



Tanahu Hydropower Limited

(A subsidiary company of Nepal Electricity Authority)

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NEWS LETTER - 075/076- 29

January, 2019

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PRESENT STATUS

Status of Main Construction Packages:

The Project Supervision Consultant (PSC), as the Engineer, issued the notice to commence the Work from 18 January 2019 to CMC Di Ravenna, Package 1 Contractor, on 15 January 2019. The Contractor's Representative along with all staffs, who were temporarily absent from 18 December 2018 for the Christmas Vacation, have not returned to Nepal so far. The Engineer issued the Notice to Correct -01 on 28 January 2019 to remedy the same.

The Project Supervision Consultant (PSC), as the Engineer, also issued the notice to commence the Work from 18 January 2019 to Sinohydro Limited, Package 2 Contractor, on 15 January 2019. The Contractor mobilized the team to the project site on 20 January 2019 in order to commence the Works under the Contract.

The Package 3 contractor M/S KEC International Limited submitted the advance payment guarantee on 17 January 2019 and the payment process is underway after certification from the Engineer on 23 January 2019. After receipt of the advance payment, the Contract will be effective with the immediate effect. It is expected that the Contractor will mobilize to the site by the second week of February, 2019.

Progress of the Works under Main Construction Packages:

The Package 1 Contractor has not mobilized to the Site and hence there was no progress of Works under Package 1.

The Package 2 Contractor has mobilized some manpower and the equipment to the Site. The Contractor has carried out preparatory clearance and levelling works for site establishment areas allocated to the Contractor for their camp facilities. The Contractor will also commence the survey and design works by second week of February, 2019 after the Chinese New Year Festival.



Preparation of Site Establishment Areas

Environmental & Social Safeguard Activities

Consultation with 'Collective Rights Protection Committee to Directly Drown Affected People'

A site consultation with Collective Rights Protection Committee to Directly Drown Affected People was held on 6 January, 2019 at Rising Rural Municipality-8, Dablyang in order to resolve the issues raised by the Committee. This consultation, which focused on issues mainly related to land acquisition and compensation, was attended by senior staff members from ESMP of THL, Social Safeguard Development Expert of NRM, ADB and Social Safeguard Expert appointed by the ADB particularly for this purpose and a majority of the members including the Chairman, the Vice Chairman and the Secretary of the Committee. The consultation, however, could not reach on any conclusion regarding issues related to compensation rates/allowances as decided by CDC and provision of free electricity to project affected people. However, a

household to household consultation was proposed by THL/ADB team to continue the consultation process.

Both THL and ADB are jointly working to address the grievances including 12 points demand, which were submitted by the committee to the Office of the Special Project Facilitator (OSPF) under the Accountability Mechanism (AM) of ADB. The local Social Safeguard Expert, appointed by ADB/ OSPF, is also facilitating to address those issues.

Land Acquisition of Betini and Reservoir Area

The compensation distribution for land acquisition in Betini and Reservoir area is ongoing. THL is in regular consultation with APs of Betini and Reservoir area for early completion of the process.



Public consultation at Dablyang

Preparation of Environmental and Social Safeguard Monitoring Report

THL has submitted draft Semi Annual Environmental Monitoring Report (SEMR) and Semi Annual Social Safeguard Monitoring Report (SSMR) of the project covering the period of July-December 2018 to the ADB on 15 January 2019. After review and the further revision, if required, the documents will be disclosed in the ADB web site in February, 2019.

Preparation of RIPP for Transmission Line

THL has engaged a local consulting firm, namely, 'Forum for Research and Development Pvt. Ltd., for Social Survey and Stakeholder Consultation in the Project Affected Areas of 220 KV Transmission Line Project of Tanahu Hydropower Project. The Contract between THL and the Firm was concluded on 16 January 2019. The consultant will be engaged from 20 January 2019 and will continue till 19 March 2019 for the submission of their final report. The scopes of work of this assignment include collection of socio-economic data and assessment socio-economic impacts of the project, which shall constitute key inputs for preparation of the Resettlement and Indigenous People Plan (RIPP) for the Transmission Line Project.

Environment and Social Management Service Provider (ESMSP)

The Evaluation Committee has completed the evaluation of the technical proposals submitted by the following short listed consulting firms:

- a) Joint Venture between Gunung – Ganang Corporation, (GGC) Malaysia and Nepal Environment and Scientific Services P. Ltd. (NESS) in association with Scott Wilson from Nepal;
- b) FCG International Ltd., Finland in association with CMS Engineering Consult Pvt. Ltd. Nepal, Finnish Consulting Group Asia Pte. Ltd, Full Bright Consultancy Pvt. Ltd. Nepal and Natural Resources Institute Finland; and
- c) ELC Electro Consults.p.A., Italy in association with GEOCE Consultants (P.) Ltd., Nepal.

THL has submitted the technical evaluation report along with the complete Submission-2 documents to the ADB on 30 January 2019 for their concurrence.

Grievance Registration and Readdress

The project site office and LCFs continue to receive the formal grievances, which are being scrutinized by THL. The LCFs in coordination with the project site office are working continuously for addressing the registered grievances.

Project Preparatory Works

Access Roads

Access Road from Chapaghat to Dam Site Area (3,234)

The access road from Chapaghat to the RCC Bridge has been completed. After completion of the compensation payment of land acquisition in Betini area, the construction works of the access road from the RCC Bridge to the dam site will be initiated.

Access Road from RCC Bridge to Powerhouse (3,314m)

Access Road from RCC Bridge to Powerhouse has been completed.

Camp Facilities

The construction of camp facilities consisting of following buildings has been completed.

- 2 nos. of office buildings for employer and consultants,
- 2 nos. of residential building of type A;
- 12 nos. of residential building of type B;
- 10 nos. of residential building of type C;
- 2 Dormitories;
- 1 Guest house;
- 1 health post;
- 2 restaurants and
- 1 guard house.



Camp Facilities at Jhyaputar

The Contractor will submit the final bill and as built drawings in February, 2019.

Lower Seti (Tanahu) Hydropower Project

After evaluation of the technical proposals submitted by the short-listed Firms for detailed design and preparation of bidding documents for Lower Seti (Tanahu) Hydropower Project, THL submitted the evaluation report to the ADB on 25 January 2019. Upon no objection from the ADB and subsequent approval from the THL Board, the financial proposal of successful Firm's will be opened in February 2019.

ADB Mission from 15-18 January, 2019

A mission of the Asian Development Bank (ADB) visited Nepal from 15 January to 18 January 2019 to discuss an ongoing issue related with CMC, the Package 1 Contractor and the course of actions to be taken by THL. The Mission held meetings with officials from Tanahu Hydropower Limited (THL) and Japan International Cooperation Agency (JICA), as a co-financier for the Package 2 (Waterway, Power House, and Related Equipment) of the project. A wrap-up meeting with the managing Director of Nepal Electricity Authority (NEA) was held on 17 January 2019. The Aide Memoire of the mission has been prepared based on the outcome of the discussion.

Visit by ADB Team of Environmental & Social Safeguard Experts

A team of environmental and social safeguard experts from the ADB visited THL office in Kathmandu on 21 January 2019 and held interaction with the senior project management officials. The interaction largely focused on the implementation of social and environmental safeguards particularly in relation to land acquisition related safeguard measures including the activities to be followed during the construction phase of the project. Valuable suggestions were received from the team regarding the challenges and opportunities in the future course of planned activities for the effective implementation of the safeguard policies to the satisfaction of all Parties concerned.

The team also visited the project site along with the THP/ESMU senior staffs to interact with some affected people in the reservoir area and specially to see the status of their livelihood restoration activities. During the site visit, the team observed the various features of the project including community participation activities, administrative mechanisms to address the grievances of the affected people and preparatory works being carried out by THL for the construction phase.

FUTURE COURSE OF ACTION

Procurement & Construction Action

Contractor Mobilization: After mobilization of the full design team in the second week of February 2019, the Package 2 Contractor will start the survey and design works. The Contractor will initiate preparatory works for site establishment areas including their camp facilities. The Package 3 Contractor will mobilize to the Site in February 2019.

Translation of THL Documents in Magar Language: A local translator, as recommended by Collective Rights Protection Committee to Directly Drown Affected People, has been engaged to translate the project related documents in Magar Language. This activity has been undertaken by THL for the first time and its objective is to share project related information with the Magar community in the project area.

Engagement of ESMSP: Contract agreement with the selected ESMSP is expected to be signed by the end of March 2019.

SAFEGUARD ACTION

House-to-House Consultation: As per the tripartite agreement, THL, ADB team including the project facilitator (engaged by the ADB) will conduct house-to-house consultation with 21 HHs of reservoir affected area in February 2019.

Compensation Distribution: Compensation distribution in Reservoir, Betini and Banchara area will be continued.

Stakeholders Consultation: THL is regularly engaged in consultation with Local Authorities like District Administrative Office, Land Revenue office, Survey Office, DFO and Local Level Government. Project information in the form of Booklet and Leaflet which includes salient features, FAQ and information on present status and safeguard activities of the project, are being distributed to all stakeholders. Local media are also being mobilized to disseminate project related information.

Grievance Redress Mechanisms: THL continues to receive written grievances from the project affected people (APs). THL has a system of grievance redress mechanism that involves scrutiny of the grievances by THL/ESMU internally in addition to soliciting advice on the issue from the concerned LCF members. Only after a thorough scrutiny by the concerned parties, an action to the effect is recommended to the THL higher authorities by ESMU. To date, much of the grievances have been resolved to the satisfaction of the concerned individual/groups. Some of the unresolved grievances will be regularly processed in the future.

Local Consultative Forum (LCF) Meetings: The LCF meetings will be carried out, once every two months, as per the RIPP guidelines. These LCF meetings have been given utmost priority underscoring the fact that regular updating and information sharing about the progress of the project is extremely important to avoid any misunderstanding with the local community during the construction phase of the project

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