

Social Monitoring Report

2 Annual Report
December 2017

BHU: SASEC Road Connectivity Project

Department of Roads Component

Prepared by Department of Roads for the Government of Bhutan and the Asian Development Bank.

CURRENCY EQUIVALENTS

(as of 7 December 2017)

Currency unit	–	Bhutanese Ngultrum
Nu1.00	=	\$ 0.0155
\$1.00	=	Nu 64.526

ABBREVIATIONS

ADB	–	Asian Development Bank
DOR	–	Department of Roads

This social monitoring report 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.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Contents

I.	Introduction	1
II.	Monitoring Findings.....	2
	A. Civil works status.....	2
	B. Asphalt plant.....	2
	C. HIV/AIDS awareness	2
	D. Involuntary Resettlement impacts	2

List of Figures

Figure 1: A view of the project site, Bhawanijhora	1
Figure 2: Small empty plot marked in yellow circle and the affected house marked with a yellow arrow.....	3

I. Introduction

1. The Royal Government of Bhutan (RGoB) and the Asian Development Bank (ADB) approved the SASEC Road Connectivity Project in July 2014. The Project includes the following components:

- the construction of 68km of National Highway between Nganglam and Dewathang;
- 1.2 km access road from an Indian border constructed at Pasakha area;
- A mini-dry port in Phuentsholing and the Alay land custom station;
- the construction of about 2.7 km of bypass road in Phuentsholing city.

2. This Social Monitoring Report relates to components 1 and 2 of the project (68 km of National Highway between Nganglam and Dewathang and the 1.2 km Pasakha access road). The Department of Roads (DOR) is the implementing agency. However, the report does not provide any information on the Nganglam - Dewathang component, as it is currently on hold indefinitely for security reasons. Civil works for Nganglam - Dewathang has not started to date and it is expected to start soon.

3. As for the Pasakha access road, with an area covering approximately 267 acres, the Pasakha Industrial Estate is the largest industrial estate in the country. It is located about 15 kms East of Phuentsholing town. Although it has access to water, electricity, drainage system and telecommunication facilities, there are sections of the roads that need major improvements. The ADB-SASEC improvement of the 1.2 km section of the Rinchending-Pasakha highway at Allay and the concrete bridges at Bhawanihora and Bhalujhora are expected to provide an uninterrupted and direct entry/exit of vehicles to/from the Pasakha Industrial Estate to India. This will also aid in decongesting Phuentsholing, known as the gateway to Bhutan of heavy vehicles which will contribute to significant improvement in traffic safety in and around the Phuentsholing urban boundary.



Figure 1: A view of the project site, Bhawanihora

4. The contract for the civil works was awarded to M/s Gaseb-SPML-Maccaferri JV, India/Bhutan on the 1st of June 2015. It is a 24 month contract with works commencing in September, 2015 and expected to complete works by September 1, 2017. However, due to

serious delays in the work progress, the contract was cancelled on January 17, 2017.

II. Monitoring Findings

A. Civil works status

5. The contract for civil works has been terminated with M/s Gaseb-SPML-Maccaferri JV, India/Bhutan and all construction works for this project has been suspended as of January 2017. Since there are no activities at the construction site, all supervision consultants have been demobilised.

6. The civil works have been retendered and the Department of Roads is in the process of selecting new contractors. According to the new Terms of Reference, construction works is expected to resume by October 2017. However, works have not resumed at the project site.

B. Asphalt plant

7. The first social monitoring report indicated that an asphalt plant was operating in the camp site. The asphalt plant stopped operations in September 2017 (after CDCL completed the resurfacing works in Phuentsholing town). Moreover, since the contract for the access road was canceled, the camp has been demobilized and the Phuentsholing Thromde has leased out this area to a private person.

C. HIV/AIDS awareness

8. Only one awareness program was conducted since the expected number of labourers on site was never mobilised. Ms. Karma, who works with the Health Information Service Center (HISC) in Phuentsholing conducted the HIV/AIDS awareness campaign on April 2016. Bhutan's Labour Act does not permit recruitment of foreign female laborers and children (below the age of 18 years). Bhutan's labour rules also do not permit foreign male workers to bring their family/spouse with them.

D. Involuntary Resettlement impacts

9. There is one person who will be affected by this project, Mr. Nala, who has occupied Government land to set up his residential and commercial space at the entrance of Bhalujora. His family consists of wife and four school-going children. The shop section will be affected, while his residence, which is adjacent to the shop, will not be affected. The structure has not been impacted yet.

10. After a series of discussions with Mr. Nala, it was decided that the Department of Roads would rebuild the section of the house that will be directly affected by the project. This would be built on the Government land just adjacent (right side) to the house (see picture below). Neither Mr. Nala nor his family will need to relocate during the construction, as the shop will be built prior to his relocation. However, since all project activities have been stalled, the implementation of this plan is on hold. He is aware of the ongoing progress of the project and once the project resumes, he will be given priority with resettlement assistance.

11. A new shop will be built adjacent to the existing shop (marked in the yellow circle below). The plot is small (about 2,100 sq. ft) but sufficient to adjust his new shop.



Figure 2: Small empty plot marked in yellow circle and the affected house marked with a yellow arrow