

# Semi-Annual Social Monitoring Report

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*Project Number: 43405-024*

*Reporting Period: January – June 2020*

## **GEORGIA: URBAN SERVICES IMPROVEMENT INVESTMENT PROGRAM**

### **TRANCHE 2**

#### **(FINANCED BY THE ASIAN DEVELOPMENT BANK)**

All construction activities for the sub-projects under USIIP/T2 are completed.

July, 2020

## ABBREVIATIONS

ADB – Asian Development Bank

AP – affected persons

DC – Design Consultant

DEPP - Department of Environmental protection and Permit

ES/ SES - Environmental Specialist/ Senior Environmental Specialist

GoG- Government of Georgia

GRC - Grievance Redress Committee

GRM - Grievance Redress Mechanism

IPMO - Investment Program Management Office

USIIP - Urban Sector Improvement Investment Program

IA - Implementing Agency

EA – Executing Agency

IP – Indigenous People

IR – Involuntary Resettlement

LARP – Land Acquisition and Resettlement Plan

MoEPA - Ministry of Environment Protection and Agriculture

MoRDI – Ministry of Regional Development & Infrastructure

NEA – National Environmental Agency

SC – Supervision Consultant

UWSCG – United Water Supply Company of Georgia

WSS – Water Supply & Sanitation

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# **1. The Project Details**

## **1.1. Background of the project**

1. The Urban Services Improvement Investment Program was developed as the Government's response to the lack of adequate and/or safe water supply, sewerage and sanitation in urban areas of Georgia. This is intended to optimize social and economic development in selected urban areas through improved urban water and sanitation services, and is financed by the ADB through its Multi-tranche Financing Facility. The Ministry of Regional Development and Infrastructure is the Executing Agency and the "United Water Supply Company of Georgia", LLC is the Implementing Agency of the Investment Program. UWSCG is a 100% state-owned company.

2. The Investment Program will improve infrastructure through the development, design and implementation of a series of subprojects, each providing improvements in a particular sector (water supply and/or sewerage) in one town. Subprojects will rehabilitate existing infrastructure and/or create new and expanded infrastructure to meet the present and future demand. Water supply improvements will include source augmentation and head works, pumping systems, treatment facilities, transmission and distribution network; and, sewerage improvement works will include sewer network, pumping stations, main collectors and waste water treatment plants.

## **1.2. Projects financed under Tranche 2.**

3. Tranche 2 of the Investment Program includes:

- Construction of Anaklia Water and Sewerage Network (ANA-01);
- Construction of Mestia Water and Sewerage Network (MES-02),
- Construction of Anaklia Waste Water Treatment Plant (REG-02),
- Construction of Water Supply and Wastewater Network in Ureki/Phase II (URE-01)

## **1.3. Key Construction Works on Site**

1.3.1. Anaklia Water and Sewerage Network (Contract ANA-01).

4. The construction involved the supply and installation of approximately 69 kilometers of water supply and 70 kilometers of sewerage networks and service connections to all residents and hotels defined for the year 2040 for Anaklia and Ganmukhuri villages (total projected population of about 25,600 people). The construction works under Contract ANA-01 started on 16th of January 2012 and was completed in May 2014.

1.3.2. Mestia Water and Sewerage Networks (Contract MES-02).

5. The Construction rehabilitation of approximately 30 kilometers of water supply and 46 kilometers of sewerage network will cover the whole town of Mestia including the historic center and the future touristic zones covering all residents and hotels defined for the year 2040 thus benefiting total projected

population of about 25,300 people. The construction works under MES-02 project started in October 2011 and was completed in the mid of August, 2015.

### 1.3.3. Conduction of Waste Water Treatment Plant in Anaklia (Contract REG-02)

6. The scope of works includes Construction of Waste Water Treatment Plant in Anaklia (the treated wastewater to be discharged into Enguri River).

7. Contract was signed with JV Ludwig Pfeiffer Hock und Tiefbau GmbH & Co. KG and Protecno Srl on 22 September 2014 and Notice-to-Proceed given on 08 December 2014. Contract was completed in May 2018.

### 1.3.4. Construction of Water Supply and Wastewater Network in Ureki/Phase I (URE-01).

8. The project is simultaneously financed from Tranches I, II and III and therefore might be some overlap of T1-T3 Semi-Annual SMRs. The main works under Tranche II will comprise laying of sewerage network with the total length of 70 km.

9. The Contract is signed with JV of Peri Ltd (Georgia) Leading Partner and Slon LLC (Azerbaijan) on October 28, 2014. Commencement date was November 24, 2014. Completion date of URE-01 project was scheduled on November 22, 2018 but due to changes in the design of project, which include the construction of an Aqueduct across the Natanebi River, the construction of Gabion wall to protect well fields from flooding and erosion, and the construction of an additional deep well No. 8 along the banks of the Natanebi River, The project is foreseen to serve 35,000 tourists and 5,400 local inhabitants by year 2040. Contract was completed in June 2019

## 1.4. Physical Progress of the Project Activities

10. No construction activities were implemented under USIIP/T2 during the reporting period, June-July 2020

- ) MES-02, Rehabilitation of Water Supply and Sewerage System in Mestia (completed)
- ) ANA-01, Construction of Water Supply System and Sewerage Networks in Anaklia (completed)
- ) REG-02 Anaklia Lot, Construction of Wastewater Treatment Plant in Anaklia (completed)
- ) URE-01, Construction of Water Supply and Wastewater Network in Ureki (completed)

## **2. Objective and Scope of Monitoring**

### **2.1. Objective and scope of Semi-Annual Monitoring**

11. The general objective of this Semi-Annual Social Monitoring Report (SSMR) is to assess the progress on safeguard measures taken during the implementation of the project including:

- ) Review received grievances and find effective ways of solving them;
- ) Review access of local population to grievances log;
- ) Evaluate effectiveness of implemented PA activities.

### **2.2. Methodology of Monitoring**

12. This SSMR has been prepared based on the following activities:

- ) Field visit and review of available project related documents and conduct reconnaissance to collect and assess the baseline conditions of the area;
- ) Regulatory review was conducted in order to understand the applicable legislation, regulatory frameworks and procedures;
- ) Review of available data on land use and its ownership in the impacted subproject area was carried out;

### **2.3. Monitoring Indicators / Parameters**

13. This Semi-Annual social monitoring report has been prepared through the process of reviewing monthly progress reports, project site observation, discussions and interviews with the Local Government and APs during the monitoring field visits.

### 3. Semi-Annual Monitoring Results

#### 3.1.1. Grievance Redress Mechanism

14. For the effective implementation of a GRM system under the USIIP, UWSCG issued special order (#122) on 30 April 2014, which was further replaced by Order # 196 (October 2018) on the “Establishment of GRM within the Framework of the Asian Development Bank Funded Projects” and signed by the head of UWSCG. Order #196 (Please see Annex 1) gives clear instructions to every involved stakeholder how to act when affected people are impacted by the project.

15. Any affected person can apply at a UWSCG local service centre (UWSCG has 53 service centers and 8 Regional Branches across Georgia, in different municipalities), through different ways, either by going to the service centre, sending a letter to the service centre, or calling a hotline. The operators of the service centre can respond by going directly to the affected person if they are disabled to get the written grievance from them. Then AP’s complaints are registered by the operator of the service center and AP get queue number (see figure 3 below).

**Figure 3: AP gets queue registration number at Local Service center (on the example of Kutaisi Service Center)**



16. It should be mentioned also that complaints log. is available at each construction site and any affective person may fill the compliant log. (Please see Annex 1) and submit to the contractor directly.

17. At first stage of grievance redress, an authorized representative of Customers Relations Division/Customers Service Office of local Service Center/Regional Branch of United Water Supply Company of Georgia, LLC, be obliged to familiarize himself/herself with the content of the complaint, to register the complaint in the form approved by Annex #2 of this report and to submit it to Grievance Redress Committee (hereinafter the Committee), which will consider the submitted complaint within the two weeks period.

18. The Committee envisaged by the Point 2 of the Order #196 will be approved with the following composition:

- a. Head (Regional Branch Manager/Service Center Director) of respective territorial unit of United Water Supply Company of Georgia, LLC – Committee Chairman;
- b. Representative of Projects Management Department of United Water Supply Company of Georgia, LLC – Committee Member;
- c. Representative of Environmental Protection and Permits Department of United Water Supply company of Georgia, LLC – Committee Member;

- d. Representative of construction company implementing project/subproject – Committee Member;
- e. Representative of supervision company of project/subproject – Committee Member;
- f. Representative/Commissioner of the respective municipality – Committee Member;
- g. Environmental Specialist of the Asian Development Bank Program – Committee Member;
- h. Representative of respective territorial unit of United Water Supply Company of Georgia, LLC – Committee Secretary.

19. In case the problem raised in the complaint is not solved within the two weeks periods at the first stage of grievance redress, the individual concern can address the GRM Commission established by Point 5 of this Order, which will make decision within two weeks period.

20. To promptly and effectively review and solve the complaint of the individual concerned, the Grievance Redress Commission (hereinafter the Commission) be established with the following composition:

- a. Director of United Water Supply Company of Georgia, LLC – Commission Chairman;
- b. Deputy Director on Technical Issues of United Water Supply Company of Georgia, LLC – Commission Member;
- c. Deputy Director on Financial Issues of United Water Supply Company of Georgia, LLC – Commission Member;
- d. Deputy Director on Commercial Issues of United Water Supply Company of Georgia, LLC – Commission Member;
- e. Head of Legal Department of United Water Supply Company of Georgia, LLC – Commission Member;
- f. Head of Environmental Protection and Permits Department of United Water Supply Company of Georgia, LLC – Commission Member;
- g. Head of Communications Office of Director's Apparatus of United Water Supply Company of Georgia, LLC – Commission Member;
- h. Head of Projects Management Department of United Water Supply Company of Georgia, LLC – Commission Member;
- i. Head of Construction Supervision Department of United Water Supply Company of Georgia, LLC – Commission Member;
- j. Representative of Environmental Protection and Permits Department of United Water Supply Company of Georgia, LLC – Commission Secretary.

21. Heads of self-governing units be required to define a representative who is employed in local self-governance in the field of social matters.

22. In case the problem raised in the complaint is not solved within two weeks at the second stage of grievance redress, the individual concerned can address the Permanent Representative of the Asian Development Bank to Georgia at the following address: Tbilisi, #1, G. Tabidze Street, Tel: +995 32 225 06 19.

### **3.1.2. Received Grievances**

23. No Grievances submitted under USIIP/T2 during the reporting period January-June 2020



### **3.2. Monitoring Grievances Submitted through UWSCG Hotline**

24. No verbal, or written Grievances submitted under USIIP/T2 during the reporting period January-June 2020

### **3.3. Consultation, Participation and Disclosure**

25. During construction works under the contracts - ANA-01, MES-02, REG-02 and URE-01 active awareness campaign was provided by consulting company and UWSCG PR team, including public consultation meeting, door to door campaigns, informational leaflets and media coverage. Local population's awareness was increased on project activities, its benefits and results, also they had all necessary information about GRM and Hotline complaint monitoring system.

26. During reporting period, no construction works were produced under the sub-projects - ANA-01, MES-02, REG-02 and URE-02, therefore no PA activities were conducted.

## **4. Institutional Arrangement**

27. The Chapter describes the role, authority, and responsibility of state agencies involved in the process of preparation and implementation of environmental and social/resettlement related issues under the projects financed by ADB. These agencies are: Implementation Project Management Office (IPMO) formed under UWSCG is the implementing agency; Executing Agency - United Water Supply Company of Georgia of the Ministry of Regional Development and Infrastructure of Georgia, Ministry of Finance, ADB. Below are described their roles and responsibilities:

28. Implementation Project Management Office<sup>[1]</sup> (IPMO) will carry the following responsibilities:

- a. Two specialists: (i) Social Safeguards and Resettlement Specialist and (ii) Environmental Specialist to carry out following activities:
  - I. Safeguard environment and resettlement related issues for the sub-projects;
  - II. Resolving any issues that may arise during implementation of the sub-projects;
  - III. Review, analyze and discuss all circumstances that may have negative impact on the environment and the affected persons;
  - IV. Preparation of all relevant reports to IPMO;
  
- b. Project Management: IPMO will meet the all reporting requirements related to the sub-projects to be submitted to UWSCG and ADB
  - I. Address and coordination all Environmental protection and LAR related issues on local and national level;
  - II. Manage and monitor Construction Company and Supervision Company activities;
  - III. Ensure the update of Safeguard documents based on detailed design, if needed;
  - IV. Preparation of Semi-Annual reports to reflect all the construction and project implementation details;

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<sup>1</sup> Implementation Project Management Office<sup>[1]</sup> (IPMO) will be formed under UWSCG the latest by June 15, 2020.

- V. Presenting all necessary documents to ensure rapid allocation of resettlement budget and undertaking further payment of defined compensation amounts to project affected persons;

c. Project Monitoring: IPMO will:

- I. Supervise the physical and /or economic displacement of APs, monitor construction and reinstatement process with support from the supervision consultant;
- II. Undertake internal monitoring and submission of relevant reports to UWSCG and ADB;

29. Construction Company and Supervision Company will have on board Environment and Social Safeguards specialists and Resettlement Specialist to be responsible to supervise environmental and resettlement issues managed by environmental and resettlement specialists of Construction Company and report to IPMO/UWSCG.

30. Supervision Consultant: Supervision Agency responsible for construction supervision activities, to observe and monitor completion of all compensation/rehabilitation payment procedures prior to construction contractor entering the site.

31. Ministry of Finance: Allocates compensation and rehabilitation funds based on the submitted land acquisition and resettlement plan and relevant budget.

32. IPOM will supervise the physical and /or economic displacement of APs, monitor construction and reinstatement process with support from the supervision consultant.

## **5. Summary and Recommendations**

### **5.1. Summary**

- ) Construction works for the sub-projects under USIIP/T2 are completed. No additional construction activities were proposed/implemented during the reporting period.
- ) A grievance redress mechanism has been established in the project and steps have been taken to make aware the affected people and other stakeholders about the grievance mechanism;
- ) Actions provided to raise local populations awareness on Implemented projects were useful and successful;

### **5.2. Recommendations**

- ) Ensure proper internal communications among the construction company, UWSCG and Eptisa; establish timely flow of information;
- ) Keep evaluating implemented Projects and provided PA activities;

# Annexes

## Annex 1. GRM order N196.

United Water Supply Company of Georgia, LLC

Order #196

Tbilisi

On Grievance Redress Mechanism under projects financed by the Asian Development Bank at United Water Supply Company of Georgia, LLC

In accordance with Safeguard Policy Statement developed by the Asian Development Bank in 2009 and Point 8 of Article 8 of the Articles of Association of United Water Supply Company of Georgia, LLC, I hereby Decree:

1. Three-stage Grievance Redress Mechanism be approved to redress grievances submitted by project affected people (hereinafter the individual concerned) during the implementation of projects financed by the Asian Development Bank.

2. At first stage of grievance redress, an authorized representative of Customers Relations Division/Customers Service Office of local Service Center/Regional Branch of United Water Supply Company of Georgia, LLC, be obliged to familiarize himself/herself with the content of the complaint, to register the complaint in the form approved by Annex #1 of this Order and to submit it to Grievance Redress Committee (hereinafter the Committee), which will consider the submitted complaint within the two weeks period.

3. The Committee envisaged by the Point 2 of the Order be approved with the following composition:

a) Head (Regional Branch Manager/Service Center Director) of respective territorial unit of United Water Supply Company of Georgia, LLC – Committee Chairman;

b) Representative of Projects Management Department of United Water Supply Company of Georgia, LLC – Committee Member;

c) Representative of Environmental Protection and Permits Department of United Water Supply company of Georgia, LLC – Committee Member;

d) Representative of construction company implementing project/subproject – Committee Member;

e) Representative of supervision company of project/subproject – Committee Member;

f) Representative/Commissioner of the respective municipality – Committee Member;

g) Environmental Specialist of the Asian Development Bank Program – Committee Member;

h) Representative of respective territorial unit of United Water Supply Company of Georgia, LLC – Committee Secretary.

4. In case the problem raised in the complaint is not solved within the two weeks periods at the first stage of grievance redress, the individual concern can address the Committee established by Point 5 of this Order, which will make decision within two weeks period after it receives the complaint approved by Annex #1 of this Order.

5. To promptly and effectively review and solve the complaint of the individual concerned, the Grievance Redress Commission (hereinafter the Commission) be established with the following composition:

- a) Director of United Water Supply Company of Georgia, LLC – Commission Chairman;
  - b) Deputy Director on Technical Issues of United Water Supply Company of Georgia, LLC – Commission Member;
  - c) Deputy Director on Financial Issues of United Water Supply Company of Georgia, LLC – Commission Member;
  - d) Deputy Director on Commercial Issues of United Water Supply Company of Georgia, LLC – Commission Member;
  - e) Head of Legal Department of United Water Supply Company of Georgia, LLC – Commission Member;
  - f) Head of Environmental Protection and Permits Department of United Water Supply Company of Georgia, LLC – Commission Member;
  - g) Head of Communications Office of Director’s Apparatus of United Water Supply Company of Georgia, LLC – Commission Member;
  - h) Head of Projects Management Department of United Water Supply Company of Georgia, LLC – Commission Member;
  - i) Head of Construction Supervision Department of United Water Supply Company of Georgia, LLC – Commission Member;
  - j) Representative of Environmental Protection and Permits Department of United Water Supply Company of Georgia, LLC – Commission Secretary.
6. Heads of self-governing units be required to define a representative envisaged by the Sub-point “f” of Point 3 of this Order, who is employed in local self-governance in the field of social matters.
7. In case the problem raised in the complaint is not solved within two weeks at the second stage of grievance redress, the individual concerned can address the Permanent Representative of the Asian Development Bank to Georgia at the following address: Tbilisi, #1, G. Tabidze Street, Tel: +995 32 225 06 19.
8. Order #122 dated April 30, 2014, On Grievance Redress Mechanism under projects financed by the Asian Development Bank, of Director of United Water Supply Company of Georgia, LLC, be declared null and void.
9. Records Keeping Office of Administrative Department of the Company be charged with distribution of this Order among the territorial units.
10. The Order take effect upon signature.

Annex2. COMPLAINT LOG TEMPLATE FOR UWSCG COMPLAINTS

| SOLVED | PENDING           | WRONG INFORMATION ABOUT STATUS OF COMPLAINT | TO BE SENT BACK TO UWSCG     | DEFERRED    | NO ISSUE            | REJECTED        | NO IDENTIFIER | COMPLAINANT IS NOT RESPONDING |      |                     |
|--------|-------------------|---|------------------------------|-------------|---------------------|-----------------|---------------|-------------------------------|------|---------------------|
| N      | Registration Date | Address                                     | the content of the Complaint | Complainant | Contact Information | Safege's Action | date          | Contractor's action           | Date | Status of Complaint |
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