



# Environmental & Social Monitoring Report Supplemental Information (January to March 2013)

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Project Number: 44914

## PAK: Patrind Hydropower Project

Prepared by Star Hydro Power Limited

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Asian Development Bank

## Comments on the E&S Monitoring Report for Jan-March 2013, 147 MW Patrind Hydro Power Project

### B. Relevant Environmental Permits or Compliance Certificates

**We note that the** NOC Issued by AJK-EPA requires SHPL to meet certain compliance conditions (two of which are listed below). We have specific queries on two conditions as shown in the table and we appreciate if you can clarify these.

For subsequent monitoring reports, may we request that you add a table listing all the AJK-EPA NOC conditions and indicating the status of implementation with supporting documentation as attachment.

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| p3 | Level of water in the pond due to the construction of Patrind weir   | <p>What are the sponsor's initiatives in updating the concerned households on the result of water level monitoring? (are regular meetings/consultations undertaken to update the concerned households? how frequent? any documentation that the sponsor may share on meetings/consultations conducted? Issues raised)</p> <p>The project may need to (i) discuss during consultations/meetings the projections done during project design and how and why the water level is not expected to go higher than 765m.amsl; (ii) assure the community that they will be informed beforehand if there is any risk to them especially during rainy season; and (iii) that they will be assisted/compensated for any damages to properties in the unlikely event of water level rise.</p> | The status of compliance has been updated in the main report |
| p4 | Project management should contribute towards repair of the road that will be used during construction and operation of the project | What is the present condition of the road? Is there a budget allocation by the sponsor for road repair (during construction and project operation)? Any maintenance activities undertaken?  | The status of compliance has been updated in the main report |

### HSE Audit

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| p11 | HSE Audit | What are the major findings? Summary should be provided in the main text | Relevant section has been revised in the main report |
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## Labor Relations

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| p12 | We note that there was a strike for enhancement in overtime and weekend work payment | <p>Please provide the following information: (a) how many laborers went on strike and from which subcontractor? (b) what are their specific demands (what is the existing overtime and weekend rate vs. demand of the laborers), (c) for how long did the strike occur?, (d) what is required by law and prevailing overtime rate as compared to what is received by the complainants (e) was there any consultation done by the SHP management and the concerned laborers or was it between the subcontractor only and its contract labor? Please give full account on how this issue was resolved and whether there are remaining issues. We suggest that you ask the subcontractor to file an incident report on this documentation on such as minutes of meeting, or record of agreements, attendance sheet, pictures, etc),</p> | <p>The relevant section has been revised in the main report.</p> <p>(a) Approximately 50 labors from sub-contractor Kyung Dong went on strike</p> <p>(b). Their demands were:</p> <ol style="list-style-type: none"> <li>1. Sunday paid holiday</li> <li>2. 20% annual increase in salary</li> <li>3. To be permanent employees of company</li> </ol> <p>Previous daily rate was Rs.465/-and over time was 77.5/- per hour</p> <p>Now daily rate is Rs.537/- and overtime is Rs.76.7/- per hour</p> <p>(c). 2013-03-22 20:30pm 2013 -04-01 11:00am (11 days)</p> <p>(d). As per contract made between sub-contractor and EPC contractor daily rates must be higher than local prevailing rates i.e. approx.Rs.400/per day in AJK, whereas complainants were already getting more than the prevailing rates. Kyung Dong is paying according to the labor law and overtime is being paid more than the normal rates.</p> <p>(e) This issue was solved by Kyung Dong with coordination of Daewoo E&amp;C, labour representatives and government authorities of AJK like "Assistant Commissioner on 27-03-2013 and "Chairman Development Authority on 30-03-2013"facilitated the</p> |
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|     |  |  | negotiation. All communication between Kyung Dong and labors representatives held in a very peaceful and friendly environment. Kyung Dong has not forced labors to work on Sunday. Labors have choice to work or take holiday, if they work then will be paid as per practice. After final discussion with labor representative dated 01-04-2013 labor resumed work from 02-04-2013 with increased daily wage rate as mentioned above. |
| p16 | Medical facilities and Medical Staff (lady doctor and nurse) | <p>Are the medical staff working full time in the project site? If not, how frequent do they visit the site?</p> <p>It was noted that the same number of staff was reflected in the summary of staff employed by the project, are the medical staff (lady doctor and nurse) already included in the table?</p> | <p>The relevant section has been revised in the main report.</p> <p>Medical staff has been placed on full time basis in the both sites of the project.</p> <p>This deployment was made on and after 12 February 2013, hence, has been included in the list/summary of the staff prepared after February 2013.</p>  |

#### **Stakeholder Engagement (p. 25) and Annex G-1Community Complaints (p107)**

We urge SHPL to carefully study these complaints in order to avoid these complaints escalating to our independent Accountability Mechanism. As you know these people can complain directly through this mechanism.

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| p25 and p107 | Structural damage during blasting (details at Annex G-1) – <b><u>A Written Community Complaint</u></b> was filed by 12 people representing the households adjacent to power house area to the project sponsor. | Please clarify if the households complaining about blasting and listed in Annex G1 are the same households who are also affected by land acquisition and therefore required to relocate? If yes and if they have already been compensated at replacement cost for the structures allegedly affected by blasting, they | Relevant section has been revised in the main report  |
|              |  |   | All the owners of the land/assets/trees have already been compensated but some of adjacent households were interested |

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| <p>These complainants are demanding for a contract in writing with the company, Government and relevant people, as reference/evidence for future claim</p> <p>Based on the written complaint: (issue1) residential houses near the power house area have been damaged due to blasting. These residents also fear of damage/threat to life or properties in the future. In such case, they should be entitled to compensation.</p> <p>issue 3) Company safety department had not shown any interest regarding house damages when in fact the company should be responsible for any loss</p> | <p>should not be compensated again. Please explain this clearly in the monitoring report p.25 for avoidance of doubt. This should also be clearly explained to the complainants.</p> <p>However, if they have not been compensated for the structures allegedly affected and investigations show that these were indeed affected, then they should be provided with compensation.</p> <p>– Annex G-2 is called pre-blasting survey but actually the survey was only done in March 2013. From our understating, SHP started blasting more than a year ago. This annex should be re-titled “Survey of Potential Damage of Blasting Activities to Houses/Structures”</p> | <p>that their houses and land should also be acquired despite the fact that no more land was required for the project. A mud-made cattle shed was found damaged but during recent survey it was noted that said structure was constructed before 2005 earthquake that had shattered entire vicinity of the project. Apparently no house/structure damaged due to blasting activity in tunnel as there is a considerable distance. The survey was conducted due to the increase in the complaints of the local residence to avoid any misunderstanding.</p> <p>EPCC and SHPL HSE team is in constant and close liaison with adjacent local community and frequent visits have been carried out to inform each household every time before blasting.</p> |
| <p>(issue2) is not clear – does it mean land acquisition process in the area is still pending despite notification issued last 12/11/2011?</p> <p>Due to lack of agricultural activities, they have experienced income loss</p>  | <p>Based on the status of land acquisition, the amount has already been deposited in the Government Treasury. Please explain why the process is not completed yet. (is this due to unavailability of entitled persons or family dispute as reflected in the previous report). Please provide more information/details</p> <p>Please clarify why there are no agricultural activities? Are these households advised not to utilize the agricultural land? What is the area of agricultural land, volume and value of</p>   | <p>Relevant section has been revised in the main report.</p> <p>The land required for the Project has already been acquired and the payment of such land/asset/trees has already been deposited in the government treasury which has subsequently been paid to the owners. The complaint launched is regarding the additional land adjacent to</p>   |

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|  | <p>production involved? Are these lands also being acquired?</p>  | <p>powerhouse which was not required for the project but locals pressurized the revenue department that their land should also be acquired because of the fact the owners whose land was acquired received handsome amount for their land/assets/trees. This was deferred by district administration Muzaffarabad due to illogical and unnecessary acquisition which was initiated on the demand of some of the complainants. A notification under section 4 was issued with regard to acquisition in 2011 which has already been expired. Owners are entitled to utilize their land and it had subsequently been communicated to them. Powerhouse area has already been fenced and aforementioned land is situated outside the boundary.</p> |
| <p>Issue 4 - Issue was raised here on employment provided to the residents in the area (although they are qualified)</p> | <p>How many vacancies were posted, how many applied and how many are presently employed either by SHPL or subcontractors within Alda area? Why were the locals not hired if they have fulfilled qualifications?</p> | <p>Relevant section has been revised in the main report.</p> <p>Detail of employment is annexed as G-3; unskilled workers have been employed from Alda village, none of qualified person among PAPs has been refused against any relevant available job. SHPL, EPC contractor and its sub- contractors have been given equal job</p>  |

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|   |  | opportunities to PAPs.   |
| On the request for a contract or agreement in writing | What is SHPL's response on the request for a contract in writing? we suggest that SHPL meet with these 13 complainants and discuss their request and what the terms of the contract will be. | <p>Relevant section has been revised in the main report.</p> <p>Complainants were contacted and were convinced to start the survey as it was communicated to them that after blasting if any sort of damage occurred, consequently will be compensated through assessment.</p> |

#### On established liaison with civil society

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| p27 | On established liaison with civil society | Please provide names of these civil society organizations, what specific activities have been undertaken with them (please provide more information) and what concerns or issues were brought up by these CSOs.         | <p>Relevant section has been revised in the main report.</p> <p>On demand of local community and in collaboration with Provincial Earthquake Reconstruction &amp; Rehabilitation Agency (PRRA) KPK a school building was completed in Deedal Mera village near Weir site.</p> <p>At weir site fencing work has been executed by Patrind based company KEC.</p> <p>Also water supply scheme was completed by Zubair Abbasi &amp; Co which is also a local company.</p> <p>Damaged portion on access road at lower site has been rehabilitated on demand of Local Action Committee (comprising representatives of adjacent villages).</p> |
|     | External Monitor                          | We recall that SHP has hired an NGO as external monitor. Please provide profile/information on the external monitor engaged by the company Please provide copy of report(s) prepared/submitted by the external monitor. | The report has already been shared with ADB. Being sent again as attachment to this email.  |

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**Table on Compliance with Standards (NEQS)**

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| p29-30 | (a) Noise level  | Please provide results of noise survey including comparison of results with international and national standards  | <p>Relevant section has been revised in the main report.</p> <p>Noise and vibration record already submitted.</p> <p>Day time (7 a.m-5 p.m) average 75dB/ 85 dB with suppression plan</p> <p>-65dB(5 p.m -9 p.m) and</p> <p>-55dB (9 pm-7a.m)</p>  |
|        | (b) Pre-blasting Survey  | <p>Please provide results of pre-blasting survey (as Annex)</p> <p>If pre-blasting survey was conducted, were residents informed of the activity and its potential damage? Was consultation undertaken? What are the issues raised by the residents? What are the agreements? How come people are filing a complaint about blasting activity?</p> | <p>Relevant section has been revised in the main report.</p> <p>Community representatives were consulted before the activity. Before each blasting residents were informed verbally and through a leaflet (English &amp; Urdu) disclosing blasting plan, impacts, preventive measures etc <b>(Annex-B)</b></p> <p>A group of people in Alda village made a complaint but subsequently on consultation they were agreed to allow the survey team to conduct activity.</p> |
|        | (c) On the recommended workshop area with concrete pad and fuel storage area (item iv) | In the next Report, please provide photographs of this concrete pad and fuel storage area   | Shall be provided in the next report   |
|        | (d) Tree plantation  | <p>What is the timetable for the implementation of this tree plantation? Where will it be located? Will this involve additional land acquisition?</p>   | <p>Relevant section has been revised in the main report.</p> <p>Tree plantation will be carried out in post construction</p>   |



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|  |   |  | phase in project vicinity at all suitable sites and will be ensured during the annual tree plantation campaign by the Forest Department. During construction phase on sites where construction works will be completed proposed activity shall be executed, however no additional land acquisition is required for this purpose. |
|  | (e) Fauna – relevant wildlife and fisheries | Please confirm if fishery monitoring was done during project construction. Please share report, if any | Fishery monitoring shall be done and included in the ESMR Q3-2013  |

#### Waste generation and management

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| p32 | On b) Management   | This statement is not clear, please revise:<br><i>“Thus concerned staff/workers have been strictly instructed to dispose off in unapproved sites in an inappropriate manner”.</i>   | Relevant section has been revised in the main report   |
| p34 | On Village services (access tracks, water supply pipelines, electricity supply lines, etc) | Please cite specific measures on how these village services were protected, temporarily or permanently relocated due to construction activities<br><br>On relocated village services, are additional lands/right of way acquired. What are facilities that were relocated, please specify distance of these relocated facilities from their original location | Relevant section has been revised in the main report as recommended.<br><br>Village services (e.g. access tracks, water supply pipelines, electricity supply lines) affected by construction sites or activities are protected, or temporarily or permanently relocated, to ensure that they continue to function in a similar manner.<br>For Patrind village, water supply pipe lines were re-routed permanently at weir site before start of construction work. Length of newly installed pipeline is 800 meter. No additional land was required for the activity. |

#### Status of IFC E&S Action Plan

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| p36-40 | PS1-7 Transmission line from the project | Please provide summary description and final arrangement once finalized | Shall be done once finalized |
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|  | to the NTDC's grid<br>connection point |  |  |
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P -41 On Status of Land Acquisition\*

| Sr. # | Location                                  | Area    | Award/Agreement (please provide a copy of the awards/agreements listed below – in English) | Status of Payments to Affectees/Government  | Status of Possession   | Persons received payment  |
|-------|---|---------|--|---|--|---------------------------|
|       |   | (Kanal) |  |   |  |                           |
| AJ&K  |   |         |  |   |  |                           |
| 1     | Powerhouse (Alda Village)                 | 81.8    | Award has been issued on November 15, 2011 in favour of the Company.                       | 54.41% (an increase was reported, from 54.41% to 73.02% but the number of people who received payment is still 172, please clarify) | 100.00%  | 172 (same as last report) |
| 2     | Weir + Headpond (Patrind Village)         | 341.1   | Award has been issued on February 21, 2012 in favour of the Company.                       | 69.30% (an increase was reported, from 69.3% to 78.48% but the number of people who received payment is still 260, please clarify)  | 100% land for permanent structures and more than 95% of the headpond | 260 (same as last report) |
| 3     | Headpond (Shoran Village)                 | 130.75  | Award has been issued on November 4, 2011 in favour of the Company.                        | 82.40%(an increase was reported, from 95.13% to 95.13% but the number of people who received payment is still 142, please clarify)  | 100.00%  | 142 (same as last report) |
| 4     | Forest Land for Surge Tank (Alda Village) | 47.75   | Lease Agreement has been signed on April 13, 2012  | Lease Rents being paid  | 100.00%  | Govt. Land                |
|       | Total (AJ&K)                              | 601.4   |  |   |  |                           |
| KPK   |   |         |  |   |  |                           |
| 5     | Headpond + Weir (Sarati Village)          | 188.7   | Award has been issued on April 4, 2012 in favour of the Company.                           | 85.00%  | 70.00%   | Detail yet to receive     |
|       | Total (KPK)                               | 188.7   |  |   |  |                           |

\* This table was submitted in addition to the 2012 4<sup>th</sup> Qtr E&S Monitoring Report and was compared to 1<sup>st</sup> Qtr 2013 E&S Monitoring Report, page 42 (Summary of Land Acquisition Progress and compensation payments)