

Report on ADB Review Meeting in Guwahati on 3rd-4th Dec 2012

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Highlights of the meeting attended by SIPMIUs of all the five States, Tatiana, Carmie and us are as follows:

Summary of physical and financial progress under Tranche-I:

State	Physical progress in %	Financial progress in %	Completion date
Agartala-WS	25	44	Dec 2013
Aizawl-WS	100	105	Completed
Gangtok-WS	40	38	July 2013
Kohima-WS	18	30	August 2013
Kohima-SWM	20	21	March 2014
Shillong-SWM	7	3	September 2013

Kohima: 2 reservoirs reportedly completed. Work on-going on another 9, expected completion of these by March 2013. On 5 sites there is problem of encroachment. They have been asked to give a note to ADB so they can give inputs from the RP point of view. Alternate sites for tanks still not finalized. As for water treatment plant, equipment ordered, expected by Feb 2013 and completion by June 2013.

Shillong: mentioned design of Tr-1 SWM had to be changed as DPR assumed flat land. Also mentioned need for extension and that CPHEEO was visiting for assessment. Progress of work has improved and by end December 2012 expects 25% physical progress.

Main issues:

1. Increase execution speed. Shillong, Gangtok, Agartala and Kohima said that they were facing the issue of inadequate labour due to governments and in some cases activists and NGOs making it difficult for the migrants to work in their states.

2. Progress of Tr-2: .Contracting and execution

Main discussion centered around the failed bids and how to deal with them. We explained the difficulty of approving substantially high bids. Tatiana suggested that in these cases cost estimates should be revised by SIPMIU signed by Concerned Chief Engineer and ratified by the SEC. This should then be presented to the NSC on 14th for decision. She was not in favour of rebidding as it will delay commencement of project and extend beyond Dec 2015.

Retroactive financing: IDC contracts for Aizawl and Kohima were signed prior to 20-11-2011 and hence the entire contract value is not eligible for ADB financing. Tatiana suggested that these IDCs be funded 100% by MoUD and this cost would be added to ADB financing for civil works keeping the total state allocations unchanged. This will result in an increase of ADB share from 62% to a higher figure to be calculated.

3. Tranche-3:

Tatiana wanted to know the plan for initiation of T-3 so that project does not extend beyond Dec 15. She felt that the design staff of DSMC is different from supervisory staff and hence both can be managed. She was informed of the NSC decision of achieving 50% physical progress of T1 & T2 projects. She still desired to prepare for negotiations of T3 latest by March 2014.

Individual state wise discussions will be held tomorrow morning.

ADB Review Mission- Day2 (Guwahati)

On the second day of the review mission, individual discussions were held with each of the States. Summary of discussions is given below:

ADB took stock of progress of Tr-1 projects, status of Tr-2 projects, of reforms implementation and of GAP. Tatiana asked the PDs to submit the quarterly disbursement projections for Tr-2. She also took stock of the staffing of SIPMIUs. The subject of rebidding was once again brought up by the PDs and as advised yesterday, it was reiterated that any reassessment of cost should be ratified by the SEC and brought up before NSC for final decision. The PDs also emphasized that rebidding may not be fruitful in cases where either rebidding has already been done or in cases where there were sufficient bids.

T-3 also came up for discussions and PDs suggested that since their DSMCs have done preparatory work on DPRs, MoUD may like to appraise at least those DPRs which are already completed. Nagaland brought up the issue of Bulk

Water to which they were asked to submit their proposal to suitable agency for funding as has already been advised to them by MoUD.
