Main Construction Packages

Package 1 Contract:

The Bids for Package 1- Headworks Re-bid were opened on 07 July 2019 at 13:00 Hours at the THL office in Kathmandu in the presence of representatives of Bidders and Project Supervision Consultant (PSC). Out of Nineteen Bidders, who purchased bidding documents from THL, only following four Bidders submitted their Bids within the deadline of Bid submission.

<table>
<thead>
<tr>
<th>Bidder No.</th>
<th>Name of Bidder</th>
<th>Nationality</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>China Gezhouba Group Company Limited</td>
<td>P R China</td>
</tr>
<tr>
<td>2</td>
<td>Sinohydro Corporation Limited</td>
<td>P R China</td>
</tr>
<tr>
<td>3</td>
<td>CNEEC – Yue Hydropower Joint Venture</td>
<td>P R China / P R China</td>
</tr>
<tr>
<td></td>
<td>J/V Partners: China National Electric Engineering Co. Ltd</td>
<td></td>
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<tr>
<td></td>
<td>Guangdong No. 2 Hydropower Engineering Co. Ltd</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Song Da Corporation – Kalika Construction Joint Venture</td>
<td>Vietnam / Nepal</td>
</tr>
<tr>
<td></td>
<td>J/V Partners: Song Da Corporation</td>
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<tr>
<td></td>
<td>Kalika Construction</td>
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</tbody>
</table>

THL has begun the evaluation of technical bids with the immediate effect with the supports from the PSC. Pursuant to Sub-Clause ITB 27.1 of Section 1 (Instructions to Bidders) of the Bidding Document THL issued Request for Clarifications (RFC) No. 1 to three Bidders (Bidder No. 1, Bidder No. 2 and Bidder No. 4) on 29 July 2019 in order to clarify certain issues. It is expected the Technical Bid Evaluation Report (TBER) will be submitted to the ADB by the end of August 2019.

Package 2 Contract:

The Package 2 Contractor has started the operation of their Camp facilities after completion of some buildings inside the camp, whereas finishing works of remaining building are underway.
The other site establishment works such as labour camp construction, erection of temporary batching plant, construction of warehouse and lab buildings at Banchare area are being carried. After delivery of some construction equipment at the site, the access road to the Surge Tank has been initiated.

**Package 3 Contract:**
The Project Supervision Consultant (PSC) has approved the Plan and Profile of 20 km route alignment of Transmission Line. The Package 3 Contractor has also mobilized local firm to carry out geotechnical investigation at the locations of tower foundation. So far, geotechnical investigation of nine out of a total of forty such locations had been completed. Design of different types of towers and tower foundations are being carried out by the Contractor.

**Environmental & Social Management Safeguard Activities**

**Preparation of RIPP for Transmission Line**
The consulting firm has submitted the final report of the “Social Survey and Stakeholder Consultation” for preparation of Resettlement and Indigenous People Plan (RIPP) of transmission line component. After finalization of the TOR, THL will request the consulting firm to submit the technical and financial proposal for preparation of RIPP of transmission line.

**LCF Meeting at Rishing**
The Local Consultative Forum (LCF) meeting was held in the office of Rising Rural Municipality on 23 July 2019. THL informed about Board decision to bear the capital gain tax deducted from the compensation payment to the affected people and accordingly a resolution was passed to thank THL and Compensation Determination Committee for this support. In the context of mobilization of ESMSP, LCF recommended to carry out community development activities in coordination with Rising Rural Municipality. The LCF also recommended to organize a high level meeting to settle the issues of excavation of construction materials along the Seti River required for the Package 2 Contractor.

**Meeting with MP and Municipality Chair**
The meeting was held at THL office in Kathmandu between THL and Rising Rural Municipality in the presence of the Member of Parliament of Tanahu District Election Constituency-2 on 25 July 2019. The meeting was mainly focused to solve the issue regarding the extraction of construction materials required for the Package 2 Contractor along the Seti river at Jhayaputar area. It was agreed that the Municipality will determine the royalty amount to be paid by THL for extraction of aggregates along the Seti River very shortly in accordance with the Local Government Act, 2074.

**Environmental and Social Management Service Provider (ESMSP) Consultant**
Following the signing and effectiveness of the Contract, The Consultant- ELC, Italy in association with GEOCE Consultant, Nepal has commenced the services from the 01 July, 2019. The Kick Off meeting was held on 02 July at THL office in Kathmandu to discuss issues related with the contents of Inception Report, establishment of offices at the site, mechanisms of correspondences and overall scheduling of services.
The experts from consultant made a field visit from 03-08 July, 2019 covering the construction area, reservoir, downstream of Seti and Madi river area, fish hatchery of Kaligandaki A hydropower Project, affected municipalities in order to have a general understanding about the Project. The wrap meeting was conducted on 10 July 2019 to brief the findings of the field visit and further activities to be carried out under the services. It was agreed that the consultant will submit the Inception Report by the first week of September 2019.

**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 excavation of the remaining section of road to the dam area (mainly earthworks and stone masonry retaining walls) are almost completed. The constructions of side drains are in progress.

**Lower Seti (Tanahu) Hydropower Project**

Following the commencement of the services, the Consultant M/S WAPCOS, India - Nippon Koei, Japan JV mobilized the team of international experts. The office was established at Kathmandu and the team along with the local experts visited the site in connection with the preparation of Inception Report. The hydrological investigation including both sediment and discharge measurements at the dam site have been started since 20 July 2019. The Consultant has submitted the Draft Inception Report on 12 July 2019.

**FUTURE COURSE OF ACTION**

**Procurement & Construction**

**Package 1 Contract:** After opening of the technical bids received for the Package 1 Re-bid, THL with the assistance of the PSC will prepare the Technical Bid Evaluation Report (TBER). It has been planned to submit the TBER to the ADB by the end of August 2019.

**Package 2 Contract:** In addition to the site establishment works, the Package-2 Contractor will continue construction of the access road to the tailrace outlet and surge tank after approval of the respective designs from the Engineer. The Contractor also will start clearing of main Access Tunnel Portal platform.

**Package 3 Contract:** The package 3 Contractor will continue the check survey and the geotechnical investigation of the tower locations. The Contractor will submit the design of different types of towers.

**Environmental & Social Safeguard**

**Compensation Distribution:** Compensation distribution to remaining APs 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 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 authority 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 conducted once in 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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