

Social Monitoring Report

Final Report
March 2022

Bhutan: South Asia Subregional Economic Cooperation Road Connectivity Project Alay Land Custom Station (Pasakha)

Prepared by the Phuentsholing Thromde for the Government of Bhutan and the Asian Development Bank.

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CURRENCY EQUIVALENTS

(as on March 12, 2022)

Currency unit		Bhutanese Ngultrum
Nu. 1.00	=	\$ 0.0131
\$ 1.00	=	Nu. 76.2152

Acronyms

ADB	Asian Development Bank
COVID	Corona Virus Disease
CSC	Construction Supervision Consultants
GRC	Grievance Redress Committee
LCS	Land Customs Station
PCU	Project Coordination Unit
PIU	Project Implementation Unit
PT	Phuentsholing Thromde
SPS	Safeguard Policy Statement

NOTE

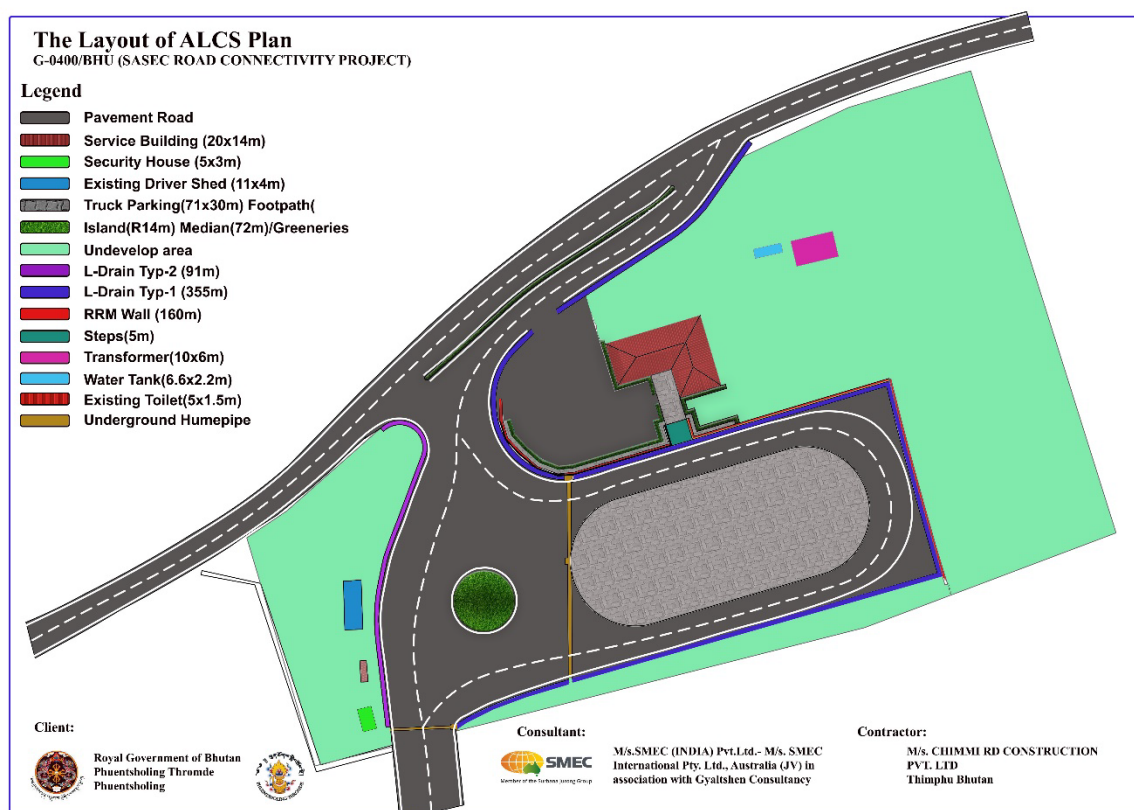
In this report, '\$' refers to US Dollars.

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1. Background

1. The construction of the Land Customs Station (LCS) at Alay, Phuentsholing, is one of the components of the ADB-financed SASEC Road Connectivity Project. The other components include the construction of the 68 km of National Highway between Nganglam and Dewathang; the 1.2km access road from an Indian border constructed at Pasakha area; the construction of a mini-dry port in Phuentsholing and the construction of a 2.7 km of bypass road including a 120 meters curvilinear bridge over the Omchhu.
2. The Pasakha industrial area located about 15 Km from Phuentsholing town is currently the largest industrial estate in Bhutan. With the completion of the Alay LCS, heavy traffic in Phuentsholing will be greatly reduced as all the in-bound and out-bound vehicles to Pasakha will be diverted directly through Alay LCS. Moreover, the LCS will be connected from India side through the Indian SASEC Road. Apart from easing traffic congestion at Phuentsholing town, the immigration formalities for migrant workers will be carried out here and future customs clearance is expected to be faster and smoother.



Layout of the Land Customs Holding at Alay, Pasakha

3. The design of the Alay LCS include facilities for providing transit, customs and immigration and cargo handling services for goods and people travelling in and out of Pasakha. The Phuentsholing thromde awarded the construction of the Alay Land Customs Station (LCS) to Chhimi RD Construction Pvt. Ltd. under contract number: PT/Contracts/2020/ALCS/0. The contract period was 6 months from the date of signing the contract (1st of February 2021).

4. The construction of the Alay LCS does not have impact on any of the private land owners or structures and no person or household have been displaced as a result of the project. Civil works was supervised by the construction supervision consultants (CSC) and the PIU on site.

2. Objective of social safeguard monitoring

5. The specific objectives of the social safeguard compliance monitoring was to monitor the working condition and occupational health and safety of the workers throughout the project period. Address non-compliance issues in the project and provide suggestions if deemed necessary.

3. Institutional arrangements

6. The PCU (Project Coordination Unit) was established under the Phuentsholing Thromde as part of the project management. The Project Implementation Unit (PIU) under PCU was responsible for the day-to-day operation of the sub-projects and also responsible for ensuring the compliance of both environmental conditions and social safeguard in the projects. The Grievance redress mechanism (GRM) within the PMU was responsible for receiving and facilitating grievances.

4. Monitoring of Social Safeguards Compliance at the project site

7. Bhutan's construction industry is heavily dependent on Indian construction workers as they are more skilled and cheaper than Bhutanese workers. However, due to the COVID19 pandemic, the Government imposed restrictions on the import of Indian workers. So, the initial works at the Alay LCS sourced the workers from localities around Phuentsholing. The workers were provided with basic housing and amenities by the construction company. Skilled Bhutanese workers were paid more than Nu. 1,000 per day and the other workers were paid between Nu. 750 per day. However, most of the workers were young and with limited skill or knowledge on construction works. Moreover, with ad hoc and prolonged lockdowns in Phuentsholing, all construction works were stopped and workers chose to return to their villages. However, even after the lockdowns were relaxed, contractors still complained that most of the local workers refused to return to work.
8. With delays to the works, the contractor requested the Ministry of Labour and Human Resources for the import of Indian workers but the request was denied. The contractor was then advised to put up another the request to the National COVID Task force, Thimphu. The ban on importing Indian workers was officially lifted on October 1, 2021 vide letter number NC19TF/01/3022 (the public notification has been attached as Annex 1).
9. The contractors were allowed to bring in workers following the Government COVID protocols for importing the workers which included ensuring that the worker is vaccinated twice, is quarantined at the place of entry for 2 weeks and that all costs of quarantine facility and COVID testing to be covered by the contractor.
10. The first batch of Indian workers started working at the project site from 30th November 2021. The Indian workers were provided with accommodation and other the basic amenities. Below is the list of workers on site over the project period:

Sl. No.	Name	Designation	Nationality	No	Mobilization Date	Remarks
1	Chador Y Jamtsho	Project Manager	Bhutanese	1	February,2021	
2	Som Bdr Tamang	Project Engineer	Bhutanese	1	September 2021	Replacement
3	Tshering Tashi	Surveyor	Bhutanese	1	February,2021	Intermittent
4	Wangchuk	Site Supervisor	Bhutanese	1	February,2021	Replacement
5	Yonten Gyamtsho	Lab Technician	Bhutanese	1	February,2021	
6	Bimal Gurung Sonam	Excavator Operators	Bhutanese	2	February,2021	
7	Kamal	Roller operator	Indian	1	February,2021	
8	Rai	Grader operator	Bhutanese	1	February,2021	
9	Lungten Chophel Sherpa	Dumper driver	Bhutanese	5	February,2021	
10	Labourers (Local)	Bhutanese	Bhutanese	10	February,2021 till February 2022	
11	Labours	Indian	Indian	12	November 2021 till February 2022	

11. Through the entire project period, the contractor had complied with most of ADB's SPS 2009 and the clauses under the contract bid document such as (i) Hiring/Recruitment of more National workforce; (ii) Provided proper sanitation and safe drinking water; (iii) Ensured the implementation of core labor standards to the Bhutanese especially on the provision on equal wages for both men and women; (iv) No child were hired as a labourer, be it national or of Indian origin and (v) ensured usage of safety equipment and gears at the worksite.
12. However, no awareness or communication activities could be conducted due to COVID 19 restrictions. Plans were made to conduct awareness programs at the project site, but issues with travel restrictions, prohibition of gatherings at one place and also the sudden lockdowns and blackouts in Phuentsholing has not allowed for these programs to take place. However, a meeting between the PT, contractors and the Construction Supervision consultants was held on the 2nd of August 2021, and social safeguard measures were discussed. The contractor was advised to ensure that the labour camps were of habitable quality and that the project site maintain and strictly adhere to safety protocols, including COVID SOPs.



13. Workers were to be provided with a safe and healthy working environment, taking into account the risks inherent to the particular project. Measures should be in place to prevent accidents, injury or diseases arising from associated with or occurring during the course of the work. Contractors to provide the workers with appropriate training and the incentives to use and comply with the health and safety procedures and protective gears. The workplace should also have an emergency prevention, preparedness and response arrangements in place. Over the entire project period, the PIU and the CSC overlooked the monitoring of the social safeguards at site.
14. On the 16th of January 2022, Bhutan went under a three-day complete blackout as the first cases of omicron was detected in Wangduephodrang. Although after a week, some of the districts slowly started to open up, the towns and districts along the border continued to stay under complete lockdown. The project was under pressure to complete by mid-March, so the contractors had to appeal to the Phuentsholing Task Force for permission to work, which was approved on the condition that the work resumes under containment mode. By first week of February, work resumed with all workers staying within the construction site. The site engineers who were isolated in their homes were escorted to the site and back by dessungs (guardians of peace) with absolutely no contact with other people. Rations and other necessities were supplied by the contractor and delivered by the task force. Two COVID tests were carried out on all the workers on site – the first one when containment



work started and the second one at the end of the project work. No one tested positive for COVID.

5. COVID-19 SOP for workplaces

15. The construction site was strictly monitored to adhere to COVID Standard Operating Procedures (SOP). This was initially advocated by the Ministry of Labour and Human Resources (MoLHR). For this project, guidelines for the COVID 19 Standard operating Procedures were outlined in the Social Monitoring Report July 2020. In order to reduce risk of exposure to the corona virus, the construction company was notified to strictly adhere to the following COVID 19 protocols:
- Physical distancing to be maintained between co-workers/contractors and visitors
 - Mandatory use of face masks – this should be provided by the contractor at no cost to the workers
 - Ensure proper hygiene in the workplace and at the campsite including regular hand washing, regular use of hand sanitizers and maintaining clean surroundings.
 - Maintain hand washing stations at strategic locations within the project site. Ensure that there is sufficient water supply and soap for hand washing.
 - Educate and train all the workers on COVID 19 protocols in a language they understand
 - Ensure that labourers report any safety or health concerns. Instruct any sick workers to stay at home (campsite) and avoid contact with other workers
 - Maintain logbook of all visitors
 - Maintain a Druk trace app quick response (QR) code and make it mandatory for all workers and visitors to scan the QR code whenever they enter and leave the worksite.
 - Workers to get tested for COVID periodically
 - Put up signboards at both the entrance and exit areas so that the public do not enter the construction premises.

6. Completion and handing over of the Project Site

16. The Alay LCS was officially handed over to the Phuentsholing Thromde on the 15th of March 2020. The project site was cleared of all construction material and debris. The construction camps were dismantled and all the camp site garbage was properly disposed. This was closely monitored by the site engineers of both PT and the CSC.



Dismantling of the labour camps

Annex 1: Public Notification on Labour Import



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National Covid-19 Task Force



NC19TF/01/

3022

October 1, 2021

Public Notification

In pursuant to the earlier notification NC19TF/01/2002 dated September 10, 2021 the National COVID-19 Task Force decided that henceforth the approval of foreign workers both for government/ autonomous/ private/ corporation will be reviewed and approved by the Ministry of Labour and Human Resources (MoLHR) as per their existing norms.

However, due to the limited space, the Regional/Dzongkhag COVID-19 Task Force will approve the allocation of quarantine facilities based on their allotment criteria and the employers should seek necessary approval for QFs prior to importing of foreign workers/expatriates. For quarantine facilities in Thimphu and Paro, the employers are requested to liaise with the Quarantine Management Team in the Cabinet Secretariat.



(Jigme Thinley Namgyal)

Member Secretary

Copy to:

1. The Hon'ble Ministers, 10 Ministries
2. Dasho Zimpon, Office of the Gyalpoi Zimpon
3. The Hon'ble Secretaries, 10 Ministries
4. Chief of Police, Royal Bhutan Police
5. Chairpersons, Regional COVID-19 TF, Phuentsholing and Samdrup Jongkhar
6. Chairpersons, Dzongkhag COVID-19 TF, 20 Dzongkhags
7. Thrompon; Samdrup Jongkhar, Gelephu, Phuentsholing, Thimphu Thromdes
8. The President, Bhutan Chamber of Commerce and Industry