

# Social Monitoring Report

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Final Report  
July 2019

## BHU: South Asia Subregional Economic Cooperation Road Connectivity Project

Pasakha Access Road

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## SOCIAL MONITORING REPORT (FINAL REPORT)

July 2019

### Construction, Supervision and Capacity Development for SASEC Road Connectivity

Asian Development Bank Grant No. 0400-BHU(SF) South Asian Sub-regional Economic  
Cooperation (SASEC) Road Connectivity Project

# CURRENCY EQUIVALENTS

(as on 20 June, 2019)

Currency unit	=	Bhutanese
Ngultrum Nu. 1.00	=	US\$ 0.01456
US\$ 1.00	=	Nu. 68.70

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## I. Background

1. This is the final social monitoring report compiled for the Asian Development Bank (ADB)- South Asia Subregional Economic Cooperation (SASEC) Road Connectivity Project; in particular the improvement of the 1.2 kilometers (km) section of the Rinchending-Pasakha highway at Allay and the concrete bridges at Bhawanihora and Bhalujhora. Pasakha is located about 15 km east of Phuentsholing town and Bhutan's largest industrial estate is located here. Although there is accessibility to water, telecommunications, electricity, etc., there were sections of the access road that needed major improvements.

2. The Pasakha Access Road (PAR) project is 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 of heavy vehicles which will contribute to significant improvement in traffic safety in and around the city. The Department of Roads (DOR) under the Ministry of Works and Human Settlement (MOWHS) is the implementing agency.

3. Construction works were initially awarded to M/s Gaseb-SPML-Maccaferri JV, India/Bhutan in September 2015. However, due to major delays in the work, the contract was terminated and consequently, the project was then divided into three packages and contracted as follow:

Package number	Name of Project	Contractor	Date of Start	Date of completion (original)	Date of Completion (revised)	Date of Completion (actual)
Package I	Construction of Bhalujhora Bridge	M/s Construction Development Corporation Ltd (CDCL), Thimphu	01/01/2018	31/03/2019	30 June 2019	29 June 2019
Package II	Construction of Multi-cellular box culvert, road works, LCS and gabion structures	M/s Bhutan Builders Pvt. Ltd. Thimphu	01/03/2018	31/05/2019	5 July 2019	20 May 2019
Package III	Construction of Gabion structures	M/s DrukChapcha b Construction Pvt. Ltd. &Gyalcon Infrastructure Pvt. Ltd. (JV), Phuentsholing	01/01/2018	31/03/2019	24 May 2019	25 March 2019

## II. Monitoring and reporting

4. Daily monitoring of all the three sites were carried out by the site engineers of the construction supervision consultant during the entire project period. The social specialist and the environment specialist were mobilized on quarterly basis for site monitoring and reporting.

Monitoring tracks the progress of the project and also checks the compliance to the established standards. The monitoring was conducted based on the (i) procedures and guideline of the ADB as set out in the Safeguard Policy Statement 2009, (ii) relevant laws, policies and regulations of Bhutan, (iii) land acquisition and resettlement plans of the Project. These monitoring reports have been submitted and disclosed on the ADB website.



### **III. Grievance Redress Mechanism**

5. Any project related concerns and grievances were received by the project implementation unit and the construction supervision consultants. The team would then discuss the issues and concerns proactively and promptly, using an understandable and transparent process that is gender responsive, culturally appropriate and readily acceptable to the affected family.

### **IV. Affected Household(s)**

6. The project has affected only one household, ApNala and his family. The family lives in a semi-permanent structure located at the end of the Bhalujhora bridge which functions as both residential and commercial. The land belongs to the Government and has been illegally occupied by the family and this is not permitted in Bhutan. According to the Road Act of Bhutan, the Department of Roads, under the Ministry of Works and Human Settlement has the authority to demolish 'unauthorized structures within the road right of way and road control area and recover the cost of such demolition from the concerned owners of the unauthorized structures (p.4)'. However, since the relocation is a result of an ADB financed project, the Royal Government of Bhutan, who is the client, will have to compensate for the involuntary displacement of the affected household as per the ADB's Safeguard Policy Statement 2009 (SPS).<sup>1</sup> The compensation should include for loss of assets other than land, such as dwellings and also for other improvements to the land, at full replacement costs.

7. After discussions with the affected family and the client and exploring various options (social monitoring report 2, 2017), it was decided that a retaining wall will be constructed on

<sup>1</sup> The objectives of the ADB SPS 2009 is to avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improves the standards of living of the displaced poor and other vulnerable groups.

northern side of the house which would stabilize the slope, prevent erosion and support the affected structure. This retaining wall has been completed (see picture below) and, neither the family nor the structure was affected during its construction. Other than the above issue, there were no other land acquisitions or involuntary resettlement required in this project and all the road construction works have been taken within the available ROW. There are adequate accesses to the communities or factories in Pasakha with no disruptions to their livelihood.



The affected house in 2016 (above) and in 2019 (below) after the construction of the retaining wall.



## V. Social safeguard compliance during the project Implementation

8. The recruitment of laborers and mobilization of laborers in all the construction sites are closely monitored by the Ministry of Labour and Human Resources (MoLHR). However, if the laborers are Indians, then Department of Immigration plays an important role in the recruitment process.

9. For this project, only Package II and Package III recruited workers from across the border. All expatriate workers especially Indian construction and factory workers have to undergo a series of medical test to rule out a number of diseases before acquiring permit to work in Bhutan. Most of tests are carried in private diagnostic centers and certified by the doctors at the Government hospital.



Awareness on HIV/AIDS being conducted at Package III (July 2019).

10. However, ADB still requires that awareness programs on health, pollution, HIV/AIDS, human trafficking and forced labor to be carried out in all ADB supported projects. A total of four awareness programs have been carried out between 2016 and 2018 to over 200 workers on site. Pamphlets translated to different local languages and condoms were distributed during the awareness.

	Date	Number of attendees
All 3 sites	April 2016	50 (before the project was divided into 3 packages)
Package I	27 July 2018	32
Package II	April 2018	More than 50
Package III	25 July 2018	49

11. In all the three project sites in Pasakha, the contractors have ensured that they adhere to Bhutan's core labor standards by providing the workers with safety gears, masks and gloves during construction works. Since the recruitment of expat female workers at construction site is not permitted by Bhutan's Labour law, Package II and Package III did not have any female workers.

12. However, Package I which comprised of all national workers had a mix of both male and female workers. Facilities for the female workers were provided, such as different housing, toilets and washrooms. They were given equal pay for equal work as per the rules of the Construction Development Corporation Limited (CDCL).



13. Housing along with drinking water, kitchen and washing facilities were provided to all the workers. Proper waste disposal pits were made around the construction sites and the laborers were given demonstration on waste management. However, the contractor's site engineers were given constant reminders to maintain a clean campsite.

14. Bhutan's Labour rule does not permit the employment of workers below the age of 18 years in the construction industry. The Government is firm on this and this is evident during the entire process of obtaining the work permit. Labour officials also make adhoc visits to construction sites to monitor these issues. The employer/contractor run the risks of being imposed heavy fines if an underage worker is found on the site or if a foreign worker is found without proper work permits.

## **VI. Social Monitoring on completion of the works**

15. The site of Package I (Construction of Bhalujhora Bridge) was handed to the client on the 29 June 2019. The site is yet to be cleared as some minor repair works are still underway. The contractor (CDCL) has agreed to clear the entire campsite before August 2019.



*The completed Bhalujhora Bridge (above) and the CDCL campsite (below)*



16. The site of Package II (Construction of the Multi-cellular box culvert, road works, LCS and gabion structures) was handed over on the 21 May 2019. The site has been cleared of all construction debris and the workers camps have been dismantled and cleared from the project site.



The Bhawanijhora Bridge and Pasakha Access road

17. The site of Package III (Construction of Gabion structures) was completed and handed over to the client on 28 May 2019. The site belonging to a private land owner has been cleared of all construction debris. The semi-permanent structure which was used as the main office of the contractor has been left on the request from the land owner. Other than that, all the remaining structures have been removed and the site has been cleared of all garbage and refuse.



Construction of the Gabion walls