

Semi-Annual Environmental Monitoring Report

#19 Semiannual Report

(Reporting Period: January-June 2025)

Loan Number: 3078 - GEO

Project Number: 43405-025

**GEORGIA: URBAN SERVICES IMPROVEMENT INVESTMENT PROGRAM
(TRANCHE 3)**

(FINANCED BY THE ASIAN DEVELOPMENT BANK)

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For: The Ministry of Regional Development and Infrastructure of Georgia and the Asian Development Bank

July 2025

ABBREVIATIONS

ADB	Asian Development Bank
CAP	Corrective Action Plan
DC	Design Consultant
DPPASA	Department of Permits, Environmental protection and Social Affairs
DMPFDO	Department of Management of Projects Financed by Donor Organizations
DDR	Due Diligence Report
EA	Executing Agency
EARF	Environmental Assessment and Review Framework
EHS	Environmental Health & Safety
EIA	Environmental Impact Assessment
EIP	Environmental Impact Permit
EMP/ SSEMP	Environmental Management Plan/ Site-Specific Environmental Management Plan
ES/ SES	Environmental Specialist/ Senior Environmental Specialist
GoG	Government of Georgia
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
IPMO	Investment Program Management Office
IA	Implementing Agency
IEE	Initial Environmental Examination
LLC	Limited Liability Company
MFF	Multi-tranche Financing Facility
MoEPA	Ministry of Environment Protection and Agriculture
MoRDI	Ministry of Regional Development & Infrastructure
NEA	National Environmental Agency
PMD	Projects Management Department
SAEMR	Semi-Annual Environmental Monitoring Report
SC	Supervision Consultant
USIIP	Urban Sector Improvement Investment Program
UWSCG	United Water Supply Company of Georgia
VO	Variation Order
WS	Water Supply
WSS	Water Supply & Sewerage
WWTP	Waste Water Treatment Plant

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I. INTRODUCTION

1.1 Preamble

1. This report represents the Semi - Annual Environmental Monitoring Review (SAEMR) for “Urban Services Improvement Investment Program” (USIIP), Tranche 3 and describes the period of January-June 2025.
2. This report is the 19th Semi-annual EMR for the T3 of “Urban Services Improvement Investment Program”.

1.2 Headline Information

3. During the reporting period, no civil works were undertaken under the USIIP/T3. However, internal housekeeping activities were carried out under the GUD-03 (Construction of four Waste Water Treatment Plants in Gudauri and the Discharge pipe) sub-project. Key activities conducted between January and June 2025 included electrical and mechanical connections within the WWTP buildings, identification of new defects, and updating the punch list.

Other projects of USIIP/Tranche 3 includes:

- Construction of Water Supply and Wastewater Network in Ureki/Phase 3 (URE-01), completed in September 2019;
- Construction of Wastewater Treatment Plant in Ureki (URE-02), completed in June 2018;
- Construction and Rehabilitation of Water Supply System in Kutaisi/Phase 2 (KUT-01), completed in June 2018;
- Construction of New Transmission Pipeline in Abasha (ABA-01), completed in March 2020.
- Construction of four WWTPs in Gudauri (GUD-03), will be finalized in July 2025.

2. PROJECT DESCRIPTION AND CURRENT ACTIVITIES

2.1 Project Description

4. 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.
5. The Investment Program improves infrastructure through the development, design and implementation of a series of subprojects, each providing improvements in a particular sector (water supply and/or sanitation) in one town. Sub-projects rehabilitate existing infrastructure and/or create new and expanded infrastructure to meet the present and future demand. Water supply improvements include source augmentation and head works, pumping systems, treatment facilities, transmission and distribution network; and, sewerage improvement works include sewer network, pumping stations, main collectors and waste water treatment plants.
6. **Tranche 3 of the Investment Program includes:**
 - Construction of Water Supply and Wastewater Network in Ureki/Phase 3 (URE-01);
 - Construction of Wastewater Treatment Plant in Ureki (URE-02);
 - Construction and Rehabilitation of Water Supply System in Kutaisi/Phase 2 (KUT-01);
 - Construction of New Transmission Pipeline in Abasha (ABA-01);
 - Construction of Waste Water Treatment Plants in Gudauri (GUD-03).
7. **¹Construction of Water Supply and Wastewater Network in Ureki/Phase 3 (URE-01).** The project comprised of the construction of 1 water supply pumping station and 31 sewage pumping stations (Shekviteli - 18, Ureki - 13; construction of new reservoirs (2,000 m³ x 3,000 m³ and 1 x 1,200 m³); Distribution network - laying of approximately 70 km water supply pipelines (distribution network will be divided into 3 areas), laying of approximately 70 km sewage pipelines; installation of approximately 1,500 water meters; Wells - drilling of 10 drinking water wells.
8. The Contract was signed with JV of Peri Ltd (Georgia) Leading Partner and Slon LLC (Azerbaijan) on October 28, 2014. Project commencement date was November 24, 2014. Initial Completion date 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 N8 along the banks of the Natanebi River, project completion date was extended and completed in September 2019. The project is expected to serve 35,000 tourists and 5,400 local inhabitants by 2040.
9. **The Post Construction Environmental Audit** report under the URE-01 sub-project was prepared by the Supervisory Consultant EPTISA in June 2021 and approved by UWSCG.
10. **Construction of Wastewater Treatment Plant in Ureki (URE-02).** The project comprised of the construction of new Wastewater Treatment Plant with the capacity of 6,570 m³/day.

¹ T1-T3 BAEMRs may have some overlap, due to the financing arrangements of Ure-01 project, which is simultaneously financed by T1, T2 and T3.

11. The contract URE-02 was signed on April 30, 2015 with JV of Ludwig Pfeiffer Hoch-und Tiefbau GmbH and Co.KG ProtechnoSrl (Germany) / Aritim (Turkey), the contract was completed on June 9, 2018.
12. **The Post Construction Environmental Audit** report under the URE-02 sub-project was prepared by the Supervisory Consultant EPTISA in June 2019 and approved by UWSCG.
13. **Construction and Rehabilitation of Water Supply System in Kutaisi/Phase 2 (KUT-01).** The project envisaged construction of Kvitiri 973 m³/h capacity and Mukhrani 660 m³/h capacity pumping stations; Reservoirs - construction of Near East and Mukhrani reservoirs with the capacity of 9,000 m³ (2x4,000+1,000). Distribution network - 332.1 km.
14. United Water Supply Company of Georgia signed a contract with SMK Ulusal Insaat Ve Ticaret A.S. (Turkey) for implementation of KUT-01 project on 22 April 2015. The initial date of completion of the contract was June 8 2018, the contract was extended and completed in July 2020.
15. **The Post Construction Environmental Audit** report under the KU-01 sub-project was prepared by the Supervisory Consultant EPTISA in June 2021 and approved by UWSCG.
16. **Construction of Waste Water Treatment Plants in Gudaure (GUD-03).** The Proposed project envisages construction of 4 Waste Water Treatment Plants with different sizes but using the same technological process:
 - New Gudaure. The new development in the north of Gudaure (ab. 750 m³/day) and Gudaure Heights (350 m³/day);
 - Upper and Central Gudaure: Located at the same site that the old WWTP, near the church (estimated up to 2000 m³/day);
 - Gudaure Downtown. In the head of the big plot of the plateau, down the downtown. (ab. 350 m³/day);
 - Plateau-Lower Gudaure. At the end of the plateau for the new development (ab. 750 m³/day).
17. The contract was signed on June 3, 2019 with "China Nuclear Industry 23 Construction Co." LTD (CNI23). The initial completion date of the GUD-03 subproject was April 2021 and was subsequently extended to September 2025. It should be noted that all activities related to the completion of the GUD-03 subproject after the Loan (number: 3078 - GEO) closing date of March 29, 2024, are financed from the Government's State Budget and are implemented in accordance with ADB SPS 2009.

Exclusion of WWTP N5 from the GUD-03 sub-project

18. Initially, the project included the construction of five WWTPs under the GUD-03 sub-project, each with different sizes but utilizing the same technological process. However, the construction of WWTP No. 5 (in Seturebi village) was officially cancelled following a design modification under contract VO#3. This design change stemmed from a complaint by local resident Ms. Lida Seturidze, whose ancestral land, home to 90-year-old pear trees was initially planned as the location for WWTP No. 5. A public consultation meeting was held on December 27 to address community concerns about the GUD-03 sub-project, including Ms. Seturidze's case, through the Grievance Redress Mechanism (GRM). During the meeting, Ms. Seturidze expressed her concerns and was encouraged to formally register her complaint (see Annex D, Table 1).
19. In response to this meeting and the formal complaint of Ms. Lida Seturidze, the Grievance Redress Committee reviewed Ms. Seturidze's grievance in accordance with GRM Order #196, issued by the UWSCG for addressing complaints related to USIIP projects (see Annex E). After careful consideration, the Committee determined that relocating the WWTP

was not feasible due to project timelines and legal constraints. To prevent potential misuse of complaints, certain work areas were excluded from the project scope, and the decision was made to cancel the construction of WWTP No. 5, leaving the site undisturbed. Please refer to Figure N1 below for location of WWTP#5.

Figure 1. Photos of WWTP 5 Location



- 20. In December 2023, based on Change Order No. 1 sent to ADB WWTP #5 was excluded from GUD-03 sub-project.
- 21. Based on this change, the Initial Environmental Examination (IEE) was updated in December 2024 to reflect the exclusion of WWTP No. 5 from the project scope.

Post-construction Environemntal Audit Report, GUD-03

- 22. The Post-Construction Environmental Audit (PCEAR) for the GUD-03 sub-project was initially conducted in December 2024 by the Supervision Consultant, EPTISA (see Annex G). A follow-up audit was subsequently carried out by the Environemntal Team of UWSCG/USIIP and Eptisa in May 2025. The main findings of both the initial and follow-up audits — including identified non-compliances and corresponding corrective actions — are summarized in Table 1 below. However, due to the fact that some mechanical and electrical installation works are still ongoing on WWTPs and expected to be completed by September 2025, the PCEAR will be updated in November 2025.

Table 1: Non-compliances and observation fixed during the Post-Construction Environmental Audit

	Non-compliance/Ob servation	Required action and term	Responsible person	Note
1	Non-compliance 1: The wastewater collector in the WWTP 2 area did not have a lid	It is necessary to close the collector with appropriate cover/lid within a tight timeframe, Photo N1	UWSCG	Completed, March 2025. The manhole of the sewerage collector is covered with a cast iron lid, Photo N1

	Non-compliance/Ob-servation	Required action and term	Responsible person	Note
		 Term: 15 February 2025, month (After post construction audit will be adopted)		
2	Non-compliance 2: Hazardous and non-hazardous construction waste mixed together are uncontrollably placed on the territory of the WWTP 3	"Waste Management Code" - Chapter 19 (1) "It is prohibited to mix hazardous waste with other hazardous waste or other wastes, substances or materials". Besides, other requirement of the same law are violated, namely "Requirements for Hazardous Waste Temporary Storage Facilities", Photo N1  Term: 31 January 2025 (After post construction audit will be adopted)	UWSCG	Completed, January 2025. The entire territory has been cleaned; hazardous and non-hazardous waste has been separated and disposed of appropriately in accordance with the Waste Management Code of Georgia, Photo N1 
3	Observation 1: The quadricycle rental company uses several containers as office space. One of these containers is located on a sewage pipe. The container does not have direct contact with the sewage pipe, however, there is a risk of damage to the pipe.	It is necessary in collaboration with the rental company and the local authorities to find an area where the mentioned container will be moved, please see Photo N1	UWSCG	Not yet completed. Negotiations with the quadricycle rental company are currently underway, The estimated timeframe is Q3, 2025. Updates will be reflected in the next SEMR

	Non-compliance/Observation	Required action and term	Responsible person	Note
		 Term: End of February, 2025		
4	Observation 2: Due to the fact that the project post-construction audit was conducted on December 5, 2024, it was impossible to determine the quality level of the site restoration work carried out by the construction contractor.	It is necessary to conduct an audit by the supervisory company in the spring to determine the quality of the restoration work. Term: March, 2025	UWSCG	The audit was conducted in May 2025, instead of March 2025 due to the weather condition, by the ES of SC, Irakli Legashvili, and the ES of UWSCG, Kate Chomakhidze. The site restoration works were completed: the entire territory was graveled, and topsoil was backfilled to protect the outer perimeter of the site, with particular attention to the slopes surrounding the WWTP, Photo N1  Photo N2

	Non-compliance/Ob-servation	Required action and term	Responsible person	Note
				

23. UWSCG/IPMO will review the non-compliances revealed during the PCEAR/GUD-03 within the identified deadlines and update the report accordingly.

24. Construction of New Transmission Line in Abasha (ABA-01). Within the ABA-01 sub-project the following major works were carried out: approximately 15 km long 500 mm diameter transmission pipeline was installed from headworks to the town of Abasha, chlorination building was constructed and the water meters were installed at the headwork. The Abasha Service Center was built and the SCADA system was installed from the water flow meter chamber to the chlorination room.

25. The contract for implementation of ABA-01 was signed on October 13, 2017 with AS Inshaat-N, LLC (Azerbaijan). Protect was completed in April 2024.

Post-construction Environmental Audit Report, ABA-01

26. The post-construction environmental audit of ABA-01 sub-project was conducted in April 2024 and updated in June 2024 based on the progress of corrective actions. There are no outstanding issues for ABA-01 sub-project.

2.2 Project Contracts and Management

29. The main agencies involved in the implementation of the Environmental Management Plan (EMP) include the Ministry of Infrastructure of Georgia (MoIG), which served as part of the unified Ministry of Regional Development and Infrastructure until its reorganization into two separate ministries in April 2025. MoIG is designated as the executive agency for the USIIP. The “United Water Supply Company of Georgia” LLC acts as the implementing agency for the investment program. Other key stakeholders include the Supervision Consultant (SC), the Construction Company (CC), and, to a lesser extent, the Ministry of Environmental Protection and Agriculture (MoEPA).

30. The Investment Program Management Office (IPMO) under UWSCG, which is the Department of Management of Projects Financed by Donor Organizations, is responsible for the day-to-day management of the project, including the implementation of the EMPs. IPMO has an Environmental Specialist, Ms. Ketevan Chomakhidze who is responsible for managing the environmental aspects of the USIIP. The Deputy head of the department is Mr. Nodar Rostomashvili.

- 31.** The IPMO Environmental Specialist's responsibilities in respect of implementation of the EMP are as follows:
- (i) Approve the Site Specific Environmental Management Plan (SSEMP) before Contractor takes possession of construction site;
 - (ii) Monitor implementation of EMP and ensure the environmental safeguards compliance;
 - (iii) Review the updated IEE and/or SEMP and send it for clearance to ADB;
 - (iv) Ensure that contractors have access to the EMP and IEE report;
 - (v) Finalize SAEMRs (and Final EMRs upon project completion), send it to ADB and address potential ADB's comments until SAEMR disclosure;
 - (vi) Review and approve the Corrective Action Plan and provide to ADB for review and comments if any;
 - (vii) Participate in public consultations during project implementation;
 - (viii) In case of need assist IPMO Social/Resettlement Consultant in resolving process of environmental safeguards related complaints;
 - (ix) Assist in organizing trainings for the Contractors in coordination with ADB/RETA consultant;
 - (x) Participate in external trainings in environmental management and environmental auditing
- 32.** The SC includes a full time Environmental Specialist Mr. Irakli Legashvili to assist the IPMO oversee day-to-day implementation of EMPs by contractors, including compliance with all government rules and regulations; Support IPMO in the review and endorsement of contractor's SSEMP; Conduct inspections on contractor's implementation of SSEMP and compliance with government rules and regulations; Ensure contractors comply with health and safety requirements per approved SSEMP's Health and Safety Management Plan; Conduct investigations on grievances/complaints, incidents and accidents; Assist IPMO in addressing any grievances in a timely manner as per the GRM; Monitor corrective actions as required in CAPs, and ensure non-compliances are resolved immediately and are not occurring repeatedly; Prepare recommendations for contractors repeated non-compliances on safeguards and EHS requirements; Submit monthly and quarterly environmental monitoring reports to IPMO.
- 33.** The Contractor also appoints a full time Environmental specialist under GUD-03 sub-project Mr. Aleksandre (Sasha) Mchedlishvili to be a senior member of the construction management team based on site for the duration of the contract. Environmental Specialist of contractor is responsible for preparing the Specific Environmental Management Plan (SSEMP) for endorsement by Supervision Consultant and approval by the UWSCG prior to the Contractor taking possession of the construction site; ensuring the SSEMP is implemented effectively throughout the construction period; environmental accidents/incidents including resolution activities; non-compliance notifications issued by the SC; Corrective action plans issued to the SC in response to non-compliance notices; Community relations activities including maintaining complaints register; Routine reporting of SSEMP compliance and community liaison activities; Implement Occupational Health and safety requirements. Implement site clean-up measures after civil works finalization.
- 34.** Department of Permits, Environmental Protection and Social Affairs of UWSCG work together with IPMO on addressing the Environmental Safeguard issues of USIIP. The Head of Department is Ms. Maka Goderdzishvili. DPPASA have divisions of "Permits" and "Environmental Protection and Social Affairs". Ms. Salome Mosidze is the head of Environmental Protection and Social Affairs Division. More detailed description of implementation arrangements; responsibilities and staffing are provided in the Table 2 below.

Table 2: Institutionnel Arrangement, Responsabilités and Staffing

#	Millstones/Actions	Contractor (Environmental Specialist)	Construction Supervision Consultant (Environmental Specialist)	IPMO (Environmental Specialist)	Department of Permits, Environmental Protection and Social Affairs (Environmental Specialist)
1	Environmental planning and management Contractors Environmental Management Plan (site-specific EMP)	Prepare Specific EMP (SEMP) with supplemented Topic Specific EMPs at pre-construction stage based on IEE/EMP Implement SEMF approved by IPMO.	Review and endorse the SEMF; Monitor implementation of SEMF on daily basis; Monitor monthly environmental monitoring reports or results prepared by the Contractor and report to IPMO.	Review and approve the SEMFs; Monitor implementation of EMP and ensure the environmental safeguards compliance.	Work together with IPMO on addressing the environmental non-compliance issues, if any.
2	Changes in design	Provide details of design changes to CSC required to update IEE/EIA, or SEMF; Implement updated SEMF.	Approve the design change to be submitted to IPMO; Make environmental assessment of the change and update the IEE and/or SEMF.	Review the updated IEE and/or SEMF and send it for clearance to ADB	Liaise with CSC in preparing updated IEE and/or SEMF; Upload the approved IEE/SEMF provided by IPMO to UWSCG website for Public Disclosure.
3	Unanticipated impacts	Inform CSC about unanticipated impact and follow the instructions received from IPMO.	Make environmental assessment of the unanticipated impact and update the IEE and/or SEMF	Review the updated IEE and/or SEMF and send it for clearance to ADB	Liaise with CSC in preparing updated IEE and/or SEMF

#	Millstones/Actions	Contractor (Environmental Specialist)	Construction Supervision Consultant (Environmental Specialist)	IPMO (Environmental Specialist)	Department of Permits, Environmental Protection and Social Affairs (Environmental Specialist)
4	Reporting	Prepare monthly environmental monitoring reports and send it to CSC and IPMO	1. Prepare inputs to environmental part of quarterly construction progress reports; 2. Prepare inputs to semi-annual environmental monitoring report (SAEMR) to be submitted to IPMO for further review, comments and improvement. 3. Conduct Post-Construction Final Environmental Audit and prepare final environmental audit report.	1. Finalize SAEMRs (and Final EMRs upon project completion), send it to ADB and address potential ADB's comments until SAEMR disclosure; 2. Provide ENG and GEO final versions of SAEMRs to be uploaded on UWSCG website.	Upload the approved reports (ENG and GEO) provided by IPMO to UWSCG website for Public Disclosure
5	Permits and clearances	NA	NA	NA	Obtaining environmental permits and clearances
6	Non-compliances	Prepare a corrective action plan (CAP)	Assist contractor in preparing the CAP.	Review and approve the CAP and provide to ADB for review and comments if any.	
7	Public consultations	Participate in public consultations during project implementation	Organize public consultations: inform people about activities and prepare the record of consultations.	Participate in public consultations during project implementation	UWSCG & IPMO host PCs, CSC will present the topics related to environmental issues

#	Millstones/Actions	Contractor (Environmental Specialist)	Construction Supervision Consultant (Environmental Specialist)	IPMO (Environmental Specialist)	Department of Permits, Environmental Protection and Social Affairs (Environmental Specialist)
8	Grievance Redress Mechanism	Project site Focal person to record environmental grievances in the logbook and follow up with UWSCG established practice for grievance redress	1. Ensure that grievances, if any, are being properly documented and addressed timely and effectively. 2. Assist IPMO to develop consolidated GRM database and consolidation of GRM cases both for ENV and Social safeguards	In case of need assist IPMO Social/Resettlement Consultant in resolving process of environmental safeguards related complaints; Assist IPMO Social/Resettlement Consultant in GRM database consolidation and data analysis.	UWSCG maintains GRM applicable to all projects. UWSCG will ensure IPMO information on grievances is consolidated into the UWSCG grievances (both - environmental and social) without duplication.
9	Trainings	Attend on-site trainings organized by IPMO and ADB/RETA Consultant	Assist the IPMO in organization of trainings for the Contractors on environmental safeguards requirements.	Organize trainings for the Contractors in coordination with ADB/RETA consultant. Participate in external trainings in environmental management and environmental auditing	Participate in external trainings in environmental management and environmental auditing

35. A list of main organizations involved in the USIIP/T3 and relating to environmental safeguards is presented in Table 3 below.

Table 3: List of Main Organizations under USIIP/T3

Type of project participant	Name of Agency/Company	Environmental Staff	Name and contact details
Lender	Asian Development Bank	Country Environmental Focal	Ninette R. Pajarillaga E-mail: npajarillaga@adb.org
		Safeguards Officer Georgia Resident Mission Asian Development Bank	Nino Nadashvili +995 577 44 09 90 nnadashvili@adb.org
		ADB RETA Environmental Consultant	George Kobaladze +995 599 689834 gkobaladze.consultant@adb.org
Borrower	UWSCG	UWSCG, Department of Permits, Environmental Protection and Social Affairs, Head	Ms. Maka Goderdzishvili Tel: +995 599 229925 E-mail: m.goderdzishvili@water.gov.ge
		UWSCG/IPMO Department of Management of Projects Financed by Donor Organizations, Deputy Head	Mr. Nodar Rostomashvili Tel: +995 597 181111 E-mail: n.rostomashvili@water.gov.ge
Borrower	UWSCG/USIIP/T3	Environmental Specialist	Ms. Ketevan Chomakhidze Tel: +995 577 380309

Type of project participant	Name of Agency/Company	Environmental Staff	Name and contact details
			E-mail: Chomakhidzek@yahoo.com
Supervision Consultant	A Consortium of Consulting Firm led by Eptisa Servicios de Ingenieria S.L. (Spain) in association with SAFEGE (Belgium) and JSC Georgian Water Project (Georgia)	Environmental Specialist:	Mr. Irakli Legashvili Tel: +995 577 177016 E-mail: chem_ira@yahoo.com
Contractor URE-02	JV of Ludwig Pfeiffer Hoch-und Tiefbau GmbH and Co.KG ProtechnoSrl (Germany) / Aritim (Turkey)	Environmental H&S Specialist	Mr.Nikoloz Meparidze Tel: +995 599 346821 E-mail: niko@telenet.ge
Contractor URE-01	JV of Peri Ltd (Georgia) Leading Partner and Slon LLC (Azerbaijan)	Environmental H&S Specialist	Mr. Levan Asabashvili Tel: +995 599 962 693 Email: levani.asabashvili@mail.ru
Contractor KUT-01	SMK Ulusal Insaat Ve Ticaret A.S. (Turkey)	Environmental Specialist	Ms. Natia Babukhadia E-mail: natiibab@gmail.com Tel: +995 595 150444
		H&S Specialist	Mr. Beso Balanchivadze E-mail: besobal84@gmail.com Tel: +574 188 653

Type of project participant	Name of Agency/Company	Environmental Staff	Name and contact details
Contractor ABA-01	AS Inshaat–N, LLC (Azerbaijan)	Environmental H&S Specialist	Mr. Nodar Usupishvili E-mail n.usupashvili@gmail.com Tel: +995 577 68 16 71
Contractor GUD-03	“China Nuclear Industry 23 Construction Co.” LTD (CNI23)	Environmental H&S Specialist	Mr. Aleksandre (Sasha) Mchedlishvili E-mail alexandermchedlishvili1@gmail.com Tel: +995 574 02 77 33

2.3 Project Activities during Current Reporting Period

36. During the reporting period, construction works were carried out only under sub-project GUD-03 and therefore information only about this sub-project is reflected in this SAEMR. All civil works under other USIIP/T3 sub-projects have already been completed. For more detailed information, please see para 6-16 above.

2.3.1 Project Activities during the Reporting Period

37. Construction progress during the reporting period, under GUD-03 sub-project is presented in the Table 4 below.

Table 4: Progress of Construction Works, January-June 2025, GUD-03

GUD-03	Total	Progress during the previous reporting period (July-December 2024)	Progress during the reporting period (January- June 2025)
Plant and Mandatory Spare Parts Supplied from Abroad	21.70%	70.00%	70.00%
Design	5.06%	98.00%	98.00%
Installation and other Services	73.25%	87.00%	87.00%
Totals:	100.00%	86.00%	86.00%

2.4 Description of Any Changes to Project Design

- 38.** During the reporting period from January to June 2025, there were no changes to the project design for the USIIP/T3, including the GUD-03 sub-project.

2.5 Description of Any Changes to Agreed Construction methods

- 39.** During the reporting period, January-June 2025, there were no changes to agreed construction methods under the GUD-03 sub-project.

3. ENVIRONMENTAL SAFEGUARD ACTIVITIES

3.1 General Description of Environmental Safeguard Activities

- 40. During the reporting period, two site visits were conducted under USIIP T3. No major construction activities took place, as work on site was stopped due to adverse weather conditions during the winter season. Construction resumed at the end of May 2025, but little progress has been made since then, with only repair works inside the buildings being carried out during this time.
- 41. Environmental Monitoring Specialist of Eptisa, Mr. Irakli Legashvili conducted monthly monitoring of project sites under USIIP/T3 and developed Non-compliance Notices (please see Table 5 below).
- 42. UWSCG/IPMO Environmental Specialist Ms. Kate Chomakhidze monitored the construction work under the GUD-03 sub-project in accordance with IEE/EMPs and SEMP's requirements and other environmental commitments of the contractor. UWSCG/USIIP/ES developed Semi-Annual Environmental Monitoring Reports and submitted to ADB based on the quarterly reports prepared by SC and monitoring results.

3.2 Site Inspections/Audits

- 43. As it was mentioned above the inspection and monitoring of construction sites under GUD-03 sub-project were conducted by ESs of USIIP and Eptisa. The schedule of Joint inspection carried out under GUD-03 sub-project is provided in the Table 5 below.

Table 5. Summary of Site Inspections/Audits

Date of visit	Name of Contractor	Auditors name	Purpose of audit	Summary of any significant findings	Cross reference to Audit report	Implementation progress
Continuousl y during reporting period (January-June 2025)	"China Nuclear Industry 23 Construction Co." LTD (CNI23)	Mr. Aleksandre (Sasha) Mchedlishvili Environmental Specialist of contractor	Day to day monitoring of sites Compliance with Environmental and HES requirements	Environmental, Health and Safety issues on construction sites Regular cleaning of the construction site All photo-documentations are presented in Annex A and Annex B of this report.	Weekly Monitoring Checklists	Completed
30 June 2025		Environmental Specialist of Eptisa, Mr.Irakli Legashvili Environmental Specialist of UWSCG/USIIP, Ms.Kate Chomakhidze	Monthly monitoring of construction sites	The construction site is not properly secured, as the gate is unlocked and left open, allowing uncontrolled access by animals such as dogs and livestock, Photo N1	Verbal instruction was given to contractor to immediately improve the situation.	Completed. June 2025, Photo N1 

Date of visit	Name of Contractor	Auditors name	Purpose of audit	Summary of any significant findings	Cross reference to Audit report	Implementation progress
				 The internal perimeter of the construction site requires cleaning and removal of solid waste. Hazardous waste must be disposed of in compliance with applicable regulations and safety standards, Photo N2	Non-Compliance Notice was issued and is presented in Annex B of this report. (Photo-documentations are presented in Annex B, non-compliance note)	Completed. June 2025, Photo N2 

Date of visit	Name of Contractor	Auditors name	Purpose of audit	Summary of any significant findings	Cross reference to Audit report	Implementation progress
				 Heavy construction equipment that presents a potential risk of fuel-related contamination shall be removed from the site and may only be brought in when strictly necessary Photo N3  The construction debris must be removed from the		Completed. June 2025, Photo N3 

Date of visit	Name of Contractor	Auditors name	Purpose of audit	Summary of any significant findings	Cross reference to Audit report	Implementation progress
				site and properly stored Photo N4  Materials required for the technical equipment of the WWTPs must be properly stored and not kept outdoors, Photo N5 		Completed. June 2025 Partially completed, The treatment facility has been relocated from the outer perimeter into the yard, which is enclosed and lockable, please see Photo N4 

Date of visit	Name of Contractor	Auditors name	Purpose of audit	Summary of any significant findings	Cross reference to Audit report	Implementation progress
				Sewerage collector may be damaged at any moment by heavy equipment located in close proximity. The area must be urgently cleared, free access to the collector must be ensured, all debris removed, and the container relocated from the site, Photo N6. 		Not yet Completed, will be completed by the end of Septemebr 2025

3.3 Issues Tracking (Based on Non-Conformance Notices)

44. During the reporting period, January-June 2025, 6 non-compliances were identified by ESs of SC and UWSCG/IPMO compared to 16 non-compliances identified during the previous reporting period July-December 2024. As a result, during the period January-June 2025, the contractor eliminated 83% of these discrepancies compared to 94% of these discrepancies in July-december 2024.
45. The contractors were promptly informed of any detected non-compliances and were required to implement improvements within the specified deadline. They were also instructed to submit photomaterials of the improvements, along with CAPs. The environmental teams from EPTISA and UWSCG/USIIP closely monitored these improvements during subsequent site visits. A summary of all Non-Conformance Notices issued during the reporting period is provided in ANNEX B of this Semi-Annual EMR.
46. A summary of the identified environmental issues under GUD-03 sub-project for January-June 2025 is presented in the table below. There is only one open issues under GUD-03 sub-project during the reporting period.

Table 6: Summary Table GUD-03

Total Number of Issues for Project	6
Issues Opened This Reporting Period	1
Issues Closed This Reporting Period	5
Percentage Closed	83%

47. As it was mentioned above, there is still one open issue under GUD-03 sub-project, maintaining sewerage discharge pipe safety and clean (please see relevant photos see table 5, p.24 above).

3.4 Trends

48. Information from the previous semi-annual EMR (July-December 2024) was used to identify trends in environmental protection issues. A summary of issues outstanding during the current reporting period is presented in paragraph 46 above. The percentage of issues still open under the GUD-03 sub-project during the reporting period is 17%. As can be seen from Table 7 - Summary of Identified Trends in Environmental Issues, the total number of non-compliances under USIIP/T3 have been decreased from 16 to 6.

Table 7: Summary of Identified Trends in Environmental Issues

Semi-Annual EMR No	Total No of Issues	% issues Closed	% issues closed late
July-December 2024	16	94	6%
January-June 2025	6	83	17%

- 49.** All major Non-Conformances issued to contractor under USIIP/T3 during the reporting period are provided in an Annex B to this report.

3.5 Unanticipated Environmental Impacts or Risks

- 50.** There were no Unanticipated Environmental Impacts During the reporting period under USIIP/T3.

4. RESULTS OF ENVIRONMENTAL MONITORING

4.1. Overview of Monitoring Conducted during Current Period

- 51. During the reporting period Environmental Quality Measurements were not conducted under USIIP/T3 due to the fact that physical/construction activities during the reporting period were very limited, and all activities were carried out in a remote area from local residents.
- 52. Noise and air pollution standards defined by IFC/WHO 1999, are presented in the Table 8 and 9 below.
- 53. Georgian Standards for Noise, Vibration and Air Pollution is presented in the tables 10- 12 below.

Table 8: Noise Level Guidelines

Noise	dB		dB	
	National Regulations		WHO	
Receptor	Daytime 07:00 - 22:00	Nighttime 22:00 - 07:00	Daytime 07:00- 22:00	Nighttime 22:00- 07:00
Residential; institutional; educational	55	45	55	45
Industrial; commercial	70	70	70	70

- 54. Air pollution standards by IFC/WHO 1999, are presented in the Table 9 below.

Table 9: Air pollution Guidelines

Contaminants	IFC/WHO Guideline Value (Limit mg/m ³)
1	2
Inorganic dust	(*IFC does not have a standard for "inorganic dust". Instead IFC applies standards for PM2.5 and PM10). PM10 – 0,02/1 Year 0,05/24 Hour PM2,5-0,01/1 Year 0,025/24 Hour
Carbonic monoxide	n/a
Nitrogen dioxide (NO ₂)	0,2/ 1 Hour 0,04/1 Year
Aldehyde	n/a

55. Georgian Standards for noise level is presented in the table 10 below.

Table 10: Georgian Standards for Noise Levels

Purpose/use of area and premises	Allowable limits (A-Weighted Decibels (dBA))		
	L _{day}		23:00 – 08:00 L _{night} , Night
	08:00 - 19:00, Day	Evening 19:00-23:00	
Educational facilities and library halls	35	35	35
Medical facilities/chambers of medical institutions	40	40	40
Living quarters and dormitories	35	30	30
Hospital chambers	35	30	30
Hotel/motel rooms	40	35	35
Trading halls and reception facilities	55	55	55
Restaurant, bar, cafe halls	50	50	50
Theatre/concert halls and sacred premises	30	30	30
Sport halls and pools	55	55	55
Small offices ($\leq 100\text{m}^3$) – working rooms and premises without office equipment	40	40	40
Small offices ($\leq 100\text{m}^3$) – working rooms and premises without office equipment	40	40	40
Conference halls /meeting rooms	35	35	35
Areas bordering with houses residential, medical establishments, social service, and children's facilities (>6 story buildings)	55	50	45
The areas bordering with hotels, trade, service, sport, and public organizations	60	55	50

Note: in case noise generated by indoor or outdoor sources is impulse or tonal, the limit must be 5dBA less than indicated in the Table.

56. Table 11 shows the threshold values of the major air pollutants as defined by the GEO, IFC and EU legislation.

Table 11: Ambient Air Quality Standards

Parameter	Averaging Period	Limit ($\mu\text{g}/\text{m}^3$)		
		Maximum Permissible Concentration (MPC) in Georgia	IFC Guideline Value	EU Ambient Air Quality Guidelines
Nitrogen Dioxide (NO ₂)	30 minutes	200	-	-
	1 Hour	-	200	200
	24 Hours	40	-	-
	1 Year	-	40	40
Sulphur Dioxide (SO ₂)	10 minutes	-	500	-
	30 minutes	500	-	-
	1 Hour	-	-	350
	24 Hours	50	20	125
Carbon Monoxide (CO)	30 minutes	5,000	-	-
	24 Hours	3,000	-	-
Total Suspended Particulates (TSP) / Dust	24 Hours	150	-	-
	30 minutes	500	-	-
	1 year	40	20	40

Parameter	Averaging Period	Limit (µg/m ³)		
		Maximum Permissible Concentration (MPC) in Georgia	IFC Guideline Value	EU Ambient Air Quality Guidelines
PM10	24 hours	50	50	50
PM2.5	1 year	25	10	25
	24 hours		25	-
Ozone	8-hour daily max.	120	100	120

57. The Georgian Standards for vibration are designed for human comfort. These are shown in Table 12 below. Note that no standards for building damage exist.

Table 12: Georgian vibration values

Average Geometric Frequencies of Octave Zones (Hz)	Allowable Values X0, Y0, Z0			
	Vibro-acceleration		Vibro-speed	
	m/sec ²	Hz	m/sec 10 ⁻⁴	Hz
2	4.0	72	3.2	76
4	4.5	73	1.8	71
8	5.6	75	1.1	67
16	11.0	81	1.1	67
31.5	22.0	87	1.1	67
63	45.0	93	1.1	67

Note: It is allowable to exceed vibration normative values during daytime by 5 dB during daytime. In this table of in-con-stant vibrations, a correction for the allowable level values is 10dB, while the absolute values are multiplied by 0.32. The allowable levels of vibration for hospitals and rest houses have to be reduced by 3dB.

4.2 Trends

60. During the reporting period, environmental monitoring for noise, dust, and air pollution was not conducted under USIIP/T3, as all construction activities had been completed, except for the GUD-03 sub-project. For GUD-03, all sensitive receptors are located at a significant distance from local populations. Additionally, all operations were carried out within buildings/WWTPs and in a remote area, well away from local residents.

4.3 Summary of Monitoring Outcomes

61. Due to weather conditions in Gudauri, construction work under the GUD-03 sub-project was limited to the period from May to June 2025. As all sensitive receptors were located at a significant distance from construction sites, including the local population, no environmental quality measurements for noise, dust, or air pollution were conducted.

4.4 Material Resources Utilisation

4.4.1 Current Period

GUD-03

62. Since no active physical work was carried out during the reporting period, the related resources were not utilized.

Table 13: Material Resources Utilization under GUD-03 Sub-project, July-December 2024

N	Utilized Resources	Monthly	Measurement
1	Consumption of Water	5	M3
2	Electricity	150	kwt
3	Fuel	120	L

4.4.2 Cumulative Resource Utilisation

63. Commulative resources utilization of electricity, water and fuel for whole project life is presented in the Table below.

Table 14: Cumulative Resources Utilization under GUD-03 Sub-project

N	Utilized Resources	Monthly	Measurement
July-December 2021			
1	Consumption of Water	60	M3
2	Electricity	22587	kwt
3	Fuel	800	L
January-June 2022			
1	Consumption of Water	70	M3
2	Electricity	23539	kwt
3	Fuel	3917	L
January-June 2022			
1	Consumption of Water	62	M3
2	Electricity	20501	kwt
3	Fuel	1500	L
July-December 2023			
1	Consumption of Water	16	M3
2	Electricity	600	kwt
3	Fuel	500	L
January-June 2024			
1	Consumption of Water	10	M3
2	Electricity	300	kwt
3	Fuel	250	L
July-December 2024			
1	Consumption of Water	5	M3
2	Electricity	150	kwt
3	Fuel	120	L
Total (July 2021 – December 2024)			
1	Consumption of Water	261	M3

N	Utilized Resources	Monthly	Measurement
2	Electricity	83877	kwt
3	Fuel	8087	L

4.5 Waste Management (GUD-03)

4.5.1 Current Period

64. At the construction sites under the GUD-03 sub-project, the waste generated primarily consisted of household waste, construction waste (inert and surplus soil), and hazardous waste. Household waste is predominantly collected in municipal containers, which are serviced by the local cleaning service. Contractors ensure that separate containers for household and hazardous waste are provided at the construction site, with proper labeling.
65. The construction waste generated at the construction site is removed and disposed of in accordance with a formal agreement with the local municipality. The amount of waste generated during the reporting period is detailed in Table 15 below:

Table 15: Amount of Waste Generated under GUD-03 Sub-project, January-June 2025

N	Waste management		Measurement
3	Municipal Waste	2	M ³

GUD-03 sub-project

66. Household waste is collected at the construction sites in the Household Waste containers and transmitted to Municipal waste containers and finally disposed at the Kazbegi landfill.
67. Construction/demolition waste are also disposed according to the agreement with Solid Waste Management Company at the Kazbegi landfill.
68. Hazardous waste is collected at the construction territories in the Hazardous Waste containers and according agreement transmitted to Medical Technology Company for final disposal. HSE specialists of the construction companies is responsible for the waste management under GUD-03 sub-project.

4.5.2 Cumulative Waste Generation

69. During the construction activities mostly waste is producing in result of maintenance of construction equipment, functioning of camp and excavation works. As it was mentioned in para 63 above household waste is collected at the construction sites in the Household Waste containers and transmitted to Municipal waste containers and finally disposed at the Kazbegi landfill, for disposal of hazardous waste the Contractor has signed agreement with "Solid Waste Management Company" Were possible the Contractor use excavated material for filling of embankment.

4.6 Health and Safety

4.6.1 Community Health and Safety

70. No community incidents have been reported under GUD-03 sub-project during the reporting period.

4.6.2 Worker Safety and Health

GUD-03

71. Health & safety and environment issues which were covered during the reporting period are as follows:

- Cleaning works around the the deep and open trenches inside the buldings of WWTPs

72. The main non-compliances idetified during the reporting period included workers Safety regulations during construction work, in particular safe walkways on open reservoirs inside the buildings/WWTPs to avoid workers falling and being injured in open trenches work at height without protective equipment at Sewerage Discharge Pipe.

4.7 Training

73. There were no training conducted during the reporting period January-June 2025.

5. FUNCTIONING OF THE SSEMPs

4.2. SEMP Review

74. The following SSEMPs were prepared by contractor, within the framework of URE-01, URE-02, KUT-01, ABA-01 and GUD-03 projects during the previous reporting periods:

GUD-03

- Location Specific EMP for Construction of Gudauri WWTPs (September 2019). SEMP was updated in June 2024 due to the exclusion of WWTP N5 from GUD-03 sub-project².

URE-01:

- SSEMPs for Ureki Well Fields (May 2016)
- Reservoir#1 (November 2016)
- Water Supply Pumping Station (November 2016)
- Reservoir #2 (Laituri Reservoir) (August 2018);

URE-02:

- SSEMP for Ureki Waste Water Treatment Plant (November 2015)

KUT-01

- SSEMP for Godogani Reservoir (August 2016)
- SSEMP Mukhnari Reservoirs (March 2016)
- SSEMP Aqueduct River Crossing (December 2019)
- SSEMP Partskanakanebi Chlorine Station (January 2020)

ABA-01

- SSEMP for Abasha Service Center (February 2020)

75. All SSEMPs under GUD-03, KUT-01, URE-01, URE-02 and ABA-01 projects were prepared by Contractor, endorsed by SC and approved by UWSCG and reviewed/commented by the RETA International Environmental Consultant of ADB under RETA 8663.

² The Initial Environmental Examination (IEE) was updated in December 2024 to reflect the exclusion of WWTP No. 5 from the project scope.

6. GOOD PRACTICE AND OPPORTUNITY FOR IMPROVEMENT

4.3. Good Practice

76. During the reporting period, there were continuous interactions between the IPMO, the consultant supervision team, contractors, and the local community to enhance the tracking of actions addressing non-conformances under the GUD-03 sub-project. As a result, household waste and hazardous materials were removed from the WWTP construction areas and disposed of in an appropriate manner.

6.2. Opportunities for Improvement

77. Opportunities for improvement under the GUD-03 sub-project will include the reinstatement of the WWTP construction area, which involves backfilling the topsoil and sowing grass to fully restore the territory.

5. SUMMARY AND RECOMMENDATIONS

7.1 Summary

- 78.** During the reporting period, January-June 2025, in a total 2 site visits were carried out under the GUD-03 sub-project by the Environmental Specialists of SC and UWSCG/USIIP. The site visits included monitoring of compliance of construction activities to the IEE/EMP and SEMP requirements under USIIP GUD-03 sub-project. A total 6 non-compliances were revealed compared to 16 non-compliances identified in previous reporting period July-December 2025..
- 79.** One Non-compliance Notice (NCN) was issued to the contractor by the environmental specialist of the Supervision Consultant (SC) and USIIP under the GUD-03 sub-project. The Corrective Action Plans have been implemented by the Construction Contractor (CC) to mitigate the project's environmental impacts of the sub-project.
- 80.** Only one non-compliance remains unresolved: ensuring the safety of the sewerage collector and cleaning the area around the pipe. Negotiations are currently in progress with the Quadrocite rental company to address the identified damage, and the issue is expected to be resolved in the third quarter of 2025.

7.2 Recommendations

- 81.** During the reporting period, January-June 2025, the T3 of Investment Program was implemented in accordance with the requirements of ADB - SPS 2009 and the National Legislation.
- 82.** Post Construction Environmental Audit Report under the GUD-03 sub-project was prepared in December 2024 and updated in May 2025. PCEAR was prepared by Supervision Consultant and approved by UWSCG/IPMO Environmental Specialist. The final version of the document will be finalized once the GUD-03 sub-project is completed in September 2025.
- 83.** More detailed recommendations/next steps for the implementation of T3 during the next reporting period July-December 2025 are provided in the Table 16 below:

Table 16: Recommendations to Address Environmental Issues under GUD-03 Sub-project during the January-June 2025

Recommendations GUD-03 sub-project	
GUD-03	
The quadricycle rental company uses several containers as office space. One of these containers is located on a sewage pipe. The container does not have direct contact with the sewage pipe, however, there is a risk of damage to the pipe.	Contractor and UWSCG will improve the situation in Q3 2025.
It is necessary in collaboration with the rental company	

Recommendations GUD-03 sub-project	
and the local authorities to find an area where the mentioned container will be moved	

ANNEXES

ANNEX A: PROJECT PHOTOS

PROJECT PHOTOS GUD-03

Gudauri Waste Water Treatment Plant N1



Gudauri Waste Water Treatment Plant N2



Gudauri Waste Water Treatment Plant N3



Gudauri Waste Water Treatment Plant N4



Waste Water Discharge Pipe to Aragvi River



ANNEX B: NON-CONFORMANCE NOTICE, 30 JUNE 2025

Non-Compliance Notice, UWSCG

Site Visit: 30 may 2025

Project: Urban Services Improvement Investment Program, Georgia	Non-compliance Notice Gudauri
Contract No: UWSCG-ICB-GUD-03	
Contractor: China Nuclear Industry 23 Construction Co., Ltd	
Reference: Construction of Wastewater Treatment Plants in Gudauri	
This notice is to advice you, the Contractor, on the referenced Contract, of the following notice on environmental measures to be implemented urgently .	
NON-COMPLIANCE, WWTPs #1, #2, #3, #4 and Sewerage Collector/Discharge Pipe	
- The construction site is not properly secured, as the gate is unlocked and left open, allowing uncontrolled access by animals such as dogs and livestock, Photo N1; - The internal perimeter of the construction site requires cleaning and removal of solid waste. Hazardous waste must be disposed of in compliance with applicable regulations and safety standards, Photo N2; - Heavy construction equipment that presents a potential risk of fuel-related contamination shall be removed from the site and may only be brought in when strictly necessary Photo N3; - The construction debris must be removed from the site and properly stored Photo N4; - Materials required for the technical equipment of the WWTPs must be properly stored and not kept outdoors, Photo N5; - Sewerage collector may be damaged at any moment by heavy equipment located in close proximity. The area must be urgently cleared, free access to the collector must be ensured, all debris removed, and the container relocated from the site, Photo N6.	
Photos of GUD-03	
Photo N1	Photo N2
	

Photo N3



Photo N4



Photo N5



Photo N6



ApAll these conditions have to be remedied Urgently by Contractor and Supervisor

Date of site visit: 30 May, 2025

Joint Monitoring:
Kate Chomakhidze, Environmental Consultant
UWSCG/USIIP/SDP
Irakli legashvili, Environmental Consultant, EPTISA

ANNEX D: CANCELTION OF THE WWTP N5 FROM GUD-03 SUB-PROJECT

On December 24, 2019 one complaint was registered as part of the GUD-03 subproject in the Complaints log at the Contractor's camp office (Please see Table 1 below) by Lida Seturidze, who complained about the location of WWTP No. 5 and mentioned that construction is planned on the land of her ancestors where there are also 90-year-old pear trees.

On December 27, 2019 public consultation meeting was held with local population, regarding social issues of GUD-03 sub-project (Construction of WWTPs in Gudauri). The main purpose of the Consultation Meeting was, to provide Local Population with the information about GRM, under the GUD-03 sub-project, it's importance and planned works, to raise their awareness of project activities, safety and sanitation measures as well as educate local population on the importance of sanitation system. After Presentation Lida Seturidze had opportunity to discuss her issue with all the parts of project. After meeting Lida Seturidze got recommendation to register complaint in UWSCG GRM system (please see the filled Compliants Log with Lida Seturidze's case below).

Table 1: COMPLAINTS LOG

Number /ნომერი	Date/Location თარიღი/მდებარეობა	Complainant/ Date of Contact მოსაჩივრე/საკონტაქტო დეტალები	Details of Complaint საჩივრების შინაარსი	Investigation/Mitigation Action პრობლემების შესწავლა/შემარბი ლებელი დონისძიებები	Resolution Status პრობლემის გადაწყვეტის სტატუსი
#1	24.9.2019 village Seturabi WWTP #5 Land #71.62.56.081	Ms. Lida (Giuli) Seturidze +995 579112101 Tedo burduli +995 595102172	The Complainants stated that the land registered by UWSCG for WWTP #5 belongs to them from her ancestors	Under negotiation by UWSCG	Grievance Redress Committee Meeting was held on 20.02.2020 and Grievance Redress Commission Meeting was held on 31.07.2020. Since no agreement could be reached with the applicant, the Commission made a decision to remove part of works envisaged for the Seturebi (Zone 5). UWSCG has submitted change order N1 to cancel construction of WWTP 5 (26 th of December 2023)

Grievance Redress Committee and The Commission meetings were held in order to discuss Lida Seturidzes Complaint. Grievance Redress Commission has decided that it is impossible to relocate the wastewater treatment plant as it was requested by complainant, owing to tight deadlines of Gudauri Wastewater Treatment Plants Construction Project (ADB/GUD-03), and,

as it is necessary to conduct different types of pre-design surveys and follow different procedures to obtain permits per the effective legislation of Georgia to relocate the plant, and as there is no legal basis to meet the cash compensation demand of the claimant, and to prevent any abuse of the claimant, the Commission made a decision to remove part of works envisaged for the Seturebi (Zone 5) out of the GUD-03 sub-project/ construction of Wastewater Treatment Plants in Gudauri.

UWSCG has submitted change order N1 to cancel construction of WWTP 5. No works has been commenced on location of WWTP 5. As a result, no construction activities have begun at the planned site for WWTP 5, leaving the land in its original, undisturbed state. The photos of WWTPN5 is provided in the Fog.1 below.

Figure 1. Photos of WWTP 5 Location



ANNEX E: GRM ORDERS #196 AND #431

GRM ORDER #196

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.

GRM ORDER N431

United Water Supply Company of Georgia, LLC

Order №431

Tbilisi 26/11/2021

On Amending Order №196 dated October 30, 2018, of Director of United Water Supply Company of Georgia, LLC, on Grievance Redress Mechanism under the projects funded by the Asian Development Bank at United Water Supply Company of Georgia, LLC

In accordance with Clause 8, Article 8 of the Articles of Association approved by Order №54/N dated March 24, 2017, of Minister of Regional Development and Infrastructure of Georgia on Approving the Articles of Association of United Water Supply Company of Georgia, a Limited Liability Company

I hereby decree:

1. Order №196 dated October 30, 2018, of Director of United Water Supply Company of Georgia, LLC, on Grievance Redress Mechanism under the projects funded by the Asian Development Bank at United Water Supply Company of Georgia be amended and Clause 5 of the Order be read as follows:
2. "5. To promptly and effectively review and solve the grievance 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, Chairperson of the Commission;
 - b) Deputy Director of United Water Supply Company of Georgia on Technical Issues, Member of the Commission;
 - c) Deputy Director of United Water Supply Company of Georgia on Financial Issues, Member of the Commission;
 - d) Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
 - e) Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
 - f) Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
 - g) Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
 - h) Head of Legal Department of United Water Supply Company of Georgia, Member of the Commission;
 - i) Head of Environmental Protection and Permits Department of United Water Supply Company of Georgia, Member of the Commission;
 - j) Head of Donor-Funded Projects Management Department of United Water Supply Company of Georgia, Member of the Commission;
 - k) Head of State-Funded Projects Management and Supervision Department of United Water Supply Company of Georgia, Member of the Commission;
- l) Representative of Environmental Protection and Permits Department of United Water Supply Company of Georgia, the Commission Secretary".

10.4 Sol of male crystalline involved in the USPTO and media, is preliminary. www.uspto.gov/patents/104sol.htm

Type of project participant	Name of Agency/Company	Environmental Staff	Name and contact details
Lead	Austli Development Bank	Country Environmental Pool Safeguards Officer George Resident Mission Austli Development Bank ADB RITA Environmental Consultant	Harish K. Pappanaga E-mail: h.pappanaga@adb.org Niro Naddathil +930 200 070442 E-mail: naddathil@adb.org
Partner	UNESCO	UNESCO Department of World Environmental Protection and Heritage and Social Affairs, Head UNESCO/PAHO Department of Management of Projects Financed by Donor Organizations, Deputy Head	Ms. Nadeen Rasmussen Tel: +930 200 16111 E-mail: n.rasmussen@unep.org Ms. Nadeen Rasmussen Tel: +930 200 16111 E-mail: n.rasmussen@unep.org
	UNESCO/WHO	Environmental Specialist	Ms. Nadeen Rasmussen Tel: +930 200 16111 E-mail: n.rasmussen@unep.org
Subsidiary Consultant	A Consortium of Consulting Firms led by ERM Services de Ingeniería S.L. (Spain) in association with SAF EDC (Bangumi) and JCC Geoplat Water Project (Georgia)	Environmental Specialist	Mr. Vahid Lajvardi Tel: +930 200 177650 E-mail: vahid_lajvardi@erm.com
Contractor (NGO)	Orion Institute Initially 20 Construction Co.?	Environmental H&S Specialist	Mr. Alexander (Sasha) Michailovskii E-mail: alexander.michailovskii@gmail.com Tel: +930 200 071735

17. On July 31, 2020, the Grievance Review Commission reached a decision regarding the relocation of wastewater treatment plant #5, as requested by the complainant. Due to the current shutdown associated with the Covid-19 Wastewater Treatment Plant

III. PREPARATION AND IMPLEMENTATION OF THE AUDIT PLAN

21. To implement the above task, the company conducted a study of the existing downcaterers, based on which it developed eight questionnaires (checklist), identified the main approaches and together with environmental specialists involved in the project implementation, conducted the visit, construction, renovation work.

25. As required by the ICE Part 575-6 report, the construction contractor was required to: "Prepare the site specific environmental management plan (SEEMP) for on-approval by RC and approved by the Employer (PWT)" prior to the Contractors taking possession of the construction site.

As Table 4 presents the test complications identified by the environmental specialists involved in the sidco: market-exit and the correction status of the observed non-compliance.

[illegible]

³ <http://www.census.gov/hhes/education/data/tables/2000/2000.ed.education/2000.ed.education.html>

- 4. Director of United Water Supply Company of Georgia, Chairperson of the Commission;
- 5. Deputy President of United Water Supply Company of Georgia or Technical Director, Member of the Commission;
- 6. Deputy Director of United Water Supply Company of Georgia or Assistant General Manager of the enterprise;
- 7. Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
- 8. Deputy Director of United Water Supply Company of Georgia, Director of the Enterprise;
- 9. Deputy Director of United Water Supply Company of Georgia, Member of the Commission;
- 10. Head of Urban Planning and Urban Water Supply Department of Georgia, Member of the Commission;
- 11. Head of Interdepartmental Relations and External Departments of United Water Supply Company of Georgia, Member of the Commission;
- 12. Head of Design-Projecting, Regional Management Department of United Water Supply Company of Georgia, Member of the Commission;
- 13. Head of Public Service, Marketing Management and Customer Department of United Water Supply Company of Georgia, Member of the Commission;

33. The Grievance Redress Committee reviewed Ms. Lita Sebastian's complaint as per Order #198, for Grievance Redress Mechanism (please see Annex B) but concluded that relocating the plant was not feasible due to project timelines and legal constraints. To minimize the potential for release of contaminants, they included certain work areas from the project and ultimately decided to banish the construction of WWTP No. 3, leaving the site undisturbed. Photos of sites are provided below:

Fig. 2 shows the behavior of the system

88. The construction of all four WWTs has been completed and the WWTs outfalls are turned off (see Figure 3-5).

41. Non-compliance 1: The wastewater collector in the WWTP 2 area did not have a lid (Figures 6 and 7).

Figure 6 and 7. Ocean-bay groundwater collection collector (OWGTF 2).



42. **Recommendation:** It is necessary to close the collector with appropriate coverlid within a tight timeframe.

43. **Non-compliance 2:** Hazardous and non-hazardous construction waste mixed together are uncontrollably placed on the territory of the WWTP 3 (Figures 8 and 9).

Figures 8 and 9: Hazardous and non-hazardous construction waste on the territory of the WWTP 3



25. **Requirement:** "Waste Management Code" - Chapter 19 (1) "It is prohibited to mix hazardous waste with other hazardous waste or other wastes, substances or materials". Besides, other requirements of the same law are stated, namely "Requirements to Hazardous Waste Temporary Storage Facilities".

3.2.2 Central waste water discharge pipeline

Observation 1:

36. The sewage pipe, through which the treated wastewater flows into the Arapt River, passes through a dry ravine and crosses the highway. When crossing the highway, the pipe is located underground, and in the rest of the territory it is located on the ground.

37. After the pipe was installed, a quadruple rental station was opened in the buffer zone of the site. The quadruple rental station uses several containers as office space. One of these containers is located on a sewage pipe. The container does not have direct contact with the sewage pipe, however, there is a risk of damage to the pipe (Figures 10 and 11).

Figures 10 and 11: Sewage pipe located under the container



38. **Recommendation:** It is necessary in collaboration with the rental company and the local authorities to find an area where the mentioned container will be moved.

Observation 2:

39. Due to the fact that the project post-construction audit was conducted on December 5, 2024, it was impossible to determine the quality level of the site restoration work carried out by the construction contractor.

40. **Recommendation:** It is necessary to conduct an audit by the supervisory company in the spring to determine the quality of the restoration work.

IV. CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusions

41. On December 5, 2024, at the stage of the Post-Construction Environmental Audit within the scope of Project DUE-03 - "Improvement of Fishat Wastewater System Subproject" conducted by "Trio-Spand" LLC, 2 non-compliances and 2 observations were fixed, that require additional study.

42. The construction works have been fully implemented under the project.

43. The responsibility for the identified non-compliances, as well as for the fulfillment of the required additional studies lies with the project owner company.

44. Table 3 summarizes details of the identified non-compliances and observations.

Table 3: non-compliances and observations fixed during the Post-Construction Environmental Audit

#	Non-compliance/Observation	Required action and time	Responsible person	Term
1	Non-compliance 1: The wastewater collector in the WWTP 2 area did not have a lid.	It is necessary to close the collector with appropriate coverlid within a tight timeframe (Photo 5)	UNSCG	
2	Non-compliance 2: Hazardous and non-hazardous construction waste mixed together are uncontrollably placed on the territory of the WWTP 3	"Waste Management Code" - Chapter 19 (1) "It is prohibited to mix hazardous waste with other hazardous waste or other wastes, substances or materials". Besides, other requirements of the same law are stated, namely "Requirements to Hazardous Waste Temporary Storage Facilities", Photo 9)	UNSCG	

			
	Photo: 1 month (After post-construction audit will be started)		
3	Observation 1: The quadruple rental container used as office space. One of these containers is located on a sewage pipe. The container does not have direct contact with the sewage pipe, however, there is a risk of damage to the pipe.	It is necessary in collaboration with the rental company and the local authorities to find an area where the mentioned container will be moved. Please see Photo 10.	UNSCG
			
4	Observation 2: Due to the fact that the project post-construction audit was conducted on December 5, 2024, it was impossible to determine the quality level of the site restoration work carried out by the construction contractor.	It is necessary to conduct an audit by the supervisory company in the spring to determine the quality of the restoration work. Photo: February 2025 Photo: March 2025	UNSCG

45. Since these non-compliances have been corrected, the environmental component of the project can be considered closed.

4.2 Recommendations

46. Depending on the level of non-compliance there is no need to hire a contractor. Rather, UNSCG can develop and implement corrective actions with its own personnel.

ANNEXES:

Annex 1: GUD-03 - "Improvement of Gudauri Wastewater System Subproject",
Post-Construction Environmental Audit Checklist

Required mitigation measures of environmental impact	Measures Implemented				Comment
	yes	partially	no	N/A	
WWTP territory fenced fully	X				The territory of the WWTPs is fully fenced.
Topsoil placed at original location	X				Topsoil was placed at original location
Construction waste and surplus/waste soil removed completely and disposed properly		X			No visible or uncontrolled inert waste was found in either sewer pipes area or the WWTPs location. The area was completely cleaned up. Uncontrolled waste, including hazardous waste, was placed only in WWTP 3 area.
Hazardous waste removed and disposed properly		X			The presence of hazardous waste was not observed in other areas of the project site.
Fuels and lubricants spills eliminated	X				Hazardous waste was placed uncontrolled in the building on the WWTP 3 territory.
Contractor equipment and machinery removed	X				Construction equipment was completely removed from the project area.
All temporary facilities removed and cleaned up	X				Temporary equipment was completely removed from the project area.
Streets with installed network reinstated to pre-construction or better conditions				X	Due to the fact that the project post-construction audit was conducted on December 5, 2024, it was impossible to determine the quality level of the site restoration work carried out by the construction contractor.

