

Government of the People's republic of Bangladesh
Ministry of Water Resources
Development-2 Section
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Subject: Minutes of the Special Meeting held on ADB Classified Projects at Risk-
Flood & Riverbank Erosion Risk Management Investment Program (FRERMIP) (Project-2)

Chairperson : Nazmul Ahsan
Secretary, Ministry of Water Resources

Date : 1st October 2023

Time : 14:30 hours

Venue : MoWR Conference Room (Room-406), Bangladesh Secretariat, Dhaka.

Attendance : Attached as Enclosure 1.

The chairperson started the meeting with a welcome note to everybody. With the consent of the Chairperson, the Deputy Secretary of Development-2 Section, MoWR informed that these 2 projects have been classified by ADB as "Project at Risk" during Tripartite Portfolio Review Meeting (TPRM) of ADB Funded Projects of Bangladesh, which was held during 13-14 September 2023 comprising representatives from ERD, All Ministries, ADB HQ, ADB BRM & Borrower Government Agencies. To overcome all the risk oriented issues & to ensure on time completion of the projects, detailed discussions have taken place during the meeting & some key decisions have been made. All the discussions & decisions/recommendations have been summarized below.

For FRERMIP (Project-2):

Sl. No.	Discussion	Decision/ Recommendation	Concerned Entity
1	The approved project implementation period is up to 31 December 2025 (as per DPP), whereas ADB loan expires after 26 June 2024. During MTR Mission, both MoWR & BWDB requested ADB to extend the loan period up to approved DPP period. But mentioning the nature & complexity of MFF loans, ADB has always been reluctant to entertain the idea of loan extension during both MTR Mission & TPRM. As there is a possibility that few works may remain incomplete beyond loan expiry period & DMF (Design & Monitoring Framework of ADB) targets remain underachieved, so MoWR has already sent a letter to ERD to extend the loan period up to approved DPP period.	Official proposal needs to be sent to ERD requesting extension from June 2024 to project period (31 st December 2025).	ERD
2	Due to recent currency exchange rate variation (USD to BDT) with respect to DPP approval period, an approximately 30 Million USD ADB loan will remain unutilized after approved DPP boundary	Proposal for partial cancellation of 30 Million USD loan to be sent to ERD.	Development-2 Section, MoWR

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	<p>conditions. As the loan is concessional type, so if it is cancelled partially, ADB can allocate this loan to other aided projects in Bangladesh. So partial cancellation of 30 Million USD ADB loan was agreed during MTR and during TPRM, ADB has urged to send official proposal for partial loan cancellation at the soonest. BWDB has already sent the loan cancellation proposal to MoWR.</p>		
3	<p>In the approved DPP, W-10 package is sanctioned for constructing 7.9 km embankments & 2 regulators. Among them, 1.7 km embankment & 1 regulator can be constructed on already acquired land. But for remaining works, prior land acquisition is required. In the approved DPP, sanctioned cost for land acquisition is 170 Cr BDT whereas according to initial unofficial estimate, the cost may rise up to 230 Cr BDT. So to allocate additional cost, additional costs have been taken into account while RDPP preparation. Also, current FY allocation for land acquisition is 73.32 Cr BDT & there is a very high possibility of not getting any further budget on land acquisition in this FY. Both MoWR & BWDB representatives have visited the land acquisition site on 28 September 2023 and had a fruitful discussion with the Deputy Commissioner, Sirajganj that day. The ministry officers requested to split the Land Acquisition Case in several parts as the fund is limited. He agreed with the proposal and advised to cancel the ongoing procedure of approx. 28 Ha acquisition & send a revised proposal of partial land acquisition according to actual ADP allocation and follow the same procedures afterwards according to future allocation. The Deputy Commissioner also added that if the fund is not disbursed as per estimate within a specified period, and the LA case will be terminated as per Land Acquisition Rules. So Deputy Secretary of Development-2 Section raised his opinion on whether the package can be dropped from implementation considering the time constraints & unforeseen reality. But Chief Engineer (Monitoring) of BWDB, who have been PD of the same project during DPP preparation to approval phase, raised the issue of DMF & informed all the physical importance & loan-perspective importance of the structures. He also reiterated that the embankment will be constructed with dredged earth complying Honorable Prime Minister's Directives. Then Deputy Secretary of Development-2 Section again raised another issue of constructing one regulator cum fish pass on Andharmanik just beside 600 meter of an existing one. Joint Secretary of Development-1</p>	<p>a) Ongoing LA case at Sirajganj to be cancelled. Revised LA proposal should be prepared & submitted considering available budget allocation to expedite LA procedure & it should be done stage by stage.</p> <p>b) The W-10 Package to be split into 2 packages. One package includes 1.7 km embankment combining with embankment that can be constructed with first stage proposed land. The remaining embankment & 2 regulators (if requires) are to be included in other package. The package splitting decision of MoWR should be mailed to ADB ASAP. If loan period doesn't extend, then the 2nd package work can be forwarded to follow on project though land acquisition will continue under this project.</p> <p>c) A committee comprising a MoWR representative & concerned ADG of BWDB will visit the site at earliest and make recommendations on the discussed issues.</p>	<p>a) PD, FRERMIP (P-2)/ EE, Koitola, BWDB</p> <p>b) PD, FRERMIP (P-2)/ ERD/ ADB</p> <p>c) Development-2 Section, MoWR</p>

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	<p>Branch suggested that a committee comprising a MoWR representative & concerned ADG of BWDB can visit the site soon and they can recommend whether additional regulator cum fish pass construction is required there or not. The Project Director informed the meeting that the package was scheduled for tender publishing that day with a no claim clause for the perspective tenderers in case of reduced scope of work due to completeness of land acquisition and time constraint due to loan period. Additional Secretary of Development Wing suggested to split the work package according to partial land acquisition perspective. The Chairperson taken into account all the suggestions and reminded all about Honorable Prime Minister's Directives in connection with unnecessary construction of water control structure and instructed not to build any unnecessary water control structure.</p>		
4	<p>The Project Director has informed the meeting that a RDPP have been prepared according to the decision of 2nd Steering Committee Meeting & Aide Memoire of MTR Mission of ADB. The RDPP has just been submitted to BWDB's Planning Wing today. In RDPP 11 new packages (5 goods & 6 works) packages has been included from the DPP savings as agreed during MTR Mission. Considering the loan period of the project, approval of the RDPP at earliest is a high priority. As the Project has been classified by ADB as Project at Risk due to low contract award & disbursement, the PD requested permission for early bidding of the newly added packages prior to approval as it is connected to low contract award & it has been emphasized during TPRM. The PD ensured that the NOA will only be issued after approval of RDPP. The Chairperson discussed the early bidding issue briefly in the meeting.</p>	<p>a) Proposed RDPP to be sent to MoWR by 5th October 2023.</p> <p>b) Bidding of newly proposed 11 packages can be done as per government rules and regulations.</p>	<p>a) DG, BWDB/ Chief Engineer, Planning</p> <p>b) DG, BWDB/ PD, FRERMIP (P-2)</p>
5	<p>The Project is classified as at risk due to low disbursement. To overcome the issue, the Project Director expressed his interest to start work immediately so that payments can be made earliest. He requested for providing taskforce support at the earliest so that protective works can be completed within the project period. As ADB loan & GoN grant can only be spent with matching fund of GoB, the PD also requested to provide additional 42 Cr BDT GoB fund for Goods, Works & Services payments in the RADP for FY2023-24. If the matching fund GoB isn't allocated, the loan amount can't be spent & it will remain unutilized.</p>	<p>a) Taskforce deployment should be made by 5th October 2023 & throughout the FY, necessary taskforce support to be provided.</p> <p>b) Steps to be taken for allocating additional BDT 42 crore from RADP as matching fund.</p>	<p>a) DG, BWDB/ Chief Engineer, Monitoring</p> <p>b) Joint Secretary, Planning Wing, MoWR</p>



Sd/
09.10.2023
Nazmul Ahsan
Secretary

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Date:09-10-2023

Distribution (Not according to seniority):

1. Additional Secretary (Development Wing), Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
2. Director General, Bangladesh Water Development Board, 72 Green Road, Dhaka.
3. Joint Secretary, Development-1 Branch, Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
4. Joint Secretary, Planning, Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
5. Additional Director General (West/Planning), Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
6. Chief Engineer (Planning/Design), Bangladesh Water Development Board, 72 Green Road, .Dhaka.
7. Mr. Md. Ruhul Amin, Project Director, "Flood and Riverbank Erosion Risk Management Investment Program (Project-2)".
8. P.S to Secretary, Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
9. Mr. Md. Fahad Hasan, Executive Engineer, "Flood and Riverbank Erosion Risk Management Investment Program (Project-2)".
10. Office Copy.


09/10/2023
Mohammed Mobassherul Islam
Deputy Secretary