

Loan Number: 3063 -GEO

Project Number: 42414-043

Reporting period: **April - June, 2016**

GEORGIA: SUSTAINABLE URBAN TRANSPORT INVESTMENT PROGRAM, Tranche 3

(Financed by the Asian Development Bank)

Prepared by: Nino Nadashvili, Local Environmental Consultant for ADB projects
Environmental and Resettlement Unit, Municipal Development Fund (MDF)
Tbilisi, Georgia

Endorsed by: Giga Gvelesiani, Head of Environmental and Resettlement Unit
Municipal Development Fund (MDF)
Tbilisi, Georgia

July, 2016

ABBREVIATIONS

ADB	Asian Development Bank
EA	Executing Agency
EARF	Environmental Assessment and Review Framework
EIA	Environmental Impact Assessment
EIP	Environmental Impact Permit
EMP	Environmental Management Plan
EPSM	Engineering Procurement and Construction Management
GoG	Government of Georgia
SUTIP	Georgian Sustainable Urban Transport Investment Program
IA	Implementing Agency
IEE	Initial Environmental Examination
MDF	Municipal Development Fund of Georgia
MFF	Multi-tranche Financing Facility
MoENRP	Ministry of Environmental and Natural Resources Protection
MoRDI	Ministry of Regional Development & Infrastructure
SSEMP	Site-Specific Environmental Management Plan

Table of Contents

- 1. PART I. INTRODUCTION..... 4**
 - 1.1. Preliminary information.....4
 - 1.2. Construction activities and project progress during the reporting period5
 - 1.3. Changes in project organization and environmental management team6
 - 1.4. Relationships with contractors, owner, lender, etc7
- 2. PART II. ENVIRONMENTAL MONITORING..... 9**
- 3. PART III: ENVIRONMENTAL MANAGEMENT 10**
 - 3.1. The environmental management system (EMS), site-specific environmental management plan (SSEMP) and work plans10
 - 3.2 Site inspections and audits12
 - 3.3 Noncompliance notice and corrective actions12
 - 3.4 .Consultation and Complaints13
 - 3.4. Action plan for the next period15

1. PART I. INTRODUCTION

1.1. Preliminary information

Program background

1. Upgrading and improvement of local transport and transport-related infrastructure plays a significant role in the development of Georgia's urban infrastructure. To this effect, a number of important activities have been implemented and financed from the budget of Georgia and from other sources. Recently several significant programs, financed through state budget, loans and grants, have been implemented with this regard.
2. On December 19, 2013 - Sustainable Urban Transport Investment Program Tranche 3 Loan and Project agreements were signed between Georgia and Asian Development Bank. Under Tranche 3, ADB has agreed to lend to the Borrower from ADB's ordinary capital resources an amount of seventy three million Dollars (\$73 million). Tranche 3 is scheduled for completion by 30 June 2018, with a loan closing on 31 December 2018.
3. The program will provide efficient, reliable and affordable urban transport infrastructure and services, thereby increasing economic growth potential and competitiveness of urban communities, improving livelihoods of over 1.5 million people (approx. 35% of Georgian population). The project will also: (I) improve urban, environment and communities' access to economic opportunities and to public and social services; (II) promote efficient and sustainable urban transportation; and (III) generate income and employment opportunities.
4. The environment classification for Tranche 3 is Environmental Category B, as the subprojects under SUTIP 3 were classified as category B as the subprojects impacts are site specific and can be addressed through mitigation measures. Initial Environmental Examination (IEE) was required. The environmental categorization of sub-projects was conducted by using ADB's Safeguard Policy Statement (2009).

Program Area

5. Sustainable Urban Transport Investment Program – Tranche 3 (SUTIP T3) includes:
 - (a) Construction of an approximately 6.8 kilometers 4-lane urban road link between the cities of Rustavi and Tbilisi, including a 2 kilometers urban boulevard and recreational areas;
 - (b) Construction of an approximately 1.2 kilometers coastal protection structure in the city of Anaklia (Phase II); and
 - (c) Project implementation support through financial audit and independent safeguards monitoring.

Tbilisi-Rustavi urban link (Section 2) CW Project - overview

6. The project envisages Modernization of Tbilisi-Rustavi portion of the Tbilisi-Red Bridge (Azerbaijani border) automobile road. The design road links the capital of Georgia with the major industrial and administrative center Rustavi and the district center Gardabani. Designing and constructing of other portions of the road will enable the citizens to travel and commodities to be trafficked on comfortable and modern highway to the capital of Azerbaijan Baku. Apart from

the abovementioned, the population of Rustavi and Gardabani are the priority road customers. The mentioned portion of the design road is over-trafficked, the AADT being about 15,100 vehicles per day, when the road capacity is just 7,000. The latter determined priority of modernization of the Tbilisi-Rustavi road to the level of I category road with 4 traffic lanes and design speed 120 km/h (design speed is different from speed limit). Total length of the urban link is 18.1km.

Anaklia Coastal improvement (phase 2) Project -overview

7. Anaklia is a small town and seaside resort in western Georgia. It is located in the Samegrelo-Zemo Svaneti region, at the place where the Enguri River flows into the Black Sea, near the administrative border with Abkhazia. The project aims at Anaklia shoreline rehabilitation, restoration of the full profile of beaches to the possible limits (which is necessary for wave breaking and suppression of its power and assigns to the beach a function of bank protecting structure), selection of the most optimum types and design of hydro-technical coast protecting structures. Infrastructure improvement will support infrastructure *investments* to rehabilitate, improve and expand the beach of Anaklia and will benefit accrue principally from the protection of land and infrastructure from erosion and damage, the avoidance of some other costs and increasing number of tourists. For the interventions, benefits arise from the protection of (i) rural land, (ii) houses (iii) roads and other infrastructure. Coast protection measures need to be taken to protect the unique place and landscape. The design of approximately 4 kilometers of coastal line will create a new and attractive tourist destination on the Black Sea Coast, able to be the engine of the development of the region of Zugdidi, Ganmukhuri and Anaklia.
8. Project considers construction of 4 structures of underwater breakwaters (composed with 5t tetrapods) in the sea along the coastal line in around 200 m far from the beach and nourishment of the beach line with sand.

1.2. Construction activities and project progress during the reporting period

Civil works at Anaklia coastal improvement EPCM (Phase 2):

9. The contractor for the Phase 2 is the same as for the Anaklia Coastal Improvement phase 1 - Modern Business Group LLC (Azerbaijan). Civil works contract was signed with Modern Business Group LLC (Azerbaijan) on September 26, 2014 with an amount of GEL 12,252,937.48 (approximately USD 7.0 million). The construction works started on February 18, 2015. Official completion time for Phase 2 was determined 18 November, 2015. Significant delays have been experienced in the implementation of the project. Contractor, Engineer and MDF agreed to extend the civil works contract and signed Contract Amendment for time extension till 30 April, 2016.
10. The Georgian government came to a decision to initiate construction of a deep sea port in Anaklia., which is expected to interfere with the Anaklia coastal protection subproject Phase 2. In March 2016 the Ministry of Economy and Sustainable Development of Georgia provided MDF with the coordinates of the deep sea port, which demonstrated that the port was overlapping three breakwaters out of four (breakwaters N 7, 8 and 9). As a result MDF took decision to remove three breakwaters from the scope of work of the present contract. In April 2016 MDF's Supervisory Board decided to cancel construction works for the proposed underwater breakwaters from the Contract through contract modification.

11. Phase II, after modification finally included construction of only N10 underwater breakwater and placing of sand on the beach behind it (Approximately in front of Children's camp). This section was priority for the government to place the sand because of children's camp located in the same area and having high intensity of beach line erosion.
12. According to the Contractor's schedule (agreed with MDF), Contractor accomplished works of underwater breakwater N 10 on 21 September, 2015. After that only the nourishment of the 300 m beach line was implanting and is completed also.
13. After reducing the volumes of works the final contract cost decreased from 12,252,937.48 GEL to 5,326,545.43 GEL. The project is completed and hand-over procedures are on-going. MDF and Engineer agreed to shift Item for demobilization works and removing of sheet piles and jetty from Phase II work scope to the Phase I work scope.
14. Thus, during reporting period only artificial sand nourishment works were implemented in a very small scale, in particular during two weeks (from June-24 till July 8) and 4,200 m³ sand was placed on the beach. No any other work activities have been implemented.

Tbilisi-Rustavi urban link (Section 2) - N/A

15. No construction activities are started under this project yet. The civil works tender for Modernization of Tbilisi-Rustavi urban link project (Section 2) was announced on 3 February, 2016, with the deadline of 21 March, 2016. Although, as a result of request from bidders the bids submission deadline was extended until 1 April, 2016. Bid opening was held on 1 April, 2016. Out of 29 bidders, which have purchased the Bidding Document, only 9 have submitted their Bids. During the Reporting Period the Technical Bid Evaluation Report was prepared and submitted to ADB on 20 May, 2016, for review and 'no-objection'.

1.3. Changes in project organization and environmental management team

16. The MDF is the projects' executing, implementing and disbursing agency. MDF has overall responsibility for the projects' management - including environmental, planning and supervision. New Executive Director of MDF Juansher Burchuladze was assigned in July, 2015 by the Georgian Prime Minister's Decree.
17. MDF is responsible for general implementation of all safeguards tasks and guarantee that potential adverse environmental impacts arising from the Projects are minimized by implementing mitigation measures presented in the environmental impact assessment ("EIA") or Initial Environmental Examination (IEE), as applicable.
18. Management of safeguards issues is carried out by the MDF through Environmental and Resettlement Unit, established in October 2014. From that time, number of Environmental and Resettlement team members has increased from 6 to 10 and currently consists of: Head of Unit, 3 environmental safeguards specialists, one social and gender specialist, 3 resettlement specialists. There are also two ADB's individual consultants – one on environmental safeguards and one on resettlement issues, who are the members of Environmental and Resettlement Unit. Until October, 2014 Environmental and resettlement safeguards team was consisting of 3 environmental safeguards and 2 resettlement specialists, one of which was the ADB's national consultant on resettlement issues. Environmental and Social Safeguards team had a Team Leader who was an advisor to Executive Director of MDF on environmental and social safeguards issues.

19. The Environmental and Resettlement Unit is involved in addressing of environmental and social safeguard issues throughout the entire projects' cycles. The Environmental and Social Specialists of the MDF, are responsible for management of the environmental and social aspects associated with development of all donor funded projects for which MDF is the responsible Executing Agency (EA). Local Environmental Consultant, was recruited from September 2015 and is designated to supervise ADB projects, review the IEEs/EIAs, EMPs, and SSEMPs of projects and carry out supervision of the construction performance based on approved EMPs, EIAs, and environmental standards in accordance with ADB "Safeguard Policy Statement" (2009) requirements' and acting Georgian Legislation.

1.4. Relationships with contractors, owner, lender, etc

20. The main institutions that are involved in IEEs/EMPs/SSEMPs implementation and monitoring, are the executing agency (EA) - MDF, the Supervision Consultants' (SC), the Construction Contractors' and to a lesser extent the Ministry of Environmental and Natural Resources Protection and Municipal Authorities. EA (MDF) and SCs are responsible for ensuring monitoring of the projects' implementation at the construction stage. Ministry of Environmental and Natural Resources Protection has the authority for periodic audits but should not be considered as a party responsible for monitoring according to this IEE and EMPs.

Anaklia Coastal Improvement (Phase 2)

21. Construction Contractor of the project as it was mentioned above is 'Modern Business Group' Ltd (Azerbaijan). Construction activities were supervised by the DOHWA Engineering Co., Ltd (Republic of South Korea). Construction Contractor company had one National Environmental Specialist on site (Zurab Revazishvili). Environmental issues at Supervision Company were handled by National Environmental Specialist - Revaz Gujabidze, who was mandated to track implementation of EMP by contractor, reveal any deviations from the prescribed actions, as well as identify any unexpected environmental issues, emerged at any stage of works.
22. Construction Supervision Company is responsible for supervision of all environmental issues during project implementation. Construction contractor is obliged to follow EMP and SSEMP good construction practice during construction activities. All environmental issues, arising from the construction activities are immediately brought to the attention of MDF's environmental safeguards team by the environmental specialists of construction and Supervision Companies' in order to coordinate efforts and ensure immediate mitigation of impacts, protect the environment and safeguard the health and welfare of the local communities. The construction contractor's Environmental specialist responsible for implementation of EMP/SSEMP, daily environmental monitoring and reporting.
23. Construction contractor is responsible to prepare monthly progress reports on SSEMP implementation, which should contain information on the main types of activities carried out during the reporting period, status of any clearances/permits/licenses which are required for carrying out such activities, mitigation measures applied, and any environmental issues that have emerged in relations with suppliers, local authorities, affected communities, etc.
24. Construction Supervision Company is preparing quarterly progress reports that cover the implementation of the SSEMP, discrepancies from the SSEMP and list all HSE relevant incidents and accidents that occur during the implementation.

25. MDF ensures availability of all environmental information and facilitates environmental supervision of the projects. The MDF through its local environmental consultant – Nino Nadashvili reports to the ADB every 6 months on the status of environmental compliance of construction works by EMRs.

Tbilisi-Rustavi urban link (Section 2)

26. Construction Contractor is not selected yet. EPCM consultant JV “Dohwa Engineering ltd” (Korea) and “Transproject ltd” (Georgia) prepared and provided the first draft detailed design to MDF in February, 2014.
27. Taking into account that 10 apartment buildings located close to the planned road were in a poor condition decision has been made to tender Tbilisi-Rustavi Urban Road Link section 2 project upon finalization of the detailed design which would reflect the results and recommendations of the structural integrity survey of 10 apartment buildings, noise and vibration modeling, finalization of IEE and LARP agreed with ADB.
28. Consulting company for conducting of the Structural Integrity Study has been selected on December 19, 2014. The Contract was signed with Nord Est Progetti (Italy). Individual expert for Review of the Investigation of Structural Integrity of, and Impact of Vibration and Noise on Buildings and for Consulting MDF during the Implementation of the Investigation study was also recruited. MDF was working closely with the consulting company NEP, EPCM consultant ‘Dohwa’ and Individual consultant in order to conduct planned activities without delay.
29. The Consulting Company conducted the survey and submitted relevant reports in Q2 and Q3, 2015. On the bases of the survey performed (which includes modeling) Consultant gave following recommendations: one building must be demolished; vibration produced during construction works and/or exploitation will not cause the risk of collapse or damage of other 9 buildings; voluntary additions to the buildings and building N6 should be reinforced; Mitigation measures are required to reduce the expected noise levels. The conformance with the threshold of permissive noise level can be achieved through designing proper type of noise barrier wall.
30. In addition, a rigorous and extensive monitoring system should be implemented during the construction phase and will extend into the operation phase of the road, to provide added comfort and assurance of the absence of adverse impact on the stability of the buildings located along the urban road. Contractor will work according to strict, pre-defined procedures and will use only modern construction equipment. MDF ensured that relevant provisions were included in the bidding document, fully consistent with the recommendations given in the report.
31. Final version of the Detailed Design was re-submitted by the Consultant on November 27, 2015 reflecting all comments. The tender document was prepared by Consultant Company and agreed with MDF. The latest version of DD was reviewed by International Road Consultant. In his opinion design package appears to meet international and ADB requirements for procurement purposes and it could be advertised for civil works tender.
32. On the bases of the Recommendations provided by Nord Est Progetti MDF took decision to request the Consultant to provide additional survey on following: study, analysis and documenting the expert conclusion on the impact of vibration, air pollution and noise to the GMP production; general design of sound barrier; engineering design for building N6 and voluntary additions. The final report on additional studies was submitted to MDF in July 2015.

The recommendations and results of the modeling have been included in the detailed design. GMP pharmaceuticals complaint was also taken into account and as a result of amendment, bridge of frontage road (located close to GMP) was removed and one additional foot-bridge was inserted into design.

33. The final version of the design documentation was submitted by MDF to ADB in 31 December 2015. The civil works tender as it was mentioned above, was announced on 3 February, 2016, with the deadline of 21 March, 2016. Although, as a result of request from bidders the bids submission deadline was extended until 1 April, 2016. 9 participants submitted bids. At this stage, Technical evaluation of submitted Bids is prepared and submitted to ADB on 20 May, 2016, for review and 'no-objection'.
34. The selected Contractor should implement relevant monitoring system not only during the construction process but also in the exploitation phase of the road. In addition to above, MDF initiated changes into DD that were based on the lessons learned from the implementation of the Tbilisi-Rustavi road modernization contract for Section 1 and 3. The design revision constituted carrying out of respective changes in LARP and IEE.

2. PART II. ENVIRONMENTAL MONITORING

35. Environmental monitoring measures include construction site supervision, verification of permits, monitoring of compliance of the contractor performance and specific monitoring of environmental impacts like noise, dust, soil and water pollution and air emissions, etc.
36. EMP is an integral part of construction contracts. MDF requires the Construction and its Supervision Companies to implement construction activities in accordance with the environmental management plan (EMP), which is the part of the initial environmental examination document (IEE) and included in the environmental assessment and review framework.
37. Environmental monitoring started immediately (for Anaklia project) after the commencement of civil works under the SUTIP T3. Environmental safeguard monitoring is performed as required in the EMPs. MDF submits to ADB semiannual environmental safeguards monitoring reports, describing progress of implementation of EMPs and any compliance issues and corrective actions, within 1 month after each reporting period. If any unanticipated environmental and/or social risks and impacts will arise during construction, implementation or operation of the Project that were not considered in the IEE, the EMP, MDF ensures to promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan.
38. During reporting period, as it was mentioned above, no construction works have been implemented at **Anaklia coastal improvement sub project (phase 2)**. Contractor accomplished works on underwater breakwater N 10 on 21 September, 2015 and only artificial sand nourishment works were carried out within two weeks from the end of June, 2016. 4,200 m³ sand was placed on the beach. Because of decreasing the construction works pace, the possibility of impact level on environment has felt to minimum.

39. No adverse environmental impacts related to the implemented activities were noted or observed within the reporting period. New tests for the sea water and atmospheric air quality were not taken, as there was no need for this.
40. There are no protected areas, wetlands, mangroves, or estuaries or archeological/cultural heritage within the project area. There are no land acquisition and resettlement issues involved. The nearest residential house is located in 300-400m distance from the working yard. In order to limit soil disturbance, the access to the site was limited to construction workers and the site was fenced.

3. PART III: ENVIRONMENTAL MANAGEMENT

3.1. The environmental management system (EMS), site-specific environmental management plan (SSEMP) and work plans

Anaklia Coastal Improvement project (phase 2)

41. IEEs, including EMPs, are integral parts of the contracts and their implementation is mandatory for contactors. Contractor Company, as it was mentioned above, submits monthly progress reports to Supervisor Company “Dohwa” and MDF. Monthly report includes chapter on environmental performance. Consultant Company “Dohwa” prepares quarterly environmental reports and submits to MDF on progress of the environmental management plan.
42. An environmental assessment and review framework was approved by the government of Georgia on 16 April 2010. Document was updated in April 2015. The environmental classification for Tranche 3 under ADB's Safeguard Policy Statement (2009) is B as its subprojects will not have significant irreversible or permanent negative environmental impacts during or after construction.
43. The initial environmental examinations (IEE) for Anaklia Coastal Improvement (phase 2) was prepared. Implementation of all mitigation measures during construction activities under the project were monitored. IEE including EMP are integral part of the contract and their implementation is mandatory for contactors. SSEMP has been prepared by Construction Company and endorsed by Supervision Consultant Company in June, 2015.

Tbilisi Rustavi Urban Road Link (section 2)

44. EPCM consultant JV “Dohwa Engineering ltd” (Korea) and “Transproject ltd” (Georgia) prepared the first early draft of detailed design which was submitted to MDF on July 30, 2013. Detailed design was amended according to the comments and recommendations given by the International Road Consultant, Georgian Expertise and MDF.
45. During project preparation, substantial design improvements were made so as to mitigate impact of the road section on affected households and businesses. Where the road runs adjacent to existing apartment buildings, an urban boulevard was included in the project including landscaped verges on either side. It will provide a well-integrated relationship with the adjoining residential area. Landscaped park between the road and the nearby buildings, comprising tree

plantation, footpath, bicycle path, playground, and pedestrian footbridges to access the riverside and new riverside gardens will provide a community recreation area. Separated and regulated traffic flow, combined with the boulevard development, lighting, and controlled access to the riverside, will provide a safe environment. Lower speed limits (80 km/h) in this area will also reduce potential noise, vibration, and other potential impacts on the adjoining and nearby properties.

46. Final Detailed Design of the project as it was mentioned above, was re-submitted by the Consultant on November 27, 2015. The detailed design and bidding document was reviewed by the road individual consultant recruited under SUTIP1. All comments were satisfactorily incorporated by the EPCM consultant and no further comments confirmation from the individual consultant was attached to the submission of the bidding document by MDF to ADB. Invitation for Bids (IFB) for TRURL was announced on 3 Feb 2016.
47. Tbilisi-Rustavi Urban Road Link Section 2 project was tendered out after finalization of the detailed design, which reflected the results and recommendations of the structural integrity survey of 10 apartment buildings, dynamic noise and vibration modeling. As agreed with ADB, MDF has conducted the structural and geotechnical diagnosis of 10 multi-story residential apartment buildings. These buildings are approximately 50-years old and in a visually poor state of repair. Although they are outside the right-of-way of section 2 and not directly physically impacted by the project, concerns have been raised by the residents regarding potential noise and potential adverse structural effects of vibrations during construction.
48. As required by the IEE, a technical study to address these concerns was undertaken. Noise mitigation measures (transparent noise barriers) were already envisaged in the project detailed design that was finalized after the noise modeling has been performed. In order to mitigate the construction noise impacts temporary noise barriers will be installed along the design road (as required by the IEE) near the apartment buildings (section B). Noise abatement during construction will require use of about 120m of temporary noise barriers.
49. Dynamic modeling of vibrations during construction were also performed to verify that the integrity of the building will not be affected, or to include some of the buildings in the LARP if partial demolition becomes necessary. The ADB project team (including Social Safeguards Specialist) closely and regularly worked with MDF since early 2014 (involvement of GRM staff, RETA consultant, safeguards missions, loan review missions, and videoconferences) and provided guidance on these critical issues. Action plan has been defined (monitored and updated) and support was given (compliance with ADB SPS and in drafting the terms of reference for the structural diagnosis assignment, in line with international standards). The Italian firm Nord Est Progetti S.r.l. completed its work with the submission of their final report to MDF in Q3 2015. After completion of the additional studies dedicated to assessment of noise and vibration impacts on the apartment building and residents of these buildings, a public consultation meeting has been conducted with the representatives of the affected apartments. The meeting has been conducted on September 15, 2015 at MDF.
50. The report provided three important conclusions: (i) vibration produced during construction works will not cause risk of damage to the buildings; (ii) during road operation, there will be no impact on buildings that could result in any damage (except for one building which was already anticipated to be demolished and was included in the LARP and covered under the LARP prepared in 2013); and (iii) conformity with the threshold of permissive noise level can be achieved through the design of appropriate noise barriers. As a result, state-of-the-art noise barriers, made from transparent material, will cut traffic noise to acceptable levels while

ensuring views from lower level apartments remain unobstructed and have been included in the project. In addition, a rigorous and extensive monitoring system will be implemented during the construction phase and will extend into the operation phase of the road, to provide added comfort and assurance of the absence of adverse impact on the stability of your building and other buildings located along the highway. Contractors will work according to strict, pre-defined procedures and will use only approved construction equipment. MDF ensured that relevant provisions are included in the bidding document, fully consistent with the recommendations in the report.

51. The final draft of IEE has been prepared and presented to MDF by the end of September 2015. IEE was finalized on the basis of the conclusions of the above mentioned studies. IEE was approved by ADB project team and disclosed in December, 2015.
52. Following the award of the contract and prior to construction commencing the Contractor will review the EMP and develop a **Site-Specific Environmental Management Plan/s (SEMP/s)** that amplifies the conditions established in the EMP that are specific for the project, the tasks involved and schedule of construction activities. The SEMP/s will identify persons who will be responsible for supervising the work within the contractor's team. The SEMP will include a matrix of mitigation measures corresponding to specific activities. Construction of the temporary noise barriers will be implemented according to the design prepared by Supervision Company (SC). Contraction Company will consider the possibility to install these barriers before starting of any construction activities.

3.2 Site inspections and audits

53. Site supervision and inspections, as well as monitoring of compliance of construction activities are important aspects to ensure the proper implementation of EMP/SSEMP requirements. Environmental management team of Construction and Supervisor Companies carry out permanent supervision activities and monitoring of the project performance on regular bases.
54. As was mentioned above, no construction works were carried out within reporting period, thus the need of permanent and strict site inspections and monitoring was not occurred accordingly.

3.3 Noncompliance notice and corrective actions

Tbilisi-Rustavi Urban Road Link (section 2)- N/A yet, as no construction activities started yet.

Anaklia Coastal Improvement Project (Phase 2)

55. Identification of problematic issues and noncompliance notice during site inspections is the responsibility of Environmental Specialist of Supervision Consultant. During reporting period several site visits has been implemented by environmental specialists of Construction and Supervision Companies in order to check environmental conditions at the camp site.
56. In case of any deviations of EMP and SSEMP requirements corrective actions and mitigation measures are applied. All mitigation measures during pre- and construction phases of SPs are implemented by construction contractors according to EMP and SSEMP.
57. None of non-compliances or problematic issues was observed during reporting period.

3.4 .Consultation and Complaints

Grievance Redress Mechanism (GRM)

Anaklia coastal improvement project

58. In order to provide a direct channel to the affected persons for approaching project authorities and have their grievance recorded and redressed in an appropriate time frame, Grievance Redress Mechanism was established with efforts of MDF.
59. Complaints' registration journal is created and available at Anaklia construction site. The copy of journal with mobile numbers of relevant persons – Mr. Archil Samushia, (Site Manager of Construction Company), to be addressed is placed at local Municipality as well. Complaints' from the local people, regarding the environmental safeguard issues in case of their disturbance and inconvenience, because of improper or inadequate implementation of EMP, can be accepted in both places. Complaints' would be registered in database system, assigning compliant number with date of receipt. Complaints' would be investigated and complainant would be informed about time frame in which the corrective action will be undertaken, in case if the raised problem is realistic. Thus every complain would be indicated in **Complaint Logbook**, and problems would be solved in accordance of rules and regulations under the control of the supervising site manager and DOHWA's local Environmental Specialist (Revaz Gujabidze), and if necessary with involvement of MDF side as well. None of complaints have been raised and registered during reporting period.

Tbilisi-Rustavi Urban Link -section II

60. No civil works has been started yet within the project. After starting the implementation of the Project, there might be several issues related to environmental hazards and disputes on entitlement processes may occur due to the Project's activities. For example, intensive schedule of construction activities, inappropriate timing of construction vehicle flow, waste, noise and air pollution from construction activities, ecological disturbances are some of the environmental issues that might arise from the Project activities.
61. Grievance redress procedure for the projects aims to provide an effective and systematic mechanism in responding to queries, feedbacks and complaints from affected persons (AP), other key stakeholders and the general public. APs will be fully informed of their rights and of the procedures for addressing the complaints whether verbally or in writing during consultation, survey, and time of compensation.
62. In order to ensure that grievances and complaints are addressed in a timely and satisfactory manner and that all possible avenues are available to APs to air their grievances, Complaints Log books will be established at construction sites and MDF office, where complaints can be registered in special journal. The copy of complaints log journal with mobile numbers of relevant persons can be placed at local Municipalities as well. A grievance register will be maintained at each of the locations above to record grievances and keep track of their status.
63. APs or other concerned individuals may visit, call or send a letter, fax or e-mail to any of the Grievance Focal Points to register their comments or complaints related to environmental impacts or other aspects of the project. A grievance register will be maintained at each of the

locations above to record grievances and keep track of their status. Grievances will be logged into an electronic register (MS Excel or similar) by the Secretary of Grievance Redress Committee (GRC) in MDFG. Acknowledgement of grievance registration will be provided to complaining party within maximum 7 calendar days following the receipt of the grievance. Review of the grievance will typically involve the verification of the compensation dossier, survey and valuation forms, and possibly site visit and interview of the complainant and other interested parties, such as neighbours or other people involved in the grievance.

64. A resolution proposal will be drafted and communicated formally to the complainant, with a signed acknowledgement of receipt. If the resolution is satisfactory to the complainant and other aggrieved or interested parties, the minutes of agreement will be drafted for signature by all interested parties. If the resolution is not satisfactory to the complainant and other aggrieved or interested parties, the proposed resolution letter will include information on the possibility to resort to the next tier of grievance resolution process.
65. Efforts will be made to prevent and amicably resolve grievances rather than going through a legal redress process. This can be achieved through, ensuring full participation and consultation with the project affected persons, and establishing extensive communication and coordination between affected communities, EA, and relevant local governments, as necessary.
66. First, complaints resolution will be attempted informally at the community level with the involvement of community authorities and/or informal mediators. At these levels Grievance Focal Points to deal with project related grievance cases will be nominated. If the issue cannot be resolved within two weeks, it will be passed to the MDFG for review and resolution.
67. Second, complaints resolution will be attempted at the level of MDFG. If after the MDFG intervention no solution has been reached and if the grievance redress system fails to satisfy the APs, they can pursue further action by submitting their case to the appropriate court. Nevertheless, abovementioned grievance mechanism does not limit the citizen's right to submit the case to the court of law just in the first stage of grievance process.

Complaints

68. A group of residents from an apartment building in Ponichala sent a request for compliance review of Tbilisi-Rustavi Urban Road Link – Section 2 to ADB's Compliance Review Panel on 14 March 2016. On 14 June 2016, ADB's Board of Directors approved the Compliance Review Panel's (CRP) recommendation for the compliance review. Compliance review by CRP is on-going.
69. A complaint was lodged with the ADB's Complaints receiving officer by 3 of residents of the nine story building in the Ponichala district which is not included in the LARP. The complainants assert that the project may subject their building to damage and will significantly affect their everyday lives. They request that the influence of the proposed road on their apartment block be reviewed and alternatives be proposed, regardless of the project features and mitigation measures in the IEE. This complaint was determined as eligible for compliance review.
70. Two of the complaints, which were brought into the GRC should be noted also: 1. A joint complaint of residents of Two-story residential building. 2. The complaint of owner of the hotel, from which only the restaurant was bought by the MDF. These AP-s submitted complaint to MDF and to ADB - Office of the Special Project Facilitator (OSPF). MDF is actively collaborating with the OSPF in order to resolve issues.

3.4. Action plan for the next period

71. Next EMR for **Tbilisi-Rustavi Urban Link -section II** project for the period July-December, 2016 will be submitted in January, 2017 (at the same time as EMRs for SUTIP 1 and 2).
72. For **Anaklia coastal improvement project (Phase II)**, as project was cancelled because of planned construction of a deep sea port, which interferes with the Anaklia coastal protection subproject Phase 2, further actions should be considered and agreed with ADB.
73. During the ADB mission conducted within 3-11 May, 2016 MDF was advised to prepare a plan for the storage and use of the tetrapods which were left unused under both projects. The tetrapods will need to be stored according to the stone yard guidelines of Sogrea (design of tetrapod) as indicated by the Engineer. Various options were discussed and MDF agreed to provide a short to medium term storage plan, till the re-use option is decided. It was agreed that the existing location be converted into a proper stone yard, as the tetrapods should only be moved once, when they are to be installed at their new location, this would have minimum environmental and safety risks.
74. The draft of mentioned plan for storage of tetrapods was prepared by the Engineer in the end of June and submitted to the MDF for consideration.