



# Tanahu Hydropower Limited

(A subsidiary company of Nepal Electricity Authority)

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## PRESENT STATUS

### Main Construction Packages

#### Package 1 contract:

Following Notice to Terminate the Contract to the Package 1 Contractor, namely, CMC di Ravenna, Italy issued on 19 February 2019, THL confirmed that the termination of the Contract has become effective from 6 March 2019. Consequently, THL made a claim in writing to the Nepal Investment Bank Limited for the performance security submitted by the Contractor and the Bank has paid the amounts under the respective currencies (EUR and NRS portion) to the THL Bank Account.

In order to initiate the rebidding process, Project Supervision Consultant (PSC) has submitted the Technical Memorandum No. 14 (Updated Cost Estimate- Package 1 and the Technical Memorandum No. 15 (Analysis of Schedules). THL with the support of PSC is revising the bidding documents on the basis of recent ADB Standard Bidding Documents for Procurement of Works, June, 2018.

#### Package 2 Contract:

The Works for construction of site establishment area as well as the survey and design Works under the Package 2 Contract are being carried out by the Contractor, M/S Sinohydro Cooperation Limited.

#### Package 3 Contract:

The Contractor M/S KEC International, India, has started the detail survey of the transmission line route alignment.



Construction of Camp Facilities

### Environmental & Social Safeguard Activities

#### Preparation of RIPP for Transmission Line

The consulting firm has submitted the draft report of the “Social Survey and Stakeholder Consultation” for preparation of RIPP for transmission line component. The report is expected to be finalized by 10 April 2019 and the RIPP will be prepared subsequently on the basis of this report.

#### ESMSP Consultant

ADB has provided no objection on the Financial Proposals Evaluation Report (Submission No.3) on 26 March 2019. The first ranked firm, M/S ELC, Italy in association with GEOCE Consultant Limited, Nepal will be invited for contract negotiation by 1<sup>st</sup> Week of April 2019.

## Rehabilitation and Indigenous Peoples Plan (RIPP)

A meeting was held in the meeting hall of Ward-8, in Rishing Rural Municipality, Paltyang on 9 March, 2019 with members of the “Collective Rights Protection Committee to Directly Drawn Affected People, Tanahu” to disseminate the provisions made in the RIPP document. As per the program, Mr. Sachen Gautam, Communication Specialist of THL, made an hour long presentation on the following topics:

- A) Process and approach adopted for valuation and determination of compensation rates. A table for comparison of CDC and Government minimum registration rate was also provided (In Nepali).
- B) Entitlement matrix of RIPP (In Nepali).
- C) Important features and provisions of RIPP (In Nepali).
- D) Proposed LCF Structure and Formation Process (Referenced from RIPP main document in English).



Distribution of RIPP Documents

The printed copies of the above presentations were also distributed to all the participants. Almost all the committee members including President, Vice President and Secretary of the committee participated in the meeting.

## Grievance Registration and Redress

Project site office and LCFs continue to receive the formal grievances from affected people, 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 Beni Patan Area has been completed. After resolving issues of the land acquisition in the Betini area, the construction of the remaining section of road mainly earthworks and stone masonry retaining walls to the dam site is in progress.



Labor Camp Area of Package 2

## Camp Facilities

The construction of camp facilities has been completed. The Contractor has submitted the final bill to THL, which is under review for final payments.

## Lower Seti (Tanahu) Hydropower Project

Following the receipt of no objection from the ADB and subsequent approval from the THL Board on

Financial Proposal Evaluation Report (Submission No.3), THL invited first rank JV firm M/S WAPCOS Limited, India and Nippon Koei Co, Ltd. Japan in association with TMS, Nepal and GEOCE Consultant, Nepal for contract negotiation. Following the successful contract negotiation meeting held on 17-18 March 2019, both parties signed the minutes of contract negotiation and draft contract documents. ADB has provided no objection on the draft Contract Documents along with the Submission on 26 March 2019. It is planned to sign the contract by the 2<sup>nd</sup> week of April 2019.

## **FUTURE COURSE OF ACTION**

### **Procurement & Construction**

**Package 1 Contract:** Following the termination of the Contract with CMC, THL with the support from PSC is being engaged for revising the bidding documents for rebidding of Package 1. Following the receipt of no objection from the ADB, it is expected that the notice for Invitation for Bids will be published by the 3<sup>rd</sup> week of April, 2019.

**Contractor Mobilization:** In addition to the site establishment works, the Package 2 Contractor will start construction of the access road to the tailrace outlet and surge tank after completion of the survey and design works. The Package 3 Contractor will mobilize the full team to conduct the detail survey along the transmission line route alignment.

### **Safeguard Action**

**Engagement of ESMSP:** Contract Agreement with the selected ESMSP is expected to be signed by the end of April 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. The translations of following documents have been completed and this activity will continue in future.

1. Entitlement matrix of RIPP;
2. Important features and provisions of RIPP; and
3. 12 point agreement document.

**Compensation Distribution:** Compensation distribution in Reservoir, Betini and Banchare 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 issues 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.

**LCF meeting:** 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 communities during the construction phase of the project.

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