

Semi-Annual Social Monitoring Report

Project Number: 43405-027

Semi-annual Report: July –December 2020

GEORGIA: URBAN SERVICES IMPROVEMENT INVESTMENT PROGRAM

TRANCHE 5

January, 2021

ABBREVIATIONS

ADB	- Asian Development Bank
AP	- Efected 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. Introduction

1.1 Preamble

1. This report represents the Semi – annual **Social Monitoring Report (SSMR)** for the Urban Services Improvement Investment Program, Tranche 5.

2. Project Description and Current Activities

2.1 Project Description

2. 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.
3. 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.
4. Tranche 5 of the Investment Program includes:
 - Construction of Sewage System in Zugdidi (ZUG-02);
 - Construction of Wastewater Treatment Plants in Zugdidi (A) – REG-03a
 - Construction of Waste Water treatment Plant in Mestia (B) - REG-03b
5. **Construction of Sewage System in Zugdidi (ZUG-02).** The Zugdidi wastewater project envisages the rehabilitation and extension of the sewer network with gravity sewers and pressure lines and the construction of wastewater pumping stations. The project measures for the sewer network comprise the laying of 160 km new gravity pipes (DN 100 to DN 800) and 9.7 km new pressure pipes (OD 110 and OD 630). There will be 24 new wastewater pumping stations. The new network will convey the wastewater to a new wastewater treatment plant, which will be constructed under Reg-03 – Zugdidi (A) WWTP project.
6. The contract No P43405-ICB-Zug-02 was signed on February 1, 2017 with Ludwig Pfeiffer Hoch-und Tiefbau GmbH & Co.KG, The date of completion of the contract was 1 February 2020. At this stage the construction activities are completed and only the network testing works are to be implemented.
7. **Construction of Wastewater Treatment Plant in Zugdidi (REG-03a).** The project comprises of the construction of new Wastewater Treatment Plant with the capacity of 22,000 m³/day.
8. The contract No UWSCG-USIIP-ICB-REG-03a was signed on February 1, 2017 with “JV “Pfeiffer - EMIT” comprised by “Ludwig Pfeifer Hoch – and Tiefbau GmbH7Co. KG

(Germany)” and “EMIT |Group – Ercole Marelli Impianti Tecnologici S.r.l. (Italy)”, Original completion date of the contract was 15 Jan. 2020, but due to the design and construction of an emergency bypass (which was additional works), the Contractor was granted an EOT until 15 May 2020. The Contractor was subsequently granted a further EOT (due to the impact of the Covid-19 pandemic) until 15 August 2020, which, due to the continuing of COVID-19 pandemic, was extended again until 29 September 2020. Construction activities on REG-03a sub-project are completed. At this stage commissioning works are on-going.

9. **Construction of Wastewater Treatment Plant in Mestia (REG-03b).** The project comprises of the construction of new Wastewater Treatment Plant with the capacity of 3,200 m³/day.
10. The contract No UWSCG-ICB-MES-03-2019 was signed on 5 November 2019 with “JV of Toshiba Water Solutions Pvt.Ltd and IN-SI” LLC (India/Georgia). Contract completion date is April 2021.

2.2 Physical Progress of the Project Activities

Table 1: Progress of construction activities REG-03a

UWSCG-USIIP-ICB-REG-03a	Previous	July-September	Cumulative
Overall Progress on Contract	%	%	%
	95,53	1,29	96,82

2.3 General Activities Description and Guidelines for COVID-19 Infection

11. Individual and joint on-site monitoring activities were conducted by Safeguard Specialist of SC on a regular basis, until early March 2020 before restrictions were imposed by the Government of Georgia on site visits in connection with the outbreak of the new Coronavirus - COVID-19 and then resumed in May 2020.
12. The Government of Georgia and its Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia, issued the General Guidelines Related to Infection (COVID-19) Caused by Novel Coronavirus (SARS-CoV-2) which applies to all sectors of economic activity.
13. The General Guideline for COVID-19 was also developed by the Government of Georgia specifically for the construction sector (Please see Annex F of this report).
14. Based on the above mentioned guidelines the construction staff must not appear in the workplace if they:
 -) Left the affected country over the past 14 days;
 -) Were in close contact with infected person/persons for the past 14 days (they must be self- isolated/quarantined as per the rule);
 -) Have symptoms of respiratory infection (coughing, temperature, sneezing, difficulty in breathing, general weakness etc.);
 -) Are among the ones who have high risk of getting infected with COVID-19 or serious complications: over 70 years of age, people suffering from chronicle diseases (cardio-vascular diseases, diabetes, bronchial asthma and other respiratory diseases).

3. Objective and Scope of Monitoring

3.1 Objective and scope of Semi-annual Monitoring

15. The general objective of this Semi-annual Monitoring Report is to assess the progress on safeguard measures taken during the implementation of the project including:

-) Evaluate implementation of grievance and redress mechanism at all level (Construction Contractor; Supervision contractor; regional agencies of UWSCG; UWSCG etc.)
-) Review received grievances and find effective ways of solving them;
-) Review access of local population to grievances log; Describe list of corrective actions and measures for solving the problems observed during the monitoring. Etc.
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-) Evaluate local governments and populations expectations about project;
-) Evaluate effectiveness of planned PA activities.

3.2 Methodology of Monitoring

16. This Semi-annual social monitoring report has been prepared based on the following activities:

-) Regulatory review was conducted in order to understand the applicable legislation, regulatory frameworks and procedures;
-) Review the grievance logs at Construction Contractors office and status of registered complaints;
-) Review the grievance log at regional office of UWSCG and status of registered complains.
-) Interviewing APs on effectiveness of social safeguard measures and grievance mechanism;
-) Review a number of unregistered requests from APs and steps of cooperation made by Construction Contractor;
-) Inspect environmental, health and safety and social performance of Construction Contractor;
-) Review the trust of APs in the Construction Contractor;
-) Review the measures implemented for grievance and redress awareness raising among stakeholders;
-) Review the actions implemented for social safeguard;
-) Identify the measures required for implementation of Grievance and Redress Mechanism.
-) Clarifications on pending and unresolved issues was obtained.

3.3 Monitoring Indicators / Parameters

-) The number of closed registered complaints
-) The number of issues requested from APs to be implemented by Construction Contractor
-) The number of construction staff informed on Code of Conduct of the company and trained on their rights and obligations
-) The number of job related trainings and awareness raising trainings

4. Semi-Annual Monitoring Results

4.1 Grievance Redress Mechanism

17. For the effective implementation of a GRM system under the USIIP, UWSCG issued special order (#122) on 30 April 2014, which was replaced on October 2018 by Order # 196 (please see Annex 2) on the “Establishment of GRM within the Framework of the Asian Development Bank Funded Projects” and signed by the head of UWSCG. Order #196 gives clear instructions to every involved stakeholder how to act when affected people are impacted by the project.
18. 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.

Figure 1: AP gets queue registration number at Local Service center (on the example of Kutaisi Service Center)



19. It should be mentioned also that complaints log is available at each construction site and any affective person may fill the compliant log. and submit to the contractor directly.
20. 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 report and to submit it to Grievance Redress Committee (hereinafter the Committee), which will consider the submitted complaint within the two weeks period.

21. 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.

22. 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.

23. 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.

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

25. 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.

4.2. Resettlement action plan

26. Resettlement Action Plan hasn't been prepared so far within the framework of any sub-project. Population hasn't been impacted neither directly nor indirectly at the implementation and operation stage.

5. Received Grievances

5.1 complaints file

27. Construction contractor holds log book for complaints. Any complaints for reporting period are filed to Zugdidi Branch of United Water Supply Company of Georgia.

28. Supervision company in cooperation with UWSCG's Zugdidi service center and the construction company continued monitoring of all the enquiries submitted to the UWSCG hotline concerning ZUG-02 project. The cases of damages on the pipeline, water leakage, connection problems, delays in water supply and other similar issues are frequent and cause local population's disruption. Therefore, it is very important to monitor submitted grievances to make sure that the enquiries from effected population are answered and taken care in a professional and timely manner.

29. To make the monitoring process more organized special mechanism is established, which ensures improved communication and coordination among effected population, Construction Company, Supervision Company and UWSCG.

30. As per the Table 2, 10 complaint have been filed in total in the course of reporting period. All complaints have been submitted from the legal entities. 8 complaints have been filed by the company "Socar Georgia". Said company provides gas supply for legal and natural entities throughout Zugdidi. 2 complaints have been filed from the company JSC "Silknet", which mainly concerned with the underground infrastructure damage in the aftermath of tranche excavating stage by the construction company.

Table 2: COMPLAINTS LOG

N	Date/Location	Complainant/Date of Contact	Details of Complaint	Investigation/Mitigation Action	Resolution Status
1	02.07.2020 Agmashenebeli str,	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 02.07.2020
2	07.07.2020 Dadiani str.	JSC Silknet	Single canal telephone sewerage and distributor cable damage	Damaged detail substitution	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 08.07.2020
3	08.07.2020 Dgebuadze str.	Socar Georgia LLC	Organization owned property damage on	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 08.07.2020
4	18.07.2020 Stalin/8 March str.	JSC Silknet	Single canal telephone sewerage and distributor cable damage	Damaged detail substitution	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 18.07.2020
5	20.07.2020 Sankt-Peterburg str.	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 21.07.2020

6	03.09.2020 Rustaveli str.	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 03.09.2020
7	04.09. 2020 Naculukize vilig.	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 07.09.2020
8	03.09.2020 Kedia str .	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 03.09.2020
9	19.09. 2020 8 March str.	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 20.09.2020
10	17.11.2020. vil.Naculukuze, Gamardjveba str.	Socar Georgia LLC	Organization owned property damage	Natural gas loss and damaged external network recovery cost compensation	These damages were repaired by the owner companies. Appropriate compensation was paid by the construction company 18.11.2020

5.2 Corrective measures

31. Any complaints filed in July - December, 2020 are granted by the construction company.. As it is indicated in Table 2, all the underground communications were restored by their owners and relevant compensation was issued by the Construction Company. Annex 1 shows the images of damaged underground infrastructure.

6. Institutional Arrangement

32. 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 on June 10, 2020 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:

33. Implementation Project Management Office (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;
 - 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;

34. 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.
35. 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.
36. Ministry of Finance: Allocates compensation and rehabilitation funds based on the submitted land acquisition and resettlement plan and relevant budget.
37. IPMO will supervise the physical and /or economic displacement of APs, monitor construction and reinstatement process with support from the supervision consultant.

7. Conclusions

38. Proceeding from the outcomes of social monitoring, performed in July – December 2020, we can claim:
 1. Any complaints discussed, in the reporting period have been filed to Zugdidi Branch of United Water Supply company of Georgia;
 2. Every single complaints filed was about the damage of underground communication network of Zugdidi streets.
 3. The construction company has granted every single complaints; in the meantime, restored the damaged infrastructure and compensated the companies for the loss, inflicted by them

Annex 1. Photos of the damaged underground infrastructure

Figure 1: Damaged underground infrastructure and the same section after rehabilitation – Rustaveli Str.



Figure 2: Damaged underground infrastructure and the same section after rehabilitation – vil. Culukuze



Figure 3: Damaged underground infrastructure and the same section after rehabilitation – 8 March Str.



Figure 4: Damaged underground infrastructure and the same section after rehabilitation – Kedia Str.



Figure 5: Damaged underground infrastructure and the same section after rehabilitation – vil.Naculukuze/Gamardjveba str.



Figure 6: Damaged underground infrastructure and the same section after rehabilitation – Agmashenebeli Str.



Figure 7: Damaged underground infrastructure and the same section after rehabilitation – Dgebuadze Str.



Figure 8: Damaged underground infrastructure and the same section after rehabilitation – Sankt-peterburg Str.

