
Notice published under Section 9 of the Right to Information Act No. 12 of 2016
relating to THALPITIGALA RESERVOIR PROJECT

Date:

16 May 2019

Ministry/Department/Institution:

Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development

Implementing Agency:

Irrigation Sector of the Ministry

A Details of the Proposed Project

1. Description of proposed project;

In order to address water scarcity in the south-eastern dry zone, Ministry of Irrigation and Water Resources Management, has decided to divert 145 MCM of water annually from Uma Oya to Kirindi Oya. Uma Oya is one of the major tributaries of Mahaweli Ganga located in the southern part of the central hills. The Uma Oya basin has an extent of 720 km² and falls within two districts, Nuwara Eliya and Badulla.

Diversion of water from Uma oya to Kirindi oya may result in a scarcity of water for the downstream users of Uma oya, especially the Bathmedilla Irrigation Scheme with a command area of 810 ha. Other than that the schemes such as Minipe left bank also will be affected by water deficit.

The diversion in upstream will be achieved through two run of the river (ROR) type reservoirs constructed across the main tributaries of Uma oya, namely Dalgolla oya (Puhulpola) and Mahathotilla Oya (Dyraba). The proposed reservoirs capacities are very small which cant store water for downstream. The excess water during flash floods will be spilled from these two dams and the annual over flow capacity is estimated to be more than 50 MCM.

Therefore, when the Uma oya project was approved, the project approving agency, the Central Environmental Authority has laid down a condition that makes it mandatory to ensure that the water requirements of the inhabitants in the lower reaches of Uma Oya are fulfilled, especially the farmers that comes under the Bathmedilla Irrigation Scheme and Minipe LB. The environment is affected due to less rever flow in downstream as well.

In order to address the said environmental and socio-economic issues, the Ministry of Irrigation and Water Resources Management propose to construct a new reservoir (Thalpitigala reservoir) upstream of the Bathmedilla Anicut that would enable better management of water demands of the downstream users using the excess water spills from Puhulpola and Dyraba dams. Further, this upstream reservoir can be used to retain part of the sediment carried in Uma Oya thereby preventing siltation of the Rantambe reservoir. The project will also make use of the head difference between the Thalpitigala dam site and Bathmedilla anicut to generate around 51.3 GWh of hydropower annually through a hydro power plant having an installed capacity of 15 MW.

The proposed Thalpitigala reservoir project involves the construction of a concrete gravity dam in the mode of Roller Compacted Concrete (RCC) across Uma Oya, approximately 3 km upstream of the existing Bathmedilla Anicut (near the village Hunuketiya), to establish a 15.56 mcm capacity reservoir at full supply level of 454 m. The height of the proposed dam will be 45.7 m and it will result in the inundation of 96 ha of land confined mainly to the banks of the deep river valley.

The head works of the project include the dam, a spillway with seven radial gates (10m x 7.2m), water intake, headrace tunnel, surge shaft, penstock, power house and new access roads. In addition to the head works the project will also involve construction of structures such as camp sites, site offices, storage areas, vehicle parks etc which can use later for community purposes.

Project Map –Refer Annexure 1

2. Project Location

The project will be located in the Badulla district in the Uva Province within the central hill country. Thalpitigala reservoir development project falls within 3 DS divisions, namely, Kandaketiya, Haliela and Uva Paranagama and 6 GN divisions, Wasanagama, Thetilla, Kokatiyamaluwa, Bogoda, Yalagamuwa and Wethalawa.

The project site is accessible through Wasanagama village. The access roads are either highways or provincial roads with good surface conditions.

3. Proposed date of Commencement of project;

Ministry of irrigation and Water Resource management entered into contract with Sinohydro Corporation Limited duly organized under the laws of the People's Republic of China on 28th day of November 2014.

The contractor carrying out the technical investigation needed for detail designing of the project. The project implementation unit is handling the socio-economic aspects, financing and land matters which have come to the final stage now. Some downstream development, resettlement work and building construction were started under PIU. However, the ground work has completed to kick off the head work as soon as the mobilization advance is paid to contractor.

4. Projected date of Conclusion;

Contractual number of days applicable including all public holidays are 1277 days and accordingly expected to complete by four years from the commencement date.

B. Rationale of the Project

5. Project Objectives/ Goals;

Mitigate water deficiency anticipated in Uma oya downstream, especially the Bathmedilla irrigation scheme arising as a result of diversion of Uma oya to Kirindi oya in order to address water scarcity in the south-eastern dry zone. Environmental protection and supply continuous flow to Mahaweli system against water deficit.

6. Expected Project Outputs/Benefits;

- Ensure of availability of irrigated water throughout the year for Bathmedilla irrigation area
- Supply continuous flow to Mahaweli system in special concern of Minipe left bank irrigation.
- Augment the system in about 400 Ha additional irrigable lands

- To provide 51.3GWh of clean energy annually to national grid through proposed hydroelectric power house which make use the head difference available between dam and the Bathmedilla anicut.
- Trapping of large quantity of sediments carried out by Uma oya at present into Rantembe Reservoir.
- Facilitate to (Water Supply and drainage Board) use reservoir to implement new drinking water supply scheme to provide safe drinking water to Wasana gama, Madulla, Thatilla, and Beramada in Kandaketiya Divisional Secretariat.
- Development of road network around villages surrounding project site
- Availability of buildings and other infrastructure used by project work for suitable work of villages once project is completed.

7. The target beneficiaries/stake holders;

- Farming community of Bathemedilla and Minipe irrigation areas.
- General public living in project site areas
- General Public in Sri Lanka with added Electricity to national grid

8. Is there a likelihood of any citizen being affected by the implementation of the proposed project

Yes

9. If yes, has adequate notice been provided to them and/or have they been consulted in respect of the project? - Yes

Adequate notice has been provided while having continuous dialog and consultation of effected groups

10. If no, explain reasons for such omission.

Not applicable

11. Provide details/description of steps being taken to provide compensation/reparations to affected parties, if any, where applicable and details of the institution responsible for processing applications for compensation.

- Socio Economic Survey and resettlement action plan for the project being carried out through independent consultant and compensation and resettlement will be done using recommendation of above report subjected to limits established rules and regulations published by Government of Sri Lanka.
- Land required for resettlement have been reserved from lands belongs to Land Reform
- Additional funding for resettlement and infrastructure development has been requested and a cabinet paper has launched for same.

12. Justification (i.e. financial cost benefit, social cost benefit etc.);

Continuation of farming activity through out the year in down stream of Uma oya, Bathmedilla irrigation scheme with command area of 810ha irrigation while not disturbing diversion of Uma oya to Kirindioya augmenting water supply to 1500 ha of cultivated land and irrigating 4500 ha new lands in South Eastern Dry Zone

C. Project Budget& Financial Information

13. Total estimated cost of Project

US\$ 174 Mn (for main construction) and LKR 6688 Mn (for management of socio economic, environmental issues related to project)

14. Agreed Amounts [state in currency payable as well as LKR equivalent]

Srilankan rupees billion 37,138 (1US\$=175LKR)

15. Source of finance (Foreign/ Local/Other - for example Public Private Partnership) - Identify the foreign or local entities/institutions involved in financing the project.

- EXIM Bank of China provide 85% of project construction value under Preferential Buyer Credit (PBC) facility.
- People's Bank to finance (as a loan) the balance 15 percent (15%) of the contract price
- Government of Sri Lanka for resettlement and other welfare services

16. If the proposed project is to be implemented on the basis of a Public Private Partnerships, provide the main terms and conditions of agreement between the Government and the private sector party, including details of equity and profit share bases, financial information such as fees, tolls, or other kinds of revenue that may be collected by private sector parties under authorization from the Government.

Not Applicable

17. List all additional benefits/concessions, if any, offered to the contractor or private parties at the cost/expense of the State/Government of Sri Lanka in the implementation of the proposed project.

Lands required for construction of camp site for the use of contractor will be provided by Ministry of Irrigation till end of the project. All buildings other infrastructure made by them for their own purpose will be properties of Government of Sri Lanka at the end of the project

D. Necessary Clearances

18. State the date when approval for the proposed project was received from Department of National Planning/Economic Development Committee/ the Cabinet/BOI/Provincial Council/Local Council/Relevant Authority, as relevant.

Approval category/Agency	Date of Approval
Cabinet approval for Ministry of irrigation proposal of 10-year development plan which include Thalpitigala Project as well	28-09-2011
Cabinet approval for "implementation of Construction of Headworks of Thalpitigala Reservoir Project"	14-09-2014

19. Where applicable have the following been carried out;

a) Bid evaluations? Yes

Integrated to TEC report and SCAPC evaluations SINOHYDRO being the only bidder

b) Feasibility studies? Yes

Report prepared in 2015

c) **Technical evaluations?** **Yes**

Technical evaluation committee report dated 03-09-2014

d) **Financial evaluations?** **Yes**

SCAPC Report dated 04th September 2014

20. Describe the Environmental Impacts on physical, biological, socio-cultural or aesthetic status, if any?

Refer Aannexure-2 for details

21. Has an environmental impact assessment been carried out, where relevant? **Yes**

Environmental impact evaluation with Initial Environmental Examination (IEE)

22. If yes, provide details of the institution/entity that carried out the environmental impact assessment and date(s) of report(s).

- Mahaweli Consultant Bureau (Pvt) Ltd
No-11, Jawatta Road,
Colombo-8
- Report released in January 2016

If no, provide reasons for the omission.

Not applicable

23. Have approvals from relevant regulatory agencies been obtained, where applicable?

Yes

24. If yes, from which agencies and dates of such approval.

Central Environmental Agency on 20th June 2016

25. What approvals are pending?

None

E. Supplier/Vendor/ Contractor

27. Was the project solicited or unsolicited?

Unsolicited

28. If unsolicited, please provide details of the project proponent, project proposal, date when such proposal was made;

Ministry of Irrigation, Water Resource Management entered into Memorandum of Understanding (MOU) with Sinohydro Corporation Limited of China on the 11th April 2013 for the project following the decision made by Standing Cabinet Appointed Review Committee.

29. If funding for unsolicited projects are externally sourced;

29.1 Name of the funder?

Export and Import Bank of Peoples Republic of China

29.2 Conditions of financing?

Financing Arrangement	USD147,900,000.00 provided by the EXIM Bank of China under Preferential Buyer Credit (PBC) facility. (The loan facility will cover the 85 percent of TEC)
Terms & Condition	Interest fee 2% p.a. Commitment fee 0.25% p.a. on undisbursed loan amount Management fee 0.25% p.a one off payment Maturity 15 years including 5 years grace
	Rupee equivalent of USD 26,100,000.00 from the People's Bank to finance the balance 15 percent (15%) of the contract price
	Interest rate - Six month AWPLR+2.1% per annum
	Maturity - 15 years with a grace period of 3 years.

30. Provide details of the supplier/vendor/contractor who will implement the project;

Sinohydro Corporation Limited , duly organized under the laws of the Peoples Republic of China, a company having its principle office at

N0-22, West Chegongzhuang Road,
Haidian District, Beijing, 100048,

Peoples republic of China
of Republic of China

31. Was the contract awarded?

Yes: on 28th November 2014

32. If yes, date of execution of contract?

Contract shall come into full force and effect on the date when four predefined conditions are satisfied. Following condition out of those four is pending and contract has not been effective yet

“The facility arrangement (Loan agreement) between the Government of Srilanka and Chinese Financing Agency become effective”

33. If not, proposed date of execution of contract?

1st of July 2019

34. State the number of bidders as well as the relevant names/contact details of those who submitted bids for the project.

No other bidder

35. With regard to all of the above, please indicate if there is any complaints handling mechanism conforming to accepted standards of fairness and transparency which is accessible to the public.

None

Any further inquiries and clarifications may be directed to

Project Director

Tel 055-2245626

E -Mail pdthalpigitigala@gmail.com