

# Social Monitoring Report

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Final Report  
January 2021

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

Mini Dry Port (Mdp)  
Phuentsholing Thromde

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

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### **CURRENCY EQUIVALENTS**

(as on 18 January 2021)

Currency unit		Bhutanese Ngultrum
Nu. 1.00	=	\$ 0.01364
\$ 1.00	=	Nu. 73.27

### **NOTE**

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

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## **A. Introduction**

1. This is the final social report for the Mini Dry Port (MDP) at Phuentsholing which has been compiled for the Asian Development Bank (ADB). The MDP is a component of the ADB-financed SASEC Road Connectivity Project. The scope of this project included the construction and development of infrastructure and facilities for the existing transshipment and cargo handling compound in Phuentsholing. The MDP is also connected to the Northern Bypass, another SASEC project.

## **B. Project description**

2. The Mini Dry Port is located in Phuentsholing, which borders Jaigaon, West Bengal in India. Also known as the gateway of Bhutan, Phuentsholing is a major commercial hub consisting of two industrial estates and a myriad of businesses, retailers, enterprises and institutions.

3. The MDP area covers approximately 5.4 acres of land (235,224 square feet) and is located near the second entry gate in Phuentsholing. With the completion of the project in 2019, the new Dry Port has the capacity to house over 45 trucks at any one time. The MDP currently provides the necessary facilities for all import/export trade with Bhutan through Phuentsholing. There are ample warehouse storage facilities including cold storage and operational spaces for inspection loading and unloading. Other facilities within the MDP include a weigh bridge, container transfer zone, and storage of hazardous goods. Furthermore, the MDP also offers custom clearances and other related services which include immigration and quarantine inspections. There are also shed houses for drivers and public toilets.



Pictures of the Mini Dry Port at Phuentsholing.

## **C. Institutional Arrangements**

4. The project was executed by the Phuentsholing Thromde (PT). A Project Management Unit (PMU) and Project Implementation Unit (PIU) were set up with personnel drawn from the PT and supported by a team of consultants. The PIU reported to the PMU on all matters relating to the project.

5. For any grievances from the public, the PT was the main point of contact. The functions of the Grievance Redress Committee include but not limited to (i) supporting

any affected persons (AP); (ii) recording grievances from the APs and categorizing, prioritizing and solving the grievances within an appropriate time and (iii) informing the Project Steering Committee of any unresolved cases within an appropriate timeframe.

#### **D. Land Acquisition**

6. Land acquisition for the dry port began in 2003 prior to any ADB involvement and the land acquisition was not done in anticipation of any ADB financing. The Land Acquisition Committee (LAC) handled all the issues related to land acquisition. Members included officials from the Department of Trade, PT and the Dzongkhag/Dungkhag. There was a series of consultative discussions held between the APs, the Phuentsholing Thromde and the Department of Trade. All complaints were lodged in writing and all proceeding related to the complaints were documented. The land acquisition was carried out in accordance to the Land Act 1979 and Land Compensation Rule 1996.

#### **E. Resettlement Component**

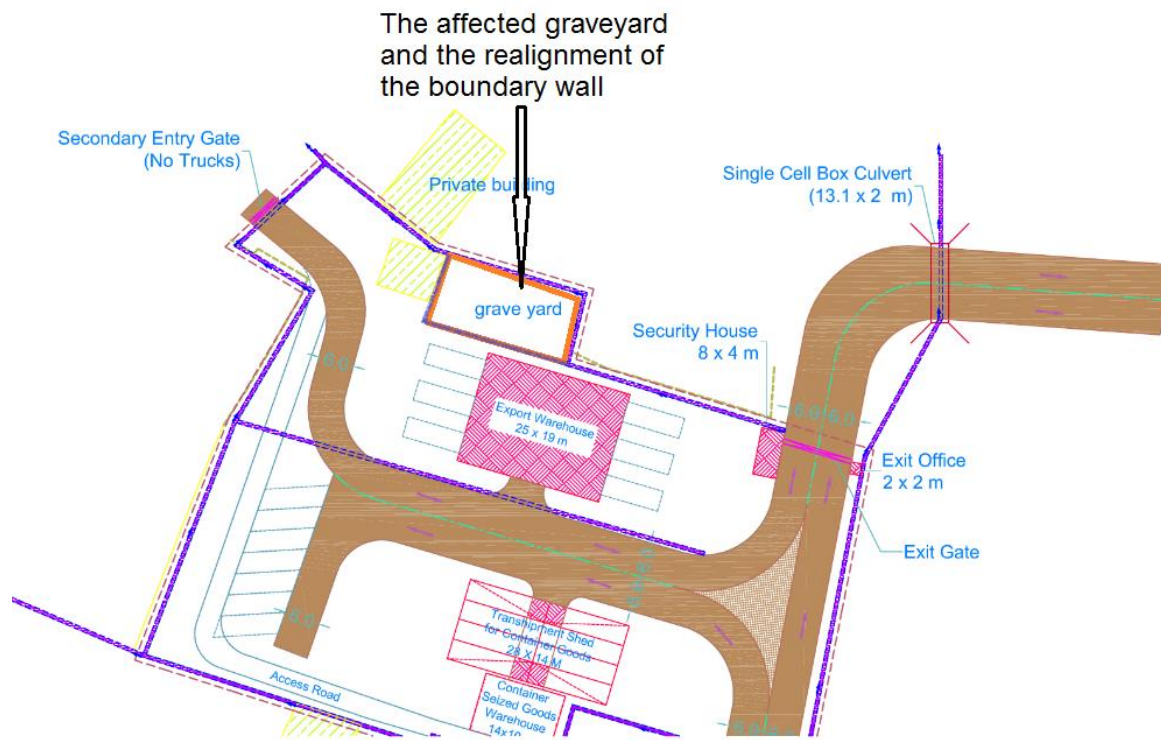
7. The project affected two households and a graveyard. The two affected persons (APs) were Dasho Nado Rinchen (Mr.) who owned 5,200sq. ft. and Ms. Pema Lhadon who had 6,274 sq. ft. Both the APs were informed and consulted on the proposed projects. They were given the options of choosing land for land, cash for land or both. Both agreed on the land-for-land deal and cash for permanent structures. In accordance with the Land Act of Bhutan 2007, both the affected parties were given substitute land replacements within Phuentsholing town area. Ms. Pema Lhadon was also compensated cash for the residential structures as evaluated by the Property Assessment and Valuation Agency (PAVA) in accordance to the market rate. The land belonging to Dasho Nado Rinchen was uncultivated with no vegetation or trees growing and no permanent or semi-permanent structures built. On the other hand, Ms. Pema Lhadon had a residential duplex structure with three small semi structures surrounding the area serving as quarters for the gate keeper and servants.

8. All land acquisition and resettlement processes of these APs were completed before the start of any civil works and the land was provided free of encumbrances to the project.

9. The graveyard site located at the North-West end of the Mini Dry Port are on Government land belonging to local families. The family members were contacted and briefed on the matter. Since these are ancestral graves that were decades old and holding sentimental values, the PT decided to realign the boundary wall so as to exclude the grave site from the dry port. The layout plans (picture below) show the grave site being maintained as an open space with no roads or infrastructures, except for a secondary entry/exit point. The graveyard site occupies about seven decimal (or 3,049sq. ft) of land.



The Gravesite and the realigned wall (Picture above and below).





10. All those affected by this project did not fall under the vulnerable or poor category. A Resettlement Plan (RP) was carried out to mitigate all such unavoidable negative impacts caused due to the project and resettle the affected persons (AP) and restore their livelihoods. This RP has been prepared on the basis of the Due Diligence Report prepared in March 2014 by the Phuentsholing Thromde and also in consultation with the APs, Department of Trade (DOT) and the officials from Phuentsholing Thromde. This RP complies with ADB Safeguard Policy Statement (2009) and RGoB rules and regulations. These reports were submitted to the client and are also available on the ADB website.

#### **F. Monitoring and Supervision of Construction works**

11. The contract for construction works for the Mini Dry Port was awarded to Marushin Shitaka Construction Company in April 2017 and completed in February 2019. The construction site office and the labour camps were built around and within the project site.

12. Construction works complied with ADB's SPS 2009 and the clauses under the contract bid document such as (i) Hiring/Recruitment of more National workforce; (ii) Provide gender responsive, HIV/AIDS and human trafficking awareness; (iii) Provide proper sanitation and safe drinking water; (iv) Ensure implementation of core labor standards to Bhutanese especially the provision on equal wages for both men and women; (v) Hiring of child labor should be avoided, be it national or of Indian origin and (vi) ensure usage of safety equipment and gears at the worksite.



Workers on MDP Site.

13. Workers on the construction site were mostly of Indian nationality. Bhutan's Labour Act does not permit the recruitment of foreign female labourers and children (below the age of 18 years). And although Bhutanese women are encouraged to take up work at the construction sites, there were no women labourers in the MDP construction site.

14. The workers were kept within the periphery of the project site and they were provided with basic housing facilities. Other facilities such as toilets and provisions for clean water were also provided to all workers. Workers on site were provided with safety gears such as helmets, working boots and proper protective wear. Proper signage mounted in and around the construction site ensured a safe working environment for all, including people passing by.



Signage around the construction site.

15. During the construction works, the construction company ensured that noise and dust pollution was maintained.

16. Awareness programs were conducted within the project site<sup>1</sup>. This was done to combat complacency about HIV/AIDS and also educate the labourers at construction sites with regards to their sexual activities, the risks associated with multiple sex partners, preventing STD/HIV and social marketing of condoms. These programs went on for over an hour and covered topics on practicing safe sex and included demonstrations on the usage of condoms, distribution of condoms and pamphlets that had been translated into Hindi and Bengali – languages that are familiar with the labourers.

<sup>1</sup> Awareness programs were conducted by Ms. Karma from the Health and Information Services Center (HISC), Phuentsholing along with Ms. Dorji Zangmo and Ms. Karma Dema.





An Awareness program being held with workers at the MDP site.

## **G. Completion and Handing over of the Project Site**

17. Construction and development works of the Mini Dry Port was completed and officially handed over to the Phuentsholing Thromde on the 11<sup>th</sup> of February 2019. Before the handing-taking over, the MDP site was cleared of all construction material and debris. The construction camps located behind the MDP have been dismantled and all the camp site garbage has been properly disposed. This was closely monitored by the site engineers of both PT and the Construction Supervision Consultants (CSC).



Workers campsite behind the MDP- dismantled and cleared.