



MOST URGENT
BY FAX

GOVERNMENT OF ODISHA
WORKS DEPARTMENT

No. 1088 /W., Bhubaneswar, Dated, the
EAP (Cell)-13/11

tsd February, 2012

From

Sri G. Pradhan, OAS (SAG)
Additional Secretary to Government.

To

The Chief Engineer, World Bank Projects, Odisha
Nirman Soudha, Bhubaneswar.

Sub:- Proceedings of the State Level Empowered Committee (SLEC) meeting held on 24.01.2012 at 7.00 P.M. in the 2nd Floor Conference Hall of the Secretariat.

Sir,

I am directed to send herewith a copy of the proceedings of the meeting of the State Level Empowered Committee (SLEC) held on 24th January, 2012 at 7.00 P.M. in the 2nd Floor Conference Hall of the Secretariat under the Chairmanship of Chief Secretary, Odisha for your information and immediate action.

You are therefore, requested to furnish the compliance report in the matter to this Department immediately.

All concerned may also be intimated accordingly.

Yours faithfully,

[Signature]
1/2/2012
Additional Secretary to Govt.

Memo No. 1089 /W., Dated. 1-2-2012

Copy along with a copy of proceedings forwarded to P.S. to Chief Secretary, Odisha for kind information of Chief Secretary.

[Signature]
1/2/2012
Additional Secretary to Govt.

Sr. [unclear] / Sr. [unclear]
[Signature]

**PROCEEDINGS OF THE 6TH STATE LEVEL EMPOWERED COMMITTEE (SLEC)
MEETING FOR ORISSA STATE ROADS PROJECT HELD ON 24TH JANUARY 2012 IN THE
SECOND FLOOR CONFERENCE HALL OF THE SECRETARIAT**

The sixth meeting of the State Level Empowered Committee (SLEC) constituted by the Government to monitor the implementation of the World Bank financed Orissa State Roads Project (OSRP) was held at 19.00 hours on 24th January, 2012 in the second floor conference hall of the State Secretariat under the Chairmanship of the Chief Secretary, Orissa. The list of Members present in the meeting is annexed at Annex- 1.

At the outset, the EIC-cum-Secretary, Works Department welcomed all the members of the SLEC and intimated the status of the activities of OSRP in a detail presentation.

1. Compliance to the Eight Actions indicated by the World Bank for lifting Loan Suspension

It was apprised that six out of the eight actions have been complied substantially and have been acknowledged by the Bank. The other two issues namely ensuring execution of civil works with due regard to quality, safety, environment safeguards and legal opinion on rights, duties and liabilities of individual partners of JV Lead partners were discussed at length, as below.

a. Preconstruction activities and handing over of Land

This has been complied for milestone 1 and the contractors have accepted the revised milestone.

b. Execution of civil works

The Contractor in package P03 has stopped working following the termination notice. In package P01, the achievement is 23.93% of Contract amount till date whereas in P02, the progress is 16.23% only. As regards milestone 1 of the packages P01 and P02, the completion date is February 28, 2012. The contractors have not been able to demonstrate good progress and the achievements lag well behind their targets. The arrangements made by the contractors to meet the timeline seem to be inadequate and insufficient. In such a scenario, successful completion of the packages is highly improbable.

The Committee insisted on levying of delay damages on the Contractors as per the contract clauses from March 1, 2012, if the mile stones are not achieved by the stipulated date i.e. February 28, 2012.

c. Ensuring execution of civil works with due regard to quality, safety, environment safeguard

In the packages P01 and P02, the Contractors' performance with regard to safety measures and environment protection measures is not up to desired extent in spite of repeated instructions from the Department and Engineer. Penalty has already been imposed on them on this ground, still no improvement has been seen. Regarding quality, the observations of the Bank have been communicated to

the Independent Third Party Audit team of NIT, Rourkela whose report is awaited. Action will be taken basing on their report.

The Committee agreed to assess the status of these issues in the last week of February, 2012. In case the situation with regard to above parameters does not improve, the relevant clauses of the Contract for lapses and lack of performance by the contractors shall be strictly enforced.

d. Contract management for the JV Lead partners

This issue pertains to P01 and P02 only as the contract of P03 has been terminated. The Chief Secretary desired to know whether the contract conditions have been fulfilled by the JV partners. The Secretary, Works department apprised that the Law Department has communicated its views today, which will be shared with the Bank shortly. The Committee took a view to take action against the JV and both the partners as per provisions of the Contract.

e. Supervision Consultancy for balance civil works

The draft contract along with the evaluation report has been shared with the Bank. Bank has sought clarification for supervision of P03 as the contract has been terminated by the contractor. As already there has been a termination of a contract package, it was decided to negotiate with the firm further for mobilization proportionate to the requirement.

f. Award of Contracts for Consulting Services for ISAP

This is in process and procurement is expected to be completed by March 2012. The Committee decided to go ahead with the procurements as they would be helpful for the capacity building and overall organizational development of the Works Department.

2. Termination of Package P03

The Secretary, Law Department clarified that there is no scope for withdrawal of termination notice of the contract as requested by the Contractor of package P03. The Committee decided to accept the termination and close the contract as per provisions.

3. Finalization of Year II Roads

The EIC-cum-Secretary apprised that the road from Taptapani to Rayagada was included in the Year II packages of the OSRP, but is now being improved under Vijayawada-Ranchi Corridor Development scheme with Central Government assistance. However, the Jagatpur-Chandbali Road would be taken up in the Year II packages of OSRP as LA and other preconstruction activities have been

substantially done. The recast estimate for this road costs Rs. 305 crore out of the balance Rs. 550 crore of the agreed loan amount.

It was proposed to include improvement of eight more priority roads (List provided in Annexure-2) from the Core Road Network list approved by the Bank. The improvement would consist of strengthening of existing carriageways. The matter would be discussed with the Bank in the coming Mission.

4. Issues Related to R&R Activities

The World Bank is pressing for payment of site allowance to encroachers resettling on the remaining portion of the same plot or on adjacent Government land. Similarly private owners after acquisition resettle on the same plot of land, as only a part of their homestead is acquired in a linear project. In both the cases, displacement does not take place. Since this entitlement is related to displacement from the project area only, it was decided that only such PAPs, displaced from the project area, shall be entitled for this assistance.

Further, the Bank is insisting on payment of training and livelihood assistance to all major PAPs of each vulnerable family. The provisions in both the OSRP and the ORRP 2006, reserve this assistance only for a displaced person losing his entire agricultural livelihood. It was decided to stick to these provisions.

The next issue of payment of R&R assistance as per biennial revision of 2010 was discussed. The R&R payment started well before this revision was notified. It was decided that the rates prevalent on the date of displacement shall apply.

The Chief Engineer raised the issue of grievance petitions regarding payment of multiple house building assistance to all major members of project affected families. As stated earlier, only portions of homestead lands are being acquired for the project work. The provisions of ORRP 2006 are for families being completely displaced from the project area. In this case, the petitioners are not displaced even from their homestead plots. It was decided that this assistance shall only be restricted to a family actually being displaced from the project area.

The Secretary, R&DM Department opined to give written clarifications on the points raised by the Chief Engineer, World Bank Projects regarding the R&R issues.

The meeting ended with a vote of thanks to the chair.

Sd/-

Chief Secretary, Odisha

ANNEXURE - 1

LIST OF MEMBERS WHO ATTENDED THE SLEC MEETING ON JANUARY 24, 2012

1. Sri Bijaya Kumar Patanaik, IAS, Chief Secretary
2. Sri R.N. Senapati, IAS, D.C.-cum-A.C.S.
3. Sri D. Dash, Principal Secretary to Govt., LAW Department
4. Sri R.K.Sharma, Secretary to Government, Revenue & Disaster Management Department
5. Sri B. P. Singh, Special Secretary to Govt., Forest & Environment Department
6. Sri S. K. Ray, EIC-cum-Secretary, Works Department
7. Sri N.K. Pradhan, Chief Engineer, World Bank Projects, Orissa
8. Sri B. K. Behera, Chief Engineer, D.P.I. & Roads, Orissa

ANNEXURE - 2

ROADS PROPOSED FROM CORE ROAD NETWORK FOR IMPROVEMENT IN YEAR II, OSRP

| Sl No. | Name of The Road | Category | Length in Km | | | Cost (in Rs. Crore) |
|--------|--|----------|---------------|---------------------------|----------------|---------------------|
| | | | Total | Interme- diate Lane | Double Lane | |
| 1 | Kandarpur-Machhagaon Road. | SH-43 | 46 | 42.6 | 3.4 | 27.6 |
| 2 | Raj Athagada-Narsingpur. | SH-65 | 76 | 72.41 | 3.591 | 45.6 |
| 3 | Godbhaga-Turum Road. | SH-54 | 41.6 | 41.3 | 0.3 | 24.96 |
| 4 | Barkot-Lahunipada Road | SH-10A | 48.55 | 0 | 48.545 | 29.127 |
| 5 | Badasankha-Tarini- Hinjili-Seragarh- Badagarh-Sorada Road | SH-36 | 40 | 40 | 0 | 24 |
| 6 | Karamdihi-Talsara-Lulukidihi. | SH-24 | 52 | 24 | 28 | 31.2 |
| 7 | Khurda-Jatni-Pipili-Nimapara- Gop Road | SH-13 | 52 | 22 | 30 | 31.2 |
| 8 | Gop-Konark Road | SH-60 | 18 | 0 | 18 | 10.8 |
| | Total | | 374.14 | 242.31 | 131.836 | 224.487 |