

# **Semi-Annual Social Monitoring Report**

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Project Number: 43405-027

Semi-annual Report: January - June 2021

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

### **TRANCHE 5**

June, 2021

## 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 5

3. 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

## 1.3 Key Construction Works on Site

4. **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.
5. The contract No P43405-ICB-Zug-02 was signed on February 1, 2017 with Ludwig Pfeiffer Hoch-und Tiefbau GmbH & Co.KG, initial completion date 31st Jan 2020. The Contract has been extending to 2nd August 2020 through contract addendum no. 07 and was substantially completed by that date. The Defects Notification Period (DNP) is ending on August, 2021. At this stage the construction activities are completed and only the network testing works are to be implemented.
6. **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 m<sup>3</sup>/day.
7. 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 through contract addendum no. 3. Construction activities on REG-03a sub-project are completed. At this stage commissioning works are on-going.

8. **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 m<sup>3</sup>/day.
9. 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 was April 2021. The contract became formally effective by 12th Dec 2019 after the Contractor agreed to postpone one of the preconditions for effectiveness, the “irrevocable confirmed letter of credit” to be submitted later (e.g. after design phase). The resulting initial contractual completion date was 04th June 2021. Change Order for extension time is under preparation. Considering this suspension period, the revised tentative completion period will be January 2022.

#### 1.4. Physical Progress of the Project Activities

10. Construction of the Sewage System in Zugdidi (ZUG-02)

**Table 1. ZUG-02 project progress during the January - June 2021**

Works Section (as per WBS)	Work Progress [%]
Installation of site offices	100 %
Submittals for suppliers of materials	100%
<b>Survey – setting out</b>	
Survey and inspection of connection points (manholes) for new sewerage network (as was found possible only 50% are accessible. Other manholes indicated in Employer’s Design are hidden or do not exist; such manholes places indicated in design need to be shown and justified by Employer)	100 % (for existing and accessible manholes)
Pre survey and inspection of new proposed sewerage lines (checking of terrain relief)	100 %
Submittals for materials	100 %
Civil team and construction equipment mobilization	100 %
Setting out (after provided stabile benchmarks, cross level checking in between is additional necessary work)	100 %
Support and collaboration with Employer for adjustment of Employer’s Design	completed
<b>Cleaning of existing sewer</b>	
Cleaning of existing sewer lines	105 %
Cleaning of existing sewer manholes	105 %
CCTV of existing sewer lines	105 %
<b>Pipe laying</b>	
Pipe laying of main line (based on VO 9)	99.13 %
Pipe laying total incl. house connections (based on VO 9)	98.95 %

Works Section (as per WBS)	Work Progress [%]
Pipe laying for rehabilitation works (based on VO 9)	99.67 %
<b>Manhole installation</b>	
Installation of Manholes main line (based on VO 9)	99.11 %
Installation of Manholes incl. house connection Manholes (based on VO 9)	98.89 %
Installation of Manholes rehabilitation (based on VO 9)	99.05 %
<b>Surface reinstatement</b>	
Full width reinstatement (based on VO 9)	98.89 %
Trench Reinstatement (based on VO 9)	99.90 %

11. Construction of Wastewater Treatment Plant in Zugdidi (REG-03a).

**Table 2. REG-03a, project progress during the January - June 2020**

Item/	Description	Quantity	PROGRESS PERCENTAGE/		
			Previous	During Report Period	Total
<b>1</b>	<b>Installation</b>				
<b>1.1.</b>	<b>Mechanical Equipment</b>				
<b>1.1.1</b>	Gas Treatment, gas holder and torch	1	90.00%	0.00%	90.00%
<b>1.2.</b>	<b>Electrical Equipment</b>				
<b>1.2.1</b>	Gas Treatment, gas holder and torch	1	90.00%	0.00%	90.00%
<b>1.2.3</b>	Any other items deemed necessary for completion of the WWTP	1	90.00%	10.00%	100.00 %
<b>2</b>	<b>Other Services</b>	-	-	-	-
<b>2.2.</b>	<b>General Services</b>				
<b>2.2.1</b>	Training	1	0.00%	0.00%	0.00%
<b>2.2.2</b>	Testing and Commissioning	1	95.00%	0.00%	95.00%
<b>2.2.3</b>	Documentation	1	0.00%	0.00%	0.00%
<b>2.2.4</b>	Additional training, support and technical advisory services for 1 year	1	0.00%	0.00%	0.00%

## 2. Objective and Scope of Monitoring

### 2.1. Objective and scope of Semi-annual Monitoring

12. 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.
- ) Evaluate local governments and populations expectations about project;
- ) Evaluate effectiveness of planned PA activities

## **2.2 Methodology of Monitoring**

13. 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 the local population on effectiveness of social safeguard measures and grievance mechanism;
- ) Review a number of unregistered requests from the local population and steps of cooperation made by Construction Contractor;
- ) Inspect environmental, health and safety and social performance of Construction Contractor;
- ) Review the trust of the local population 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.

## **2.3 Monitoring Indicators / Parameters**

- ) The number of closed registered complaints
- ) The number of issues requested from the local population 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

### **3. Semi-Annual Monitoring Results**

#### **3.1 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 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.
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. It should be mentioned also that complaints log. is available at each construction site and any affected person may fill the compliant log. and submit to the contractor directly.

##### **3.1.2. Received Grievances**

16. No Grievances submitted under USIIP/T5 during the reporting period January-June 2021

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

17. As there were no on-going construction works no PA activities were conducted under T5 during reporting period.

### **4. Institutional Arrangement**

18. 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:
19. 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;

20. 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.

21. 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.

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

23. IPMO 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**

- ) 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 Engineer;
- ) establish timely flow of information;
- ) Keep evaluating implemented Projects and provided PA activities;