

Social Monitoring Report

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Georgia: Secondary Road Improvement Project

Prepared by Road Department of Georgia for the Ministry of Regional Development and Infrastructure of Georgia and the Asian Development Bank (ADB).

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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 Report
CSC	Construction Supervision Consultant
DP	Displaced Person
EBRD	European Bank for Reconstruction and Development
EMC	External Monitoring Consultant
ETCIC	Eurasian Transport Corridor Investment Center
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	Roads Department
RU	Resettlement Unit
NGOs	Non-Government Organizations
PAM	Project Administration Manual
PCP	Public Communication Policy
PPE	Personal Protection Equipment

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 820-11s; December 19, 2008, Recognition of Property Ownership and other subsequent rules that refers stipulated in the Land Acquisition and Resettlement Plan (LARP).

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

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

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

Entitlement: Refers to mitigation measures, which includes cash payments at replacement cost or through replacement land equal in value/ productivity to the plot lost and at location acceptable to APs where feasible as stipulated in the LARP. Entitlements include compensation for structure (permanent and 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 and 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 and 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 Objective of the Report

1. This semi-annual social safeguards monitoring report for the secondary Road improvement project in Georgia covers the period from January to June 2023. The objective of the report is to provide an overview of the progress made in the implementation of the land acquisition and resettlement (LAR) tasks, as well as overall social safeguards compliance of the project in the first half of 2023. It provides information on social safeguards activities related to the preparation and implementation of the land acquisition and resettlement plan (LARP) as well as other raised social 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.

1.2. Background Information

2. Georgia, due to its geographic location, provides the shortest transit link between Central Asia and Europe. Transport plays a pivotal role in supporting the national economy, and development of the transport infrastructure is vital to increasing economy of the region through reduced transport costs and increased transit revenue.

3. The project road is a 50.404-km west to east secondary road, starting from E-60 in Dzirula and ending at E-60 junction at Chumateleti. Most of the project road is within Imereti Region with a few kilometers within Shida-Kartli Region. It is envisioned that this road, when improved, will enhance connectivity to a number of towns and villages at the foothills of the mountain ranges and can act as alternate route to parallel segments along E-60.

4. For implementation purposes, the project was divided into 2 separate sections of about 25 km each:

- First section (Construction Contractor, Black Sea Group) covers the eastern - 25 km section of the above road from Moliti (km 0+000) to Chumateleti (km 24+620), and
- The second road section (Section-2) covers the eastern region from Km24+620 to Km50+244). The construction contractor of the second section was Akkord Industry Construction Investment Corporation OJSC (Km24+620-Km50+244), which, systematically breached obligations under the contract with the RD. According to the decision of the RD, in November 2021, the Contract was terminated. Tender procedure was ongoing to identify the new contractor company (November 2022 – January 2023), but it was canceled due to the rejection of all bids. For the reporting period, RD is in the further negotiation with the ADB regarding the next steps.

5. The details of the proposed road project are:

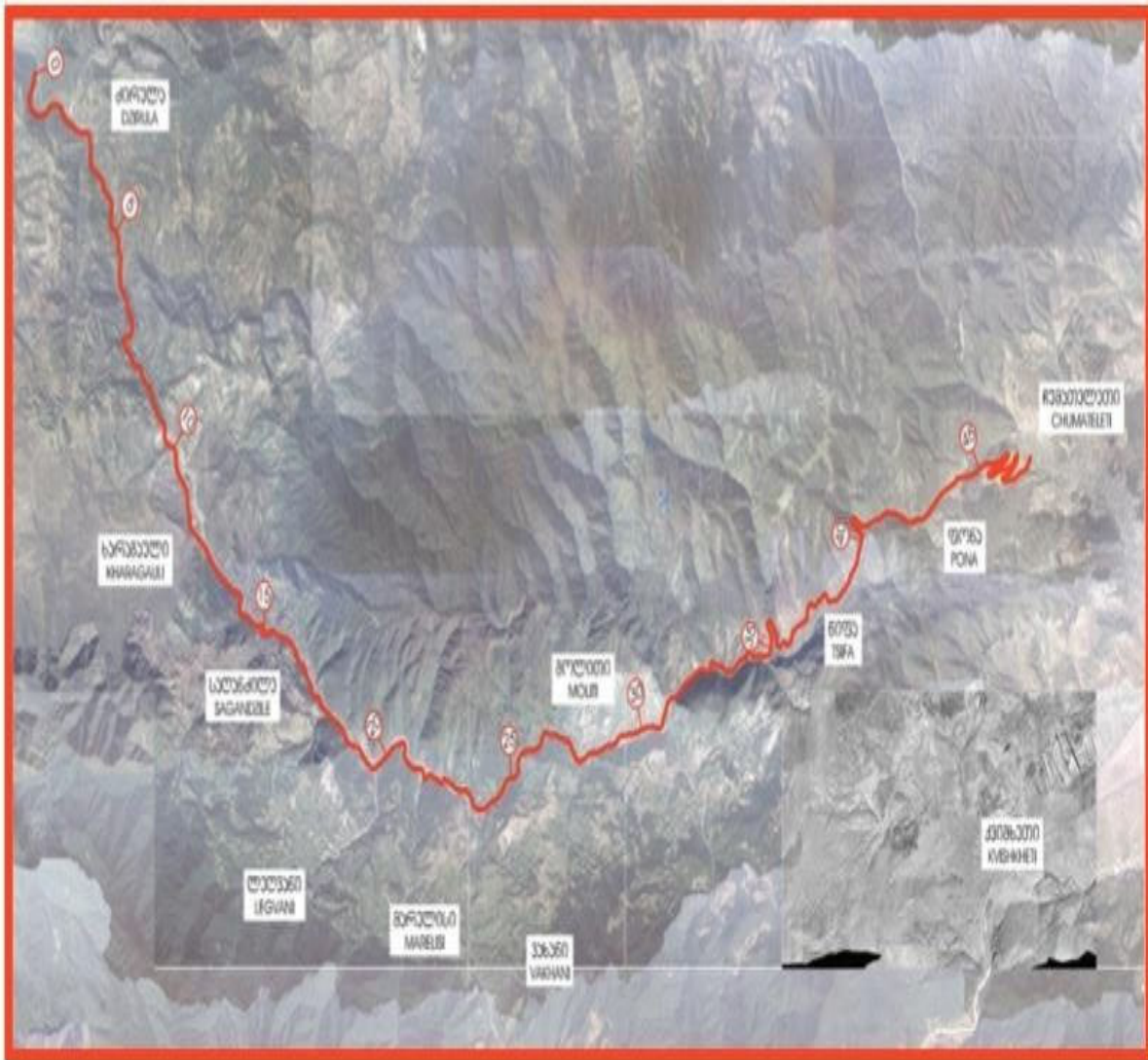
- Rehabilitate and pave the project road from Dzirula to Moliti according to Georgian National Standard for Public Motor Roads (SST Gzebi 2009), Geometrical and Structural Requirements with 40 km/h design speed. The pavement within Kharagauli town may remain as is since this is still in fair to good pavement condition.
- Replace or repair of 9 bridges, construction of 96 pipe culverts and 10 box culverts.
- Construction of side drains and other drainage structures. Provision of retaining walls and river protection measures, where necessary.
- Provision of adequate road signing and Marking. Provision of safety barriers such as guardrail

6. In most parts, the road runs along the Dzirula River and crossing the river from south bank to the north bank at around km 21+700 before the Marelisi Station. The study road section starts at the west end with an elevation of around 210m reaching to about 430m at about km 24+600. From west to east, the road traverses primarily rural and agricultural setting, with the main urban town of Kharagauli between km10 and km13.

7. The project will improve the national connectivity and reliability of the transport network by serving as an alternative route to the highway E60 and the railway. Secondly, it will improve the mobility of the municipality's population. The Government of Georgia as a region that has been isolated due to the poor transport connections has identified the Kharagauli area. The road can no longer fully and efficiently function as either a local road or a strategic alternative for long distance transit traffic.

8. The project will directly benefit people living in the Municipality of Kharagauli (the largest town in the project area) and people from the villages that the road connects. The population currently suffers from the severe lack of employment opportunities. The project will serve the need of the population for new employment opportunities, in both existing and new areas of economic activity. In addition, the project will secure basic access to essential facilities and services. Currently the population is severely underserved in terms of access to medical facilities and schools. The poor condition of the road means that for the majority of villages in the region, ambulance services require more than 3 hours to reach the patient, and a further 3 hours to arrive at the hospital. Schoolchildren walk upwards of 4km to get to school. There will be both short term and long term positive impacts of the Project. The short-term positive impacts include access to markets for agricultural produce, availability of temporary unskilled jobs for villagers; and opportunity to provide food and restaurant services for construction workers. On the other hand, the long term positive impacts include, access to long distance transport services across the border; access to long distance markets (buying and selling through regional trade); easier access to health facilities and medical treatment; increased access to agricultural extension services, increased access to education; increased opportunity for the development of tourism; and diversification of income sources. (See Figure1)

Figure1: Project map



1.3. Objective and Coverage of the Monitoring

9. The major objective of this SSMR is to analyze the implementation status of the LARPs and other associated social safeguards issues includes handing over the road's Right of Way (RoW) to start construction of the road.

10. Verify status of resettlement implementation for the project that complies with the approved LARPs:

- a. verify status of up to date compensation payment to APs;
- b. verify implication of grievance redress mechanism to solve AP 's grievances and status of grievances received from the APs/local people so far;
- c. satisfaction of APs with the process of their compensation and amount of compensated; and
- d. Other social safeguards issues such as damage and access to nearby properties, wage laborers, labor issues, HIV/AIDS, consultation and information dissemination activities, grievances/complains received during construction/resolved etc.

1.4. Methodology Followed under Monitoring Program

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

12. The main objective of implementation of the LARPs for Secondary Road is to improve or at least restore the social and livelihood resources of the APs at their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable time with allocated resources. Therefore, monitoring of the process of updating Secondary Road LARPs, its implementation and delivery of institutional and financial assistance to the APs has been designed as an integral part of the overall functioning and management of the Project. RU of RDMRDI will ensure the execution of timely monitoring and evaluation (M&E) indicators (process, delivery and impact indicators) of LARP 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.

13. The project is classified category B for involuntary resettlement as per ADB Safeguard Policy Statement (SPS), 2009¹.

2. OVERVIEWS OF THE LARPS AND ASSOCIATED IMPACTS

2.1. LARPs and Allied Documents Preparation

14. LARP prepared by MRDI, during feasibility stage was further updated/finalized in November 2017 and in May 2018 based on the feasibility study and prepared two implementation - ready LARPs fulfilling requirements of ADB's SPS 2009. These two LARPs were prepared dividing the total 50.404 km west to east secondary road.

- **LARP-1 for Section 1** covering Km 0.000 to Km 24.620
- **LARP-2 for Section 2** covering Km 24.620 to Km 50.244

15. These updated LARPs were approved by ADB in November 2017 and in May 2018. These LARPs are currently under implementation. This has been followed by preparation of LARP compliance monitoring reports (CR) by an External Monitoring Consultant (EMC), deployed by the RD, MRDI to comply the project policy. Until the reporting period, EMC prepared five (5) CRs.

Table 2.1 Summary of handed over sections

	Covered section	Length, km	Number of land plots	Number of AHs	#of land plots	Handover status/date
CR1	LARP Section 1 (km 0.00 to km 10.680 and km 16.340 to km 24.620)	Total 18.98 km.	84	65		July, 2018
CR2	LARP Section 2 (km 24.62 to km 28.45; km 29.90 to km 36.58; km 40.16 to km 43.40 (3.24 km) and km 44.74 to km 47.87)	Total 16.88 km.	48	42		March 24,2019
CR3	LARP Section 1 (km 10.680 to 16.340)	Total 5.66 km.	33	28		April 24,2020
CR4	LARP Section 2 (km 28.8 to km 29.37; km	Total 6.686	109	96	#96-112; #138-	March 2021

¹ Prior to civil works implementation, the projects selected for construction or development to be Screened and Classified using ADB's classification system as follows:

- Category A: Projects proposed for construction or development, will fall under this category, if, it caused a significant involuntary resettlement impacts with a physical displacement of 200 or more persons from their residences, or 200 or more persons lose 10% or more of their productive or income generating assets, or more persons or 200 or more persons experience a combination of both
- Category B: Any proposed subproject that includes involuntary resettlement impacts but are not deemed significant considering loss of shelter/houses or productive or income generating assets will be considered for category B.
- Category C: A proposed subproject that has no involuntary resettlement impact.

	36,580 to km 38,980; km 38,980 to km 39.343; km 39.343 to km 40,160; km 43,360 to km 44,500 ; km 48,160 to km 48,800 and km 49,136 to km 49,900)	km.			176;#180.1-194;#202-216; #230.2-235.1; #247.1-254	
CR5	LARP Section 2 (km 29+370 - km29+500; km29+691 - km29+900; km47+870 - km48+160; km 48+800 - km49+136)	Total 9.65 km.	15	12	#113, #118, #119, #119.1,#120,121,#230.1, #237-244	December 2021
CR6	LARP Section 2 (Not handed over) km 28+450 to km 28+800; km 29+500 to km 29+691; km 44+500 to km 44+740	Total 0.781km.			#92; #114; #115; #200.1;	RD have not submitted CR6 to ADB yet

16. Following approval of LARPs, finances are being provided to the EA. Prior to the distribution of LARP finances to the APs, legalization of APs lands according to the active legislation is being finalized and all APs may sign a contract agreement indicating that they accept the compensation proposed to them. If an AP does not sign the contract, the case is being passed to the appropriate court to initiate expropriation proceedings. This can be done after the compensation amount, determined according to the valuation methodology outlined in the LARP - is deposited in special account, allocated in treasury. Mentioned account is also being established for absentee APs.

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

18. The physical construction activities of the Secondary road I Section started in September 2018 after signing contract between RD and the contractor (Black Sea Group Ltd) on 4 December 2017 and Secondary road II Section started on May 30, 2019 after signing contract between RD and the contractor (Akkord Industry Construction Investment Corporation OJSC) on 4 December 2018 with subsequent approvals of all the CRs in due course by ADB and RDMRDI. On the other hand, the CSC has mobilized and started their activities. The responsibility of the CSC Social Specialists is to monitor the LARP related and other social safeguards issues covering the total project implementation periods on behalf of the RDMRDI and to produce monitoring reports periodically for the RDMRDI to submit to ADB in addition to monthly and quarterly reports, as well.

2.3. Conditions for Project Implementation

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

- **Signing of Contract Award:** Civil works contract will be awarded after approval of final Land Acquisition and Resettlement Plan.
- **Notice to Proceed to Contractors for any sub-section:** Conditional to the full implementation of secondary Road Improvement Project LARP (legalization of legalizable owners, and full delivery of compensation and rehabilitation allowances), verified by a compliance report submitted by the External Monitor, for the sub-section in question.

2.4. Institutional Arrangements

20. ADB is the funding agency and RDMRDI is the Implementing Agency (IA) of the Project. RDMRDI has the lead responsibility for road construction, as well as implementation of this LARP through the Resettlement Unit (RU) under the Resettlement and Environmental Protection Division, RDMRDI. A Land Acquisition and Resettlement (LAR) Commission (LARC) assisted RU in all LARP activities. In addition, LAR Team assisted RU in the local level involving also the local self-government bodies. In addition, a number of other government departments played an instrumental role in the updating and implementation of secondary Road Improvement Project LARP. The National Agency of Public Registry (NAPR) under the Ministry of Justice is assisting the Project through registration of land ownership and its transfer through acquisition agreement from landowners to the RDMRDI. The local government at local and village level is also involved.

2.5. Cost and Financing

21. 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. Contingency provisions (10% of the total cost) have also been included to take into account variations from this estimate at the negotiation for contract agreement level. In case of any over – run - in cost, RDMRDI will provide additional funds as needed in a timely manner. RDMRDI through the approval of Ministry of Finance will be responsible for allocating the LAR Budget in advance as part of their overall annual budget planning. Items of LAR cost estimate under the LARPs are as follows:

- Compensation for agricultural, pasture, and commercial land at replacement value
- Compensation for structures and buildings at their replacement cost
- Compensation for business/employment loss
- Compensation for crops and trees
- Assistance for severely affected AHs
- Assistance for vulnerable groups for their livelihood restoration
- Cost for implementation of LARP.

3. LARP IMPLEMENTATION STATUS

22. Due to minor adjustments of the alignment and other technical reasons, several corrections have been made in the checklists for inventory of losses and integrated LAR compensation matrix without updating the LARP. These changes made at the early stages of implementation of the approved LARP for Section 2 are provided in Updated LAR Compensation Table, which is used by RD MRDI as a working tool during the LARP implementation.

23. According to Updated LAR Compensation Table, the project has impact on 292 land plots. Out of this number, in relation with the 289 land plots the LARP implementation procedures have

been completed fully and all compensation tallies have been paid in compliance with the Updated LAR Table.

Table 3.2 Summary land acquisition status

Number of lands	Percentage
292 total	100%
290 acquired	98.34%
2 not acquired ²	0.66%

24. Here are the problematic issues for the land plots:
- #92 – (Km 28+450 – Km 28+800) the owner of this land plot is in prison. RD cannot contact him, so the money is deposited on the treasury account of the RD.
 - #200.1 – (Km 40+500 – Km 44+740) the co-owner of the land plot is in Russia, the RD cannot contact him.

3.1. Pending LAR issues

25. There are 2 Land Plots to be acquired for the reporting period. The acquisition on the 2 land plots are pending on the following subsections (Km 28+500 and Km 40+087), which are not handed over. The finalization of the resettlement process of the subsections listed above is expected by the next reporting period (By the end of December 2023).

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

4.1. Formation of Grievance Redress Committee (GRC)

26. 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.

27. 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.

28. The Grievance Redress Commission (GRCN) was formed by the order of the Chairman of the RD as a permanent and functional informal structure, engaging personnel of RD from all Divisions to work on LAR issues and complaint resolution. This includes the top management of the RDMRDI, safeguard or LAR units, legal other relevant Divisions (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.

29. 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

² The situational maps of land plots and Km which are not yet acquired are attached as an Annex 5

teams and local communities. The RD representative in the municipal LAR team coordinates the GRCE. 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.

30. GRCEs were established at the municipality level for the Project. (ANNEX 3).

31. The Grievance Redress Commission, was established at the RD level as a GRM structure as per Order No. 224. It consists of 21 permanent members, two secretaries and 1 non - permanent members without the right of vote. The list of the members is presented in the Annex3

4.2 Grievance Resolution Process

32. A representative of the resettlement service of the IA is responsible for coordination of the Committee's work and at the same time, he is nominated as a Contact Person, employed under an employment contract, 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.

33. 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 APs 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.

34. If the complainants are not satisfied with the GRCE decisions, they can always apply to the Stage 2 of procedures of the grievance resolution process. In such case, the Contact Person helps the AP lodge an written 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.).

35. 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.

4.4. Issues Identified during Construction at Project Area

36. During ongoing road construction, the local residents relating damage/threats to their houses, tree cutting, using land beyond acquisition border, excess noise and vibration, dust pollution etc. reported some issues and concerns. These issues were verified with necessary discussions with the concerned house/plot owners. Among concerns/issues found true, contractor has been advised to take necessary mitigation measure for proper solution of such problems with negotiation with the concerned parties and paying compensation, as necessary. If not under the jurisdiction of contractor, those cases to be referred to RD for timely and proper mitigations. Summary of cases is presented in tables 4.3, 4.4 and 4.5 below.

37. Majority of the received complaints by RD are related to "Inclusion in LARP" (5) and "Damage to Infrastructure/Assets" (7). From the total 15 received complaints, , 3 are open on technical hold and 12 are resolved.

Table 4.3 RD Complaints Log (as of the reporting date)

Number of Complaints by Category on KCMP (Secondary RP)	Closed	Tech.hold	Open	Total	%
Damage to Infrastructure / Assets	4	3	0	7	46,67%
Crop Compensation	1	0	0	1	6,67%
Other	1	0	0	1	6,67%
Inclusion in LARP	5	0	0	5	33,33%
Disturbance: Noise / Vibration / Dust	1	0	0	1	6,67%
Restriction or loss of access	0	0	0	0	0,00%
Recruitment / Employment	0	0	0	0	0,00%
Loss of business	0	0	0	0	0,00%
Compensation Rate	0	0	0	0	0,00%
Registration / Ownership Status	0	0	0	0	0,00%
HSE Concerns	0	0	0	0	0,00%
Road Upgrading	0	0	0	0	0,00%
Total	12	3	0	15	100,00%

38. There were no registered cases in RD (verbal or written) during the reporting period.

39. Majority of the received 109 complaints by the Contractor are related to “HSE Concerns” (31), „Restriction or loss of access“(15) and “Damage to Infrastructure/Assets” (29). From the total 109 received complaints, 41 are open and 67 are resolved.

Table 4.4 Contractors’ (PYUNCHWA) Complaints Log (as of the reporting date)

Number of Complaints by Category:	Close d	Tech.hol d	Open	Total	%
Damage to Infrastructure / Assets	12	0	17	29	26,61%
Crop Compensation	10	0	0	10	9,17%
Other	6	0	5	11	10,09%
Inclusion in LARP	4	1	5	10	9,17%
Disturbance: Noise / Vibration / Dust	1	0	0	1	0,92%
Restriction or loss of access	10	0	5	15	13,76%
Recruitment / Employment	0	0	0	0	0,00%
Loss of business	0	0	0	0	0,00%
Compensation Rate	0	0	0	0	0,00%
Registration / Ownership Status	0	0	0	0	0,00%
HSE Concerns	27	0	4	31	28,44%
Road Upgrading	1	0	1	2	1,83%
Total	71	1	37	109	100%

40. The only complaint received during the reporting period by Contractor pertaining to “Restriction or Loss of Access” has been resolved and closed.

Table 4.5 Summary of the grievances by category with status of Resolution received in PYUNCHWA during the Reporting Period (01.01.23 – 26.06.23)

Number of Complaints by Category:	Closed	Tech.hold	Open	Total	%
Damage to Infrastructure / Assets	0	0	0	0	0,00%
Crop Compensation	0	0	0	0	0,00%
Other	0	0	0	0	0,00%
Inclusion in LARP	0	0	0	0	0,00%
Disturbance: Noise / Vibration / Dust	0	0	0	0	0,00%
Restriction or loss of access	1	0	0	1	100,00%
Recruitment / Employment	0	0	0	0	0,00%
Loss of business	0	0	0	0	0,00%
Compensation Rate	0	0	0	0	0,00%
Registration / Ownership Status	0	0	0	0	0,00%
HSE Concerns	0	0	0	0	0,00%
Road Upgrading	0	0	0	0	0,00%
Total	0	0	1	1	100%

5. OTHER COMPLIANCE ISSUES

5.1. MAINTAINING CORE LABOR STANDARD

41. Lot I Section: Dzirula-Moliti km 0+000-km24+620 Contractor Ltd. The company “Black Sea Group” carried out construction works during the reporting period.

Table 5.1 Ltd “Black Sea Group” Quantity of Employees

Month	Employee	Georgian	Female
January	36	3	1
February	56	9	1
March	54	8	1
April	58	10	1
May	67	3	1
June			

5.2. Child Labor in the Project Activities

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

5.3. Forced or Compulsory Labor

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

5.4. Discrimination in Respect to Employment

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

5.6. Health and Safety and HIV/AIDS Awareness Program

45. The current monitoring also found that the Contractor has arranged a medical office and employed Doctors for the treatments of the staffs/employees of the contractor.

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

47. During reporting period, the Contractor's doctor provided information for the workers about HIV/AIDS and Sexually transmitted diseases and the information campaign program as well. Furthermore, Contractor's HSE specialist organized trainings of worker on various issues, such as use of personal protective equipment, fire emergency, driving safety and first aid.

5.7. Accident Record Log

48. No physical injuries or incidents were registered during the reporting period on Dzirula – Kharagauli – Moliti – Pona – Chumateleti Secondary Road Section.

6. SAFEGUARDS COMPLIANCE STATUS

6.1 Safeguard Capacity

49. CSC Consultant mobilized 1 national Safeguard Specialist who is currently continuing works and is assisting/supporting RDMRDI with constant monitoring, in connection to resettlement program implementation with other social safeguards issues of the project. The RDMRDI established an Environmental and Social Division and Resettlement Unit at the PIU level with requisite officers and staffs from beginning of the project to carry out and support to implement resettlement and rehabilitation of APs and other safeguards issues of the project covering total project implementation periods.

6.2. Project Social Safeguard Performance

50. From the beginning of the project implementation to until the current reporting period, 'PIU's RU team is working. Since, mobilization of CSC consultant's Expert is working on social/resettlement safeguards issues. Both the PIU and CSC (with the input of 22,4 months of field input) 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. As of the reporting period, all the APs have been paid their due compensation with proper resettlement and rehabilitations for the partial road sections and already handed over to the contractor. The contractors are carrying out physical construction on those sections of the road. The remaining 2 (two) land plots currently under implementation of LARP through paying compensation to the APs. CSC's Resettlement Specialist is constantly monitoring resettlement and social safeguards issues, accordingly, they are preparing and submitting monthly, quarterly and bi-annual monitoring reports to RDMRDI/PIU regularly.

6.3. Design changes and associated LAR issues

51. There were no any design changes during the reporting period.

6.4. Public consultation and participation

52. Consultation with potential APs in the project-affected areas was started at the feasibility study of the Project. At the preparation of secondary Road improvement Project LARP in detail design stage, all APs (available on site) were consulted through community level meetings and through individual contact at the time of census, socio-economic survey and detail measurement survey. The consultations continued/will be continued throughout the remaining implementation period.

53. During the reporting period, the Contractor Company's social/resettlement specialist had several visits and meetings with the local residents to check the condition of the cracks on the previously marked walls in the residential houses, also access road problems identified during the reporting period (see Table 6.1 and ANNEX 2).

Table 6.1 Summary of the issues identified during the reporting period

No.	Problematic issues	Description	Corrective Action	Comment
1	Dumping of construction waste in the village Didvake (January 2022) (Km18+710)	The contractor illegally dumped the waste on the local road in the village of Didvake, which is used by residents and various companies. The Road is currently inaccessible.	Road cleaning works should be carried out.	The local roads cleaning procedures will be carried out till the end of July 2023.
2	The issue of reinforced concrete wall arrangement along the road (March 2021)(Km12+318-Km12+358)	Citizen, for safety reasons, demanded the installation of a reinforced concrete retaining wall along the road. The supervisor disagreed with the need to arrange the retaining wall. Currently part of the slope is on the verge of collapse.	Appropriate measures must be taken to strengthen the slope.	The slope is under the monthly monitoring from the CSC side.

No.	Problematic issues	Description	Corrective Action	Comment
3	Loss of access (2021) (Km39+925-	The contractor organization cut the ground along the entire length of the yard owned by the citizen to arrange the gabion. The length of the slope is 1,5m. The citizen demands to arrange pedestrian path.	Appropriate measures must be taken to arrange the access road	After the tender procedures finalize and the RD will identify the new contractor company, appropriate measures will be taken to resolve the issue.
8	Damage of the infrastructure assets (Km39+925-Km39+975)	The engineer inspected the house of the citizen in October 2022. The plasters of the residential house is damaged.	The RD sent the relevant documentation to the Levan Samkharauli National Forensic Bureau in order to study the issue.	After receiving the appropriate technical report from the Levan Samkharauli National Forensic Bureau, the RD will make a decision to compensate the AP with the replacement cost or for the cosmetic repairs. The timeline for the finalization of the issue is the end of December 2023.
8	Damage of the infrastructure assets (Village Fona) (2022) (Km42+265-Km42+318)	During the construction works of the reinforced concrete bridge, the contractor made an agreement with the land owner to use the property temporary (6 month). After 6 months, the contractor was obliged to remove the gravel cover and replace it with vegetable soil.	Appropriate measures must be taken: the temporary gravel cover should be removed in time to allow the citizen to fence the land plot and use it for agricultural purposes.	After the tender procedures finalize and the RD will identify the new contractor company, appropriate measures will be taken to resolve the issue.
10	Damage of citizen-owned Perennials (2022)	The contractor cut down the slope, owned by the citizen, during the construction works of the retaining wall. As a result of heavy rains, the ground collapsed, 5 bushes of nuts fell, bare the roots of two walnut trees, one of which is already dry and the other withers.	A geodetic survey should be conducted, if the mentioned plants are in the ROW or out of it.	The engineer will inspect the land plot of the AP and submit the relevant suggestion to RD to close the issue. The estimate timeline of the finalization of the mentioned issue is the end of December 2023.

7. CONCLUSIONS AND NEXT STEPS

54. The Kharagauli Secondary Road Improvement Project implementation is ongoing. The project's social safeguard involvement started from the feasibility study through conducting necessary census and survey of the project affected people to prepare LARP. Two LARPs were prepared for the project, harmonizing ADB's SPS 2009 and GOG policy standards for the land acquisition and resettlement of the APs. The LARPs in due course, were approved and

implementation started by RDMRDI since 2017. The implementation of LARPs and project conditionality is complying with provisions to monitor both internally and externally. In this connection, LARPs implementation compliance monitoring was conducted and five CRs prepared for the implementation completed parts of the road. This Semi-Annual Social Monitoring Report (covering the period of January–June 2023) is prepared by the CSC for RDMRDI, meantime, monthly progress monitoring reports are regularly submitted by the NRS since August 2018.

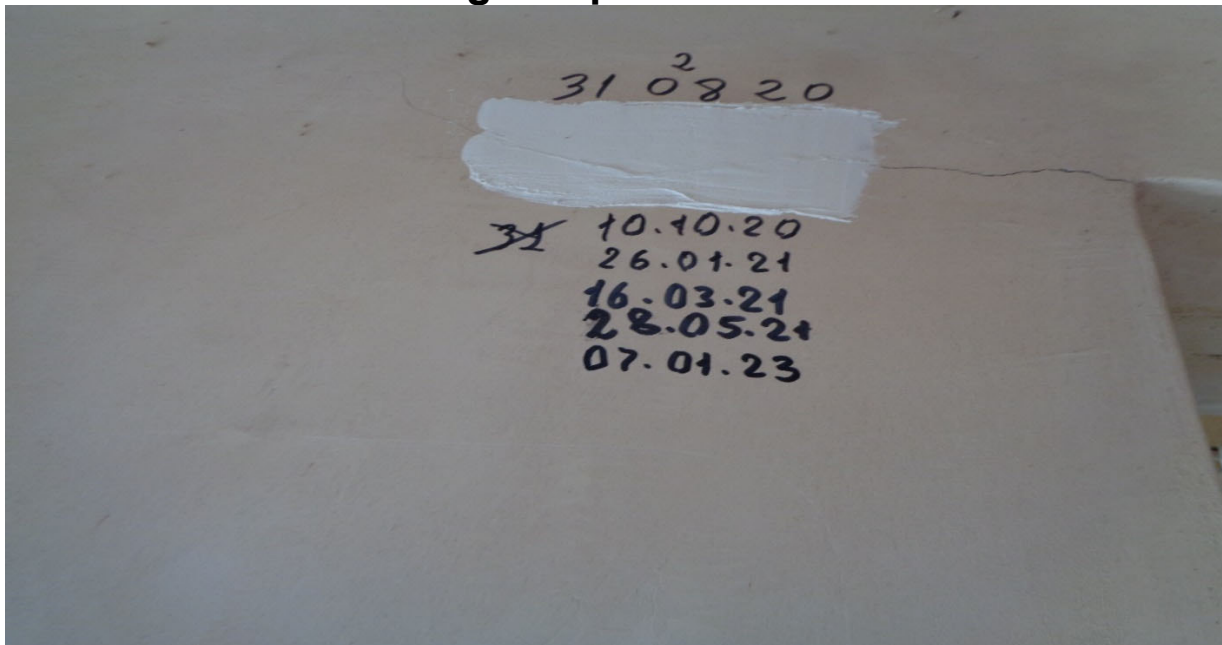
55. In sum, it may be concluded that the RDMRDI teams working hard to make payment (compensation and other additional grants and benefits) to the APs timely with mitigation of grievances. The main difficult was II Section: Akkord Industry Construction Investment Corporation OJSC (Km24+620-Km50+244), which, systematically breached obligations under the contract with the Roads Department of Georgia. According to the decision of RD, in November 2021, the Contract was terminated. Tender procedure was ongoing to identify the new contractor company (November 2022 – January 2023), but it was canceled due to the rejection of all bids. For the reporting period, RD is in the further negotiation with the ADB regarding the next steps. The Supervision Company representative was arranging the meetings with the local residents on the Section II to check the condition of the cracks on the previously marked walls in the residential houses, also access road problems identified during the reporting period (See Annex 2). After the tender procedures finalize and the RD will identify the new contractor company on the Section II, appropriate measures will be taken to resolve the issues on the mentioned section. Until date, the LARP implementation for almost all sections of the road ROW completed with required relocation of affected households before handed over to the contractor for construction.

ANNEX 1 Protocols of Minutes of Meeting

ANNEX 2 Meetings with the local residents to check the condition of the cracks on the previously marked walls in the residential houses, also access road problems identified during the reporting period



Village Tsipa



Village Tsipa





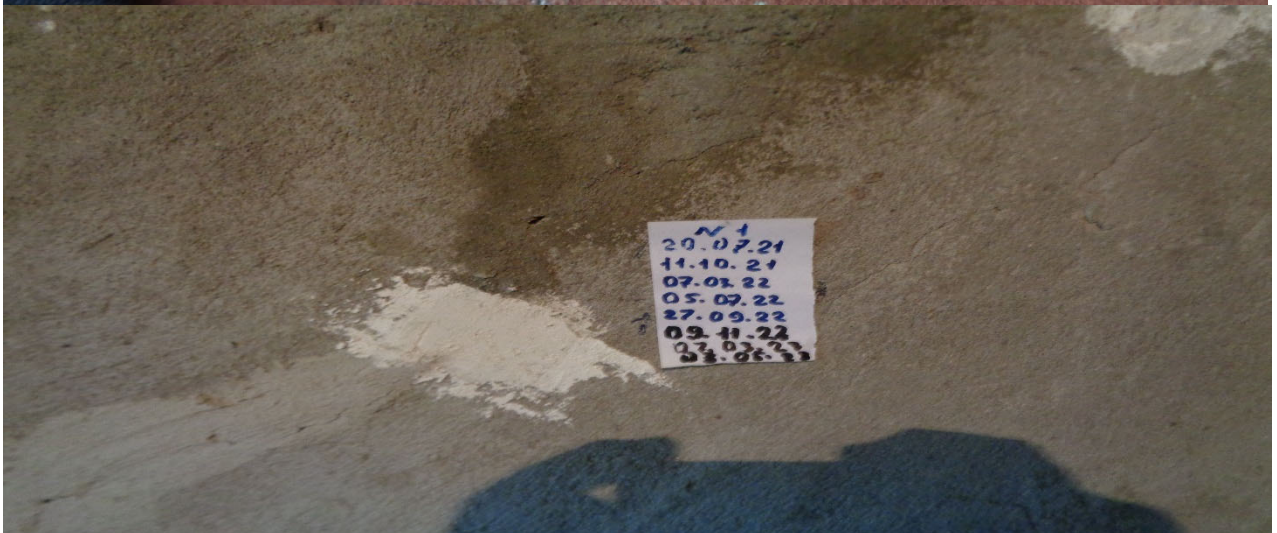
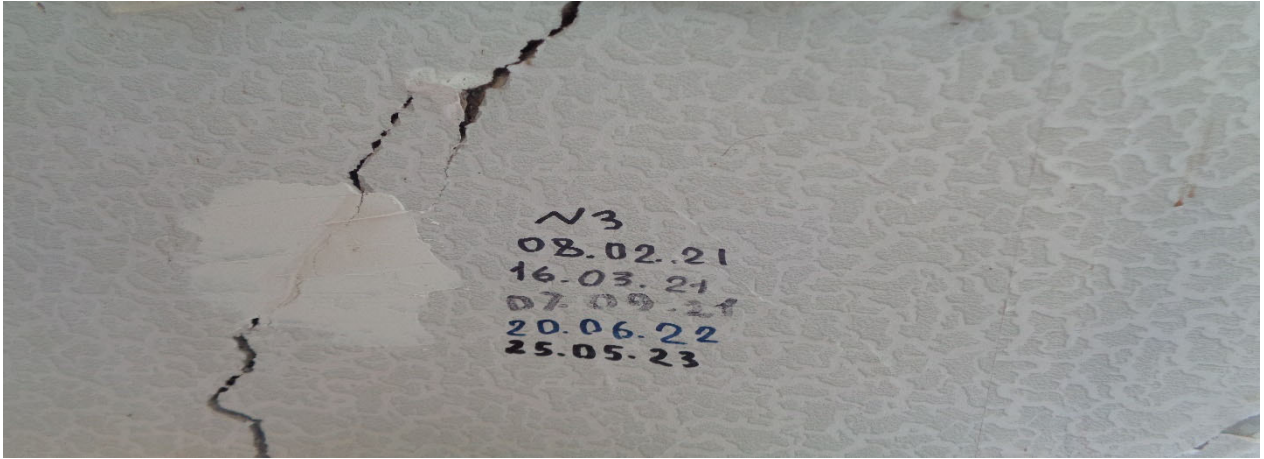
Village Fona 07.01.2023





Village Tsipa 07.01.2023





ANNEX 3 GRIEVANCE REDRESS COMMITTEE COMPOSITION

	Grievance Redress Committee Member	Position	Name of the Representative of GRCE and Contact Details
1	Representative GRCN of RDMRDI	Member	Name: Mr. Archil Jorbenadze Designation: Coordinator of ADB projects (ETCIC, MRDI) Tel: 591403038 Email: archiij62@gmail.com
2	Representative of Resettlement Division at RD	Convener	Mr. Shota Batsikadze Designation: Project Manager of the Resettlement Division (RDMRDI) Tel: 577613302 Email: shota.batsikadze@georoad.ge
3	Representatives of Kharagauli Municipality: Had of Economic Development Division	Member Secretary	Mr. Jaba Beridze Tel: 558785455
4	Representatives of Khasuri Municipality: Had of Supervision Division	Member Secretary	Mr. Teimuraz Lomuashvili Tel: 599770372
5	Moliti Village		
5-i	Representative of Mayor in the Moliti administrative unit	Member	Mr. Spartak Lacabidze Tel: 596117058
5-ii	Representative of APs	Member	Mr. David Lezhava Tel: 577036189
5.iii	Representative of Women APs	Member	Ms. Maka Talakhadze Tel: 577036189
6	Tsipa /Pona Village		
6-i	Representative of Mayor in the Tsipa administrative unit	Member	Mr. Besik Talakhadze Tel: 598523400
6-ii	Representative of APs of Tsipa village	Member	Mr. Vefkhia Beridze Tel: 557 65 46 11
6-iii	Representative of Women APs of Tsipa village	Member	Ms. Rusudan Gurgenidze Tel: 553 52 38 57

6-iv	Representative of APs	Member	Mr. Emzari Nozadze
	of Pona village		Tel: 571 197124
6-iv	Representative of Women APs of Pona village	Member	Ms. Meri Nozadze Tel: 595 327 370
7	Chumateleti Village		
7-i	Representative of the Mayor in Surami administrative unit	Member	Mr. Valeri Chaduneli Tel: 599112984
7-ii	Representative of APs of Chumateleti Village	Member	Mr. Zurab Korkotadze Tel: - 599345917
7-iii	Representative of Women APs of Chumateleti Village	Member	Ms. Daria Korkotadze Tel: 599345917

ANNEX 4 Grievance Redress Commission (GRCN)

No	Name of Member	Position
1.	Giorgi Tsereteli	Head of commission
2.	Salome Tsurtsunia	Member of commission
3.	Levan Kupatashvili	Member of commission
4.	David Getsadze	Member of commission
5.	Pavle Gamkrelidze	Member of commission
7.	Pikria Kvernadze	Member of commission
8	Vaja Adamia	Member of commission
9	Davit Sajaia	Member of commission
10.	Giorgi Eragia	Member of commission
11.	Nodar Agniashvili	Member of commission
12.	Mikheil Ujmajuridze	Member of commission
13.	Gia Sopadze	Member of commission
14.	Tinatin Kolbaia	Member of commission
15.	Davit Kaladze	Member of commission
16.	Eldar Nephariidze	Member of commission
17.	Pavle Gamkrelidze	Member of commission
18.	Giorgi Tsagareli	Not permanent member of commission
19.	Avtandil Kirvalidze	Member of commission
20.	Mariam Begiashvili	Not permanent member of commission
21.	Archil Jorbenadze	Not permanent member of commission

ANNEX 5

