

Social Monitoring Report

Semestral Report (January - June 2021)

July 2021

Georgia: North–South Corridor (Kvesheti–Kobi) Road Project

Prepared by Construction Supervision Consultant for the Road Department of the Ministry of Regional Development and Infrastructure and 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
EBRD	European Bank for Reconstruction and Development
EMC	External Monitoring Consultant
GEL	Georgian Lari
GoG	Government of Georgia
HH	Households
HIV	Human Immunodeficiency Virus
IA	Implementing Agency
IFC	International Finance Corporation
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
RD	Road Department
NGOs	Non-Government Organizations
PAM	Project Administration Manual
PCP	Public Communication Policy
PIU	Project Implementation Unit
PPE	Personal Protection Equipment
PR	Performance Requirement of EBRD
RD	Road Department
RoW	Right of Way
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-IIs; 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: People who have trespassed onto Public/ Private/ Community land to which they are not authorized. If such people arrived before the entitlements cut-off date, they are eligible for compensation.

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.

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1. INTRODUCTION

1.1 Resettlement Monitoring and Evaluation

1. Resettlement Monitoring and Evaluation is an integral part of the social safeguard requirements (Involuntary Resettlement and Indigenous Peoples) including the land acquisition and resettlement (LAR) process covering the preparation, implementation and monitoring of Land Acquisition & Resettlement Plans (LARP). This is a requirement under ADB's Safeguard Policy Statement 2009 (SPS) and the corresponding loan and project agreements. The objective of monitoring is to review and assess the implementation of LARP and to confirm i) implementation of LARP, ii) payment of compensation to DPs and livelihood restoration support, iii) effectiveness and adequacy of compensation entitlements and any improvements in the livelihood of those poor and vulnerable, iv) any deviation, gaps or safeguards noncompliance pertaining to (a) payment of compensation to DPs prior to start of construction work, and (b) safeguards monitoring and any corrective actions needed to address safeguards noncompliance in implementation.

1.2 Social Monitoring Report (Internal)

2. This Semi-Annual Social Safeguards Monitoring Report for North–South Corridor (Kvesheti–Kobi) Road Project, Georgia covers the implementation period from January to June 2021. It provides information on social safeguards activities related to the preparation and implementation of the LAR plans (LARP) as well as other raised safeguards issues. 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.

3. The ultimate objectives of this monitoring report are to:

- a. verify status of resettlement implementation for the project that complies with the approved ARP.
- 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 up to the end of reporting period.
- d. satisfaction of APs with the process of compensation payment & amount of compensation; and
- e. Other social safeguards issues such as: wage laborers, labor issues, HIV/AIDS, grievances/complains received during construction/resolved etc.

1.3 Background of the Project

4. Due to its geographic location, Georgia's plays a role of major transit country. Over the past 10-15 years transport of goods into and through Georgia has increased. However, many of the roads are poorly equipped to cope with the volume of traffic and the proportion of heavy vehicles, and factors such as insufficient dual carriageways, routing through inhabited areas and inadequate maintenance create difficulties for haulage companies, truck drivers, Georgian motorists and local residents.

5. The Government of Georgia has launched a program to upgrade the major roads of the country. The program is managed by the Roads Department (RD) of the Ministry of Regional Development and Infrastructure and aims to improve transportation and transit of goods in Georgia and to surrounding countries. As a part of the program, upgrading Jinvali-Larsi section of the E117 is planned. The Jinvali-Larsi corridor crosses the Caucasus mountains and aims to improve transportation to and from Russia. It consists of three sections: Jinvali - Kvesheti, Kvesheti-Kobi and Kobi-Larsi.

6. As for the residents of the Khadistskali gorge – currently the villages are poorly accessible in winter. According to official statistics (ref census 2002 and 2014) the decrease in Kvesheti community is significant. The decisive factor of decrease in population is the poor accessibility in winter especially for the localities at the higher altitude. The residents have to walk a long distance (for Tskere – around 7km) for basic food and medication. No first aid facilities are available in the area. The road will improve access to the settlements in particular those located higher in the gorge. Better access together with other benefits, ensured for permanent residents of the mountainous settlements under the national legislation, can be considered as one of the ways for reversing migration from the area.

1.4 Project Description

7. The Kvesheti-Kobi section is the most challenging one as it includes 9 km main tunnel that will cross the Caucasus ridge and bypass the existent road that connects Kvesheti to Tskere through Gudauri area and the Jinvali pass. This will cover around 23 km of the highway and will replace the existing Kvesheti to Kobi road section which is around 35 km long and crosses the Jvari Pass at an altitude of around 2,400 m with poor driving safety conditions. Thus, saving the travelling cost, time delay by reducing the travelling distance of 12 km through very difficult mountainous terrain, especially, during the winter and less fuel consumptions resulting in emissions savings.

8. The new Kvesheti-Kobi Road Project will guarantee operational continuity during wintertime; Furthermore, locals having year- round access to the healthcare, education institutions, trading centers, etc. that will significantly improve quality of life Kazbegi and Dusheti Municipalities. the proposed Project spans from the Kvesheti area and Khada Valley in the Dusheti Municipality to the Kobi area in the Kazbegi Municipality. Due to poor accessibility in winter and no first aid facilities the decrease in Kvesheti community is significant. The road will improve access to the settlements, particularly, for those located higher in the gorge. Improved access together with other benefits, ensured for permanent residents of the mountainous settlements under the national legislation, can be considered as one of the ways for reversing migration from the area. Kvesheti-Kobi road section with six junctions and three service roads will play an important role in the development of Kazbegi and Dusheti municipalities by facilitating the communities of Kvesheti, Bedoni, Tskere and Kobi by providing year-round access to markets, educational institution, health facilities of capital Tbilisi and increase the tourist attraction in Tskere valley.

9. The length of the new alignment is 22.7 km and will be divided into two construction packages, or 'Lots' as follows (see Figure No.1):

- Lot 1: Tskere – Kobi: Chainage KM 12.7 – KM 22.7 (10 km)
- Lot 2: Kvesheti – Tskere: Chainage KM 0.0 – KM 12.7 (12.7 km)

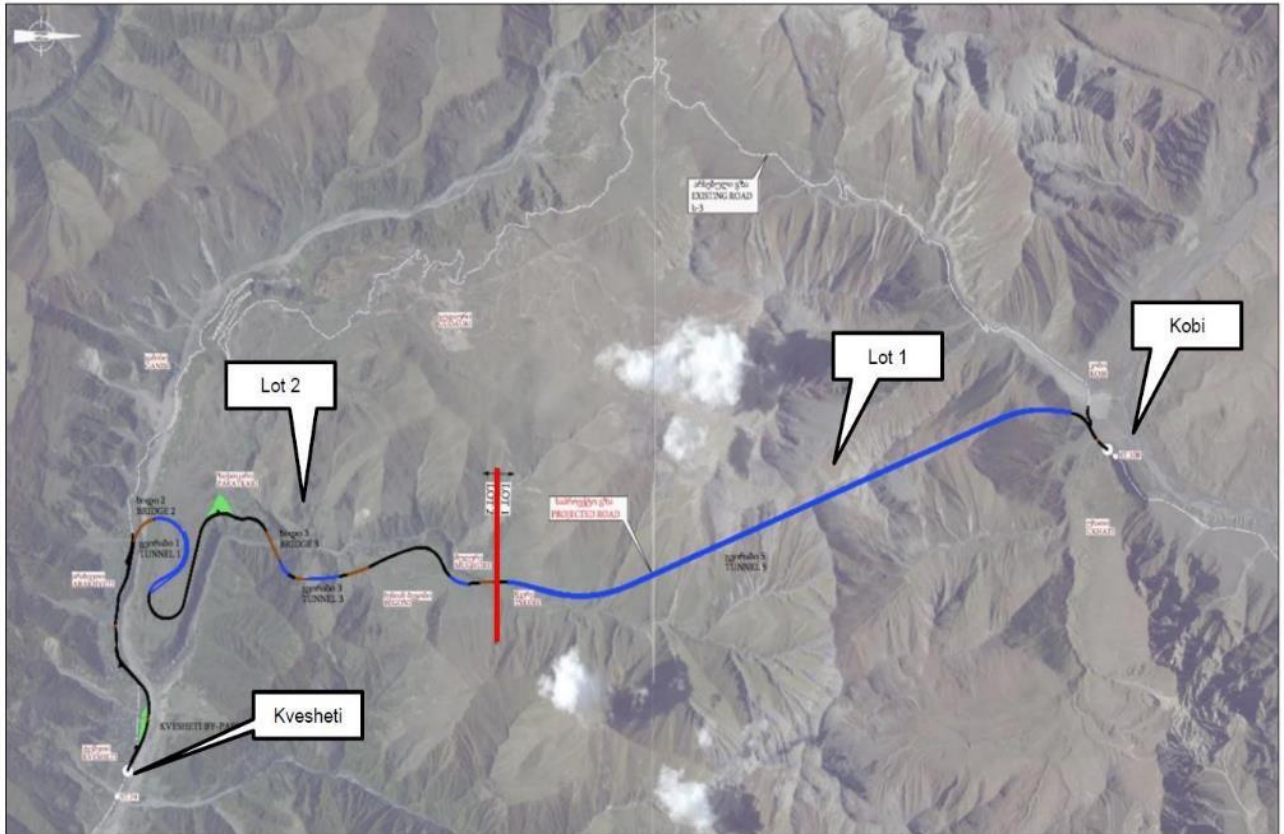


Figure 1. Project Location Map

10. The Tskere-Kobi portion of the Project road, also referred to as ‘Lot 1’, includes 8.86 km long tunnel with two cut and cover sections and a junction connecting to the existing road near Kobi. More specifically Lot 1 includes:

- 178 m long section of road from Tskere to the south portal of Tunnel 5.
- Tunnel 5: 8.86 km long bidirectional, 2 lane tunnels (max. gradient 2.35%).
- Two cut and cover (C&C) sections of Tunnel 5 (200m –south portal and 8m – north portal) to protect from avalanches and move entrance portal farther from the Tskere.
- 9.062 km emergency gallery parallel to Tunnel 5 and 17 connections to the main tunnel (6.4 meters wide).
- Technical buildings next to the north and south portals – the buildings include facilities building, pumping station and ventilation room.
- 0.8 km long section of road connecting the north portal of the tunnel with existing road. The alignment has been adapted to the current road with a maximum gradient of 4.2 % to keep on using the existing bridge (bridge length 42m, height 6m); and
- 214 m long local road diversion.

11. The Kvesheti – Tskere section, or ‘Lot 2’ includes 2.5 km of tunnels and 1.5 km of bridges. The main elements of this section are:

- Kvesheti bypass road (length 3.2 km),
- Bridge 1 (length 27.8m, height 14m, 2 lane)
- Bridge 2 over the Aragvi river (length 435.28m, height 62m, 3 lanes)

- Tunnel 1 (length 1540.64m, 2 lanes) with gallery (1092m) (New Austrian tunneling method- NATM)
- Bridge 3 – Arch bridge over the River Khadistskali (length 426m, height 164m, 3 lane)
- Tunnel 2 (length 193.42m, C&C, 3 lane)
- Bridge 4 over the left tributary of River Khadistskali river (length 147.80m, height 26m, 3 lane)
- Tunnel 3 (length 388.38m)
- Bridge 5 (length 322m, height 55m, 3 lane)
- Tunnel 4 (length 299m, C&C, 3 lane)
- Bridge 6 (length 218m, height 48m, 3 lane)
- Five grade junctions are planned (KM0.3, KM1.7, KM3.1, KM7.7, KM10,5) and 3 service roads.

12. Technical features of the alignment considered during detail design include:

Lot 1

Road class	International
Design speed	80 km/hr.
Outside Total width (paved)	12 m
Lane width	3.5 m
Min shoulder	2.5 m
Min roadside	1 m
Structures Total width	15 m
Lane width	3.5 m
Min clearance	2.5 m
Min way side	1.5 m
Tunnel Total width	12.5 m
Lane width	3.5 m
Min shoulder	1.5 + 1m median
Min sidewalk	0.75 m
Number of Junction	05

Lot 2

Road class	International
Design speed	80 km/hr.
Outside Total width (paved)	12 m
Lane width	3.5 m
Min shoulder	2.5 m
Min roadside	1m
Structures total width	15m
Lane width	3.5 m

Min clearance	2.5 m
Min wayside	1.5 m
Tunnel Total width	12.5 m
Lane width	3.5 m
Min shoulder	1.5 + 1m median
Number of Junctions	01
Min sidewalk	0.75 m
Number of Junctions	01

1.5 Project Contracts and Management

13. Information related to the project execution is given in Table 1.1:

Table 1-1: Project Information

Employer	Road Department of Georgia, Ministry of Regional Development and Infrastructure of Georgia
Funding Source	Asian Development Bank (ADB) European Bank for Reconstruction and Development (EBRD)
“Project Management and Construction Supervision Contractor (PMSCS) (Engineer)	UBM
Contractor	Lot 1: CRTG (China Railway Tunnel Group Co. Ltd.) Lot 2: CRCC (China Railway 23rd Bureau Group CO. Ltd)
Contract Number	KKRP/CW/CP-01R, 02R
Contract date	Lot 1 05.09.2019 Lot 2 15.08.2019
Commencement Date of Works	1 October 2020 (for both lots)
Contract Period	Lot 1: 48 months Lot 2: 36 months
Original Completion date	Not announced during the reporting period
Expired time	3 months
Remaining time	Lot 1 45 months Lot 2 33 months

Defects Notification Period	2 years
Contract Price (GEL)	Lot 1: 909,024,280.61 GEL Lot 2: 316,370,802.91 GEL

1.6 Current Status of Civil Work and other Project Activities

14. Commencement date of civil works for both Lots is 1 October 2020 for both lots.

15. All Project activities were negatively affected by COVID19 situation. Since November 2020 till 30 June 2021 restrictions were imposed by Georgian Government, such as ban on movement from 21:00 to 5:00 and restriction of public transport movement.

16. During the reporting period both Contractors performed activities related to permitting, identification of sites for primary facilities and mobilization of staff and equipment which are still all on-going and were continuously obstructed due to spread of COVID19. Both Contractors proceeded preparation and submission of the following Plans for the Engineers approval. For the status of the plans, refer to tables below:

Table 1-2 - Status of Plans related to Social Safeguard Issues

No	Plan	Accepted by the Engineer	Approved by EBRD/ADB	Comment
Lot 1				
1	Code of Conduct	Yes Accepted on 18.09.2020	No	Comments from EBRD are awaited
2	Labour and working Conditions Management Plan	Yes Accepted on 24.08.2020	No	Comments from EBRD are awaited
3	Local Content Management plan	Yes Accepted on 12.02.2020	No	Comments from EBRD are awaited
4	Camp Management Plan	Yes Accepted on 14.11.2020	No	Comments from EBRD are awaited
5	Accommodation Option Risk Assessment	Yes Accepted on 07.02.2021	No	Approved by the Engineer on 30.06.2021
Lot 2				
1	Code of Conduct	Accepted on 30.05.2020	Yes	
2	Labour and working Conditions	Yes	Yes	

	Management Plan	Accepted on 14.03.2021		
3	Local Content Management plan	Yes Accepted on 14.03.2021	Yes	
4	Camp Management Plan	No	No	The comments were provided on 27.10.2020
5	Accommodation Option Risk Assessment	Accepted on 24.10.2020	Yes	

17. Both Contractors were coordinating with the concerned authorities to get the respective approval regarding rehabilitation of access roads, relocation of gas pipelines, use of state and private land, vegetation clearance and tree cutting etc.

18. The following activities were undertaken during this monitoring and reporting period by Lot 1 Contractor:

- Completion of Campsite, batching plant and crushing plant.
- Excavation of emergency gallery. Totally L = 1.2 km section is excavated.
- Transportation of TBM tunnel parts to the Site. Transportation process was affected by closure of road due to adverse weather conditions.
- TBM assembly works are almost completed.

19. As for Lot 2, due to spread of COVID19 the Contractor has closed all site operations and demobilized most of its staff since 3 December 2020 up to late April 2021.

20. Meanwhile, construction activities of Campsite No. 1, Campsite No. 2 and Batching Plant No. 2 are almost completed (80%), while works on Batching Plant No. 1 has just commenced (10-20%).

21. Furthermore, construction of temporary access roads to the sites are actively ongoing.

22. Construction works of access road No. 4 were obstructed by residents of vil. Rostiani. The local residents state that the terrain of their village is characterized by unfavorable geological conditions and the Project road will worsen the situation, particularly they emphasized threat of avalanche and landslide. On 4 November 2020 the Employer's, Engineer's and Contractor's representatives visited village Rostiani to organize public consultation meeting concerning the construction activities of access road No. 4. This was followed by the visit of Independent Geological Engineer hired by the Employer in mid-April 2021.

23. On 9 June 2021 Levan Samkharauli Expertise Bureau has provided conclusions on investigation of the houses in village Sviana-Rostiani by which it is confirmed that construction activities do not have negative impact on the houses. However, considering the poor condition of the houses the Road Department expressed good will to include the houses in LARP. Currently, negotiations with the owners of the houses are on-going concerning acquisition. 24. Several Joint site visits were carried out by RD, Contractors and "Project Management and Construction Supervision Consultant (PMSCS). Progress meetings were held to track the process of

submission and approval of required plans, identification, and evaluation of alternative site for project primary facilities including campsites, batching plants, crushing plants, spoil disposal areas and explosive storage.

25. After numerous instructions and requests of the Engineer, both Contractors, finally mobilized Social Specialists in their teams: February 2021 – Lot 1 and May 2021 – Lot 2.

1.7 Methodology Followed under Monitoring Program

26. Due to spread of COVID19 and restrictions imposed by the Georgian Government all the consultation meetings among the APs and other Project stakeholders were postponed.

27. Key aspects of the monitoring methodology adopted are as under:

- a. **Desk Review and Analysis of Project Documents:** The review of compensation payment data provided by the RD covering the period from July December 2020 and approved LARPs. The review was made to know what was actually done in the field as compared to what was reflected in the approved documents.
- b. **Consultation Meetings:** As mentioned above curfew ended on 21 May 2020 after which only several consultations meetings were conducted which are summarized in the captioned report. Such consultations meetings conducted with & assistance of the Contractor, EMC, RD, PIU of MRDI and relevant other project stakeholders. EMC has been mobilized on 30 July 2019.
- c. **Semi Structured Interviews:** The semi structured Interviews were conducted from the APs regarding their satisfaction about the LARP implementation, level of awareness about the compensation assessment & disbursement & grievance redress mechanism, uses of compensation amounts and participation in the consultation meetings. This methodology was useful for studying about challenges, pending issues, about complaints and non-compliance hence based on which recommendations were made to ensure the safeguard compliance as per approved LARPs and ADB's SPS, 2009.
- d. **Direct Observation Method:** The direct observation was made during the field visit. The direct observation helped to find out the reliability and accuracy in the data and information provided by the RD/Consultant and to verify the initiation of civil work until the compensation disbursement is fully made to APs. The direct observation helped to come up with the appropriate observations and conclusions about the LARP implementation.
- e. **Participatory Approach:** A participatory approach to consultations and communication was adopted that included a two-way communication approach respondent were given the opportunity to express their views or any concerns about the project. Individual and group meetings were also held to identify and list the current status of payments and non-compliance.
- f. **Data Processing and Analysis:** The following steps were undertaken to ensure proper data review and analysis; data gathered during field visits and consultations was processed by category of indicators for analysis purposes, and all analyzed data was tabulated for interpretation and deriving conclusions and recommendations.

2. OVERVIEWS OF THE LARPs AND ASSOCIATED IMPACTS

2.1 LARPs and Allied Documents Preparation

28. The Project road passes through a rural area. Most of alignment goes through tunnels. However, several private properties and land parcels will be impacted, many of which are used for agricultural purposes. Resettlement Plans for Lot 1 and Lot 2 have been prepared according to Georgian Laws, the ADB SPS (2009) and EBRD environmental and social policy (2014) and were approved in July 2019.

29. These LARPs are currently under implementation, started from September 2019.

30. During the Reporting Period EMC issued Compliance Report N 2-2 covering the following sections: km 1+100 km 1+500; km 5+300 km - km 7+700; km 8+000 - km 8+200; km 10+400 – km 10+700 and km11+550 – km 12+100.

31. Two LARP compliance monitoring reports (CRs) were issued by an External Monitoring Consultant (EMC) and approved by ADB/EBRD during the previous monitoring period (January – June 2020):

1. CR No. 1-1 for Lot 1 covering the section km 12+720 - km 22+751 which is LAR free.
2. CR No. 2-1 for Lot 2 covering the sections km 0+400 km 0+800; km 2+100 km 2+500; km 3+600 - km 5+300; km 8+550 - km 10+0500.

32. Along the road segment km 0+400 - km 0+800 where LARP implementation is foreseen for only one informally used land plot No.16 where attempts for registration are ongoing and the plot is being disputed by the co-users; compensation for the land plot to be delivered for the rightful user once the dispute is solved will be placed on escrow account. The land plot will not be accessed by the contractor until the due compensation is delivered to the rightful co-user.

2.2 LAR-related Conditions for Project Implementation

33. The LAR-related conditionalities for the processing and the implementation of the Project are as follows:

1. **Loan Signing:** conditional approval of this implementation ready LARP by ADB, and the Government of Georgia.
2. **Notice to proceed to contractors, conditional on:**
 - the full and proper implementation of the Final LARP with the full satisfaction of the RD, EBRD and ADB. Approval can be sectional as long as LARP is fully implemented for that specific section.
 - the execution of due diligence for disposal areas, construction camps or access roads,
 - and, if necessary, the preparation and implementation of a LARP addendum acceptable to the RD, ADB and
 - the preparation of an independent compliance report verified and approved by ADB.
 - Separate Compliance Reports (One for both EBRD and ADB) will be prepared for individual sections of road to enable a sectional handover process.

2.3 Summary Impact of LARPs

34. A census was performed to identify all households, landowners, land users and assets impacted by project activities. Summary of the affected households identified during the census are provided below:

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

N	Impact category	Lot 1	Lot 2	Total
1	Total affected households	17	141	158
2	Land acquired (in sqm)	31,289	311,132	342,421
3	Agricultural (in sqm)	22,869	273,382	278,157296,251
4	Residential (in sqm)	8,420	15,467	24,887
6	Household to be physically displaced	3	8	11
7	Commercial buildings	-	2	2
8	Business	-	1	1
9	Severely Affected HH ¹	14	94	109
10	Vulnerable HHs	5	25	30

2.4 Institutional Arrangements

35. The Implementing Agency will be the Road Department of the Ministry of Regional Development and Infrastructure of Georgia (RD) and the Ministry of Regional Development and Infrastructure of Georgia (MRDI) will be the Executing Agency (EA) that has the lead responsibility for road construction. The RD has overall responsibility which includes preparation, implementation and financing of all LAR tasks and cross-agency coordination. RD will exercise its functions through its existing resettlement division (RDRD) which will be responsible for the general management of the planning and implementation of all LAR tasks. The regional RD offices will assist the activities of the RDRD with one dedicated officer who will facilitate communication between the RDRD, the local governments and the APs and assist in implementing LAR tasks related to the local administration. RDMRDI, a number of other government departments and private agents will play an instrumental role in the design, construction and operation of the Project. The Ministry of Natural Resources and Environmental Protection is responsible for environmental issues, pursuant to active legislation. The Ministry of Justice is responsible for legal matters regarding land ownership, and the National Agency of Public Registry (NAPR) within the Ministry of Justice oversees the registration of land ownership and its transfer through purchase agreement from landowners to the Road Department. The local governments at the Sakrebulo and village levels will also be involved.

2.5 Consultation Participation & Grievance Redress Mechanism:

36. 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, local 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

¹ The number includes 11 physically displaced HHs.

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.

37. A public consultation and participation plan has been made and implemented during LARP preparation stage. The aim of consultations was to involve the stakeholders in the decision-making process, especially the people who are either directly benefiting from, or affected by the Project. Communications were conducted mostly in the Georgian language.

2.6 Cost and Financing

38. The land acquisition and resettlement cost estimate under the LARPs 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. 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 & 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

39. The main objective of implementation of the LARPs 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 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:

40. Having approval of both the LARPs by ADB (in July 2019), actual implementation of LARPs started in September 2019.

41. Commencement date of civil works is 1 October 2020 for both Contractors. On the other, hand the CSC has mobilized in June 14, 2019 and started their activities with the design review. Subsequently, CSC, mobilized their two Social & Resettlement Specialists (National & international) in mid-October 2019. The responsibility of the CSC Social Specialists is to monitor the LARP related & other social safeguards issues covering the total project implementation period 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:

42. LARP implementation started in September 2019. However, as most of the APs from Khada Valley on Lot 1 and Lot 2 have expressed dissatisfaction with the compensation rate offered to them, RD decided to make re-assessment of the determined compensation rate per square meter for the land plots by LEPL Levan Samkharauli National Forensics Bureau. The experts together with the Resettlement Specialist from RD's Resettlement Division visited the site in the end of December 2019. The conclusion was issued in January 2020 and land acquisition was re-commenced by updated and increased rate in March 2020.

This revision of land rates applied only to the land plots to be acquired within the road section located in the Khada valley and Zakatkari Plateu, while the rates remained the same for the beginning section of Lot 2 (Kvesheti and Arakhveti). The higher rate was determined by the Valuer through removing the restriction zoning that was imposed on the area in previous years.

43. The progress of implementation of Land Acquisition and Resettlement Plans is summarized in Tables below:

Table 3-1– Progress of LARP Implementation

STATUS OF LAND ACQUISITION	LOT 1	LOT 2	TOTAL	%
Acquired	26	252	278	87%
Not acquired but offer accepted	2	6	8	2%
Not acquired but offer sent, but not responded	0	2	2	1%
Not acquired and offer not sent	0	7	7	2%
Not acquired and not registered	0	11	11	3%
Not acquired and offer rejected	2	13	15	5%
Total	30	291	321	100%

44. Progress of land acquisition is obstructed by spread of COVID19 and restrictions imposed by Georgian Government for prevention of pandemic.

3.3 Temporary Impacts

45. Temporary impacts are expected in relation of Construction Camp's Temporary facilities. Lot 1 Contractor has finalized land lease agreements with State and Private owners. In particular, land leasing is needed for Campsite No. 1, Batching Plant No. 1, Segment Plant, Crushing plant and Spoil Disposal areas. Currently three land lease agreements have been already signed.

Table 3-2– Details of land leasing cases – Lot 1

REF. NO	FACILITY	LOCATION	CADASTRAL CODE	OCCUPIED AREA M2	OWNER	STATUS
1	Campsite No. 1	KOBI	74.05.11.092	7430 m ²	██████████ ██████████	On-going
2		KOBI	74.05.11.086	9304 m ²	██████████ ██████████	On-going
3	Batching Plant No. 1 and Segment Plant	KOBI	74.05.11.167	53505 m ²	State	On-going
4	Crushing Plant No. 1	KOBI	74.05.11.497	9304 m ²	██████████ ██████████	On-going
5	Crushing Plant No. 1 and spoil disposal	KOBI	74.05.11.499	14761 m ²	State	On-going
6	Spoil Disposal	KOBI	74.05.11.498	31223 m ²	State	On-going
7	Spoil Disposal	KOBI	74.05.11.500	83516 m ²	State	On-going

46. Lot 2 Contractor has also rented land plot for construction of offices for the Engineer and the Contractor. In July-August, the Contractor provided leasing agreement for Campsite No. 1 and No. 2 and Batching Plant No. 2. However, there were not corresponding the requirements of Georgian law and Safeguard Policy. All agreements were commented and returned to the Contractor for revision.

47. After several revisions the template of leasing agreement was accepted by the Engineer in May 2021. The Contractor was instructed to replace all the existing agreements with new templates.

Table 3-3– Details of land leasing cases – Lot 2

REF. NO	FACILITY	LOCATION	CADASTRAL CODE	OCCUPIED AREA M2	OWNER	STATUS
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1	Campsite No. 1	Arakhveti	71.62.54.100	2836 m ²	██████ ██████	On-going
2		Arakhveti	71.62.54.101	2505 m ²	██████ ██████	On-going
3	Campsite No. 2 and Batching Plant No. 2	Zakatkari	71.62.60.174	15000 m ²	██████ ██████	On-going

4. GRIEVANCE REDRESS MECHANISM (GRM) & GRIEVANCE REDRESS STATUS

4.1 Formation of Grievance Redress Committee (GRCE)

48. A GRM for the project has already been established and is operational enabling 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.

49. The GRM consists of the project-specific systems established at the municipal level and a regular system established at RD. Grievance Redress Committees (GRCE) was established at a municipal level as a project-specific instrument and will function for the duration of Project implementation. The Grievance Redress Commission (GRCN) was formed as an informal structure within the RDMRDI to record and ensure grievance review and resolution.

50. The Grievance Redress Commission (GRCN) was formed by the order of the Head of the RD as a permanent and functional informal structure, engaging personnel of RD from all departments to work on LAR issues and complaint resolution. This includes the top management of the RDMRDI, safeguard or LAR units, legal other relevant departments (depending on the specific structure of the IA). The GRCN is involved in Stage 2 of the grievance resolution process. The order states that, if necessary, a representative of local authorities, NGOs, auditors, APs and any other persons or entities can be included in the Commission as its members.

51. A Grievance Redress Committee (GRCE) is an informal, project-specific grievance redress mechanism established to administer grievances at Stage 1. This informal body has been established at the community level in each affected municipality (village/community authority). During Public Consultations before LARP implementation representatives of the local communities have been selected as members of GRCE. The GRCE includes representatives of municipal LAR teams and local communities. The RD representative in the municipal LAR team coordinates the GRCE formation. He/she is responsible for the coordination of GRCE activities and organizing meetings (conveyor). In addition, GRCE comprises representative of Municipality Mayor in Administrative Unit or his/her representative, representatives of APs, women APs, and appropriate local NGOs to allow the voices of the affected communities to be heard and ensure a participatory decision-making process.

52. GRCEs were established at the municipality level for the Project with an office order No. 224 from the Road Department (RD). The GRCE at the municipality level consists of seven members as listed in the following table:

Table 4-1 – GRCE at Kazbegi Municipality

No.	Name	Position	Telephone/email	Status
1	Dimitri Lomidze	Representative of Resettlement Division at RD	577613302	Conveyor; Contact person
2	Archil Jorbenadze	Representative of GRCN of RDMRDI	591403038	Member
3	Givi Chkareuli	Representative of Mayor in Kobi village	598240334	Member Secretary
4	Kakha Chopikashvili	Representative of Kobi village in Sakrebulo of Kazbegi municipality	595555918	Member
5	Fatima Koblova	Representative of Kobi population	599567894	Member

Table 4-2 – GRCE at Dusheti Municipality

No.	Name	Position	Telephone/email	Status
1	Dimitri Lomidze	Representative of Resettlement Division at RD	577613302	Conveyor; Contact person
2	Archil Jorbenadze	Representative of GRCN of RDMRDI	591403038	Member
3	Tengiz Bedoidze	Representative of Mayor in Kvesheti	551102790	Member
4	Ketevan Kakhurashvili	Elected Representative of Kvesheti village	591113462	Member
5	Ushangi Zakaidze	Representative of Aps	595012903	Member
6	Vasiko Burduli	Representative of Kvesheti population (Male)	597212120	Member
7	Marta Mezvrishvili	Representative of Kvesheti population (Female)	555916273	Member

53. The Grievance Redress Commission, was established at the RD level as a permanent GRM structure as per Order No. 224. It consists of 17 permanent members, two secretaries and three non- permanent members without the right of vote. The list of the members is presented in the following table:

Table 4-3 – Grievance Redress Commission (GRCN)

No	Name of Member	Position
1	Giorgi Tsereteli	Head of the Commission
2	Salome Tsurtsunia	Deputy Head of the Commission
3	Levan Kupatashvili	Member
4	Koba Gabunia	Member
5	Lika Chkofoia	Member
6	Pikria Kvernadze	Member

7	Davit Sajaia	Member
8	Giorgi Eragia	Member
9	Nodar Agniashvili	Member
10	Mikheil Ujmajuridze	Member
11	Tinatin Kolbaia	Member
12	Gia Sopadze	Member
13	Davit Kaladze	Member
14	Davit Getsadze	Member
15	Pavle Gamkrelidze	Member
16	Giorgi Tsagareli	Non-permanent member of commission
17	Mariam Begiashvili	Non-permanent member of commission
18	Archil Jorbenadze	Non-permanent member of commission

4.2 Grievance Resolution Process

54. A representative of the resettlement service of the IA is responsible for coordination of the Committee's work and at the same time, he/she is nominated as a Contact Person who receives the grievances and handles the grievance logbook. The local authorities at the municipal level, the civil works Contractor, the Supervising Company (Engineer), as well as APs (through informal meetings) are informed about the Contact Person and his contact details are available in the offices of all mentioned stakeholders.

55. The Contact Person collects and records the grievances, informs all members of the Committee and the management of RD about the essence of the problem, engages the relevant stakeholders in discussions with the aggrieved party and handles the process of negotiation with APs at Stage 1 of the grievance resolution process. The Contact Person prepares the minutes of meetings and collects signatures. If the grievance is resolved at Stage 1, the Contact Person records the resolution of the grievance in his logbook and informs the RD management in writing.

56. If the complainants are not satisfied with the GRCE decisions, they can always use the Stage 2 procedures of the grievance resolution process. In such case, the Contact Person helps the AP lodge an official complaint (the complainant should be informed of his/her rights and obligations, rules and procedures of lodging a complaint, format of complaint, terms of complaint submission, etc.).

57. The APs were informed about the available GRM. This was achieved through implementing information campaigns, distributing a Project information brochure, keeping all focal points up-to-date and maintaining regular communication with them, allowing multiple entry points for complaints and introducing forms for easier reporting of complaints.

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

58. As of 30 June 2021, 25 grievances (5 categories) have been received by GRCE. People mostly (13) apply concerning loss of access road to their remaining portions of the land plot. Currently, as construction activities have not yet commenced all land plots have access road. In one case state access road to the one land plot will be used by the Contractor's equipment to

access the Site. In this regard, letter was dispatched to the Contractor with the instruction to maintain the access road in good condition. As for remaining cases construction of access road is possible and preparation of a detailed design is required. All cases are being processed by the Engineer's team. GRCE also received 8 grievances regarding "Damage to infrastructure/assets", 4 of which have been resolved and closed.

Table 4-4: Summary of the grievances by category with the status of Resolution received by GRCE

N	Nature of grievances	No of total grievances	Result		Remarks
			OPEN	CLOSED	
1	Damage to infrastructure/assets	8	4	4	2 Close cases are from Lot 1
2	Restriction of loss of access road	13	13	0	All cases are from Lot 2. Both land plots have access now.
3	Disturbance: noise/ vibration/dust	1	0	1	
4	Recruitment/Employment	2	2	0	One is from Lot 1 and the other from Lot 2
5	Other	1	1	0	
	Total	25	20	5	

Table 4-5: Summary of the grievances by category with status of Resolution received during the Reporting Period by GRCE (01.01.2021 – 30.06.2021)

N	Nature of grievances	No of total grievances	Result		Remarks
			Open	Closed	
1	Damage to infrastructure/assets	7	4	3	
2	Restriction or loss of access road	8	8	0	
3	Disturbance by noise and vibration	1	0	1	
4	Recruitment/Employment	2	2	0	
5	Other	1	1	0	
	Total	19	15	4	

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

59. A total of 37 persons have submitted 5 categories of grievances to the GRCN out of which 19 grievances have been resolved as of 30 June 2021. People now mostly (16 Nos.) are requesting inclusion in the acquisition list out of which 7 cases are closed. Compensation rates have been disputed by 10 Aps, out of which 8 cases have been resolved.

Table 4-6: Summary of the grievances by category with status of Resolution since the commencement of the Project including the Reporting Period

N	Nature of grievances	No of total grievances	Result		Remarks
			Open	Closed	
1	Compensation Rate	10	2	8	
2	Inclusion in LARP	16	9	7	
3	Restriction or loss of access road	6	6	0	
4	HSE concerns	1	0	1	
5	Other	4	1	3	
	Total	37	18	19	

Table 4-7: Summary of the grievances by category with status of Resolution received during the Reporting Period by GRCN (01.01.2021 – 30.06.2021)

N	Nature of grievances	No of total grievances	Result		Remarks
			Open	Closed	
1	Inclusion in LARP	8	6	2	
2	Restriction or loss of access road	2	2	0	
3	Compensation Rate	3	2	1	
4	HSE concerns	1	1	0	
	Total	14	11	3	

60. Out of this only two grievances have been elevated to ADB level. Both Complainants are requesting reassessment of the property.

4.5 Public consultation and participation during LARP preparation and implementation

61. The RDMRDI/PIU, CSC, EMA contractor etc. should conduct meaningful consultation with APs, their host communities, and civil society/other stakeholders during project implementation

with relevant aspects of social safeguard issues in general and involuntary resettlement impacts in particular. Meaningful consultation is a process that: (i) begins early in the project preparation stage and to be carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making process, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues. Consultation should be carried out in a manner commensurate with the impacts on affected communities. The RDMRDI and other implementation agencies involved in the project should pay attention to the need of disadvantaged or vulnerable groups, especially those below the poverty line, the landless, the elderly, female headed households, women and children, Indigenous Peoples, and those without legal title to land.

62. Series of consultations were conducted since LARP preparation through implementation of the project to date. The project found affected a significant number of households/persons or entities due to land acquisition and resettlement required for the Project. As a result, LARPs were prepared conducting necessary public consultation & ensuring public participation as from initial stage of the project preparation to till implementation of LARP. All these consultation and participation were carried out as framed in the approved LARPs of the Project and are summarized in the below Table 4-8.

Table 4-8 - List of Conducted Consultation meetings

	Date	Location	Type of consultations
1.	04.04.2018	Tetri Aragvi and Khadistskali gorge settlements	Face to face meetings with local residents in the project area (aquatic environment)
2.	11.04.2018	Natvani, Baidara and Tergi section in the Kvesheti-Kobi corridor	Face to face meetings with local residents in the project area (aquatic environment)
3.	19.04.2018	Tskere, Kobi	Face to face meetings with local residents in the project area (biodiversity issues)
4.	08.05.2018	Zakatkari	Face to face meetings with local residents in the project area (biodiversity issues)
5.	12.05.2018	Settlements along Kvesheti-Kobi alignment	Face to face meetings with local residents in the project area (cultural heritage)
6.	14.05.2018	Kvesheti	Public Consultation (LARP Lot 1)
7.	01.06.2018	Zakatkari	Face to face meetings with local residents

8.	04.07.2018	Dusheti	Meeting with Deputy Mayor of Dusheti and other official
9.	04.07.2018	Kobi	Meeting with Mayor of Kazbegi and other official
10.	06.07.2018	Kvesheti	Focus Group Discussion
11.	10.07.2018	Kvesheti	Scoping meeting
12.	10.07.2018	Kobi	Scoping meeting
13.	16.08.2018	Ministry of Environment Protection and Agriculture	Meeting with Stakeholders
14.	30.08.2018	Beniani-Begoni	Focus Group Discussion
15.	30.08.2018	Kvesheti	Focus Group Discussion with Arakhveti and Zakatkairi residents
16.	31.08.2018	Kobi	Focus Group Discussion
17.	05.09.2018	Roads Department	Meeting with Stakeholders
18.	07.09.2018	Mleta	Meeting with Stakeholders
19.	10.09.2018	Georgian Centre for the Conservation of Wildlife/BMZ-KfW Support Program for Protected Areas in the Caucasus	Discussion of issues related to community support programs, wild life info and available data.
20.	10.09.2018	Nacres	Discussion regarding status of their conservation programmes, biodiversity in the area of interest. Grounds for delimitation of Emerald network sites
21.	11.09.2018	MoEPA – Biodiversity department	Discussion about biodiversity
22.	11.09.2018	Caucasus Nature Fund – Programme Office Georgia.	Discussion regarding CNF activities in Georgia, main issues, plans, ways for cooperation during wildlife monitoring
23.	14.09.2018	Tskere	Consultations with Aps
24.	14.09.2018	Benini-Begoni	Consultations with APs

25.	15.09.2018	Zakatkari	Face to face discussion with APs
26.	15.09.2018	Kvesheti	Consultations with APs
27.	16.10.2018	Kvesheti	FGD with Women
28.	16.10.2018	Tskere	Face to face discussion with women
29.	16.10.2018	Beniani-Begoni	Face to face discussion with women
30.	17.10.2018	Kobi	FGD with Women
31.	09.01.2019	Mleta	Public Consultation

4.6 Public consultation and participation during construction period

63. The Construction Contractors are also required to engage in active consultations with local residents to get their permission on location of the Campsites, Batching Plants, Spoil Disposal Areas and various facilities required for construction activities. Despite the Engineer's numerous requests none of the Contractors have provided schedule of planned Public Consultations.

64. On 2 March 2021 the CLO of ADB and the Engineer's Social Specialist have conducted individual consultation meetings with local residents of villages in the Khada Gorge (specifically, Sviana-Rostiani and Benian-Begoni). Totally, 6 meetings were held with the attendance of 12 person. The purpose of the meetings was to introduce the Project team and exchange of contact information and to gather the information about community concerns and their attitude toward the Project.

65. During March and April 2021 CRTG conducted group meetings on job opportunities in 12 communities of Dusheti Municipality: Dusheti, Natakhtari, Zhinvali, Ananuri, Tsivitskaro, Tsikhisdziri, Chinti, Pasanauri, Aragvispiri, Misaktsieli, Meneso and Naoza). The public meetings were held at public meeting areas (e.g., market, square, bus station, etc.) in the above-mentioned communities. About 6-12 locals attended each group meeting. The attendees were briefed on Project and explained the job opportunities and working conditions and the announcements on open job vacancies (worker, cleaner, cooker, welder, electrician, driller, loader operator, etc.) were posted at several locations (public meeting areas) in the mentioned communities.

66. On 31 May 2021, the Contractor conducted community meeting with Kobi, Almasiani and Ukhati village residents. The purpose of the meeting was to update the locals on the progress of the project and conduct awareness raising training on communicable diseases. The meeting was attended by 11 people: 7 from village Almasiani, 3 from village Kobi and 1 from village Ukhati.

67. The Contractor for Lot 2 conducted one-on-one meetings with local residents during preconstruction survey of the houses. Totally 7 one-on-one meeting were conducted. During meeting mainly issuers related to planned activities and their impacts on the houses, Grievance Redress Procedures and contact persons.

68. On 28 June the Engineer's and the Contractor's representatives met director of Kobi Water Company to discuss the issue related to Spoil Disposal Area. One of the spoil disposal areas of the Project borders the source of the water owned by the Company. Furthermore, to access the spoil disposal area the Contractor's trucks will cross the territory where the water pipes owned by

the Water Company are located. It was agreed that the Contractor will provide design of protective measures of water pipe located underneath the access road to SDA. Furthermore, the director of Kobi Water Company raised concerns that the surveyor of the Contractor during survey works jump over the fence of protected territory owned by the Company. By this manner fence may get damaged. It was agreed that the Contractor's staff will contact the management of the Company in case they will need to access the fenced area .

Table 4-9: Summary of the conducted consultations during the construction stage

ID	Engagement Activity	Participants	Stakeholder Category	Date and Location	Initiated by	Number of participants	Purpose of Engagement	Topics discussed ad issues raised
Lot 1								
1	One-on-one meetings (X4)	Residents of vil. Kobi	Project Affected Community	27.04.20 Vil. Kobi	Contractor	4 (all male)	To disclose plan of temporary facilities (Construction Camp, batching plant, crushing plant and spoil disposal area.	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching plant, crushing plant and spoil disposal area. • Possible impact of Construction Camp on the everyday lives of the village residents. • Operation of batching plant and crushing plant and their impact. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
2	One-on-one meetings (X6)	Residents of vil. Almasiani	Project Affected Community	28.04.20 Vil. Almasiani	Contractor	6 (3 females)	To disclose plan of temporary facilities (Construction Camp, batching plant, crushing plant and spoil disposal area.	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching plant, crushing plant and spoil disposal area. • Possible impact of Construction Camp on the everyday lives of the village residents.

								<ul style="list-style-type: none"> • Operation of batching plant and crushing plant and their impact. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
3	Public Consultation Meeting	Residents of vil. Almasiani and vil. Kobi	Project Affected Community	01.09.20 Campsite of the Contractor in vil. Kobi	Contractor under supervision of the Engineer	10 (4 females)	To disclose plan of temporary facilities (Construction Camp, batching plant, crushing plant and spoil disposal area.	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching plant, crushing plant and spoil disposal area. • Possible impact of Construction Camp on the everyday lives of the village residents. • Operation of batching plant and crushing plant and their impact. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
4	One-on-one meetings (X3)	Residents of vil. Almasiani and vil. Kobi	Project Affected Community	19.10.202 Vil. Almasiani and Kobi	Engineer	3 (all females)	To disclose plan of temporary facilities (Construction Camp, batching plant, crushing plant and spoil	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching plant, crushing plant and spoil disposal area. • Possible impact of Construction Camp on the

							disposal area) and Public information leaflets to those who could not attend Public consultation meetings organized by the Contractor.	<p>everyday lives of the village residents.</p> <ul style="list-style-type: none"> • Operation of batching plant and crushing plant and their impact. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
5	Public Consultation Meeting	Residents of vil. Almasiani and vil. Kobi	Project Affected Community	19.10.2020 Campsite of the Contractor in vil. Kobi	Contractor under the supervision of the Engineer	5 (1 female)	Blasting works of emergency tunnel	<ul style="list-style-type: none"> • Introduction of the PPT concerning blasting activities. • Management of impacts caused by blasting works. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
6	One-on-one meetings (X3)	Residents of vil. Almasiani	Project Affected Community	19.10.2020 Vil. Almasiani	Contractor under the supervision of the Engineer	3 (all females)	To disclose brochure on blasting works to the local residents who could not attend Public Consultation meeting conducted on the same date.	<ul style="list-style-type: none"> • PPT presentation was printed and delivered on hand. • Management of impacts caused by blasting works. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.

							The team also visited Nunnery located close to vil. Almasiani.	
7	One-on-one meetings (X3)	Residents of vil. Ukhati	Project Affected Community	10.12.2020 Vil. Ukhati	Contractor	3 (2 females)	To disclose plan of temporary facilities (Construction Camp, batching plant, crushing plant and spoil disposal area.	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching plant, crushing plant and spoil disposal area. • Possible impact of Construction Camp on the everyday lives of the village residents. • Operation of batching plant and crushing plant and their impact. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
8	Public Consultation Meeting	Residents of vil. Almasiani, Ukhati and Kobi	Project Affected Community	31.05.21	Contractor	11 (4 females)	To disclose progress of construction works and information campaign on communicable diseased	<ul style="list-style-type: none"> • On-going construction activities. • Impacts of construction works. • Grievance Redress Mechanism. • Information campaign on communicable diseases.
9	Public Consultation Meeting	Kobi Water Company	Project Affected Business	Vil. Kobi 28.07.21	Engineer Contractor	6 (2 females)	To disclose location of temporary facilities	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp, batching

								<p>plant, crushing plant and spoil disposal area.</p> <ul style="list-style-type: none"> • Impact of operation temporary facilities on the operation of the Company. • Progress of the works. • Protection of water pipe located underneath the access road to SDA. • During survey the Contractor's surveyors jump over the fence of protected area owned by the Water Company. It was agreed to inform the director when Contractor's employees need to access the fenced territory so as they will let them in. •
Lot 2								

1	Focus group discussion (FGD)	Residents of vil. Zakatkari	Project Affected Community	20.05.20 Temporary office of the Contractor in Kvesheti	Contractor	9 (all males)	To disclose plan of temporary facilities (Construction Camp No. 2 and Batching Plant No. 2) and access road.	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp No. 2 and Batching Plant No. 2. • Possible impact of Construction Camp on the everyday lives of the village residents. • Operation of Batching Plant No. 2. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
2	Focus group discussion (FGD)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 30.06.20	Contractor	15 (8 females and 7 males)	Concerning location of Camp No. 1	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp No. 1. • Possible impact of Construction Camp on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
3	Focus group discussion (FGD)	Residents of vil. Zaqatkari	Project Affected Community	16.07.20	Engineer	4 (all male)	Concerning location of temporary facilities (Construction Camp No. 2 and	<ul style="list-style-type: none"> • Layout of temporary facilities: Construction Camp No. 2 and Batching Plant No. 2. • Possible impact of Construction Camp on the

							Batching Plant No. 2)	<p>everyday lives of the village residents.</p> <ul style="list-style-type: none"> • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Additional improvement of access road to the village (placing more gravel)
4	One-on-one meetings (X6)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 06.07.20	Contractor	6 (4 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
5	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 07.07.20	Contractor	5 (3 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
6	One-on-one meetings (X3)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 09.07.20	Contractor	3 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1.

								<ul style="list-style-type: none"> • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
7	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 15.07.20	Contractor	5 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
8	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 15.07.20	Contractor	5 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
9	One-on-one meetings (X9)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 16.07.20	Contractor	9 (4 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents.

								<ul style="list-style-type: none"> • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
10	One-on-one meetings (X4)	Residents of vil. Mleta	Project Affected Community	Vil. Mleta 17.07.20	Contractor	4 (4 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
11	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 20.07.20	Contractor	5 (3 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
12	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 20.07.20	Contractor	5 (3 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals.

								<ul style="list-style-type: none"> • Employment opportunities.
13	One-on-one meetings (X3)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 21.07.20	Contractor	3 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
14	One-on-one meetings (X3)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 21.07.20	Contractor	3 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
15	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 22.07.20	Contractor	5 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.

16	One-on-one meetings (X4)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 23.07.20	Contractor	4 (2 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
16	One-on-one meetings (X4)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 23.07.20	Contractor	4 (2 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
17	One-on-one meetings (X3)	Residents of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 24.07.20	Contractor	3 (2 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
18	One-on-one meetings (X5)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 27.07.20	Contractor	5 (all male)	Concerning location of	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1.

							temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
19	One-on-one meetings (X3)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 28.07.20	Contractor	3 (1 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
20	One-on-one meetings (X7)	Residents of vil. Mleta	Project Affected Community	Vil. Mleta 28.07.20	Contractor	7 (4 female)	Concerning location of temporary facilities (Campsite No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Campsite No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
21	One-on-one meetings (X5)	Residents of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 05.09.20	Contractor	5 (1 female)	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents.

								<ul style="list-style-type: none"> • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
22	One-on-one meetings (X4)	Residents of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 08.09.20	Contractor	4 (1 female)	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
23	One-on-one meetings (X3)	Residents of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 14.09.20	Contractor	3 (1 female)	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
24	One-on-one meetings (X4)	Residents of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 17.09.20	Contractor	4 (2 females)	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals.

								<ul style="list-style-type: none"> • Employment opportunities.
25	One-on-one meetings (X3)	Residents of vil. Nagvarevi	Project Affected Community	Vil. Nagvarevi 22.09.20	Contractor	3 (2 females)	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
26	One-on-one meetings (X4)	Residents of vil. Sefe	Project Affected Community	Vil. Sefe 23.09.20	Contractor	All male	Concerning location of temporary facilities (Batching Plant No. 1)	<ul style="list-style-type: none"> • Layout of temporary facilities: Batching Plant No. 1. • Possible impact of Batching Plant on the everyday lives of the village residents. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.
27	One-on-one meetings (X1)	Resident of vil. Rostiani	Project Affected Community	Kvesheti Temporary Campsite 17.10.20	Engineer	Male	Concerning leasing land plot for access road No. 4	<ul style="list-style-type: none"> • Layout of access road No. 4. • Possible impact of movement of the Contractor's equipment. • Introduction of Project's GRM as an instrument to address issues raised by the locals. • Employment opportunities.

28	One-on-one meetings (X1)	Head of administrative unit of Dusheti Municipality in vil. Kvesheti	Project Affected Community	Benian – Begoni 17.10.20	Engineer	Male	Discussion on the progress of the Project works	<ul style="list-style-type: none"> To identify community needs. Discuss progress of construction works and it's possible impacts.
29	Focus group discussion (X4)	Residents of vil. Rostiani	Project Affected Community	Vil. Rostiani 03.11.20	Engineer	4 (1 female)	Concerning leasing land plot for access road No. 4	<ul style="list-style-type: none"> Layout of access road No. 4. Possible impact of movement of the Contractor's equipment. Introduction of Project's GRM as an instrument to address issues raised by the locals. Employment opportunities.
30	Focus group discussion (X4)	Residents of vil. Rostiani	Project Affected Community	Vil. Rostiani 04.11.20	Employer	4 (1 female)	Concerning leasing land plot for access road No. 4	<ul style="list-style-type: none"> Layout of access road No. 4. Possible impact of movement of the Contractor's equipment. Introduction of Project's GRM as an instrument to address issues raised by the locals. Employment opportunities.
31	One-on-one meetings (X1)	Resident of vil. Kvesheti	Project Affected Community	Vil. Kvesheti 13.11.20	Engineer	Female	Concerning access road to the land plot.	<ul style="list-style-type: none"> Layout of the Project road. Possible impact of movement of the Contractor's equipment. Introduction of Project's GRM as an instrument to address issues raised by the locals.
32	One-on-one meetings (X1)	Resident of vil. Benian-Begoni	Project Affected Community	Vil. Benian-Begoni 02.03.21	ADB Engineer	Male	Introduction of the Project team and exchange of	<p>Project works.</p> <p>Possible impacts of the Project.</p> <p>Employment opportunities.</p>

							contact information.	
33	One-on-one meetings (X1)	Resident of vil. Benian-Begoni	Project Affected Community	Vil. Benian-Begoni 02.03.21	ADB Engineer	Female	Introduction of the Project team and exchange of contact information.	Project works. Possible impacts of the Project.
34	One-on-one meetings (X4)	Resident of vil. Benian-Begoni	Project Affected Community	Vil. Benian-Begoni 02.03.21	ADB Engineer	2 Females 2 Males	Introduction of the Project team and exchange of contact information.	Project works. Possible impacts of the Project. Employment opportunities.
35	One-on-one meetings (X3)	Resident of vil. Benian-Begoni	Project Affected Community	Vil. Benian-Begoni 02.03.21	ADB Engineer	3 Males	Introduction of the Project team and exchange of contact information.	Project works. Possible impacts of the Project. Employment opportunities.
36	One-on-one meetings (X1)	Resident of vil. Benian-Begoni	Project Affected Community	Vil. Benian-Begoni 02.03.21	ADB Engineer	Female	Introduction of the Project team and exchange of contact information.	Project works. Possible impacts of the Project.
37	One-on-one meetings (X2)	Resident of vil. Rostiani	Project Affected Community	Vil. Rostiani 02.03.21	ADB Engineer	1 Female 1 Male	Introduction of the Project team and exchange of contact information.	Project works. Possible impacts of the Project in vil. Rostiani. Visit of Independent Geologist
38	One-on-one meetings (X7)	Residents of vil. Arakhveti	Project Affected Community	Vil. Arakhveti 29-30 June 21	Engineer Contractor	5 Male 2 Female	Introduction of the Project team.	Project works. Possible impacts of the Project Employment opportunities.

								Grievance Redress Mechanism
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4.7 Other issues related to Public consultation and participation

69. In April 2021 Lot 1 Contractor installed the Information Board in the village Almasiani. The Project Map and Grievance Redress Mechanism information leaflet including Contact Information in three languages (English, Russian and Georgian) were posted on the board.

70. In June 2021 The Engineer's and the Contractor's representatives selected places for posting message boards at Lot 2 section and started preconstruction survey of the houses. Message boards will be installed in early July.

71. The Engineer's Subcontractor is operation Project's webpage (www.kveshetikobi.ge), facebook and Instagram pages. Information on the Project's GRM has been posted on the Project's webpage as well. Most frequently people inquire about the employment opportunities. In April Lot 1 Contractor provided list of job opportunities which was posted on the web and facebook pages.



Selection of the places for installation message boards - Lot 2



Public information board in vil. Almasiani – Lot 1

72. On 4 May 2021 residents of village Seturebi and Zaqtakari organized demonstration and blocked access road to Contractor's Campsite No. 2. The reason for demonstration of excess emissions of dust caused by movement of the Contractor's equipment. Furthermore, the residents of village Zaqtakari are complaining that the Contractor has not completed repairing of access road to their village. Particularly, it was agreed between the Contractor and villagers that the Contractor would repair and widen access road to village Zaqtakari in replacement of several land plots which fall in the RoW of access road to Campsite No. 2.

73. On 9 June 2021 [REDACTED] representing the villagers of Zakatkari has filed a claim that the Contractor has violated footprint of Campsite No. 2 and access road No. 3 and occupied private land plots. After detailed survey of the Engineer's and the Contractor's teams it was identified that the Contractor occupied 15 land plots under ownership of 14 residents. Three land plots are occupied due to violation footprint of the Campsite while the other are occupied by access road No. 3. The cause of such incident was that until February 2021 the land plots belonged to state. Campsite and septic tanks were built in November 2020.

74. In June the Contractor was working on repairing on the access road of vil. Zakatkari.

5. THE COMPLIANCE ISSUES

5.1 Maintaining core labor Standard

75. As per provided information LOT 1 (CRTG) Contractor has employed a total of 541 employees in the Project activities:

Table 5-1 Statistics of the Contractor's personnel

N	Worker information	Male	Female	Total
1	Number of permanent employees	517	24	541
2	Number of temporary employees	0	0	0
3	Number of subcontractor workers	0	0	0
4	Number of workers provided by private agencies / labour brokers in reporting period	0	0	0
5	Number of day / casual workers employed in reporting period	0	0	0
6	Number of workers from local communities	122	3	125
7	Number of foreign national workers	271	15	286
8	Number of skilled workers	287	14	301

N	Worker information	Male	Female	Total
9	Number of unskilled workers	230	10	240
10	Number of workers from other regions within the country	124	6	130
11	Number of workers below the age of 18	0	0	0

76. On 6 May the Contractor's workers filed a grievance. They requested:

- proper canteen and space where they can spend lunch break.
- proper PPE as the PPE the Contractor hand over is easily torn.
- transportation to the worksite
- review of work shifts.

77. As a follow up meeting with the Contractor's staff was organized. The Contractor explained that he has already ordered new supply of PPE which is of better quality. Until arrival of new supply set of PPE will be replaced upon request. Furthermore, the Contractor started to set up canteen and kitchen for local workers. As for work shifts, they are in compliance with local legislation. The transportation issue is still under consideration of the Contractor's management.

78. As per provided information LOT 2 (CRCC) has engaged 132 Chinese and 60 Georgian personnel in the Project activities. Lot 2 Contractor is required to undertake the survey to identify how many employees are from Project affected and LARP affected communities and to improve reporting.

79. On 5 May 2021 another demonstration was organized at Lot 2 section by the drivers of the Contractor. The main reason for demonstration was mobilization of other drivers during Easter holidays. However, during the meeting several other issues were raised:

1. The drivers at Lot 2 want the same salary the drivers have at Lot 1 section. As they state the salary is 55 GEL at Lot 1 section, while their salary is 40 GEL. Actual salary at Lot 1 section is 50 GEL.
2. During employment, the Contractor should prioritize local people.
3. The drivers request signed employment agreements. As they state they have 10 hours working days for 6 days per week and they do not receive compensation for overtime. Concerning employment agreements, it should be noted that on 26 March 2021 the Contractor provided templates for employment and land leasing agreements for the Engineer's approval. The comments from the Engineer were sent on 10 April 2021. No revised documents have been provided by the Contractor after that.
4. The drivers have communication problem with Chinese management staff. They state that the Contractor is not informing them in advance about the non-working days. Sometimes they go to work and only after that they are finding out that they are not working on that day and sometimes they are waiting for the call of the Chinese manager for hours. They want the Contractor to inform them about non-working days in advance at least one day before.

5. The drivers and other workers do not have personal protective equipment and work uniforms. They do not have room to change clothes, rest or take lunch. There are no portable toilets and hand wash facilities at the Site as well.

80. Raise of the salary was the main request of the drivers.

81. On 6 May 2021 meeting was arranged between the representatives of Road Department, the Engineer, the Contractor to discuss the reasons of on-going strike and the requests of the employees. On 7 May 2021, the Contractor met his employees and refused to raise their salaries stating that their salary calculation system is different from Lot 1 Contractor.

82. The demonstration continued and the drivers blocked all access to the construction Site for the Contractor. After numerous discussions the Contractor proposed to employees to raise their salaries up to 44 GEL and after working 26 days give them bonus equal to four days of remuneration. The works continued on 10 May 2021.

83. As for other requests the Contractor has mobilized 3 portable toilets at the Site and arranged Social Specialist Gocha Mgebrishvili for communication with the local drivers. Hand wash facilities and lunchrooms are not yet arranged. For PPE the Contractor provided register for PPE handover, however, it was in Chinese language and the Contractor was requested to translate it.

84. During review the Engineer found that the Contractor's template employment agreement was of poor quality and did not comply with local law and respective international standards. As on the end of reporting period the template of employment agreement is finalized and approved by the Engineer.

85. On 3rd June Contractor's construction manager appeared at the meeting under influence of alcohol. As a follow up the Engineer issued warning letter and requested Contractor to initiate intensive trainings for his staff on Code of Conduct to prevent reoccurrence of the mentioned.

86. During the whole reporting period Social Specialists of both Contractors were conducting Social awareness trainings and toolbox talks for the staff. Totally 4 Social Awareness trainings were conducted by Lot 1 Contractor and 1 - by Lot 2 Contractor. 2 toolbox talks were conducted by Lot 2 Contractor.

5.2 Worker Grievance Redress Mechanism

87. Both Contractors have set up Worker Grievance Redress Mechanisms which is part of Labour and Working Conditions Management Plan. However, only Lot 1 Contractor provided grievance log during the reporting period.

88. As per provided information since 5 May 2020 till the end of reporting period the Contractor received 11 grievance out of which 5 are closed.

5.3 Child labor in the project activities

89. No child labor (below the age of 18 years) were found engaged in the project works.

5.4 Forced or compulsory labor

90. 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.

5.5 Discrimination in respect to employment

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

5.6 HIV/AIDS Awareness Program

92. Medical office for Lot 1 section is set up at Campsite No. 1 in vil. Kobi and for Lot 2 section at Campsite No. 1 in vil. Arakhveti.

93. On 31 May 2021, the Contractor conducted community meeting with Kobi, Almasiani and Ukhati village residents. The purpose of the meeting was to update the locals on the progress of the project and conduct awareness raising training on communicable diseases. The meeting was attended by 11 people: 7 from village Almasiani, 3 from village Kobi and 1 from village Ukhati.

94. Lot 2 Contractor has not yet provided the training for his staff.

5.7 Non-Compliances in regards with Social Safeguards Issues

95. Status of the non-compliances with Social Safeguards Issues are summarized in table below:

Table 5-2 – Summary of the issues identified during the reporting the period

No.	Problematic issues	Description	Corrective Action	Comment
Lot 1				
1	Conditions of accommodation	<ol style="list-style-type: none"> 1. The flooring of the dormitory rooms is not adequate. 2. The dormitory rooms are not supplied with adequate furniture as considered by Worker's Accommodation Processes and Standards: A Guidance Note for EBRD and IFC (p13) 3. The Contractor should set up Georgian kitchen and canteen. 4. Mosquito nets should be installed. 5. Good practice of hygiene should be maintained. 	<ol style="list-style-type: none"> 1. The Contractor arranged flooring in the dormitories. 2. Georgian kitchen and canteen is set up and functioning. 3. Mosquito nets are installed. 4. Checklist was introduced to the Contractor for monitoring hygienic situation in the kitchen. This checklist will be filled weekly. 5. Housekeeping has improved significantly. 	
2	Drinking water	Workers does not have supply of drinking water at the worksite as considered by GCC 6.14.	The Contractor has put water dispensers in segment plant and tunnel site.	Water dispensers should be arranged at crushing plant area as well.
3	Toilet and hand wash facilities at the Site	There is no adequate toilet and hand wash facilities at the Tunnel site, segment plant, crushing plant and explosive material storage area. Hand wash facilities is essential	On-going	

		considering the current pandemic situation in Georgia.		
4	Security of Campsite and construction sites	There is no security at the Campsite and construction sites.	The Campsite and construction sites should be fenced. Adequate number of qualified security personnel should be mobilized. The Contractor should provide CVs and training certificates of security personnel.	The Contractor provided security management plan which was commented by the Engineer. Revised version is awaited.
5	Transportation	During interviews one of the requests of local workers was to arrange transportation to the working site.	The Contractor's management stated that they are considering this issue.	
6	Quality of PPE is not good	Workers complain that PPE they receive is torn easily. However, the Contractor is giving new pair in every 6 months.	The Contractor has already ordered new supply of PPE which is of better quality. Until arrival of new supply set of PPE will be replaced upon request.	
Lot 2				
1	Agreement	Labour and leasing agreements are not corresponding to Georgian legislation. The Contract is too oppressive and puts the other parties into disadvantageous position.	Both contracts are finalized and approved by the Engineer. The Contractor is now to replace all existing agreements.	
2	Complaint from Elguja Burduli	His land plot is bordering the Campsite No. 1. He states that the Contractor's activities damaged his fence, 4 apple, 8 walnut and several plum trees. Furthermore, the land plot is unviable due to water runoff from the Campsite. [REDACTED] is also stating that the part of road used by the Contractor as an access to Campsite No. 1 is under his ownership. However, this was not confirmed after measurements (drawing is enclosed).	The fact was confirmed by the Engineer. Letter was dispatched to the Contractor on 27.04.21. The Contractor invited expertise bureau to assess the damage. On 22.05.21 - Experts visited the Site and issued conclusion according to which the damage was assessed to be 1300 GEL. The Complainant was not attending the process. On 01.06.21 - the Contractor met the Complainant and introduced conclusion of the expert. In addition, the Contractor offered to pay 700 GEL. However, the Complainant refused to accept the expertise conclusion and requested 15 000 GEL.	

			The Contractor invited Samkharauli Expertise Bureau for assessment of the damage. The Conclusion is expected by mid-July 2021.	
3	Violation of the footprint of Campsite No. 2.	The cause of such incident was that until February 2021 the land plots belonged to state. Campsite and septic tanks were built in November 2020.	As measured by the Engineer the Contractor has occupied around 2000 sq.m. and has constructed septic tanks in private property. The Contractor is planning to rent the property.	
4	Access road No. 3 is overlapping private land plots.	The cause of such incident was that until February 2021 the land plots belonged to state.	The Contractor measured the are occupied by access road No. 3 under supervision of the Engineer. The Contractor is planning to rent the property.	
5	Issue of access road to Zaqatkari	In May 2020, the Contractor concluded agreement with residents of Zaqatkari for arrangement of the access road to the Campsite. According to the agreement residents let the Contractor to overlap their private properties and instead they requested improvement of access road to the village. Currently, they state that the access road is not properly built. They request improvement of several sections i.e., arrangement of drainage system and slope strengthening.	The Contractor's and the Engineer's teams conducted set out of the access road with residents and marked problematic areas. The works on Zakatkari road are on-going	
6	Conditions of accommodation	The condition of toilets and bathroom does not comply with the requirements of Worker's Accommodation Processes and Standards: A Guidance Note for EBRD and IFC (p14). They are not easily approachable especially in winter and number of toilet and hand wash facilities is not corresponding to IFC standards. This specifically refers to Campsite No. 2 in Zaqatkari. The condition of the kitchen and dining does not meet any of the international standards. Immediate actions should be taken for improvement. This specifically	Immediate actions should be taken to improve the condition of bathrooms and toilet, kitchen and dining facilities. The Contractor should arrange proper laundry room and install adequate number of washing machines.	

		refers to Campsite No. 2 in Zaqtakari. There is no laundry room and adequate number of washing machines. Campsite No. 1 is not completed yet.		
7	Drinking water	Workers does not have supply of drinking water at the worksite as considered by GCC 6.14.	The Contractor provided drinking water in bottles at the Campsites and construction sites.	
8	Toilet and hand wash facilities at the Site	There is no adequate toilet and hand wash facilities at the Site. Hand wash facilities is essential considering the current pandemic situation in Georgia.	Three portable toilets were mobilized by the Contractor.	
9	Induction of Code of Conduct	The employees of the Contractor do not know anything concerning Code of Conduct. The Contractor should conduct intensive induction trainings especially considering the current incident where the Contractor's construction manager was conducting meeting under influence of alcohol.	The Contractor's Social Specialist initiated Social awareness trainings.	
10	Preconstruction survey of the houses	The Contractor should conduct preconstruction survey of the houses before commencement of the works at a particular section	Engineer's and Contractor's teams started preconstruction surveys.	

6. SAFEGUARDS COMPLIANCE STATUS

6.1 Status of Recruitment/Mobilization of Safeguard Team

96. The CSC has the position of International and National Resettlement Specialist with their intermittent input of 8 months and 16 months, respectively. These Experts have been mobilized since October 2019. They are assisting/supporting RDMRDI in the monitoring of LARP implementation and other social safeguards issues that arise about construction activities, especially in the context with the establishing of the campsite and batching plant, dumping area, and other required facilities to be set up before the construction work. Keeping in view the available and required the input of the expert, the National Resettlement Specialist works typically for five days each month while the International Resettlement Expert gives his inputs as and when needed. IRS was in Georgia during the reporting period; in fact, he was stuck up owing to the suspension of international flights and went back to home country in July, now expecting his return to Georgia once the flight operation is restored, possibly next year.

97. Additionally, the RDMRDI has taken up on board the Resettlement Division & Resettlement Unit at the PIU level, and all the requisite positions are filled. The concerned officials are working since the beginning of the project to facilitate the APs in addressing their grievances related to the project activities. It is also to notify here; the commencement of the civil work is not made yet.

98. Both Contractors mobilized Social Specialists in their teams.

6.2 Project Social Safeguard Performance

99. 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. CSC's Resettlement Specialists are constantly monitoring resettlement & social safeguards issues.

100. This is the fourth Semi-Annual Social Monitoring report issued in connection to LARPs implementation & related social safeguards issues of the project.

6.3 Compliance with Safeguard Covenants of Loan Agreement

101. Covenants of the loan agreement between ADB and MRDI that related to resettlement & social safeguards presented in Annex No. 2 in a tabular Matrix form with the status of compliances up to the reporting period.

7. CONCLUSIONS AND NEXT STEPS

102. The Project implementation is ongoing, where resettlement & safeguards compliance is an important and highly valued aspect. A total of two LARPs and one LARF were prepared for the project, harmonizing ADB's SPS 2009, EBRD Environmental and Social Policy 2014 (PR5) and GOG policy standards for the land acquisition and resettlement of the APs. The LARPs in due course, was approved. The LARPs implementation program started by RDMRDI in September 2019. Totally 278 AHs (87 %) have signed agreements as on the reporting period.

103. Compliance Report 2-2 was issued during the reporting period covering the following sections: km 1+100 km 1+500; km 5+300 km - km 7+700; km 8+000 - km 8+200; km 10+400 – km 10+700 and km11+550 – km 12+100.

104. Both Contractor recruited Social Specialists in their teams which improved the situation in terms of compliance with Social Safeguard issues.

105. 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 grievance. Despite COVID19 pandemic LARP implantation is progressing, and it is expected that implementation of LARPs will be completed for October 2021. Once implementation complete, EMC will conduct their compliance monitoring activities and is expected to submit their report after which the Contractor receives notification to proceed. Hopefully, the next (fifth) Semi-annual Report, which will be due in next December 2021 will cover total picture of the LARP implementation status.

Annex No. 1 – Photographs

Lot 1



Social Awareness Induction Training for the Contractor’s staff



Group Meetings in Dusheti Municipality



Community Consultation meeting Lot 1



Meeting with Lot 1 Contractor to discuss labour issues



Meeting with Kobi Water Company

Lot 2



Demonstration of the Drivers



Social Awareness Trainings for the Contractor' staff

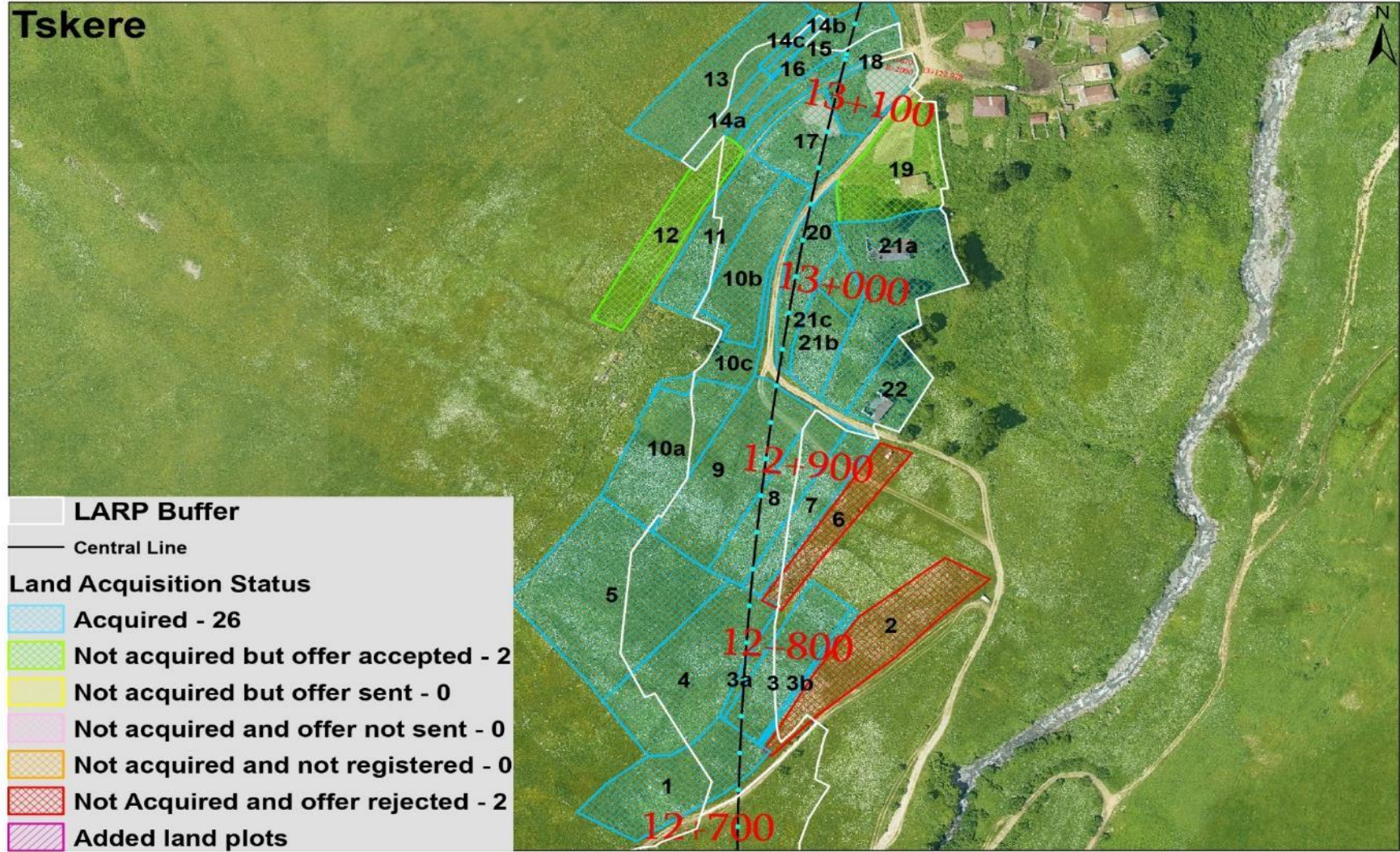
Annex No.2 - Status of Resettlement and Social Safeguard Issues Related to Loan Covenants as of 30 June 2021

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 GRCE also formed under the GRM. The GRM & GRCE 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</p>	<p>ADB Loan Agreement</p>	<p>Two LARPs have been prepared by RDMRDI abide by the ADB & GOG policy following detailed design and were approved by ADB.</p>

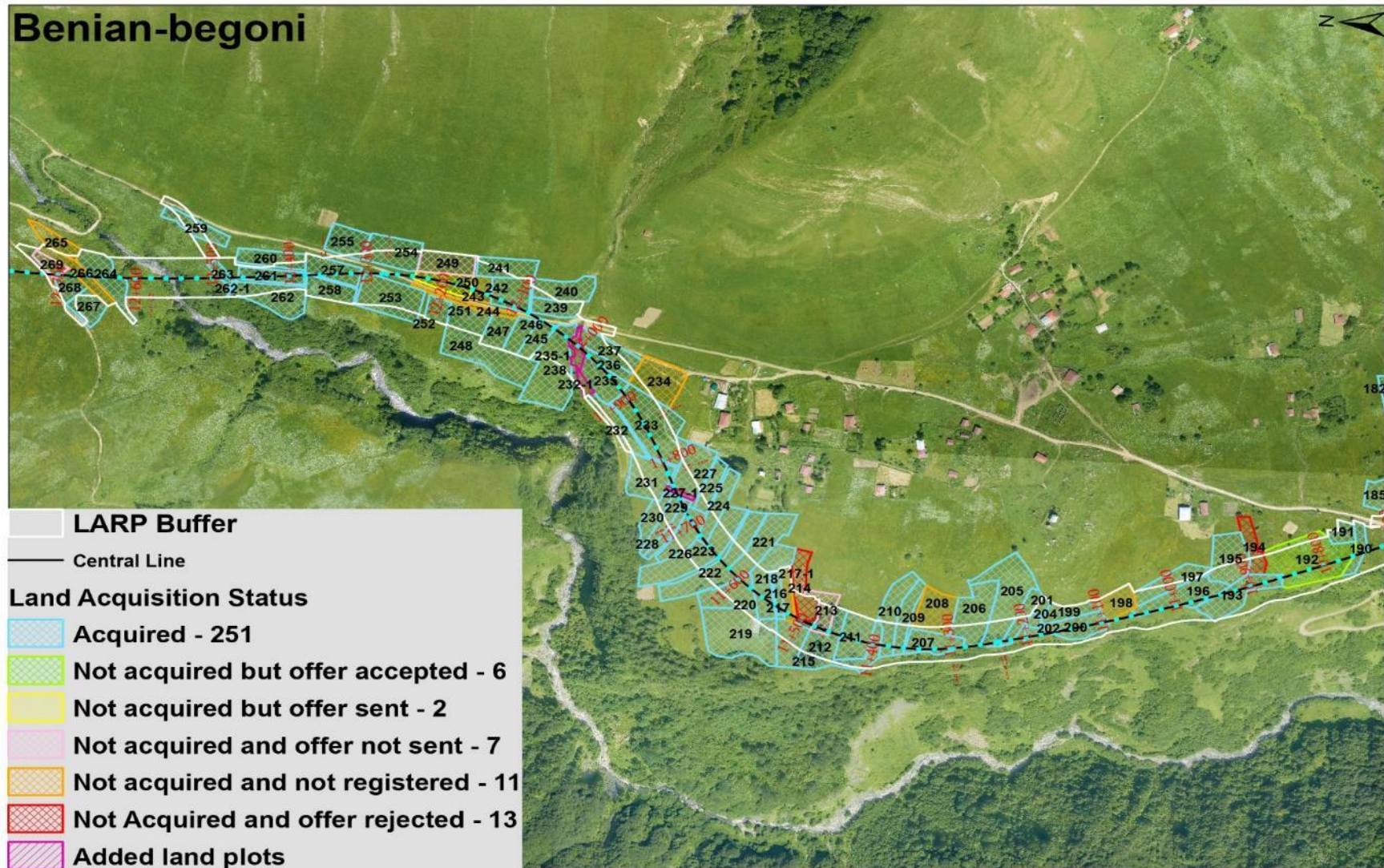
Covenant	Safeguard Applicability	Status of Compliance
Property Ordinance with subsequent amendments & ADB's SPS, 2009.		
b. The LARP that has been prepared and agreed by the Borrower and ADB, for the project, shall be updated and provided to ADB for review and clearance following detailed design and prior to civil works contract award;	ADB Loan Agreement	LARPs prepared & updated and get approved by ADB prior to civil works contract.
c. Conduct Compliance Monitoring of Implemented LARPs.	As per ADB Loan Agreement	No Compliance Reports have been issued during the reporting period. Two CRs were issued during the previous reporting period.
d. All affected persons are given adequate opportunity to participate in the resettlement planning and implementation;	ADB Loan Agreement	Complied with
e. The LARPs are disclosed to the affected persons.	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 will report monthly, Quarterly & SMR to the RDMRDI who shall report the results semiannually to ADB; and	ADB Loan Agreement	Complied

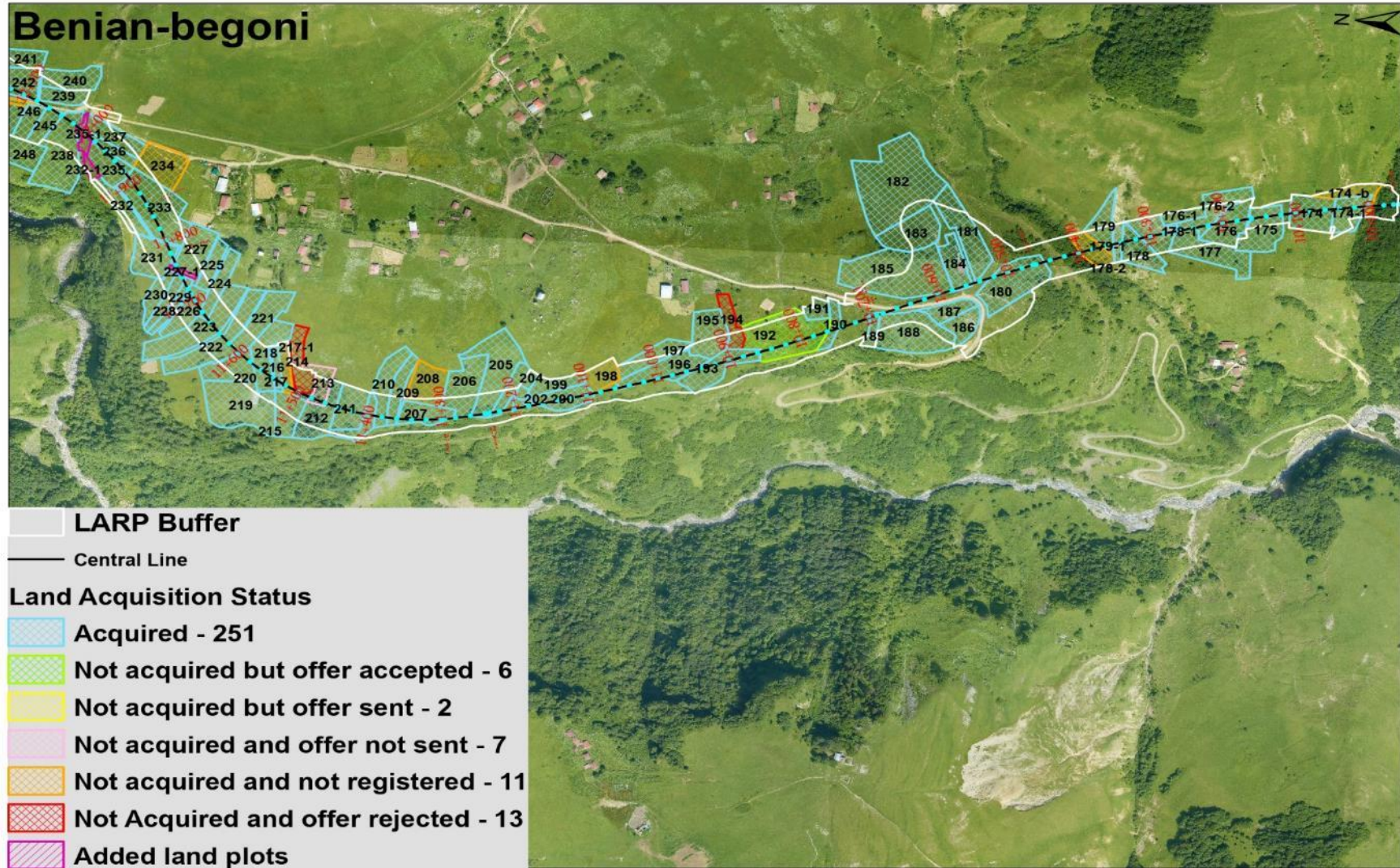
Covenant	Safeguard Applicability	Status of Compliance
i. affected person(s) have an opportunity to express grievance at appropriate levels, and that local officials are instructed to resolve disputes and implement measures promptly in accordance with the grievance redress process outlined in the LARF & LARPs	ADB Loan Agreement	Ensured and APs are availing those opportunities duly, as requires & where applicable.

Tskere

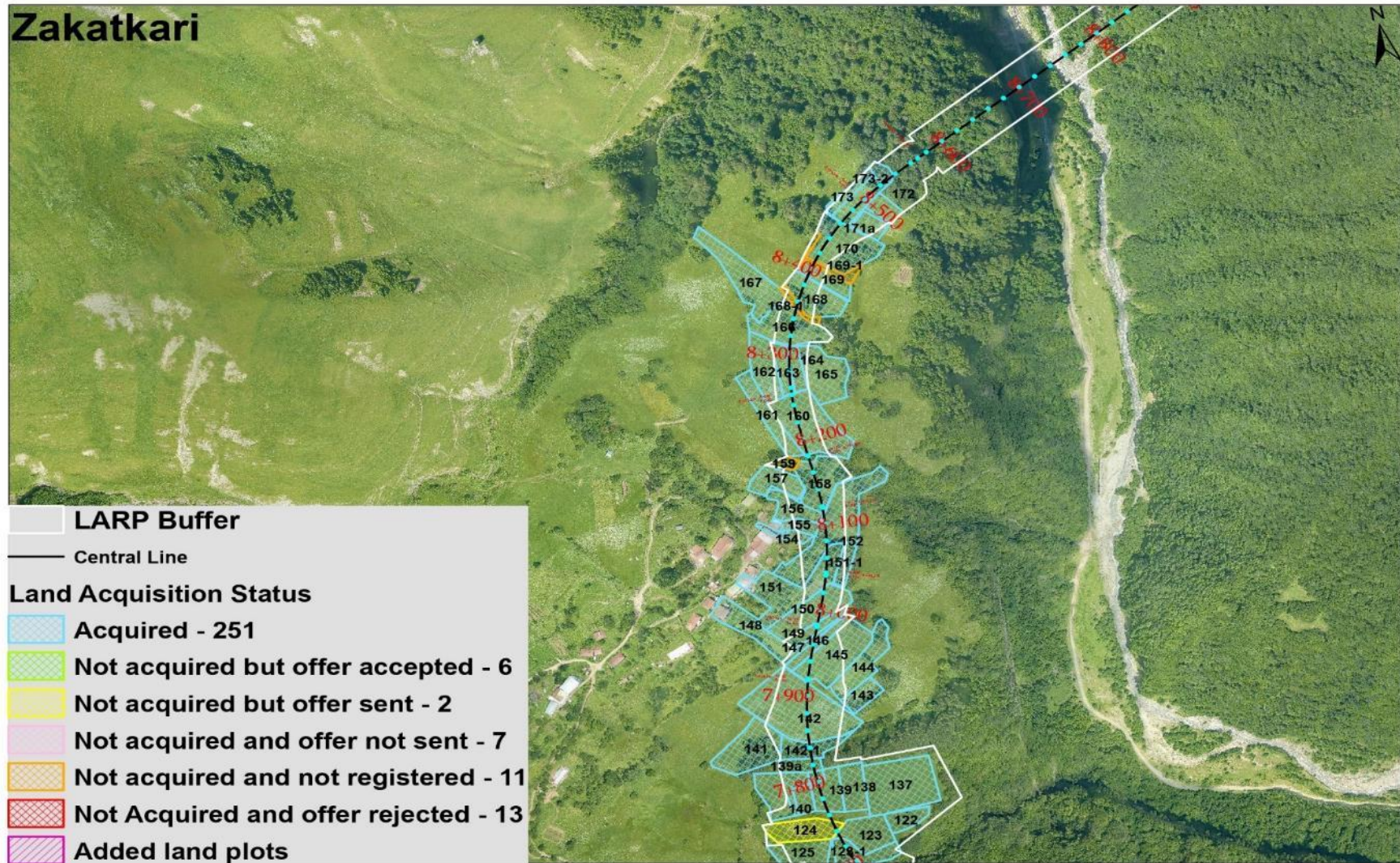


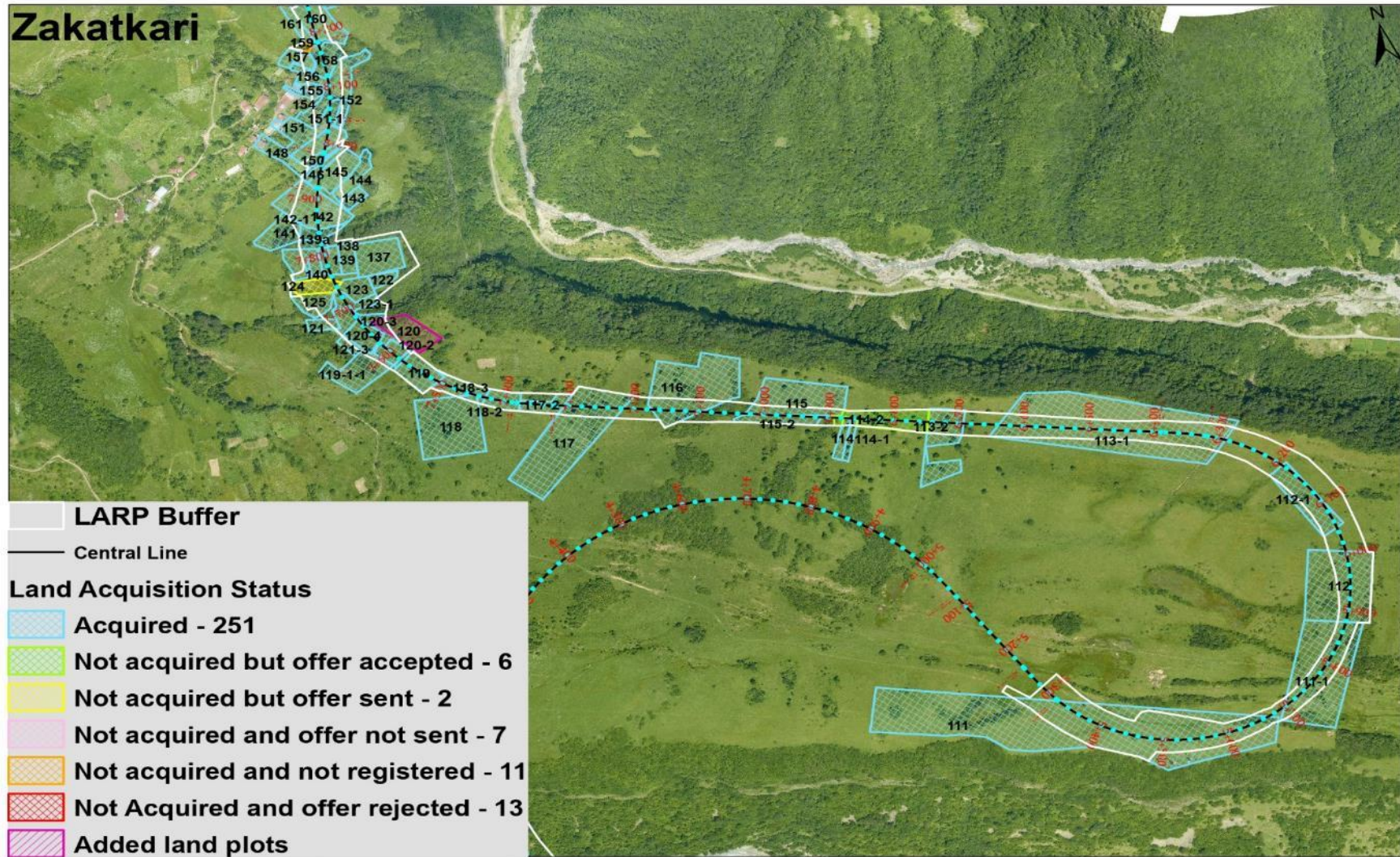
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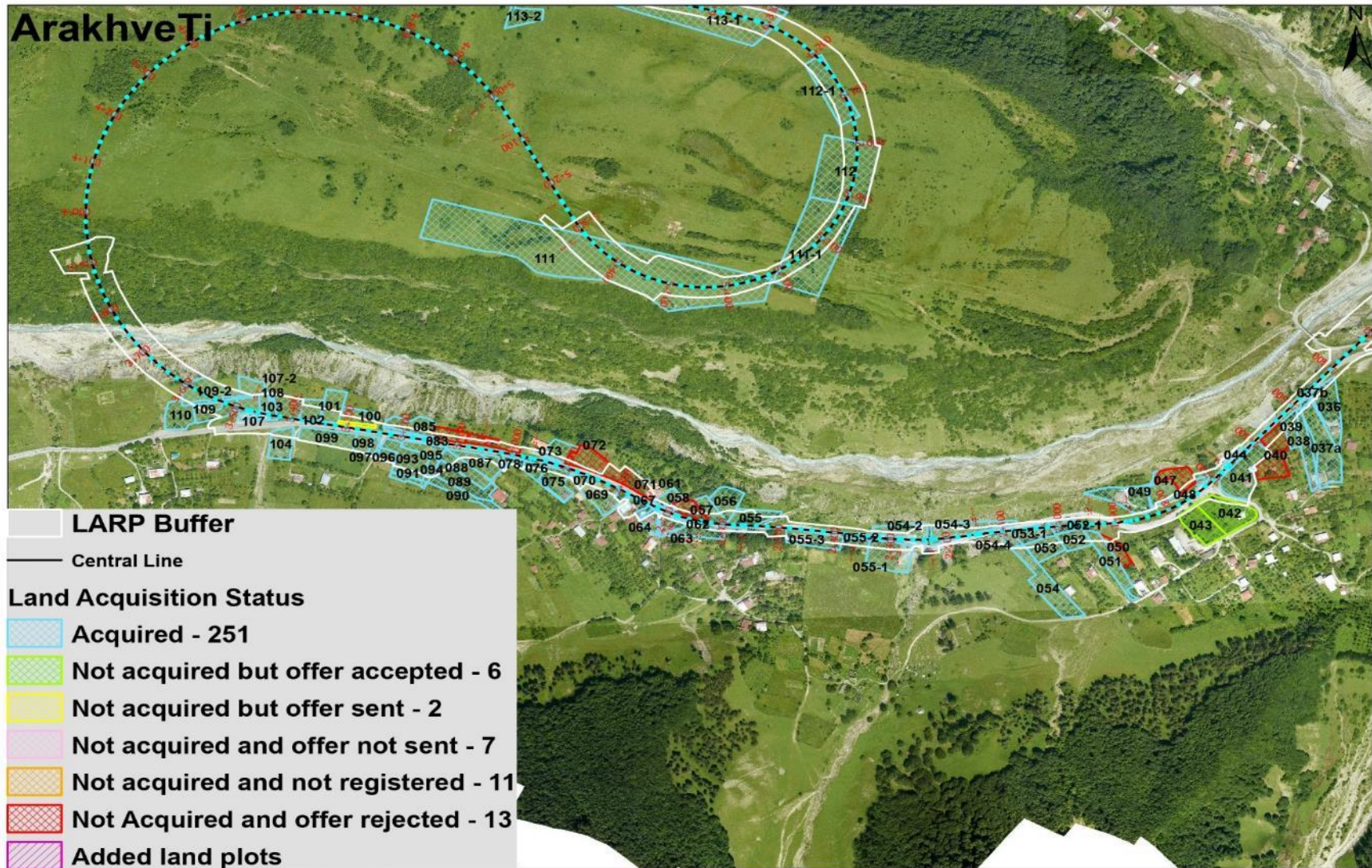




Zakatkari







KveSeTi

