

Social Monitoring Report

Project Number: 50064-001
Semestral Report (July-December 2020)
January 2021

Georgia: Batumi Bypass Road Project

Prepared by SMEC International Pty Limited for the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia and the Asian Development Bank.

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Abbreviations

ADB	Asian Development Bank
AIDS	Acquired Immune Deficiency Syndrome
AIIB	Asian Infrastructure Investment Bank
AP	Affected Person
AIDS	Acquired Immune Deficiency Syndrome
CR	Compliance Monitoring
CSC	Construction Supervision Consultant
DP	Displaced Person
EMC	External Monitoring Consultant
EWB:	East-West Highway
GoG	Government of Georgia
HH	Households
HIV	Human Immunodeficiency Virus
IA	Implementing Agency
IP	Indigenous People
IR	Involuntary Resettlement
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
LE	Legal Entity
MFF:	Multi-tranche Financing Facility
RDMRDI	Ministry of Regional Development Infrastructure
NGOs	Non-Government Organizations
PAM	Project Administration Manual
PCP	Public Communication Policy
PPE	Personal Protection Equipment
SMR	Social Monitoring Report
SPRSS	Summary Poverty Reduction and Social Strategy
SPS	Safeguard Policy Statement, 2009
STI	Sexually Transmitted Illnesses
USD	United States Dollar

Glossary

Compensation: Payment made in cash or kind to the project affected persons/households at replacement cost of the assets acquired for the project, which includes the compensation provided under the Land Code of the Republic of Georgia (GE Rules for Expropriation of Ownership for Necessary Public Need July 23, 1999, Civil Procedural Code of Georgia, November 14, 1997, Public Register (No 820-ILs; December 19, 2008, Recognition of Property Ownership and other subsequent rules that refers stipulated in the Land Acquisition and Resettlement Plan (LARP).

Cut off Dates: These are the dates on which censuses of the project affected persons and their assets to be affected are commenced in a particular area. Assets like houses/ structures and others which are created after the cut-off dates, and the persons or groups claiming to be affected, become in eligible for compensation and assistance.

Displaced Person (DP): Any person who has to involuntarily change his/her place of residence and/or workplace or place of business/livelihood from the current location as result of the project. This may include moving out from his/her land or building.

Encroacher: A person who has extended his property into public land; a person who has trespassed on government land, adjacent to his/her own land or asset, to which he/she is not entitled, and derives his/her livelihood or extended his/her property prior to the cutoff date.

Entitlement: Refers to mitigation measures, which includes cash payments at replacement cost or through replacement land equal in value/ productivity to the plot lost and at location acceptable to APs where feasible as stipulated in the LARP. Entitlements include compensation for structure (permanent & temporary), crops, trees, business, wage, etc., for which compensation is already paid.

Household: A household is a group of persons who commonly live together with common in comes and take their meals from a common kitchen.

Income Restoration: Refer store-building the capacity of the project affected household store-establish income sources at least to restore their living standards to the pre-acquisition levels.

Indigenous Peoples: Indigenous Peoples are those who are identified in particular geographic areas based on these four characteristics: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) an indigenous language, often different from the official language of the country or region.

Involuntary Resettlement: The unavoidable displacement of people and/or impact on their livelihood, assets, and common property resulting from development projects that create the need for rebuilding their livelihoods, sources of income, and asset bases.

Legal Entity: Legally registered enterprise established by two or several individuals or companies vested with its separate property, rights and liability such as a limited liability partnership (LLP), and joint stock company (JSC).

NGO: Non-Government Organizations (NGO) are private voluntary organizations registered with Georgian Government. There are number NGOs working in Georgia performing activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development, etc.

Participation/Consultation: Defined as a continuous two-way communication process consisting of: 'feed-forward' the information on the project's goals, objectives, scope and social impact implications to the project beneficiaries, and their 'feed-back' on these issues (and more) to the policy makers and project designers. In addition to seeking feedback on projects specific issues, the participatory planning approach also serves these objectives in all development projects: public relations, information dissemination and conflict resolution.

Physical Cultural Resources: Defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or underwater. Physical cultural resources are important as sources of valuable scientific and historical information, as assets for economic and social development, and as integral parts of a people's cultural identity and practices. Their cultural interest may be at the local, provincial or national level, or within the international community.

Project-Affected Person/Household/Legal Entities: Persons/households/Legal Entities whose livelihood and living standards are adversely affected by acquisition of lands, houses, and other assets, loss of income sources and the like, due to undertaking of the project.

Rehabilitation: Refers to improving the living standards or at least re-establishing the previous living standards, which may include re-building the income earning capacity, physical relocation, rebuilding the social support and economic networks.

Relocation: Moving the project-affected households/Legal Entities to new locations and providing them with housing, water supply and sanitation facilities, lands, schools, and others social and healthcare infrastructure, depending on locations and scale of relocation.

Replacement Cost: The Asian Development Bank's Safeguard Policy Statement (SPS) 2009 describes "replacement cost" as the method valuation of assets that helps determine the amounts insufficient replace lost assets and cover transaction costs. In applying this method valuation, depreciation of structures and assets is not taken into account. For losses that cannot easily be valued or compensated for in monetary terms (e.g. access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempt share made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the placement cost standard.

Land Acquisition & Resettlement Plan (LARP): A time-bound action plan with a budget, setting out resettlement policy, strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring, and evaluation.

Severely Affected Households: As per SPS 2009 households/ entities losing more than 10% of his/her income/productive assets called severely affected.

Squatter: Household or person occupying public lands without legal arrangements with the Government of Georgia or any of its concerned agencies is a squatter to the lands.

Stakeholder: Refers to recognizable persons, and formal and informal groups who have direct and indirect stakes in the project, such as affected persons/households, shop owners, traders in roadside markets, squatters, community-based and civil society organizations.

State Land: State lands are public lands those are not recorded in the name of any private citizen/entity of the country. Local & Regional Governments of respective region is the custodian of all state lands within their jurisdiction.

Vulnerable Household: Households with an average per capita income below poverty line are considered vulnerable and are entitled to get the vulnerability allowance. It includes very poor, women headed household, old aged and handicapped.

Contents

1	INTRODUCTION	1
1.1	Objective of the Report	1
1.2	Background Information	1
1.3	Objective and Coverage of the Monitoring.....	3
1.4	Methodology Followed under Monitoring Program	3
1.5	Social Safeguard/Resettlement Categorization.....	3
2	OVERVIEWS OF THE LARPs AND ASSOCIATED IMPACTS	4
2.1	LARPs and Allied Documents Preparation	4
2.2	Conditions for Project Implementation	4
2.3	Summary Impact of LARPs.....	5
2.4	Project Policy and Entitlement Matrix.....	5
2.5	Consultation Participation & Grievance Redress Mechanism.....	6
2.6	Cost and Financing	6
2.7	Monitoring	6
3	LARP IMPLEMENTATION	7
3.1	General	7
3.2	LARPs Implementation Status up to the Reporting period:.....	8
3.3	Land Acquisition Issues Raised During Construction Activities	9
3.4	Temporary Resettlement and Land Leasing Cases.....	14
3.5	Issues Identified During Construction at Project Area.....	18
4	GRIEVANCE REDRESS MECHANISM (GRM) & GRIEVANCE REDRESS STATUS	23
4.1	Formation of Grievance Redress Committee (GRC)	23
4.2	Grievances Received & Redressed up to Reporting Period at Level 1 (GRCE).....	24
4.3	Grievances Received & Redressed up to Reporting Period at Level 2 (GRCN).....	25
5	OTHER COMPLIANCE ISSUES	27
5.1	Maintaining Core Labor Standard	27
5.2	Child labor in the Project Activities.....	27
5.3	Forced or Compulsory Labor	27

5.4	Discrimination in Respect to Employment.....	28
5.5	Health and Safety and HIV/AIDS Awareness Program.....	28
6	SAFEGUARDS COMPLIANCE STATUS.....	29
6.1	Status of Recruitment/Mobilization of Safeguard Team.....	29
6.2	Project Social Safeguard Performance.....	29
6.3	Compliance with Safeguard Covenants of Loan Agreement	29
7	CONCLUSIONS.....	33

1 INTRODUCTION

1.1 Objective of the Report

1. This Semi-Annual Social Safeguards Monitoring Report for Batumi Bypass Road Project in Georgia covers the period from July to December 2020. The objective of the report is to provide an overview of the progress made in the implementation of the land acquisition and resettlement (LAR) tasks in the second half of 2020. It provides information on social safeguards activities related to the preparation and implementation of the LAR plans (LARP) as well as safeguards issues raised during construction period and social impact mitigation measures. It describes the project's performance in dealing with community consultation and stakeholders' participation, impacted assets registration/records and compensation processes, and grievances received and redressed. Lessons learned and the recommendations for the implementation of safeguards component of the project in the next stage of the program are summarized at the end of the report.

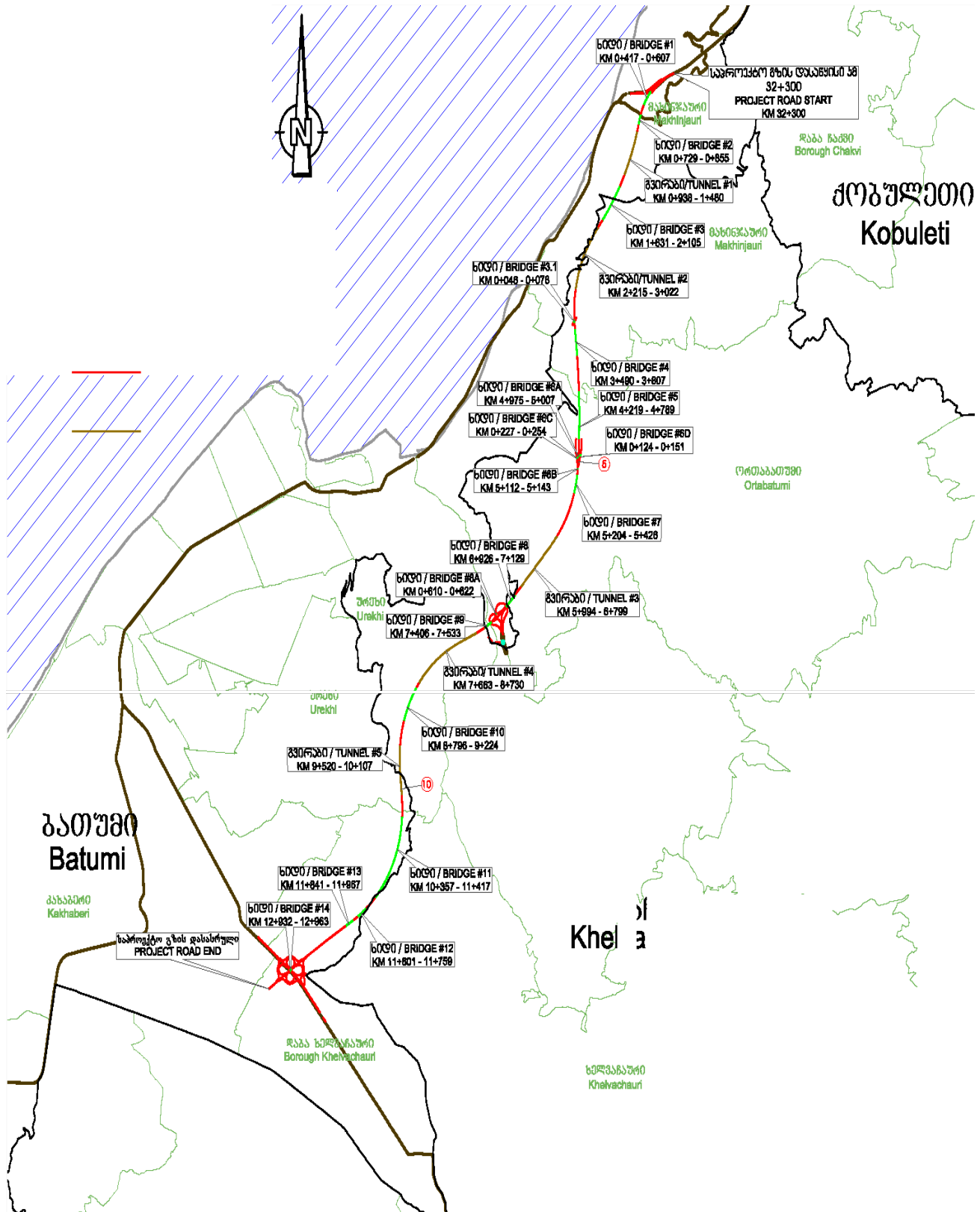
1.2 Background Information

2. Georgia, due to its geographic location, provides the shortest transit link between Central Asia and Europe. Transport plays a pivotal role in supporting the national economy, and development of the transport infrastructure is vital to increasing economy of the region through reduced transport costs and increased transit revenue. The coastal road on the Black Sea links Turkey to the south with the ports of Batumi and Poti, and onwards to Tbilisi, the Georgian capital in the east of the country. Because of heavy traffic on this road, there has been a significant increase in traffic congestion and accidents, particularly in Batumi and Kobuleti during the tourist season.

3. Batumi Bypass road once was included as Tranche 2 under the Multitranche Financing Facility (MFF) project in 2009 as part of the entire East West Highway (EWH), with financing from ADB. For this purpose, a LARP was prepared during feasibility stage in 2009 by the Roads Department under the Ministry of Regional Development Infrastructure in Georgia (RD-MRDI). The objectives of the LARP preparation for the bypass road construction was to assess project impacts and to plan for required compensation and rehabilitation measures of the project Affected People (APs). Later in 2011, the idea of this bypass road construction was dropped due to some cost considerations. However, again in 2015, the borrower aspirant to upgrade the entire EWH. Afterwards, ADB agreed to finance the project on request of the client to revive & finance for the bypass road project. Finally, with ADB agreement, RD-MRDI started preparatory activities with preparation/updating of required documents. This was followed by implementation of LARP by RD, MRDI since, August 2016. In fact, the physical construction works started in March 2018 after signing contract on 29 August 2017 between RD and the contractor (Joint Venture POLAT YOL & MAPA). Construction Supervision Consultant (CSC) was mobilized on 11 September 2017 and started their activities with the design review.

4. The project road is designed to bypass the city of Batumi to the east, and because of the topography and urban landscape that it traverses, includes five tunnels and nineteen bridges. The road was originally designed by the South Korean engineering firm, Sambo, in 2010. The construction of the road is currently under implementation as a single civil works contract and funded by ADB (Loan No. 3520-GEO) and AIIB (Loan No. 8328-GEO).

Figure 1-1. Project Location Map



1.3 Objective and Coverage of the Monitoring

5. The major objective of this SMR is to analyze the implementation status of the LARPs and other associated social safeguards issues includes handing over the road's Right of Way (RoW) to start construction of the bypass road.
6. The ultimate objectives of the monitoring report are to:
 - a. verify status of resettlement implementation for the project that complies with the approved LARF & LARPs.
 - b. verify status of up to date compensation payment to APs.
 - c. verify implication of grievance redress mechanism to solve AP 's grievances & status of grievances received from the APs/local people so far.
 - d. satisfaction of APs with the process of their compensation & amount of compensated; and
 - e. Other social safeguards issues such as: wage laborers, labor issues, HIV/AIDS, grievances/complains received during construction/resolved etc.

1.4 Methodology Followed under Monitoring Program

7. The monitoring has been conducted mostly relay on the project documents LARF, LARPS, LARP addendum, CRs, monthly & quarterly reports etc. through review & analyze, compilation of necessary data from aforesaid documents. In addition, consultant also had conducted consultations/meetings among the APs and other project stakeholders of the project through regular site visits. Such consultations & meeting conducted with & assistance of the CSC, Contractors, EMC, RD, PIU of MRDI and relevant other project stakeholders. The findings from the aforesaid consultations/meetings has been incorporated in this Semi-Annual SMR document in a cumulative manner.

1.5 Social Safeguard/Resettlement Categorization

8. Prior to civil works implementation, the projects selected for construction or development to be Screened and Classified using ADB's classification system as follows:
 - Category A: Projects proposed for construction or development, will fall under this category, if, it caused a significant involuntary resettlement impacts with a physical displacement of 200 or more persons from their residences, or 200 or more persons lose 10% or more of their productive or income generating assets, or more persons or 200 or more persons experience a combination of both
 - Category B: Any proposed subproject that includes involuntary resettlement impacts but are not deemed significant considering loss of shelter/houses or productive or income generating assets will be considered for category B.
 - Category C: A proposed subproject that has no involuntary resettlement impact.
9. As per ADB's Safeguard Policy Statement (SPS 2009), Batumi Bypass Road Project falls under **Category A** project, considering the significant involuntary resettlement issues. The project has no impact over indigenous people or the communities.

2 OVERVIEWS OF THE LARPs AND ASSOCIATED IMPACTS

2.1 LARPs and Allied Documents Preparation

10. LARP prepared by MRDI, during feasibility stage was further updated/finalized in 2016 based on the feasibility study and prepared two implementations ready LARPs fulfilling requirements of ADB's SPS 2009. These two LARPs were prepared dividing the total 13.7 Km long bypass road into two sections:

LARP-1 for Section 1 covers km0+000 - km6+700, and

LARP-2 for Section 2 covering km6+700 - km13+700.

11. These updated LARPs were approved by ADB in mid-2016. These LARPs are currently under implementation, started from August and September 2016. Afterwards, preparation an addendum for both the LARPs/ sections was required due to emergence of some new impacts (to include or exclude) caused due to adjustments of right of way (RoW) through design considerations considering the existing condition. This has been followed by preparation of LARP compliance monitoring reports (CR) by an External Monitoring Consultant (EMC), deployed by the RD, MRDI to comply the project policy. Till the reporting period, EMC prepared four (4) CRs:

CR1 – covering LARP section 2 from km6+700 to km12+830.

CR2 – covering LARP section 1 from km1+750 to km2+250.

CR3 – covering LARP section 1 from km0+00 to km0+700 & from km2+250 to km6+700.

CR4 – covering LARP section 2 from km12+830 to km 13+340.

12. The main objective of the EMC deployment was to verify whether LARPs have been implemented in compliances with the policy adopted in the LARF & LARP and compensation payment status. Accordingly, CRs prepared for the LARPs, reflecting the results of monitoring and evaluation of the implementation of land acquisition and resettlement (LAR) activities of the bypass road in accordance and compliance with the LARPs and its Addendum.

13. Following approval of LARPs, finances will be provided to the EA. Prior to the distribution of LARP finances to the APs, with legalization of APs legalizable according to the active legislation will be finalized and all APs may sign a contract agreement indicating that they accept the compensation proposed to them. If an AP does not sign the contract the case will be passed to the appropriate court to initiate expropriation proceedings. This will be done after the compensation amount, determined according to the valuation methodology outlined in this LARP, is to be deposited in escrow account. Escrow accounts was also be established for absentee APs.

2.2 Conditions for Project Implementation

14. Based on ADB policy/practice, the approval of project implementation will be based on the following LAR-related conditions:

- (i) **Signing of Contract Award:** Civil works contract will be awarded after approval of final Land Acquisition and Resettlement Plan.
- (ii) **Notice to Proceed to Contractors:** Conditional to full implementation of Batumi bypass LARP (legalization of legalizable owners, and full delivery of compensation and rehabilitation allowances) on the specific section, verified by a compliance report submitted by the External Monitor.

2.3 Summary Impact of LARPs

15. This has been mentioned earlier that after getting approval of LARP, implementation started and during implementation an addendum was required to prepare, due to consideration of some changes in inventory of losses not envisaged during project preparation/finalization of LARPs. Finally, some changes of impacts were found, which also were considered during implementation through conducting additional survey & assessment. After completion of LARPs implementation for the partial sections of the road, the EMC prepared four CRs (2 for Section-1 & 2 for section-2) separately for both sections, where compensation payment completed. Summary of the LAR impacts based on the approved LARPs/Sections plus LARP's Addendum is presented in Table below.

Table 2-1 Summary of Project's LAR Impacts by LARPs

N	Impact category	Section 1 (7km)	Section 2 (6.7km)	Addendum	Total
1	Total affected households	245	524	20	789
2	Land acquired (in sqm)	157,145	245,778	56,495	459,418
3	Agricultural (in sqm)	131,735	146,422		278,157
4	Residential (in sqm)	116,622	196,678		131,300
5	Commercial (in sqm)	59,370	40,944		100,314
6	Household to be physically displaced	69	300	9	378
7	Severely Affected HH	193	369	21	583
8	Vulnerable HHs	92	184	5	281

2.4 Project Policy and Entitlement Matrix

16. The legal and policy framework of the project on land acquisition and resettlement has been adopted to assist the APs and/or households for their lost land and assets, income and livelihood resources. Expropriation of land through eminent domain will not be applied unless approach for acquisition through negotiated settlement fails. Compensation eligibility is limited by a cut-off date as mentioned in the LARPs for this project (the time of survey & measurement of the affected properties, valuation, socioeconomical study etc.), and this date was clearly communicated to the public and to the APs during public meetings. APs will be entitled for compensation or at least rehabilitation assistance under the Project are (i) all land users (traditionally using agricultural land) /registered land owners and tenants losing land irrespective of their title, (ii) tenants and sharecroppers irrespective of formal registration, (iii) owners of buildings, crops, plants, or other objects attached to the land; and (iv) persons losing business, income, and salaries' Implementation Arrangements:

17. ADB is the funding agency and RDMRDI is the Implementing Agency (IA) of the Project. RDMRDI has the lead responsibility for road construction, as well as implementation of this LARP through the Resettlement Unit (RU) under the Resettlement and Environmental Protection Division, RDMRDI. A Land Acquisition and Resettlement (LAR) Commission (LARC) will be assisting RU in all LAR activities. In addition, RU will be assisted by LAR Team in the rayon level involving also the local self-government bodies. In addition, a number of other government

departments will play an instrumental role in the updating and implementation of Batumi bypass LARP. The National Agency of Public Registry (NAPR) within the Ministry of Justice will be assisting the Project through registration of land ownership and its transfer through acquisition agreement from landowners to the RDMRDI. The local government at Rayon and village level will also be involved. Among them: Ministry of Economy and Sustainable Development (MOESD), Ministry of Economy and Finances of Adjara Autonomous Republic, Road Department of Adjara, local governments of municipalities, specialists of territorial organs.

2.5 Consultation Participation & Grievance Redress Mechanism

18. A Grievance Redress Mechanism has already been established from the period of Census starting date and is available locally to allow APs to appeal any disagreeable decision, practice or activity arising from any project preparation and implementation activity. Grievance Redress Committees (GRCs) at local level involving the local government officials, representative of APs, representatives of local NGOs and consultant. APs were fully informed, through consultation meetings and representatives of territorial organs of local government, on their rights and on the procedures for addressing complaints whether verbally or in written during consultation, survey, and time of compensation, as well as throughout project implementation. Care will always be taken to prevent grievances rather than going through a redress process.

19. Consultation with likely APs in the project affected areas was conducted during the feasibility study of the Project. At the preparation of Batumi bypass LARP in detail design stage, all likely APs (available on site) were consulted through community level meetings and through individual contact at the time of census, socioeconomic survey and detail measurement survey. Consultations continued throughout the remaining implementation period.

2.6 Cost and Financing

20. The land acquisition and resettlement cost estimate under the LARPs & Addendum includes eligible compensation, resettlement allowances and support cost for implementation of corresponding LAR tasks. The support cost, which includes administrative expense, is part of the overall project cost. Contingency provisions (@ 10% of the total cost) have also been included to take into account variations from this estimate at the negotiation for contract agreement level. In case of any over-run-in cost, RDMRDI will provide additional funds as needed in a timely manner. RDMRDI through the approval of Ministry of Finance will be responsible for allocating the LAR Budget in advance as part of their overall annual budget planning. Items of LAR cost estimate under the LARPs and Addendum of are as follows:

- (i) Compensation for agricultural, pasture, and commercial land at replacement value
- (ii) Compensation for structures and buildings at their replacement cost
- (iii) Compensation for business/employment loss
- (iv) Compensation for crops and trees
- (v) Assistance for severely affected AHs
- (vi) Assistance for vulnerable groups for their livelihood restoration
- (vii) Cost for implementation of LARP.

2.7 Monitoring

21. The main objective of implementation of the LARPs for Batumi Bypass Road is to improve or at least restore the social and livelihood resources of the APs at their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable time with allocated resources. Therefore, monitoring of the process of updating Batumi Bypass Road LARPs, its implementation and delivery of institutional and financial

assistance to the APs has been designed as an integral part of the overall functioning and management of the Project. RU of RDMRDI will ensure the execution of timely monitoring of the monitoring and evaluation (M&E) indicators (process, delivery and impact indicators) of LAR tasks. The purpose of the Monitoring and Evaluation (M&E) is to provide feedback to all stakeholders on progress made in view of a timely and comprehensive implementation of the LARP and to identify problems as early as possible to facilitate timely adjustment of implementation arrangements. The objectives are to: (i) ensure that the standard of living of APs are restored or improved; (ii) ascertain whether activities are in progress as per schedule and the timelines are being met; (iii) assess whether the compensation, rehabilitation measures are sufficient; (iv) identify problems or potential issues; and (v) identify methods to rapidly mitigation of problems.

3 LARP IMPLEMENTATION

3.1 General

22. Having approval of both the LARPs by ADB, actual implementation of LARPs started in August 2016. At the beginning, RDMRDI had required to prepare an addendum due to emergence of some additional impacts not envisaged during LARP preparation. The major reasons of this addendum preparation were:

- During the survey/inventory of assets, some owners/APs of the affected properties didn't allow the survey team to record their inventory. After careful discussions/negotiations during LARP implementations they were convinced, and this resulted in additional resettlement needs¹.
- Some owners of residential apartments were close to alignment & they complained to RD and in certain cases (when distances are 50 m or less²) and agreed with the claims resulted additional resettlement cases.
- Some APs failed to produce required documentary evidences at the time of LARPs preparation for inclusion and later date during implementation they collected & produce some of them legalized later managed to legalize their loft spaces on the attic managed to legalese these spaces, which required additional survey.
- One family cemetery necessitated to relocate & required new assessment.

23. After completion of compensation payment by RDMRDI, as on the end of reporting period (31 December 2020) EMC prepared four CRs. After approval of CRs the partial road sections were handed over to the Contractor for construction.

- ✓ CR1 – covering LARP section 2 from km6+700 to km12+830.
- ✓ CR2 – covering LARP section 1 from km1+750 to km2+250.
- ✓ CR3 – covering LARP section 1 from km0+00 to km0+700 & from km2+250 to km6+700.
- ✓ CR4 – covering LARP section 2 from km12+830 to km 13+340.

¹ Owners of 10 land plots did not allow the surveyors to enter. Hence, allowances for this not measured /surveyed land plots was not evaluated in original LARPs but were included in the addendum.

² Per city planning standards СНиП 2.07.01-89, II-12-77Article 6.19, the distance from the edge of the main carriageway of the trunk road to the line regulating the residential development should be taken at least 50 m, whereas in case of the application of noise protection devices that ensure the requirements of СНиП II-12-77, at least 25 meters.

24. The physical construction activities of the bypass road started in March 2018 after signing contract between RD and the contractor (Joint Venture POLAT YOL & MAPA) on 29 August 2017 with subsequent approvals of all the CRs in due course by ADB & RDMRDI. On the other, hand the CSC has mobilized on 11 September 2017 and started their activities with the design review. Subsequently, CSC, mobilized their two Social & Resettlement Specialists (National & international) respectively in in March & mid-October 2018. The responsibility of the CSC Social Specialists is to monitor the LARP related & other social safeguards issues covering the total project implementation periods on behalf of the RDMRDI and to produce monitoring reports periodically for the RDMRDI to submit to ADB in addition to monthly & quarterly reports, as well.

3.2 LARPs Implementation Status up to the Reporting Period

25. Implementation status of the LARPs for the aforesaid partially completed sections under LARPs 1 & 2 assessed under the current report prepared by the CSC Consultant for RDMRDI. This SMR has been prepared reflecting the implementation status, only for the completed & handed over Parts of the bypass road to contractor for construction.

26. It is important to note that at this stage of project implementation, RDMRDI, the IA made compensation payment to the APs for their lost properties only for the sections cleared to make encumbrance free for handing over to start construction activities by the contractor. To comply ADB policy, EMC also conducted compliance monitoring exercise with required report preparation, which subsequently approved by ADB for those sections, completed LARPs implementation and compensation payment as well.

27. As on 31 December 2020 the Contractor has access to the following section of the construction site:

- ✓ 14 March 2018 - km 6+700 - km 12+830.
- ✓ 30 April 2019 - km0+850 – km1+750.
- ✓ 15 October 2018 - km0+000-km0+650 and km2+250-km6+700.
- ✓ 30 April 2019 - km0+850 – km1+750.
- ✓ 21 October 2019 - km12+830 - km13+325 except land plot with cadastral code 05.35.22.723 at section km12+860 - km12+980.

28. Table below is focused on the implementation status of the handed over sections. As it is visible there is some difference between the impacts planned under LARPs versus actual implementation. The major causes of such changes were due to errors in cadastral measurements, which required additional survey on some significant numbers of APs and their properties. The aforesaid survey & investigations resulted some changes, which are reflected in the EMC Reports in detail.

Table 3-1 - Implementation Status of LARPs 1 & 2

Project Impacts	Section 1 (except section km0+650-km0+850)		Section 2 - km6+700-km13+340 (except one land plot)		Implementation Status
	As per approved LARP only	Actual Implementation	As per approved LARP only	Actual Implementation	
No of affected Plots	527	340	1135	896	Implementation completed
Affected land Area in sqm.	231,024	229,127	388,688	379,066	Implementation completed

Project Impacts	Section 1 (except section km0+650-km0+850)		Section 2 - km6+700-km13+340 (except one land plot)		Implementation Status
	As per approved LARP only	Actual Implementation	As per approved LARP only	Actual Implementation	
No. of affected HHs	187	185	400	448	Implementation completed
No. of affected HHs with structures	163	161	409	407	Implementation completed
Crops & perennials	158	157	264	264	Implementation completed
HHs to relocate	67	66	298	298	Implementation completed
HHs Severely impacted	180	180	371	129	Implementation completed
Vulnerable HHs impacted	77	11	185	79	Implementation completed

3.3 Land Acquisition Issues Raised During Construction Activities

29. During implementation of the works, several claims were received from residents concerning the adverse impacts of Project road. Therefore, considering the actual site situation, requirements of EIA, LARP and ADB policy the following houses were additionally included in LARP:

Table 3-2 – List of the Houses Included in the LARP

No	Name	Location	Category of Impact	Status
1	ქ	km9+600 top of tunnel N5	As a result of Preconstruction survey, it was identified that the house was depreciated and living there was dangerous for the family members. Vibration caused by blasting may have negatively impacted the stability of the house. Therefore, the family was temporary relocated since the commencement of blasting at the mentioned section (May 2019) before completion of acquisition procedures.	Acquired.
2	კ	A2 Bridge No. 3	He was complaining that vibration by construction activities caused damages to his property. Vibration and noise levels were measured several times during the operation of pile drilling machine at A2. No vibration was observed. After that upon commencement of construction of access road to Tunnel Portal No. 2 Nodar Kvirikadze continued to claim about vibration from construction equipment. As a follow up vibration	Acquired.

No	Name	Location	Category of Impact	Status
			<p>was measured once again and preconstruction survey report was prepared.</p> <p>The Employer sent Samkharauli Forensics Bureau for assessment of the condition of the building. Based on the conclusion of the expert it was decided to include the house in the acquisition list. Acquisition is ongoing.</p>	
3		Km0+520	<p>1. From the north the residential house is bordered by existing Kobuleti-Batumi road where the design considers road widening works, particularly: construction of entrance (CL103) and exit (CL102) ramps to the main road (CL100). The shortest distance between the house and RoW is 29.03m. At section km0+581 of CL103 design considers construction of d=1.5m culvert, the side berm of which goes beyond the border of RoW. As per the Design water collected by the culvert flows in the nearby valley through the slope (as per the geological conclusion attached to the statement land slide processes are developed) and Mr. [redacted] yard. It should be mentioned that currently it is the same situation as due to absence of drainage channels, surface water from the existing road is flowing in the yard of Mr. [redacted] causing frequent floods of the territory.</p> <p>2. From the East the house is bordered by main Project road (CL100) and from the south by Electric Station. The shortest distance between the house and RoW of main Project road (CL100) is 23.47m.</p> <p>3. While being negatively impacted due to close location with existing Kobuleti-Batumi road, construction and exploitation of Project road (CL100) on another side of the residential house shall deteriorate living conditions of [redacted] family as they will be left in between of two roads. Letter to the Employer recommending acquisition of the house was sent. The case was considered by the Commission and it was decided to acquire the house. However, the solution of this issue extended as the AP did not agree to offered compensation and the negotiations over the compensation amount are on-going. Finally, acquisition was finalized, and AP accepted the compensation amount. The house is acquired.</p>	Acquired

No	Name	Location	Category of Impact	Status
4		On top of exit portal of tunnel No. 5	<p>He was complaining that vibration by blasting works has damaged his house. The measurements of the vibration only reached threshold of cosmetic damage therefore, Mr. Dumbadze was offered compensation for cosmetic damage. During observation the development of cracks was not identified and there is no structural damage to the house.</p> <p>Road Department invited Samkharauli Forensics Bureau for assessment of the property. It was concluded by the expert that the house is in the landslide zone and it is dangerous to live there. The property was included in LARP. Before completion of acquisition procedures, the AH was temporarily relocated. Temporary relocation agreement was signed on 18.01.20.</p>	
3		Bridge No. 12-13	Settlement of temporary embankment caused land building that damaged the structure of the house	Acquired
4				
5				
6				
7				
8				

30. It is stated in the LARP, that “The ROW, including an allowance for buffer zone per government regulation (for houses and land plots) extends 25m, measured from the edge of carriageway to the adjoining property boundary.” Moreover, clause 476 of EIA requires that houses within the 25m distance from the road edge should be included in LARP.

31. The mentioned issue was discussed during the visits of ADB mission and as per their and instruction of the Employer the Engineer updated the list of the structures located in the distance of 25m from the road edge and submitted to the Employer for further actions.

Table 3-3 – List of Non-Compliant Structures Within the Distance of 25m from the Road Edge

No	Name	Surname	Chainage (KM)	Distance from edge	In LARP Yes/No	Remarks
1			0+785	19.9	No	The process of inclusion in LARP is in progress.
2			1+000	24.7	No	The process of inclusion in LARP is in progress.
3			0+960	0.0	No	This case will be processed after completion of portal design of Tunnel No. 1. The construction method will be selected based on the soil type. Based on these impacts will be assessed and relevant mitigation measures adopted like temporary resettlement, etc.
4			1+620	21.4	Yes	
5			1+640	19.6	Yes	
6			1+770	24.4	Yes	
7			1+680	15.4	Yes	
8			1+700	16.6	Yes	
9			1+880	13.8	Yes	
10			2+950	6.93	No	Detailed design was processed, but the works were stopped by AP. Road Department has sent Samkharauli Forensics Bureau for studying the case. Conclusion is awaited.

No	Name	Surname	Chainage (KM)	Distance from edge	In LARP Yes/No	Remarks
11			2+950	6.93	No	The structure is not residential and belongs to the same owner.
12			4+520	17.7	Yes	
13			4+600	10.5	Yes	Acquired during the reporting period.
14			4+660	21.3	Yes	
15			8+640	19.2	Yes	
16			10+745	8.12	No	The process of inclusion in LARP is in progress.
17			11+000	24.2	No	The process of inclusion in LARP is in progress.
18			11+160	25.88	No	The process of inclusion in LARP is in progress.
19			11+200	6.75	No	The process of inclusion in LARP is in progress.
20			11+300	16.36	No	The process of inclusion in LARP is in progress.
21			11+460	22.5	Yes	
22			2+290	19.9	No	The process of inclusion in LARP is in progress. Not included in the original list of EIA.
23			11+880	20.7	Yes	
24			4+660	9.34	Yes	
25			12+00	6	Yes	Not included in the original list of EIA.
26			Bridge 12-13	17.8	Yes	Not included in the original list of EIA.

32. Furthermore, additional land acquisition was required for relocation works of high voltage electric lines, construction of tunnel shafts and piling system at the entrance portal of tunnel No.2. The progress is as follows:

Table 3-4 – Status of Land Acquisition for Relocation High Voltage Electric Lines, Tunnel Shafts and Pile System at the Entrance Portal of Tunnel No. 2

No	Section	Cadastral Code	Status
Relocation of high voltage electric lines			
1	Km12+769	05.35.22.510	Acquired
2	Km6+040	22.22.16.084	Acquired
3	Km4+680	22.22.09.741	Not acquired
4	Km4+680	22.22.09.742	Not acquired
5	Km4+320	Km4+320	BOT – no need of acquisition.
6	Km0+660	05.34.25.637	Acquired
Construction of Tunnel shafts			
1	No.1 shaft of Tunnel No.2 (km2+508)	05.34.22.585	Already acquired. Additional land acquisition may be required. The Contractor has not provided detailed design yet.
2	No.2 shaft of Tunnel No.3 (km6+500)	22.22.16.249	Detailed design is to be provided
3	No.4 shaft of Tunnel No.4 (km8+440)	22.24.08.002	Acquisition is on-going. Both APs do not agree to the offered compensation and request reassessment.
		22.24.03.998	
Pile system at the Entrance (km2+250 – km2+310) of Tunnel No.2			
1	km2+250-km2+310	22.21.09.530	Acquired
2	km2+250-km2+310	22.21.09.353	Not acquired
3	km2+250- km2+310	22.21.09.381	Not acquired

3.4 Temporary Resettlement and Land Leasing Cases

33. During the Project implementation several cases have been identified where the negative impact caused by construction activities could not have been mitigated by other measures but temporary resettlement of impacted HHs. Totally there are nineteen cases of temporary relocation out of which only one is on-going.

34. It was reported in pervious semi-annual monitoring report that 6 residential houses were affected by land bulging occurred due to temporary embankment that was arranged for installation of the beams for Bridge No.12&13 located at Km12+970-Km12+000. In order to ensure safety of the residents, the Contractor immediately arranged their temporary resettlement. By the end of previous reporting period acquisition of three houses was remaining which was extended due to

mistakes in land registration documents. During the current monitoring period the mistakes were corrected, and acquisition was completed. The land acquisition agreements were signed in October () and December ()).

35. In June 2020 family of Madona Kiladze was temporarily relocated from the Bridge No. 4. requested temporary relocation before commencement of the construction activities in February 2020. She stated that two of her family members have mental disorders and are identified as disabled people. They require special care and sleep during daytime and even slight change of noise levels during construction activities will disturb their normal daily routine. The family was relocated upon commencement of construction activities at the adjacent section on 8 June 2020.

36. In August 2020 the Contractor relocated two more families living adjacent to Bridge No. 4. The reason for relocation was disturbance by construction activities. Considering the fact that young children were living in the houses the Contractor decided to relocate the families until the completion of concrete works.

37. Temporary relocation agreements for all HHs adjacent to Bridge No. 4 completed by the end of September 2020 upon completion of all main works at the section.

38. In September 2020 the Contractor temporarily relocated one more family from Bridge No. 7 area. The reason for relocation was safety issues. When going to school children had cross construction site. In order to avoid negative consequences, it was decided to relocate the family.

Table 3-5 – Temporary Resettlement Cases Identified through the Project Implementation

No	Name Surname	Duration of Agreement	Location	Category of impact	Status	Follow up
1		02.02.2019 – 02.01.2020	Km12 stone column construction area	Excess noise	Completed	Included in LARP. Acquired
2		20.05.2019 – 20.11.2019	Km 9+800 Tunnel No. 5	During preconstruction survey the Engineer's and the Contractor's teams observed that the house was structurally so damaged that it may not stand even small vibration.	Completed	Included in LARP. Acquired
3		08.08.2019 – 08.04.2020	Bridge No. 5	Excess noise levels, dust, vibration caused by pile drilling machine	Completed in March.	Included in LARP. Acquired.
4		14.08.2019 – 14.04.2020			Completed	Included in LARP - Acquired.
5		12.08.2019 – 15.05.2020			Completed	Included in LARP - Acquired.

No	Name Surname	Duration of Agreement	Location	Category of impact	Status	Follow up
6	/ /	11.12.2019 – 11.04.2020	Bridge No. 12-13	Settlement of temporary embankment caused land building that damaged the structure of the house	Completed	Included in LARP - Acquired.
7	/ /	11.12.2019 – 11.06.2020				Included in LARP - Acquired.
8	/ /	11.12.2019 – 11.06.2020				Included in LARP - Acquired.
9	/ /	13.12.2019 – 13.01.2021				Acquired in January 2021
10	/ /	13.12.2019 – 13.01.2021				Acquired in January 2021
11	/ /	17.12.2019 – 17.10.2020				Included in LARP - Acquired.
12	/ /	24.01.2019 – 28.05.2020	Bridge No. 12-13	Disturbance by construction activities. The AP had daughter with rare skin disease and required calm environment.	Completed	The house is included in LARP.
13	/ /	26.02.2020 – 26.04.2020	Bridge No. 3	Excess noise levels, dust, vibration caused by pile drilling machine. The house is located near to the construction site. Negative impact could not be mitigated.	Completed.	Included in LARP.
14	/ /	28.02.2020 – 28.04.2020	Bridge No. 3	Excess noise levels, dust, vibration caused by pile drilling machine. The house is located near to the construction site. Negative impact could not be mitigated.	Completed.	Included in LARP.
15	/ /	23.03.2020 – 23.05.2020	Tunnel No.4	High levels of the vibration were observed putting in danger the house stability.	Completed	No vibration is observed in the house and there is no structural damage from blasting activities.

No	Name Surname	Duration of Agreement	Location	Category of impact	Status	Follow up
16	I	08.06.2020 – 30.09.2020	Bridge No. 4	There are three vulnerable persons living in the house and even slight increase of the noise levels can impact their health.	Completed in September	The noisy activities were completed
17	'	26.08.2020 – 30.09.2020		Noise levels.		
18	7	26.08.2020 – 30.09.2020		Noise levels.		
19	I	01.09.2020	Bridge No. 7	Safety issues. When going to school the children should cross the construction site.	On-going	

39. For construction of the road, bridge and diversion roads and establishment of campsites, the project may require some lands outside ROW. LARPs do not cover diversion roads, camp sites and quarries. According to the LARP, compensation would be paid as per policy of the LARP for the temporary impacts if found during construction.

40. Currently, the Contractor has hired 22,606 sq. m. territory with three buildings from Technoservice, Ltd for establishment of the Campsite and 70,035 sq. m. from the Ministry of Finances and Economics of the Republic Adjara for installation of plants.

41. Furthermore, the Contractor entered rental agreements with local residents for various purposes. The summary of rental agreements is provided in the table below.

Table 3-6 – Summary of Temporary Impacts

No	Name	Surname	Location	Area S	Status	Purpose of Land Use
1		I	Makhvilauri	70	Completed	Local diversion road (BR-11/P19)
2	I		Makhvilauri	300	Completed	Local diversion road (BR-11/P19)
3		'	Makhvilauri	5004	Completed	Local diversion road (BR-11/P19)
4			Makhvilauri	750	Completed	Material Storage Area

3.5 Issues Identified During Construction at Project Area

42. During ongoing road construction, some issues & concerns were reported by the local residents relating damage/threats to their houses, tree cutting, using land beyond acquisition boarder, excess noise & vibration, dust pollution etc. These issues were verified with necessary discussions with the concerned house/plot owners. Among concerns/issues found true, contractor has been advised to take necessary mitigation measure for proper solution of such problems with negotiation with the concerned parties & paying compensation, as necessary. If not under the Jurisdiction of Contractor, those cases to be referred to RD for timely & proper mitigations.

43. It was reported by previous semi-annual monitoring report that in February 2020 settlers of residential blocks located in the distance of 80-150m from the Project RoW have conducted several demonstrations obstructing the construction activities at the Stone Column Construction site. According to the residents the houses were built about 60-70 years ago and were cracked due to construction activities. As per visual inspection the observed cracks are old. This is also proved by the conclusion of Samkharauli Expertise Bureau which was issued for one of the houses and backdates the commencement of the construction activities.

44. After receiving explanation from the Engineer and the Contractor that since the Apartment buildings are at a considerable distance from the Project bridge, the impacts of the construction work could not have adversely affected the condition of the buildings, the local residents organized demonstrations headed by local NGO on 12th, 15th, 19th, 24th, 25th and 28th February 2020 and throughout March 2020 obstructing construction activities.

45. To solve this issue Road Department sent Levan Samkharauli National Expertise Bureau for technical assessment and Bridge Testing Centre of Georgian Technical University for measurement of vibration. Vibration measurements took place on 10 March and 3 May 2020.

46. It was concluded by Samkharauli National Forensics Bureau that the vibration from on-going construction works: strengthening of soft soil by stone columns and construction of bridge No. 12-12, could not damage the properties of the Complainants.

47. The works are stopped at the exit portal of Tunnel No. 2 as well due to the issues raised by Mr. ξ resident on top of the portal. The Project considers construction of Tunnel No. 2 and slope strengthening works above the exit portal of Tunnel No. 2 adjacent to the property. The distance between the Tunnel Portal and the closest residential building (owned by ξ) is 49.3 while the slope excavation line is located at a distance of 16.3m from the house. The Contractor intends to strengthen the slope by piles. However, the family of citizen ξ concerns that their house may get damaged due to construction activities and they will receive negative impact during operation of the Project road such as excess noise and air pollution. After site visits Road Department sent experts from Levan Samkharauli Expertise Bureau (15 November 2020). The decision is awaited.

48. Works are also stopped at the entrance portal of Tunnel No. 1 due to issues raised by citizen ξ . She claims that the stability of her house will be impacted by construction activities. On 15 November 2020 expert from Samkharauli Forensics Bureau checked the house. The issue will be solved after receiving conclusion from Samkharauli Expertise Bureau.

49. On November 15 experts from Levan Samkharauli Expertise Bureau also visited the house of Kamil Kahraman, who is complaining that his house was cracked because of vibration caused by construction activities of Bridge No. 3.

50. The acquisition procedures of the two land plots at Interchange No. 3 (CL210 and CL204) which fall in the right of way of the Project road and were not identified in the LARP is on-going. Out of these two land plots one is unregistered owned by citizen [redacted] and land use fact is not confirmed by N(N)LP “Agency of Municipal Services” as per the procedure. However, the site inspection proves that the Mr. [redacted] grows vine and other perennials on the above mentioned plot, which indicates to the fact that the land plot is definitely in his use and the neighbours also support him and confirm that he has been using the land for about 30 years. It was decided by the Employer to resubmit the statement to N(N)LP “Agency of Municipal Services”. The construction works are stopped at the mentioned sections waiting for the completion of acquisition procedures.

51. Construction activities of Bridge 6A, C and D and relocation works high voltage lines are obstructed at section km4+960 – km 5+000 by Kvadri LTD. Equipment and inventory owned by Kvadri, Ltd are stored at the territory of RoW, even though the land plot is acquired and registered as state property. The owner of the land plot has verbally informed that he is not going to free the land plot for construction activities. The Employer was informed about the mentioned issue and legal proceedings are on-going.

52. In April 2020 Mr. [redacted] claimed that the land plot under his ownership was damaged due to the construction activities (BR-10). In accordance to the agreement between the Contractor and citizen [redacted] the Contractor dumped the soil in the land plot of citizen [redacted] whose land plot is bordering the land plot of the Complainant ([redacted]). During heavy rains the soils was washed out in the land plot of citizen [redacted] damaging perennial trees and soil quality. [redacted] was also claiming that the access to his land plot was restricted and was requesting compensation for stand down of crops.

53. After several site visits and meetings with AP the following mitigation measures were agreed:

- (i) the Contractor shall compensate for the loss incurred by the Complainant due to sliding of the material from [redacted] land plot.
- (ii) The improvement of current condition of access road is impossible and the Employer will compensate stand down of the crops.
- (iii) Access road will be improved after completion of the main works at Bridge 10.

54. Excavation works of Tunnels No.3 and No.4 commenced in September 2019. During the reporting period monitoring of the houses in the structural and cosmetic damage risk zones of Tunnel No. 3 and Tunnel No. 4 were on-going. The Contractor implementing monitoring of vibration caused by blasting works in different houses. Since October 34 complaints (4 during May) were received from local residents claiming that new cracks were developed in their houses due to tunnel construction activities. Out of 34 complaints so far 6 are closed after the measurements of the vibrations. The complainants were living out of the defined risk zones around 300-400m away from the tunnel construction areas and the measurements did not show any vibration during blasting. Other cases are closely monitored by the Contractor and after completion of blasting activities the final assessment will be issued.

55. On 2 October 2020 adjacent territory of Bridge No. 3 was flooded due to large amount of precipitation. Claim was received from citizen Mr. [redacted] (Bridge No. 3) whose land plot was washed out putting in danger the trees. The Contractor has implemented strengthening works of the riverbed, but it is not fully completed due to limited access. The Complainant is waiting for the compensation of the trees.

56. Local residents have raised some issues concerning damage to their properties caused by construction activities. These issues require the Contractor's follow-up. However, despite the Engineer constant reminders and engagement they still remain unresolved. These issues are summarized in table below:

Table 3-7 – Summary of Pending Social Issues Raised by the Local Residents

No.	Reference No.	Subject and Description	Follow-up	Status/Comment
1	5015001/2/1101 dated 04.11.19	resident adjacent to stone column area expressed dissatisfaction as her land plot was flooded due to inadequate drainage at the construction site. As a result, plants and fence were damaged, and drainage channels inside the land plot were blocked by material from the construction site.	The Contractor reported by letter No. GEO/BB/965-20 dated 14 March 2020 that he could not access the land plot and some of the damage was not caused by construction activities. However, during a site inspection the Engineer's representative observed otherwise. Currently the channels are cleaned, and the fence has been restored by the Contractor.	Compensation for the damaged plants is remaining.
2	5015001/2/1107 dated 05.11.19	The land plot of resident was flooded due to inadequate drainage at the construction site.	The Contractor paid compensation for the damage.	The Complaint was closed on 7 October 2020.
3	5015001/2/1215 dated 30.12.19	resident adjacent to stone column area was expressing dissatisfaction as her land was flooded due to inadequate drainage at the construction site.	The Contractor did not report any actions taken by him. During site inspection of the Engineer the complainant reported that she did not receive any damage, however, she cleaned her land plot and yard from the flood material by herself.	
4	5015001/2/1235 dated 18.01.20	resident adjacent to entrance portal of tunnel No. 5 complains that the material from the construction site slid onto his land plot. Moreover, large stones also rolled down onto the land plot. As a result, plants were damaged.	No actions reported by the Contractor. The Complainant complained in Court.	
5	5015001/2/1233 dated 18.01.20	resident residing adjacent to exit portal of tunnel No. 3 is complaining that polluted water from the tunnel site is directly flowing into his land plot. The	The Contractor reported in letter No. GEO/BB/964-20 dated 14 March 2020 that the land plot was cleaned, and the large stones were removed. Water was also	In December the Complainant registered the land plot and referred to the Employer by complaint. Letter with

No.	Reference No.	Subject and Description	Follow-up	Status/Comment
		flooding also damaged the access road to the land plot.	diverted from the land plot. However, during a site inspection it was observed that the land plot is still being flooded from the construction site. Furthermore, the polluted water from the tunnel construction site is causing withering of the trees. The access road also needs to be restored. The citizen should provide documents proving land use or ownership of the land plot.	instruction was sent to the Contractor again.
6	5015001/2/1270 dated 07.02.20	resident adjacent to bridge No. 8 is complaining that her land plot was flooded several times due to pipes of inadequate size inserted by the Contractor with the purpose of construction access road to the Site.	The Contractor reported by letter GEO/BB/946-20 dated 5 March 2020 that an additional pipe was installed, and outlets were widened. Since then the land plot of the complainant was not flooded again. However, due to frequent flooding prior to the remedial works, several mandarin trees have withered. The Complainant is requesting compensation for damaged trees.	
7	5015001/2/1322 dated 17.03.20	is complaining that his land plot, crops and house were damaged due to construction activities.	No actions reported by the Contractor. The Complainant has not provided any documents proving that he is land user.	
8	5015001/2/1321 dated 17.03.20	is complaining that due to tunnel blasting activities his water basin is damaged, and he is left without water supply. He also claims that cracks have appeared in his house and his access road is damaged.	No actions reported by the Contractor.	
9	5015001/2/1358 dated 03.04.20	is complaining that the Contractor violated the RoW border and used part of his land plot for construction of an access road.	No actions reported by the Contractor.	
10	5015001/2/1464 dated 02.06.20	The Complainant is providing	No actions reported by the Contractor.	

No.	Reference No.	Subject and Description	Follow-up	Status/Comment
		conclusion from LEPL Levan Samkharauli National Forensics Bureau where it is stated that the damage to the Complainant's house is caused by the construction activities of the Project road.		
11	5015001/2/1472 dated 05.06.20	The material from Tunnel Construction site is flowing into the land plot.	No actions reported by the Contractor.	
12	5015001/2/1551 dated 11.07.20	Citizen Ⴓ complained that due to material stockpiled by the Contractor adjacent to Bridge No. 12-13 the channels were blocked that causes flooding of her land plot during heavy rain.	On 10 November 2020 the Contractor reported that he removed the soil and cleaned the channels.	
13	5015001/2/1620 dated 01.09.20	Ⴓ raised concerns regarding the damage to her private property. The fact was confirmed by field survey conducted by the Engineer.	No actions reported by the Contractor.	
14	5015001/2/1634 dated 09.09.20	Claim of Ⴓ concerning flooding her property due to improperly placed culvert.	The Contractor is trying to negotiate with the Complainant. The Complainant does not agree to the offered compensation.	The Complaint was closed on 10 October 2020.
15	5015001/2/1658 dated 23.09.20	Claim of Ⴓ concerning flooding her property on 23 August 2020 due to improper drainage at construction of entrance portal of Tunnel No. 2	The Contractor removed the mud and washed the yard. Compensation for the damage is remaining.	
16	5015001/2/1708 27.10.20	Claim of citizen Ⴓ (BR12) concerning damaging his fence due to flooding.	No actions reported by the Contractor.	
17	5015001/2/1716 30.10.20	Claim of citizen Ⴓ concerning damaging the property. The fact was confirmed during inspection of the Engineer.	No actions reported by the Contractor.	

4 GRIEVANCE REDRESS MECHANISM (GRM) & GRIEVANCE REDRESS STATUS

4.1 Formation of Grievance Redress Committee (GRC)

57. A GRM for the project already been established, abide by the LARF policy and currently are working to allow the APs to appeal any disagreeable decision, practice or activity arising from land or other assets compensation, or any other aspect of project implementation. APs have been fully informed of their rights and of the procedures for addressing complaints, whether verbally or in writing, during consultation, survey etc. and they will also be informed at time of payment of compensation.

58. A Grievance Redress Committee (GRC) under the GRM also established at the community level (village/community authority) to resolve complaints and grievances through community participation. The Local GRC was established on 14 June 2016, to receive written as well as verbal grievances. The GRC has been formed with representatives from RDMRDI, local Gamgeoba, APs, women APs, and appropriate local NGOs to allow voices of the affected communities to be heard and ensure a participatory decision-making process. GRC decisions will be on a majority basis and will be publicized among the local communities. If the complainants are not satisfied with the GRC decisions, they can always file their cases in court.

59. GRCs formed with an office order from the Ministry of MRDI comprising the following persons/officials:

Representatives of local authorities (Gamgeoba):

1. Merab Mikeladze – village Makhinjauri
2. Vazha Tsitsandze – village Gantiadi
3. Avtandil Tarieladze – village Kapreshumi
4. Irakli Turmanidze - village Salibauri
5. Beglar Abashidze – village Peria
6. Shalva Zakaradze – village Makhvilauri

Representatives of Roads Department of Adjara:

1. Merab Gvarishvili – Roads Department of Adjara (GRC Secretary)
2. Giorgi Gvaramadze – Advisor of Head of Department RDMRDI.

Representatives of Local NGOs

1. Georgian National Academy of Science, Land Resource Management Commission (NGO)
2. Institute of development of regional and local government (NGO)

Representatives of Local Community

1. Guram Iremadze – Village Sameba
2. Elguja Guguladze – Village Peria
3. Nugzar Dumbadze – Khelvachauri rayon
4. Pezli Tsulukidze - Khelvachauri rayon

4.2 Grievances Received & Redressed up to Reporting Period at Level 1 (GRCE)

60. A total of 175 persons have submitted 11 categories of grievances to the GRC out of which 89 grievances have been resolved as of 31 December 2020. People now mostly (57Nos.) applied for damage to their assets caused by construction activities out of which 17 have been completed. Out of remaining 40 cases 11 cases are pending with the Contractor and 16 cases are from tunnel blasting zones. 39 Aps request inclusion of their residential structures or land plots in the acquisition list, out of which 20 cases are finalized. 27 APs express dissatisfaction due disturbance by noise/vibration and dust out of which 12 cases completed. Out of 15 open cases 9 cases are from the tunnel N3 and tunnel N4 areas.

61. Cases from Tunnel blasting zones will be finalized upon completion tunnel construction activities.

Table 4-1: Summary of the Grievances by Category with Status of Resolution Received up to Reporting Period at Level 1 (GRCE)

N	Nature of Grievances	No of Total Grievances	Result		Remarks
			Open	Closed	
1	Inclusion in LARP	39	19	20	
2	Compensation Rate	11	0	11	
3	Registration/ownership status	7	0	7	
4	Damage to infrastructure/Assets	57	40	17	16 cases are from tunnel blasting zones.
5	Disturbance by noise/vibration/dust/flood	27	15	12	9 cases are from tunnel blasting zones.
6	Crop Compensation	3	0	3	
7	Loss of access road	9	7	2	
8	Recruitment/Employment	1	1	0	
9	Road upgrading	1	1	0	
10	Loss of Business	1	0	1	
11	Other	17	1	16	
	Total	175	84	89	

Table 4-2: Summary of the Grievances by Category with Status of Resolution Received during the Reporting Period (01.07.20 – 31.12.20) at Level 1 (GRCE)

N	Nature of Grievances	No of Total Grievances	Result		Remarks
			Open	Closed	
1	Inclusion in LARP	4	3	1	
2	Compensation Rate	0	0	0	
3	Registration/ownership status	0	0	0	
4	Damage to infrastructure/Assets	2	2	0	
5	Disturbance by noise/vibration/dust/flood	8	5	3	
6	Crop Compensation	0	0	0	
7	Loss of access road	2	2	0	
8	Recruitment/Employment	0	0	0	
9	Road upgrading	1	1	0	
10	Loss of Business	0	0	0	
11	Other	1	1	0	
	Total	18	14	4	

4.3 Grievances Received & Redressed up to Reporting Period at Level 2 (GRCN)

62. A total of 58 persons have submitted 10 categories of grievances to the GRC out of which 28 grievances have been resolved as of 31 December 2020. People now mostly (27Nos.) applied for inclusion in the acquisition list out of which 13 have been completed. 10 APs express dissatisfaction due to damage they received because of construction activities. 5 cases have been resolved in this category.

Table 4-3: Summary of the Grievances by Category with Status of Resolution Received up to Reporting Period at Level 2 (GRCN)

N	Nature of Grievances	No of Total Grievances	Result		Remarks
			Open	Closed	
1	Inclusion in LARP	27	14	13	
2	Compensation Rate	5	1	4	
3	Registration/ownership	3	1	2	

N	Nature of Grievances	No of Total Grievances	Result		Remarks
			Open	Closed	
	status				
4	Damage to infrastructure/Assets	10	5	5	
5	Disturbance by noise/vibration/dust/flood	3	2	1	
6	Crop Compensation	1	1	0	
7	HSE Concerns	3	2	1	
8	Loss of Business	2	1	1	
9	Restriction or loss of access road	3	2	1	
10	Other	1	1	0	
	Total	58	30	28	

Table 4-4: Summary of the Grievances by Category with Status of Resolution Received During the Reporting Period (01.07.20 – 31.12.20) at Level 2 (GRCN)

N	Nature of Grievances	No of Total Grievances	Result		Remarks
			Open	Closed	
1	Inclusion in LARP	9	8	1	
3	Damage to infrastructure/Assets	1	1	0	
5	Crop Compensation	1	1	0	
7	HSE Concerns	1	1	0	
8	Restriction or loss of access road	2	2	0	
	Total	14	13	1	

5 OTHER COMPLIANCE ISSUES

5.1 Maintaining Core Labor Standard

63. As of December 2020, the Contractor has engaged 353 personnel, out of which 80 (22.6%) are foreigners and 273 (77.4%) are Georgian nationalities. As for the Subcontractors out of 275 employees 68 (24.7%) are foreigners, while 207 (75.3%) are local.

64. Despite the Engineer's requests the Contractor still fails to provide complete information required by the Engineer as per relevant clauses of GCC. During the reporting period the Engineer's team conducted survey between the workers of the Contractor with simple questionnaire. As per the monitoring the Worker receive the salary timely and they are paid for overtime working hours.

65. As a follow up the Employer has instructed the Contractor to comply the requirements of the GCC and instruction of the Engineer. However, despite the Contractor's promise the provision of the information is postponed and will be reflected in the next report.

66. The Contractor has 10 hours working day (from 8 a.m. to 7 p.m.) plus alternative Sundays which amounts to 60-70 hours per week, exceeding the requirement of Georgian Labour Code which sets maximum 48 working hours per week. In such case Contractor should compensate overtime working hours with higher rate or give an employee day-off.

67. The complaint from citizen I _____ former employee of the Contractor is still unresolved. The Complainant referred to the Engineer requesting the information about the incident that occurred on 31 August 2019. As per his statement during the incident he received personal injury and as result he has developed permanent disability and is unfit for work. The Engineer checked the incident report provided by the Contractor and contradicting the statement of Rostom Shahikadze there is nothing mentioned about permanent disability developed as a result of the injury. Therefore, the Engineer instructed the Contractor to provide comprehensive report about the occurred accident with all the supporting documents including medical records of the injured person. Moreover, the Engineer reminded the Contractor about the requirements of Article 21 [Right of Data Subjects to request the Information] of LAW OF GEORGIA ON PERSONAL DATA PROTECTION and instructed to provide the complainant with the requested information as soon as possible. On 24.06.2020 he filed another claim requesting compensation for the damaged received at the workplace which is regulated by Clause "e" of article 10 of Organic Law of Georgia on Labour Safety and Decree No. 48 (9.02.99) of the Georgian President. However, the Complainant has not yet provided any medical document proving that he definitely received trauma.

5.2 Child labor in the Project Activities

68. During field monitoring period, no child labor (below the age of 18 years) were found engaged in the project works.

5.3 Forced or Compulsory Labor

69. All workers are deployed according to their eligibility and willingness. The female workers who are mostly engaged in cooking and cleaning are also deployed based on their eligibility and willingness.

5.4 Discrimination in Respect to Employment

70. During monitoring, no discrimination identified among the workers in terms of gender, locality, nation or religion, wages/salary.

5.5 Health and Safety and HIV/AIDS Awareness Program

71. The Contractor has arranged a medical office and employed Doctors for the treatments of the staffs/employees of the contractor.

72. The Contractor has appointed an accident prevention officer at the Site, who is responsible for maintaining safety and protection against accidents. He was found available on site every day.

73. To comply with the requirements of clause 6.7 of GCC the Contractor is conducting trainings for Site staff and labor and their families in connection to Sexually Transmitted Infections (STI) and Sexually Transmitted Diseases (STD) including HIV/AIDS on a quarterly basis. However, due COVID19 situation all training was postponed or conducted with a limited number of attendees. After removal of COVID19 restriction first training were conducted in June 2020 and reported through previous semi-annual report.

74. During the reporting period the training was conducted on 14 September targeting prevention of COVID-19, Hepatitis and HIV. Training included personal hygiene, proper PPE, and recognition of early symptoms.

75. The Engineer conducted Safety Awareness and Social Responsibility training on 26 August 2020, with the Contractor's foremen staff. The purpose of this training was to increase the safety awareness, outline roles and responsibilities and involve foremen staff more in the management of safety and social issues.

76. Since October 2020 the number of people infected by COVID19 has increased rapidly in Georgia. Therefore, the Government imposed new sanctions such as lockdown from 21:00 to 5:00 and restriction of movement of public transport. The Contractor's personnel got also infected and as a result the works were suspended for several days in November. The Contractor's Project Manager was also infected by COVID19. He was hospitalized for several days and after that took a holiday and returned home for full recovery. Absence of Project Manager as well as limitation of contact with local resident due to pandemic has negatively impacted the progress of solution numerous issues raised by local residents. Progress of land acquisition was also obstructed by worsening of pandemic situation.

77. The Contractor continues to control the implementation of COVID-19 Preventive Procedures and COVID-19 Action Plan. At different worksites, during the reporting period various violations of COVID-19 preventive procedures were observed by the Engineer, such as failure in provision of basic welfare facilities (hand washing stations), lack of necessary hygiene supplies (soap, sanitizer etc.) and workers without face masks during the transportation in minibuses and working processes when social distance cannot be maintained. Without effective supervision, it is hard to achieve the improvement in this regard, due to the spread of workforce and complexity of process itself. The Engineer instructed the Contractor to appoint responsible person at every worksite for the implementation of COVID-19 preventive procedures, with the responsibilities ensure that all necessary hygiene supplies are provided and to timely resupply them. SVR No. 100 was issues by the Engineer's HS Specialist in this regard.

78. Totally, 26 employees from the Contractor's side and 7 from the Engineer's side have been infected by COVID19. All of them are recovered by now.

79. At this moment, all WMP and HSE meetings are being conducted remotely and scheduled trainings have been postponed.

6 SAFEGUARDS COMPLIANCE STATUS

6.1 Status of Recruitment/Mobilization of Safeguard Team

80. CSC Consultants mobilized two positions of Social/Resettlement Specialist, of them one National (NRS) and one International Social/Resettlement (IRS) for the project in March & October 2018 respectively. They are currently continuing their works and are assisting/supporting RDMRDI with constant monitoring, in connection to resettlement program implementation with other social safeguards issues of the project. However, input of the IRS has a provision of 12 months intermittent inputs over the project implementation, while the NRS with 27.2 months. The RDMRDI established a Resettlement Division & Resettlement Unit at the PIU level with requisite officers & staffs from beginning of the project to carry out & support to implement resettlement & rehabilitation of APs and other safeguards issues of the project covering total project implementation periods

6.2 Project Social Safeguard Performance

81. From the beginning of the project implementation to till the current reporting period, 'PIU's RU team are working. Since, mobilization of CSC consultant's Experts are working on social/resettlement safeguards issues. Both the PIU & CSC experts are conducting required survey/investigations at the project site with necessary consultation with the stakeholders including beneficiary and affected people of the subproject with monitoring considering social safeguard issues. However, till the reporting periods, all the APs have been paid their due compensation with proper resettlement & rehabilitations for the partial road sections and already handed over to the contractor. The contractors are carrying out physical construction on those sections of the road. The remaining road sections currently under implementation of LARP through paying compensation to the APs. However, CSC's Resettlement Specialists are constantly monitoring resettlement & social safeguards issues, accordingly, they are preparing & submitting monthly, quarterly & Biannual monitoring reports to RDMRDI/PIU regularly.

82. No Bi-Annual Social Monitoring Report prepared since project starting of LARP implementation to June 2018. So as required, after mobilization, IRS with assistance of the NRS & guidance from RDMRDI/PIU prepared First Bi-Annual Social Monitoring Report covering the periods from beginning of project implementation to June 2018. This current report be considered as the sixth Social Monitoring Report in connection to LARPs implementation & related social safeguards issues of the project.

6.3 Compliance with Safeguard Covenants of Loan Agreement

83. Covenants of the loan agreement between ADB and MRDI that related to resettlement & social safeguards presented below in a tabular Matrix form with the status of compliances up to the reporting period.

Table 6-1 - Status of Resettlement and Social Safeguard Issues Related to Loan Covenants as of 31 December 2020

Covenant	Safeguard Applicability	Status of Compliance
<p><u>Implementation Arrangements:</u> The Borrower, RDMRDI, the IA shall ensure that the Project is implemented in accordance with the detailed arrangements set forth in the PAM & agreement between the parties. Any changes to the PAM shall become effective only after approval of such change by the Borrower and ADB. In the event of discrepancy between the PAM and the Loan Agreement, the provisions of this Loan Agreement shall prevail.</p>	<p>Loan Agreement between RDMRDI and ADB</p>	<p>Complied with.</p>
<p><u>Grievance Redress Mechanism:</u></p> <p>RDMRDI shall establish a Grievance Redress Mechanism (GRM), acceptable to ADB, and also to establish local GRC to receive and resolve complaints/grievances or act upon reports from APs or stakeholders any other issues, including grievances due to resettlement.</p>	<p>ADB Loan Agreement</p>	<p>Following loan covenant, MRDI completed formation of GRM. And GRC also formed under the GRM of the Batumi Bypass Project with necessary approval from competent Authority. The GRM & GRC are in place and functioning at the Project & Local levels to resolve complaints/grievance of the stakeholders & APs, as required.</p>
<p><u>Resettlement:</u></p> <p>The Borrower, RDMRDI shall ensure that:</p> <p>a. The project involves involuntary resettlement shall be carried out in accordance with the Land Acquisition & Resettlement Framework (LARF) agreed upon between the Borrower and ADB, that prepared LARP & other documents with updates based on Borrower's prevailing Acquisition of Property Ordinance with subsequent amendments & ADB's SPS, 2009.</p>	<p>ADB Loan Agreement</p>	<p>Two LARPs prepared & updated by RDMRDI abide by the ADB & GOG policy following detail design and were approved by ADB.</p>

Covenant	Safeguard Applicability	Status of Compliance
<p>b. The LARP that has been prepared and agreed by the Borrower and ADB, for the project, shall be updated and provided to ADB for review and clearance following detailed design and prior to civil works contract award;</p>	<p>ADB Loan Agreement</p>	<p>LARPs prepared & updated and get approved by ADB prior to civil works contract. Moreover, during implementation, Social safeguard issues include land acquisition and resettlements were furthermore verified by RDMRI's relevant team, for design completed/ implementation ready LARPs, which necessitated to prepare an addendum. Accordingly, a detail review of impacts conducted through required surveys/investigations, measurements of affected disputed properties with the full satisfaction of APs & prepared an addendum to LARPs. Subsequently LARPs & Addendum has been implemented.</p>
<p>c. Conduct Compliance Monitoring of Implemented LARPs.</p>	<p>As per ADB Loan Agreement</p>	<p>After completion of LARP implementation with addendum for partial road sections with completion of compensation payment to APs, LARPs Implementation compliance Monitoring were done by an External Monitoring Consultant (EMC) conducting required Survey, they prepared three Compliance Reports (CR) for the partial road sections. These CRs endorsed by MRDI & subsequently, approved by ADB</p>
<p>d. All affected persons are given adequate opportunity to participate in the resettlement planning and implementation;</p>	<p>ADB Loan Agreement</p>	<p>Complied with</p>

Covenant	Safeguard Applicability	Status of Compliance
e. The LARPs are disclosed to the affected persons, who are compensated and assisted prior to displacement from their houses, land and assets, before commencement of Civil Works;	ADB Loan Agreement	Complied with
f. additional assistance is provided for vulnerable groups;	ADB Loan Agreement	Complied with
g. works contracts under the Project include requirements to comply with the RPs;	ADB Loan Agreement	Provision included in the bidding documents of the Works contracts.
h. implementation of the LARPs is monitored internally by the PIUs with assistance from CSC and reported monthly, Quarterly & SMR to the RDMRDI who shall report the results semiannually to ADB; and	ADB Loan Agreement	Complied
i. affected person(s) have an opportunity to express grievance at appropriate levels, and that local officials are instructed to resolve disputes and implement measures promptly in accordance with the grievance redress process outlined in the LARF & LARPs	ADB Loan Agreement	Ensured and APs are availing those opportunities duly, as requires & where applicable.

7 CONCLUSIONS

84. The Batumi Bypass Road Project implementation is ongoing, where resettlement & safeguards compliance is an important and highly valued aspect. The beginning of the project's social safeguard aspects started from the feasibility study through conducting necessary census and survey of the project affected people to prepare LARF & LARP. Subsequently, LARPs were finalized/updated based on the detailed design covering resettlement and social safeguard issues. A total of two LARPs and one LARF were prepared for the project, harmonizing ADB's SPS 2009 and GOG policy standards for the land acquisition and resettlement of the APs. The LARPs in due course, was approved. During LARP implementation, preparation of an addendum to LARPs was necessary to make some corrections of inventory of affected properties pertaining to existing condition. The LARPs implementation program started by RDMRDI, since last half of 2016. The implementation of LARPs, as mentioned in the LARF, LARPS and project conditionality is complying with provisions to monitor both internally & externally of the entire resettlement implementation. In this connection, LARPs implementation compliance monitoring was conducted and prepared four CRs for the implementation completed parts of the road. And this is the sixth Bi-Annual Social Monitoring Report (covering the period of July – December 2020) prepared by the CSC Consultant for RDMRDI by the CSC's Resettlement Specialist. However, monthly & quarterly progress monitoring report are regularly producing and submitting by the NRS, since her mobilization in March 2018.

85. In sum, it may be concluded that the RDMRDI teams working hard to make payment (compensation and other additional grants and benefits) to the APs timely with mitigation of grievances. Till date, the LARP implementation for the partial sections comprises almost of the road ROW (98%) completed with required relocation of affected households before handing over land to the contractor for construction. It was revealed from the monitoring of LARPs implementation, substantial progress in connection to LARP implementation has been done in compliance to the ADB & project policy. It may be mentioned that a small portion of remaining road alignments still under implementation. It is expected that implementation for this portion, will also be completed soon. Once implementation complete, EMC will conduct their compliance monitoring activities and is expected to submit their report as soon. Hopefully, the next Semi-annual Report, which will be due in June 2021 will cover total picture of the LARP implementation status.