescribed standards or mixing or discharging human excreta directly into rivers, streams, lakes, ponds, reservoirs or public lands,
- (i) If the service level and quality are not maintained in accordance with the quality and standards set by the Government of Nepal or in case of not providing the water supply in accordance with the prescribed quality,
- (j) In case a licensed institution charges the tariff contrary to the determined basis and standards or tariff as determined in accordance with this Act.
- (k) Does not perform any function to be performed or does any act not to be done in accordance with this act or the rules made under

this act.

(2) If anyone commits an offense pursuant to Sub-section (1), shall be punished as follows: -

- (a) In case of offense pursuant to clause (a), fine up to one lakh rupees or imprisonment up to one year or both,
- (b) In case of offense pursuant to clause (b), (c), (d) and (k), fine up to one lakh rupees,
- (c) In case of offense from clause (e) to (j), imprisonment from three months to one year or fine up to five lakh rupees or both.

43. Compensation may be paid: (1) In case if it is proven that the licensed institution has not provided water supply in accordance with the prescribed standards or if the consumption of such water supply adversely affects the health of the user, then such licensed institution shall pay compensation to such user as prescribed.

(2) If anyone has sustain harm, loss or damage to the water supply or sanitation project or service system and its structure in any way, the adjudicating authority may compel for paying an appropriate amount as compensation.

44. Investigating Officer: The following officer shall have the power to investigate and examine the case regarding the offense pursuant to Sub-section (1) of Section 43: -

- (a) The officer designated by the Government of Nepal by publishing a notice in the Nepal Gazette, in case under the responsibilities

and obligations pursuant to clause (a) of Sub-section (2) of Section 8,

- (b) The officer designated in accordance with the provincial law, in case under the responsibilities and obligations under clauses (b) and (c) of Sub-section (2) of Section 8.

45. **Government of Nepal to be the plaintiff:** The Government of Nepal shall be the plaintiff in the case under this Act.
46. **Power to try and settle case at first instance:** (1) The District Court shall have the power to try and settle case at first instance under this Act.
- (2) Proceedings and settlement of cases filed under this Act shall be in accordance with the Summary Procedures Act, 1972.
47. **Appeal:** A party who is not satisfied with the decision made by the district court pursuant to Section 46 may make an appeal to the concerned high court within thirty-five days from the date of such decision.
48. **No hindrance to file case pursuant to prevailing law:** In case any act considered as an offense under this Act is punishable in accordance with other prevailing laws, nothing contained in this Act shall be deemed to have created any hindrance in prosecuting and taking action in accordance with such laws.

Chapter Ten

Miscellaneous

49. **Program may be conducted:** (1) The Government of Nepal, Provincial Government and Local Level or the agencies under it shall be able to conduct

or caused to conduct the prescribed programs and campaigns related to health and sanitation to keep the rural and urban settlements clean, tidy and beautiful through mutual coordination.

(2) The Government of Nepal, Provincial Government and Local Level may provide financial and technical assistance as prescribed for the construction of rain-water collection and other appropriate technologies or systems in areas where surface and underground water sources are not sufficient to provide water supply to the people.

50. May export water supply: (1) Government of Nepal or licensed institutions may export and trade bottled or bulk water supply.

(2) Other provisions regarding export and trade of bottled or bulk water supply shall be as prescribed.

51. Approval to be obtained: Notwithstanding anything written in the prevailing law, in case any other agency has to build any structure that adversely affects the system and structure regarding water supply and sanitation services, the prior approval of the Ministry shall be obtained.

52. Regarding the use of underground water: (1) The Government of Nepal shall frame and implement the necessary standards regarding the use of underground water.

(2) Subject to the standards in accordance with Sub-section (1), the Provincial Government and the Local Level may frame the necessary standards for its respective areas.

(3) It shall be the duty of all concerned to comply with the standards in accordance with Sub-section (1).

53. **Standards regarding the water quality of rivers and lakes:** (1) The Government of Nepal may frame and implement necessary standards to maintain the cleanliness and beauty by minimizing the impact caused or causing in the environmental health and water quality of rivers, lakes, ponds, reservoirs and freshwater lakes connected with human settlements of cultural, religious, and touristic importance due to human activities or human creations.

(2) The prescribed body shall have the obligation to implement or cause to implement the standards in accordance with Sub-section (1) and to monitor, regulate and manage thereof.

54. **Use of water supply:** Notwithstanding anything written in the prevailing law, only after managing the appropriate quantity of water for domestic use, it shall be used for projects like hydroelectricity, irrigation related to the use of water resources.

55. **Coordinating Committee:** (1) There shall be a coordinating committee as follows to maintain inter-level coordination and to give suggestions to the Government of Nepal regarding the formulation and implementation of policies and plans related to water supply and sanitation: -

- | | | |
|-----|--|---------------|
| (a) | Minister, Government of Nepal,
Ministry of Water supply | - Coordinator |
| (b) | State minister/Assistant minister,
Government of Nepal, Ministry of
Water supply | - Member |
| (c) | Minister, related to water supply sector
of each province | - Member |
| (d) | Secretary, Ministry | - Member |

- (e) Seven persons nominated by the Government of Nepal based on the principle of inclusion, including at least three females from among the heads or deputy heads of the local level representing each province - Member
- (f) Three candidates, including at least one female, nominated by the Government of Nepal from among the persons having ten years of experience in the water supply and sanitation sector after obtaining a bachelor's degree in concerned subject - Member
- (g) Joint Secretary, Ministry - Member-Secretary

(2) The meeting of the coordination committee pursuant to Sub-section (1) shall be held at least once in a year.

(3) The coordination committee may invite an expert to the meeting as required.

(4) The procedure for the meeting of the coordination committee shall be as determined by the committee itself.

(5) The coordination committee may seek opinions and suggestions from the water supply and sanitation service related User's Federation on the matter of formulation and implementation of plans and policies related to water supply and sanitation.

(6) The functions, duties and powers of the coordination committee shall be as prescribed by other provisions.

56. Digitized integrated map to be prepared: (1) The Government of Nepal shall prepare an integrated map with digital records within the prescribed time period so that the water source, quantity, quality, benefitted area and all the components of water supply and sanitation system are clearly visible.

(2) The details of the projects to be completed by the Government of Nepal, Provincial Government and Local Level shall be updated in the digitized integrated map in accordance with Sub-section (1).

(3) Other provisions regarding integrated digital records and integrated maps shall be as prescribed.

57. May issue orders or directions: The Government of Nepal or the prescribed body may issue necessary orders or directions regarding the construction, operation and management of water supply and sanitation projects to licensed institution or service system.

58. Evaluation of Act implementation: Within one year of the completion of five years from the commencement of this Act and thereafter within one year of the completion of every five years, the Ministry shall evaluate the implementation of the Act and the report shall be submitted to the concerned committees of both Houses of the Federal Parliament.

59. Power to frame rule: (1) The Government of Nepal may frame necessary rules for the implementation of this Act.

(2) Without prejudice to the generality of the power conferred by Sub-section (1), rules may be framed in the following matters: -

- (a) Operation and management of water supply and sanitation services,
- (b) Relating to distribution of clean and quality water supply,
- (c) Relating to water supply and sanitation service license and survey license fees, renewal charges,
- (d) Tariff fixation of water supply and sanitation services,

- (e) Relating to tap and meter connection,
- (f) Relating to charges for sewerage services,
- (g) Regarding bulk purchase and sale of water,
- (h) Quality and standards of water supply;
- (i) Relating to the establishment and operation of the laboratory,
- (j) Relating to water supply export and trade,
- (k) Relating to duties and powers of the Coordinating Committee,
- (l) Monitoring and regulation of water supply and sanitation services, and
- (m) Other matters necessary for the implementation of the Act.

60. **Repeal and saving:** (1) The Water Tariff Fixation Commission Act, 2006 is hereby repealed.

(2) Actions taken in accordance with the Water Tariff Fixation Commission Act, 2006 shall be deemed to be conducted in accordance with this Act.

(3) The movable, immovable assets and liabilities lies in the name of the Commission established in accordance with the Water Tariff Fixation Commission Act, 2006 shall be transferred to the Ministry.

(4) Complaints registered which are pending in the Commission in accordance with the Water Tariff Fixation Commission Act, 2006 at the commencement of this Act shall be transferred to the Water supply and Sanitation Service Tariff Fixation Commission under this Act.