

Biannual Social Monitoring Report

Reporting period: 01/2018 – 06/2018

GEORGIA: MFF - SUSTAINABLE URBAN TRANSPORT INVESTMENT
PROGRAM Tranche 3 (SUTIP T3)

(Financed by the Asian Development Bank)

Prepared by: Municipal Development Fund
Tbilisi, Georgia

July 2018

Background

On 19 December, 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).

The project 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.

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; and (c) Project implementation support through financial audit and independent safeguards monitoring.

Section 2

Section 2 (km 4+000 to km 10+800) is a new urban link road. Since in this section the widening of the existing highway would have caused significant impacts, thus a new road was preferred. The 6.8 km long Section 2 passes through housing and industrial areas, and as a result generates significant displacement impacts, including demolition of a two-storey building with 40 apartments.

The draft LARP for Section 2 was developed by Design Consultant (Dohwa Engineering) in April 2014. The main issue related to LARP was that the road section might have required demolition of a building with 40 apartments and possibly the repair of other 9 buildings with a very large number of apartments. To assess the final land acquisition and resettlement impacts it was decided to carry out a study of structural integrity of the buildings.

In order to speed up and facilitate finalization of LARP for Section 2 it was agreed to split the existing draft LARP into two LARPs covering respectively the Section 2 Part A (the road section without impacts on two-storey building, where LARP can be quickly finalized) and Section 2 Part B (including the section of the road with building impacts, where the impacts shall be reassessed following finalization of the structural study of buildings).

The final LARP for **Section 2 Part A** was approved by ADB on 30 October 2014 and is currently in process of implementation. Contracts were signed with affected persons and registered in public registry as it is required by Georgian legislation. Affected people received compensation paid to their bank accounts within a reasonable time. As of the end of June 2018 the agreements were concluded and

243 privately owned properties were acquired out of total 244. The only remaining property is GMP Pharmaceutical Company. LARP implementation process is ongoing.

For **Section 2 Part B** the land acquisition and resettlement (LAR) impacts were reassessed based on the structural integrity study carried out in 2015, which was conducted by Nord Est Progetti Srl (Italy). According to the outcomes of the study of structural integrity (including review of data regarding two-storey building and 9 multi-apartment buildings, visual inspection, thermographic imaging of the buildings, subsoil investigation data, the input data for modeling the vibration impacts, etc.) it was recommended to dismantle two-storey residential building with 41 apartments. In the meantime regarding the structural integrity of the other 9 buildings, it was concluded that the construction works will not cause the risk of collapse or damage of these buildings.

The outcomes of the study on structural integrity of the buildings were reflected in the LARPs and the results of the study have confirmed the LAR impacts identified during the initial LAR assessment. Based on reassessed LAR impacts the LARP for Section 2 Part B was finalized, approved and disclosed in October 2015. Following LARP approval MDF commenced its implementation. As of June 30, 2018 the agreements were concluded and all 151 privately owned properties and all 41 apartments were acquired.

Section	Total	Purchased	Remaining	note
LARP 2a	244	243	1	
LARP 2b	192	192	0	

Grievance redress procedure was specified in LARPs for Section 2 Part A and Part B to provide an effective and systematic mechanism in responding to queries, feedbacks and complaints from APs and stakeholders. Grievance Redress Committee was established following the requirements of the grievance redress mechanism to address LAR issues that may arise during implementation of works under Tbilisi-Rustavi Urban Road Link. During the reporting period, the Grievance Redress Committee received no complaints. However, the MDF received complaints, which were considered and addressed at application examination stage. There was an application (11.01.2018 N107, N108) received from building #8 located in Rustavi Highway, which referred to request for dismantling the state owned two-storey building and disposal of debris. The MDF satisfied their request and demolished the named two-storey building. One of the claimants, whose property was transferred to state ownership through expropriation, left the building on own accord, as a result of negotiations. (03.02.2018 N 471). In the beginning of 2018, there were meetings held with some inhabitants of Marneuli street, who aired grievances concerning vibration of operating machinery. The MDF Resettlement Group met with representatives of Marneuli street and the Contractor. A method was identified, through application of which locals will be no longer exposed to noise and vibration impacts in course of construction works. They were advised on the

above-mentioned matter.

Status of Complaints submitted to the Compliance Review Panel (CRP)

- On the 13 February 2017 CRP submitted its final report for the above project. The CRP found the project non-compliant with ADB's operational policies and procedures in six aspects: (i) noise impacts, (ii) vibration impact, (iii) impacts on vulnerable groups, (iv) impacts on water and river ecology, (v) consultations, and (vi) environment categorization of the project. The report found air quality impact compliant.

- In order to bring the project back into compliance, and in response to the findings of the CRP report, ADB project team and MDF proposed to undertake an integrated approach involving additional studies for noise impact, impact on the river ecology and iterative targeted consultations at the community level with a particular focus on the vulnerable. This approach is considered to be instrumental in identifying suitable solutions that are technologically feasible, cost effective, and compliant with all relevant standards. Also, as required by ADB's Safeguard Policy Statement, consultations with communities will continue throughout the project, or if there are changes in the project. An action Plan and the schedule of actions were proposed and agreed. ADB shared drafts of the additional studies with the CRP after finalization of the results.

- Solution was reviewed in March 2018 and disclosed in April/May 2018. Following the disclosure MDF and the project team have begun the preparation of concept designs and other documents required to process civil works and supervision contract variations.

MDF had Consultation Meetings in the Tbilisi-Rustavi Urban Road Link Project regarding the CRP Final Solutions illustrated in Remedial Action Plan. (see table 1).

Table # 1 Consultation Meetings in the frames of Tbilisi-Rustavi Urban Road Link Project regarding the CRP Final Solutions illustrated in Remedial Action Plan Sustainable Urban Transport Investment Program

January 15, 2018	Ponichala Settlement	Representatives of Building 12VG N. B. M. P. and other community members of the building	Resettlement Consultant Mr. David Arsenashvili	Project ongoing issues; Question were regarding the decision on resettlement	Mr. David Arsenashvili gave comprehensive explanation of ongoing issues and clarified to the community that no decision on resettlement at that time was made. Therefore, presented them other alternative activities that would take place in Ponichala Settlement before any construction activities.
February 6, 2018	Ponichala Settlement	Representatives of Building 28 AB J. S. and other community members of the building	Resettlement Consultant Mr. David Arsenashvili	Questions raised from community concerned future construction activities and other ongoing issue	Mr. David Arsenashvili gave comprehensive explanation of ongoing issues. Meeting was informative and community members were satisfied.

February 7, 2018	Ponichala Settlement	Representatives of Building N8 D.V. and other community members of the building	Resettlement Consultant Mr. David Arsenashvili	Questions were regarding the future construction activities and further decisions of the project authorities	Residents received clear and detailed information.
February 14, 2018	Ponichala Settlement	Representatives of Phonichala multistory Buildings (community) G.A. T. S. D.V. L.M. N.B. M.P.	Communication Consultant Mrs. Nino Paataashvili and Resettlement Consultant Mr. David Arsenashvili	It was first introductory meeting between the new communication consultant Mrs. Nino Paataashvili and representatives of Ponichala multistory buildings community. Mrs Nino Paataashvili received full and comprehensive information from the community, regarding the essential issues and concerns they had at that time.	Community itself was happy to get acquainted with new communication consultant. They shared contact details and agreed to have daily based communication regarding any issues or concerns they might have during the project cycle.
March 28, 2018	Ponichala Settlement	Representatives of building V: T.D. Z. M. L.Ch. and other	Communication Consultant Mrs. Nino Paataashvili and Resettlement Consultant Mr. David Arsenashvili	Issue concerned the land handover procedure to the government for the project implementation purposes. The procedure was clearly explained to the community and proper instructions were provided	Community agreed on a procedure. The whole process was clear and acceptable for them
April 18, 2018	MDF office	Representatives of Building N8 D.V. and other community members of the building	David Tabidze Deputy of the Executive Director; Head of Environmental and Resettlement Unit Mr. Guja Kvanchilashvili	CRP Remedial Action Plan issues; Requests has been received from the representatives of building N8 regarding resettlement. Detailed explanation has been given from MDF side, regarding the planned future activities illustrated in the Remedial Action Plan. It was also underlined that MDF is paying particular attention to the Stakeholder's health and safety issues and takes particular measures in this regard. MDF representatives gave clear message, that in case of any question or comments from community side they would react	Meeting was very informative for representatives All their questions has been responded and clarified.

				immediately	
April 25, 2018	MDF office	Representatives of Building 28a C.L. D.K. and other community members of the building	Head of Environmental and Resettlement Unit. Mr. Guja Kvanchilashvili Communication Consultant Mrs. Nino Paatashvili and Resettlement Consultant Mr. David Arsenashvili	Detailed discussion regarding the Remedial Action Plan activities and CRP final solutions; Based on communities interest, particular attention was paid to reinforcement activities and vibration monitoring issues	All stakeholder questions was answered from MDF side Meeting was very informative and detail oriented
April 26, 2018	Ponichala Settlement	Representatives of Phonichala multistory Buildings (community) G. A. N. Gv. V. E. T. D. and others.	Communication Consultant Mrs. Nino Paatashvili and Resettlement Consultant Mr. David Arsenashvili	CRP proposed solutions and future activities discussed in Remedial Action Plan; Detailed explanation of activities illustrated in remedial action plan such as: noise mitigation measures and noise monitoring program; Reinforcement of annexes ; monitoring of vibration ; removal and securing of loose parts of the buildings; support program for vision impaired people; and etc.	Inhabitants received clear and detailed information.
May 16, 2018	Ponichala Settlement	Representatives of N8 and 16 AB buildings N. B. D. V. N. A. And other community members from building N8 and 16 AB	Communication Consultant Mrs. Nino Paatashvili and Resettlement Consultant Mr. David Arsenashvili	MDF representatives explained to stakeholders, vibration detector installation process on the buildings. The rest of the CRP Final Solutions illustrated in the Remedial Action Plan , has also been clarified once more to the community	Filed visit was productive, Community was satisfied with an additional information they received during the meeting .
On May 18, 2018	MDF Office	Representatives of Phonichala multistory Buildings (community) G.A. T. S. D.V. L. M. and others.	Head of Environmental and Resettlement Unit Mr. Guja Kvanchilashvili Communication Consultant Mrs. Nino Paatashvili and Resettlement Consultant Mr. David Arsenashvili	The aim of the meeting was to introduce to the building communities, the planned road construction activates. Stakeholders were informed that, construction activities will start at section km 5+840 – 6+640, which is located in the industrial zone, between the buildings 16 a/b and 28 a, from a distance of 120 m from each building. (distance from above mentioned buildings to existing	Community received the information, but despite the several explanations from MDF side, some of the communities, particularly from building 12 vg and 16ab, were still skeptical regarding planned working activates, since, as they stated, resettlement and compensation issues were more essential for them.

				road is about 70 m.). Traffic Management plan was prepared for this section and introduced to the community	
May 21, 2018	Ponichala Settlement	Meeting with Private Business Representatives in Ponichala Neighbourhood G. G. T.K.; A. R. M.U. and others	MDF Communication Consultant Mrs. Nino Paatashvili, Technical Supervisor, Soso Gamkrelidze and Health and Safety Consultant Vladimer Melia from "Dohwa"	The aim of the visit was to conduct an introductory meeting with the private business representatives, located, along the 800m section, between the buildings 16ab and 28a. Mrs. Paatashvili made brief presentation of the project, gave detailed information regarding the future working activities and introduced traffic management plan. Also introduced to private business employees Remedial Action Plan Activities .	Private Business Representatives had no objections or grievances regarding the project. The meeting was informative
7 June, 2018	NGO "PARSA" office	NGO 'PARSAs' representatives: David Bazashvili Nana Chartolani	SUTIP Project Manager Beka Toria and Head of Environmental and Resettlement Unit Guja Kvanchilashvili	MDF representatives presented to NGO "PARSA" Support Program for vision impaired people illustrated in the Remedial Action Plan. Discussion also concerned an additional activity, that may take place for the vision impaired and disabled people and are not included in the project itself.	MDF representative provided them with a detailed information regarding the TRURL Project and other activities. The next meeting was planned on June 14 at Ponichala Site.
14 June 2018	MDF office	Meeting with representatives Building 10, V, 16 ab and 12 VG, 12	Head of Environmental and Resettlement Unit. Mr. Guja Kvanchilashvili Communication Consultant Mrs. Nino Paatashvili and Resettlement Consultant Mr. David Arsenashvili	Discussion was about the reinforcement and other issues, illustrated in CRP Remedial Action Plan. Community was also interested in resettlement and compensation issues	MDF representatives gave full and detailed information to the meeting attendance community. MDF representatives explained that according to the CRP Remedial Action Plan no resettlement is envisaged MDF will follow the activities presented by the CRP solution illustrated in Remedial Action Plan
14 June 2018	Ponichala	NGO 'PARSAs' representatives David Bazashvili Nana Chartolani Tamar Makharashvili	Head of Environmental and Resettlement Unit Mr. Guja Kvanchilashvili	MDF representatives together with NGO "PARSA" visited Ponichala Site, in order to discuss potential activities that may take	NGO Representatives were satisfied with the received information

		Representatives of Phonichala multistory Buildings (community)	Resettlement Specialist Irakli Japaridze	place with regard to vision impaired people.. Gave them once again a very detailed information on CRP proposed solutions illustrated in Remedial Action Plan. MDF representatives also met with the Ponichala local community and gave them additionally detailed information presented in Remedial Action Plan	
26 June, 2018	MDF Office	Meeting with representatives 28 ab building J.C. D.K. and other community members of the buildin	Deputy Head of the Executive Director Mr. Juansher Burchuladze Head of Environmental Resettlement Unit Mr. Guja Kvanchilashvili and Irakli Licheli Lawyer	Tbilisi-Rustavi Urban Transport Remedial Action Plan activities where during the CRP final solutions; Based on communities interest, particular attention was paid to reinforcement activities, vibration monitoring issues and resettlement. During the meeting was also planned filed visit in Ponichala settlement on 28 June 2018.	Community was satisfied with an information received from MDF side
28 June, 2018	Ponichala Settlement	Meeting with representatives 28 a building: J.C. D.K. and other community members of the building	Deputy Head of the Executive Director Mr. Juansher Burchuladze Deputy Head of the Executive Director Mr. Ilia kevlshvili Head of Construction Supervision Unit Levan Sukhitashvili SUTIP Project Manager Beka Toria and Head of Environmental and Resettlement Unit Guja	During the field visit discussion was on remedial action plan activities including reinforcement; Question also raised on resettlement issue from the community side;	The meeting was quite informative, covering issues illustrated in Remedial Action Plan

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