Due Diligence Report for Social Safeguards

Document Stage: Final

Project Number: Date: July 2020

GEORGIA: Zugdidi Zviad Gamsakhurdia Presidential Library and Youth Center Project

The Due Diligence Report for Social Safeguards is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

ABBREVIATIONS

ADB Asian Development Bank

AP Affected Person

DDR Due Diligence Report EA Executing Agency

GoG Government of Georgia

GRC Grievance Redress Commute
IEE Initial Environmental Examination
IUAP Integrated Urban Action Plans

LAR Land Acquisition and Resettlement

LARF Land Acquisition and Resettlement Framework

LCIP Livable Cities Investment Program

MDF Municipal Development Fund of Georgia

MFF Multitranche Financing Facility
SDDR Social Due Diligence Report
SPS Safeguard Policy Statement

SPS 2009 Safeguard Policy Statement 2009

A. Introduction

1. Background

- 1. Since November 2016, Asian Development Bank (ADB) has supported the Government of Georgia (GoG) to mainstream an integrated and participatory approach to urban development by improving strategic planning of selected urban area clusters to achieve a more balanced regional development by preparing Integrated Urban Action Plans (IUAPs). Building on this, the government has prioritized crucial urban investments for ADB to take forward through feasibility studies and safeguards due diligence. These include integrated solutions that bring co-benefits to the citizens in the development of the urban clusters including water supply, sewerage and sanitation (including off-network solutions), urban transport and mobility (including non-motorized and public transport), solid waste management, economic corridors, cultural and historical heritage conservation, flood control and drainage, urban safety and resilience, among others.
- 2. To expedite balanced regional development, support for basic urban services and transport have been prioritized, particularly in small towns and regional cities that are potential hubs for tourism, agribusiness, and regional trade as key drivers of economic growth. Governance and capacity building will need to be integrated into the ensuing projects to achieve more robust results and ensure operational and financial sustainability of infrastructure projects. The government has proposed to process the Livable Cities Investment Program (LCIP) under an multitranche financing facility (MFF) to improve urban and tourism infrastructure and services across three urban area clusters—North Kakheti region with Akhmeta as the hub, Samegrelo-Zemo Svaneti region with Zugdidi as the hub, and Samegrelo-Zemo Svaneti region with Mestia as the hub—and one specific area in the city of Tbilisi. LCIP will help improve the livability of the urban area clusters and Tbilisi through three interlinked outputs: (i) improved adequacy and efficiency of urban infrastructure and services, (ii) improved accessibility, connectivity and attractiveness of regional tourism clusters, and (iii) enhanced institutional capacity for implementing and managing urban infrastructure and services.
- 3. Construction of Zugdidi Zviad Gamsakhurdia Presidential Library and Youth Center is one of the project, implemented under the Livable Cities Investment Program. The project area is located in the center of Zugdidi City, Gamsakhurdia Avenue 7, near the public school N2, Skate Park and Dadiani Palace.
- 4. The land plot (2,400-sq.m) intended for the youth center and library presents Zugdidi Municipal property. The building reflects the urban environment and, through it's cross shape focuses on the four views (Dadiani Palace, Nicosian Palace, City, Skate Park) creating an urban dialogue between architecture and existing cultural context (Annex 1).

2. Scope and Objective of Social Due Diligence Report

- 5. The main objective of this Social Due Diligence Report (DDR) is to analyze the proposed Library and Youth Center construction activities, carry out due assessment with regard to social due diligence and early detecting of any land acquisition and resettlement (LAR) impacts of the activities proposed under the Project with respect to the requirements of the ADB Safeguard Policy Statement (2009).
- 6. The SDDR describes the screening activities carried out under the proposed project aiming to determine scope of project impact, identify presence and /or absence of potential social and/or economic impacts and determine appropriate mitigation measures

and responsibilities of the project stakeholders during planning, implementation and operation phase.

B. Social Due Diligence Process and Findings

Methodology Adopted for the Due Diligence

- 7. The objectives of the due diligence for social safeguards were to: (i) review the proposed scope of the project and assess social safeguard risks associated with the anticipated project activities; (ii) evaluate all possible alternatives to avoid LAR issues, if resettlement impacts have been identified; (iii) propose mitigation measures to ease or minimize LAR concerns, if LAR impacts cannot be avoided; (iv) confirm the absence of LAR impacts, if resettlement impacts have been identified with proper supporting documentation; and (iv) develop recommendations for the EA and project implementation partners to help the project adequately manage LAR risks as per ADB SPS 2009 throughout the project implementation period.
- 8. To achieve the DDR objective, the team conducted desktop survey as well as site visit for obtaining relevant information onsite. Namely, the team of consultants reviewed the project background documents, analyzed the relevant legal laws and technical standards, and undertook site visits to the proposed site for visual inspections. The site visits were carried out on February 7, 2020 from technical team, representatives from Zugdidi municipality and designated staff (see Figure 1 below). The methodology to undertake and complete a due diligence included a combination of methods and data collection tools. In particular, the DDR was prepared based on the results of: (a) review of background documents and information available on public domain; (b) site visits; (c) meetings with representatives Zugdidi Municipality, consultants, Design Institute and other stakeholders; (d) review of technical standards and norms; (e) analysis of the grievance redress mechanisms used in other projects to assess an effectiveness of different approaches and institutional arrangements used.

C. Key Findings of Social Due Diligence

Project scope of works

- 9. Civil works under the project envisages demolition of the old existing building and construction of new one. Land acquisition and involuntary resettlement are not expected within the scope of the project. Currently project area is fenced and during the project implementation activities will remain fenced as required by local legislation. There are two access roads to the project site (see Annex 4). Both roads are in good condition (paved with asphalt cover) and no rehabilitation of these roads is planned within the project. No public utilities relocation is envisaged under the project outside the target area.
- 10. The proposed library and youth center building form consists of open plan public spaces. Part of the reading room and mediatheque is located on a two-lane amphitheater and overlooks the palace park. The structure will be two-story building. The first level is to the hall, café and media center. The second floor is hanging on the console and it will host administration, exhibition space and a terrace. Overall planning ensures a permanent connection between these functions. The architectural form and its placement on the

landscape makes it possible for different types of public spaces to be arranged in the courtyard, for example: outdoor cafe, reading space, amphitheater and more. The project will benefit approximately 43,000 inhabitants and 70,000 number visitors of Zugdidi city.

Land Acquisition and Resettlement Impacts

11. Land acquisition and/or resettlement are not expected under the project. The land plot (2,400-sq.m) intended for the youth center and library presents Zugdidi Municipal property the title document is attached in Annex 2. The land plot is not used, either formally or informally (e.g. grazing, agricultural squatters, etc.) and old building located on the land is empty and partly demolished (Annex 3).

Categorization of the Project

12. Based on the due diligence findings, in accordance with ADB's 2009 Safeguard Policy Statement and Operation Manual F1, the Project is expected to be categorized as "C" for Involuntary Resettlement Impact.

Impact and Outcome of the Project

- 13. Despite the fact that the planned activities, including demolition and construction works, won't have any impact on the public school, Dadiani palace and surrounding garden, located adjacent to the project site and won't interrupt the operation of the school and teaching process, the available best practice will be applied at the project planned/implementation stages. For this purpose the relevant mitigation measures will be carried out by Construction Company.
- 14. The Project is expected to have long-term positive impact on the social environment. Construction of Presidential library and youth center in Zugdidi will create new educational and recreational area for the city. Newly constructed building will provide social services to locals as well as visitors.

Preventive and Mitigation Measures Required During the Construction Activities

- 15. Construction and Supervision Company will develop safety measures to ensure safe access of school students, teachers and visitors to the school building and Dadiani palace and garden. All demolition and construction activities will be priory consulted and agreed with public school and Dadiani palace administrations. Prior to initiation of demolishment and construction activities the construction company will place noise and vibration monitoring equipment in the public school and entrance of the Dadiani palace. The company will allocate special field person (HSE specialist) responsible for safety and environmental monitoring measures and install warning signs around access roads in Georgian and English languages. Special dust prevention nets will be installed to reduce air pollution around the project site. Construction crane will be used from the Kostava street (Annex 4) road access 2 to avoid transportation of materials from the pedestrian part of the Zviad Gamsakhurdia avenue bordering with public school, skate park and Dadiani palace and garden. Construction and Supervision Company HSE specialist will permanently supervise all demolishment and construction activities.
- 16. Concerning impacts related to spoil disposal areas and construction camps should be mentioned that the project is implemented on the municipality owned territory and not private one. There is no need of private owned land usage for this purpose. Spoil disposal

and waste management issues will be managed and regulated according to IEE document.

D. Public consultations and Information Disclosure

- 17. As confirmed by social due diligence findings, there are no LAR impacts identified and subsequently the current subproject has no AP's. The main stakeholders are Local government and Public Secondary School, which is located near to project site. No local residents live near the project area.
- 18. The first consultation was carried out on February 7, 2020 by technical team. Meeting was held with the representatives of Zugdidi municipality and designated staff. Main purpose of the meeting was information sharing to the local stakeholders (Zugdidi municipality government) about the planned activities within the project. It should be underlined that information disclosure about GRM to stakeholders (local government and school) have also done during this meeting. The participants were provided with contacts of designated focal persons from MDF and local government in case of any additional detail information request about the project as well as about GRM(: Mr. Irakli Japaridze Communication Consultants (MDF) 593 16 55 77 and Zugdidi Mayor`s office: 0 (415) 25 05 07).

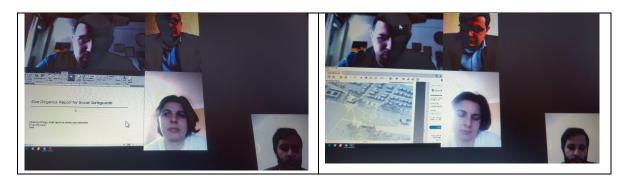




- 19. Due to the circumstances formed throughout the world related to the virus outbreak (COVID 19), social distancing has been applied amongst the population and public consultations in the course of infrastructural projects implementation may become the source of virus spreading. Therefore, it is essential the alternative sources of communication with the stakeholders to be found out in order the recommendations issued by the World Health Organization (WHO) and the Government of Georgia (GoG) not to be violated. It Hence, it is possible the public consultations to be held in the remote mode by applying of available internet social networks and various communication applications.
- 20. Thus, MDF continued the consultations with stakeholders remotely. The project, the complaint review mechanism and their access issues were reviewed once again and 2nd round of consultation meeting was held on 1st of May, 2020attended by interested parties like Zugdidi municipality's and public schools' representatives. An information regarding the fund's online meetings was submitted to representatives of city hall and school directly by communication consultant through a telephone conversation. During the meeting, representatives were also informed with detailed information regarding measures provided by this Due Diligence Report. The meeting attendees were also presented with photos of construction site access roads and instructions on how construction transport should move during the construction period. MDF's resettlement consultant explained to attendees how to submit complaints and how these

complaints are reviewed by Zugdidi city gall and MDF. MDF's representatives answered questions of interested parties. Interested parties expressed their satisfaction about social events of the project (see Annex 8).

Figure 2: Meeting with local stakeholders (01 May 2020)



- 21. Regular consultations and information disclosure activities will be conducted on throughout the project implementation to update the stakeholders about the project and its GRM according to ADB and MDF requirements. Next planned consultations with local government and other stakeholders will be organized prior to starting construction activities. In case of state of emergency due to pandemic will be abolished by the starting of the construction activities the consultations with key stakeholders will be conducted through organizing face to face meetings.
- 22. This SDDR will be disclosed on MDF and ADB websites and will be made available to Project stakeholders upon approval.

E. Grievance Redress Mechanism

- 23. Grievance Redress Mechanism In projects implemented by MDF, grievance resolution is viewed as a two-stage process. The first stage involves locally available means, such as discussing the concern with Contractor, on site focal point from Supervision Consultant / Contractor, or/and writing to local municipality for resolution of grievances on the spot. The second stage comprises grievance to be discussed and resolved by Grievance Redress Commission (GRC) established within the MDF. Both written and verbal complaints shall be documented in official logbook. All GRM procedures are publicly available and in case of necessity can be contacted: Mr. Irakli Japaridze Communication Consultants (MDF) 593 16 55 77 and Zugdidi Mayor's office: 0 (415) 25 05 07.
- 24. **Grievance Resolution Process** Grievance redress procedures of Stage 1 are an informal tool of dispute resolution allowing the complainant and the project implementation team to resolve the disagreement without any formal procedures, procrastination and impediments (i.e. without using the procedures specified in the Administrative Code or litigation). This mechanism enables unimpeded implementation of the Project and timely satisfaction of complaints. Stage 1 GRM is already in place and is functional. An information regarding abovementioned is posted in local municipality, Public School and on library construction site (see annex 7). If the complainant is not satisfied, the grievance redress mechanism should assist them in lodging an official compliant in accordance with the procedures of Stage 2 (the plaintiff should be informed of his/her rights and obligations, rules and procedures of making a complaint, format of

complaint, terms of complaint submission, etc.) (see Grievance Form in annex 6). Stage 2 – review of complainant's complaint. Within MDF has already established Grievance Redress Commission (GRC) for the whole period of the project implementation. GRC shall review the written complaints of complainants, which were not satisfied at Stage 1. At stage 2 the complainant complaint will be resolved. The maximum time allowed for the Stage 2 procedure is 5 months. The above mentioned GRM procedures does not deprive the plaintiff the right to sue in the court directly.. For more information on GRM, including timelines for each stage, please refer to Annex 5.

F. Institutional Arrangements

MDFG - Municipal Development Fund of Georgia

25. The Municipal Development Fund of Georgia (MDFG) is the executing agency (EA). MDFG is responsible for managing construction/rehabilitation activities. MDFG has the overall responsibility of design, construction, construction monitoring and supervision of the Project, as well as cross-agency coordination. Social Safeguards/Resettlement Specialists are hired and a Social/Gender Specialist has been hired and engaged for ADB financed projects. The staff have received professional on-the-job trainings. For each separate project, including the present one, MDFG will use its staff member to assist in implementation of its duties.

Ministry of Environmental and Natural Resources Protection

26. The Ministry of Environmental and Natural Resources Protection (MoENRP) is responsible for environmental issues.

Ministry of Justice

27. The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of ownership.

Local Municipality

28. Zugdidi Mayor's office is the executive branch of self-government headed by Mayor. Local government is responsible for legalization and registration of land parcels. Confirms the ownership writes at local level.

Civil Works Contractor (CWC)/Construction Supervision Contractor /Consultant (CSC)

29. A Civil Works Contractor/CSC to be appointed by the MDFG to undertake the construction will be responsible for mitigating impacts resulting from the construction activities. The construction activities shall be monitored closely by the MDFG to ensure compliance to the temporary mitigating measures and overall safeguards compliance throughout the project implementation.

30. The Asian Development Bank (ADB) is financing the Project and Supporting MDF at any stage of project implementation, approves appropriate documentation required by the loan agreement.

G. Monitoring and Reporting Requirements

- 31. A Civil Works Contractor/CSC will monitor and measure the progress of implementation of the SDDR requirements and activities. The extent of monitoring activities will be commensurate with the project's risks and impacts. The contractors (CWC/CSC) will prepare monthly and quarterly monitoring reports that will describe the progress of the implementation of SDDR activities and any compliance issues and corrective actions. These reports will closely follow the SDS 2009 ADB requirements.
- 32. There is no semi-annual social report required for the C categories projects. Safeguard compliance monitoring results will be reported by MDF under the semi-annual environmental monitoring report in separate section related to social safeguards. The social section of the monitoring report will contain the following information:
 - a. Details of any social incidents;
 - b. Status of all non-conformance identified during audits and inspections that are identified by non-compliance notices;
 - c. Complaints from the public and proactive community relations activities;
- 33. The Contractors (CWC/CSC) will have a duty to immediately report to the MDF if any serious social incident has occurred during construction.
- 34. ADBs responsibilities in regard to implementation of social safeguards requirements for the project include: undertaking of occasional auditing of the SDDR implementation and due diligence as part of an overall project review mission; and if required, provide advice to MDF in carrying out its responsibilities to implement the SDDR for the project. Institutional Capacity Building Requirements for MDF.
- 35. Within MDF, is the environmental and social specialist and several monitoring officers are included in the staff. Although day-to-day quality control of works will be outsourced to the engineering supervisor of works, MDF should have in-house human resources to oversee performance of such technical supervisor and to work out decision to address issues which the supervisor may bring up for MDF's attention.

H. Land Acquisition and Resettlement Framework

36. Land Acquisition and Resettlement Framework (LARF) has been prepared for the whole project Livable Cities Investment Program, following ADB policy requirements. The LARF specifies the requirements in regard to future LAR screening/planning/implementation in case of any unanticipated impacts on all project subprojects and overall social safeguards. The sample outline of SDDR, as well as requirements of LARP preparation (if any) are provided in the LARF.

I. Conclusions and Recommendations

- 37. The project will be implemented on the municipal owned property. The building located on the land plot is not currently operated for any purpose. The social assessment of the proposed project is based on the final detail design and Project location boundaries confirmed complete absence of Land acquisition and/or resettlement impacts.
- 38. During construction, all necessary measures will be taken to avoid temporary impacts such as loss of access leading to livelihoods or any other types of restrictions mentioned above. The MDF and Construction Supervision company will closely monitor the implementation phase to ensure compliance with ADB's social safeguard measures, as well as national legislation.
- 39. If any unforeseen impacts or additional consequences are identified during the course of the project the information will be communicated with MDF and ADB and will be managed according to Georgian legislation and requirements of ADB SPS 2009 following the provisions set by Project LARF.
- 40. Two rounds of consultations were conducted within the preparation of this SDDR: (i) face to face meeting was carried out on February 7, 2020 by technical team with the representatives of Zugdidi municipality and designated staff, (ii) another consultation was held remotely on 01 May, 2020 attended by Zugdidi municipality's and public schools' representatives. During the meetings information was shared to the local stakeholders (Zugdidi municipality government) about the planned activities within the project, GRM has been presented and contacts of focal persons from MDF and local authority has been provided. Next planned consultations with local government and other stakeholders will be organized prior to starting construction activities. Regular consultations and information disclosure will be planned throughout the project implementation.
- 41. During the implementation of the project, any complaints from the local population is considered through grievance redress mechanism established within the framework of the project and applied to both social and environmental protective measures.

Project Area



Letter from Zugdidi Municipality



საქართველო ზუგდიდის მუნიციპალიტეტის მერია GEORGIA ZUGDIDI MUNICIPALITY CITY HALL



N 02/14945 05/12/2019 14945-02-2-201912051042

ხსიპ საქართველოს მუნიციპალური განვითარუზის ფონდის აღმასრულებელ დირექტორს ზატონ გიორგი შენგელიას

ბატონო გიორგი,

როგორც თქვენთვის ცნობილია, სსიპ საქართველოს მუნიციპალური განცითარების ფონდს ზუგდიდში დაგეგმილი აქვს ზვიად გამსახურდიას სახელობის ახალგაზრდული ცენტრისა და ბიბლიოთვკის მშენებლობის პროექტი.

გაცნობებთ, რომ სამმენებლო ტერიტორია წარმოადგენს ზუგდიდის მუნიციპალიტეტის მერიის საკუთრებას და არ ხორციელდება ზემოქმედება კერძო საკუთრებაზე.

პატივისტემით,

გიგა ფარულივა

8,6n - 8.8.

(8)

W 5631

_	\sim			
10:	Gior	תו ע	nnn	$\alpha \cap 1 \cap 2$
IU.	CHICH	כ. וש	пеп	פרווס

Executive Director of LEPL Municipal Development Fund of Georgia

Mr. Giorgi,

As you are aware, LEPL Municipal Development Fund of Georgia has planned construction of an youth center and a library named after Zviad Gamsakhurdia in Zugdidi.

Please, be informed that the construction site represents the municipal property and impact on private assets won't be occurred.

Sincerely,

Giga Parulava

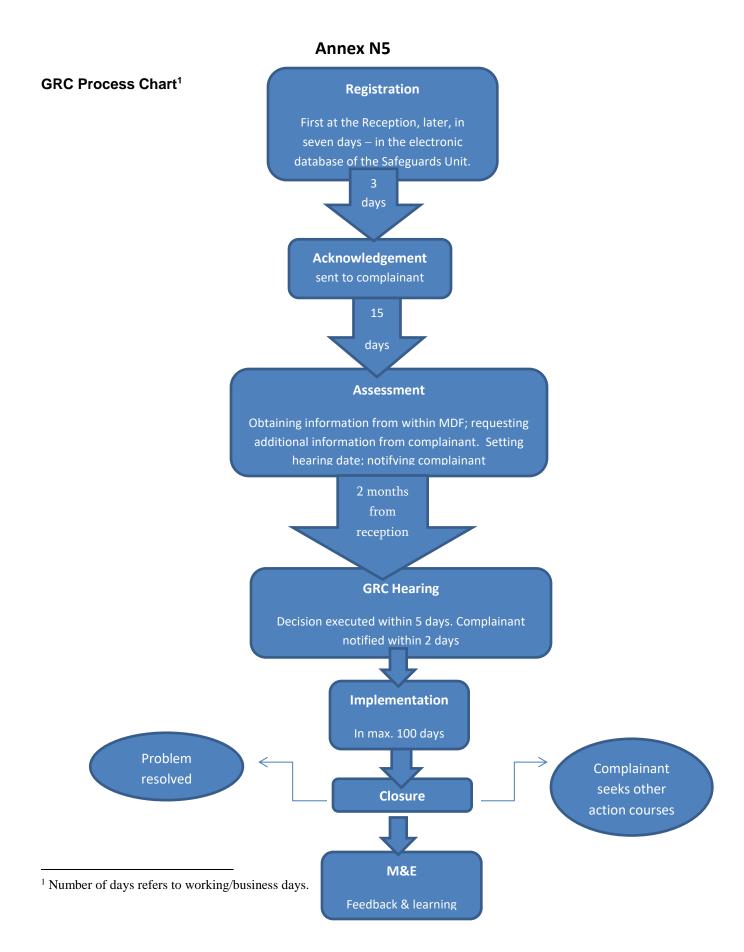
Acting Mayor of Zugdidi Municipality

Photos



Access Roads





\Grievance Form

#							
Full Name, Surname							
Contact Information		Post:	please	indicate	your	postal	address:
Please, fill in how you					· · · · · · · · · · · · · · · · · · ·		
want to be contacted							
(post, telephone, e-mail)		Telephone:					· · · · · · · · · · · · · · · · · · ·
		E-mail:					
Preferred contact		Georgian					
language		English					
		Russian					
Description of Grievance/ Claim: What happened? What you claim?							
Negotiation Date:		Decis	sion afte	r the negotiation:			
What is the reason of your claim?							
Signatura							
Signature:							
Date:			_				

Banners in the Zugdidi Municipality, Construction area and Public School Information about Grievance Redress Commission

Figure 1 Banner, Zugdidi municipality



Figure 2 Banner, Zugdidi municipality



Figure 3 Banner, construction area



Figure 4 Banner, Public School



Youth Center and Zugdidi Zviad Gamsakhurdia Presidential Library Construction Project

Online Meeting with Zugdidi City Hall Representative and Director of Zugdidi Merab Kostava Public School #2

Minutes of MeetingAt 11:00 a.m. of May 1st, 2020 the representatives of Municipal Development Fund of Georgia (MDF) - Project Manager Tornike Tabaghua, Resettlement Consultant David Arsenashvili and Liaison Consultant Irakli Japaridze conducted the meeting online (by Facebook) with Zugdidi City Deputy Mayor Giga Parulava and Director of Zugdidi Merab Kostava Public School #2 - Nino Bulia. The meeting was held within Zugdidi Youth Center and Zviad Gamsakhurdia Presidential Library Construction Project. The requirement for the virtual meeting was caused by pandemic related to COVID-19 worldwide.

The Liaison Consultant informed the City Hall and School representatives personally by phone about the online meeting planned to be held by MDF.

The Youth Center and Zviad Gamsakhurdia Zugdidi Library will be constructed at #7 Zviad Gamsakhurdia Avenue in the center of Zugdidi. The site designated for construction covers the Municipality owned area of 2400 sq. m. The library building will view over the main sights of the town and will be connected with the nearby infrastructure from urban and architectural standpoints. There will be the Museum at the basement of the Library and that Museum is to be provided with special museum equipment. There will be situated the reading halls, service office for the Youth Center, WCs etc. on the first floor, whereas temporal exhibition space and rooms for working staff will be located on the second floor, and the open café will be available at the veranda.

Liaison Consultant Irakli Japaridze opened the meeting, reported in brief the objective of the meeting and then turned it over to the next speaker - Project Manager Tornike Tabaghua. Project Manager familiarized the meeting attendees with the project, as well as with specifics of works to be carried out and reviewed in detail the assignment of the Youth Center and Library. Then the speech was delivered by Resettlement Consultant David Arsenashvili. Mr. Arsenashvili provided detailed information related to measures to be taken as per Due Diligence Report. David Arsenashvili explained that the Due Diligence report considers provision of compliance with the safety standards as much as possible. Mr. Arsenashvili showed also the photos to the attendees, reflecting the access roads to the construction site, as well as how the construction machinery is to move in the course of construction. David Arsenashvili and Irakli Japaridze notified the attendees of the meeting that during construction there will be installed the special fence on the school side in order the children not to enter the vehicle lane. The construction machinery will be moving as per indications of specially installed movement signs, and will be followed alongside by the person walking on foot in order direct control over safety to be

provided. David Arsenashvili clarified also how and in which form the grievances can be accepted and reviewed by Zugdidi City Hall and MDF.

The meeting attendants listened to the information provided, asked the questions and expressed content concerning above mentioned project implementation. David Arsenashvili, Tornike Tabaghua and Irakli Japaridze responded to all the questioned asked.

In the course of the meeting the attendees were able to express their opinions and ask the questions they were interested in.

Question	Response			
Why have you met with us and what is the purpose of the meeting?	We have met with you aimed at providing you with the detailed information on Due Diligence Report, which considers different safety measures, availability of access roads and Grievance Redress Mechanism.			
How much is the area of the land plot, over which above referenced project is to be executed?	The Youth Center and Zugdidi Zviad Gamsakhurdia Library will be situated at the Municipality owned land plot, covering the area of 2400 sq. m.			
Will the façade of the building be situated within the red lines, or will it go beyond that borders?	The area over which the construction is to be executed covers 2400 sq. m, which is sufficient for the building and façade not to go beyond the borders of the red lines.			
As we are aware, project considers the open café to be situated on the last floor, is that still feasible or not?	The open café will be situated on the last floor of the Library, as it was planned.			
How much time will it take to finalize the project since construction commencement?	The project completion will take about 10-12 months.			
What will be the maximum height of already constructed building?	The maximum height of the building as per developed design documents, makes up 9 meters and 30 centimeters.			
Is it possible the Contractor to work during night hours too, since the referenced site is not populated and execution of works will not disturb the population?	It will be discussed after the Contractor is identified, whereupon the working hours will be scheduled accordingly.			

Photos of the Meeting

