

Social Monitoring Report

Project Number: 48424-002
January 2019

KAZ: CAREC Corridors 1 and 6 Connector Road (Aktobe–Makat) Improvement Road

Prepared by the Dongsung Engineering Co., Ltd in association with subconsultant Zhol-Sapa LLP for the Ministry of Investments and Development, Republic of Kazakhstan and the Asian Development Bank.

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Project number: 3416-KAZ

Reporting period: July–December 2018

REPUBLIC OF KAZAKHSTAN: CAREC Corridors 1 and 6 Connector road (Aktobe–Makat) Reconstruction Project (Road Section km 330–504)

Funded by ASIAN DEVELOPMENT BANK



Prepared by Construction Supervision Consultant DONGSUNG ENGINEERING., LTD/
“ZS ENGINEERING” LLP

Seoul, Korea/Astana, Kazakhstan

For Committee for Roads of Ministry of Industry and Infrastructure Development of the
Republic of Kazakhstan

Approved by: PMC “KazAutoZhol” NC – Zeinullina A.A.
(full name of PMC representative) signature, date of submission

Social Safeguards Monitoring Report

Employer: Committee for Roads, Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan

Funded by: Asian Development Bank

Loan 3416-KAZ

Construction Supervision Consultant:
DONGSUNG ENGINEERING jointly with ZS ENGINEERING LLP
Seoul, Korea Astana, Kazakhstan

General Contractor:

Lot 4: Shanghai Construction Group Co.
Lot 5: Shanghai Construction Group Co.
Lot 6: Akkord + AK Zhol Kurylys JV
Lot 7: ANT Insaat Maden Sanayi A.S.

Prepared by:

Social safeguards specialist

S.Y. Imbarova

“Approved by”

Project manager/Resident manager

January 2019

Social Safeguard Specialist confirms that this Report has been prepared by using her experience, thoroughness, diligence and in accordance with the professional standards that can be expected from the consultant, experience in carrying out work.

The conclusions and recommendations contained in the Report are based on monitoring reports of work sites and base camps, information obtained through site visits, work inspection, meetings and consultations with stakeholders, secondary data (letters, reviews, reports), and information provided by the third parties, which, I believe, are reliable. The Report has been prepared for Committee for Roads of Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan, RSE “AtyrauZholLaboratory”, ADB, PMC.

Report status: 2nd semi-annual, covering the period from July to December 2018

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Abbreviations

RK	Republic of Kazakhstan
MID	Ministry of Investments and Development
RK MIID	Ministry of Industry and Infrastructure Development of Republic of Kazakhstan
CoR	Committee of Roads
ADB	Asian Development Bank
CAREC	Central Asia Regional Economic Cooperation
PMC	Project Management Consultant
DED	Design and Estimate Documentation
CP	Crushing Plant
CMP	Concrete Mixing Plant
ACP	Asphalt Concrete Plant
CSC	Construction Supervision Consultant
RSE	Republic State Enterprise
LLP	Limited Liability Partnership
JSC	Joint-Stock Company
EP	Environment Protection
HS	Health and Safety
RS	Road Safety
PHP	Public Health Protection
GRM	Grievance Redress Mechanism
PP	Project Person
PAP	Person affected by the project
FDLAR	Framework document for land acquisition and resettlement
SLR	State Land Reserves

I. Introduction

Taking into account the conclusions on social impacts for the project, formulated during the development of LARF and DDR, a social action plan was developed that contains mitigating measures and actions aimed at eliminating the identified social negative impacts, problems and gaps. DDP LAR is related to the road section “Aktobe-Atyrau-Russian Federation Border (to Astrakhan), CAREC Corridors 1 and 6 Connector Road “Aktobe-Makat”, and is prepared by ADB. Mitigation activities were adopted in accordance with requirements of Laws and Standard Acts of the Republic of Kazakhstan and ADB’s Environmental and Social Policy (2009). The requirements to be met at all project implementation stages focus to avoid the revealed social consequences where possible or to minimize consequences, or to reduce potential consequences to tolerable level. As a result of the development of LARF and DDR, there were no problems with land acquisition and resettlement under this project, as the project’s alignment follows the existing road, and no buildings or land fell under acquisition. Therefore, the project belongs to the Category “C” as per ADB’s Social Policy.

The purpose of this Report is to reflect the works carried out from July to December 2018 that contributed to fulfillment of the Republic of Kazakhstan and ADB requirements and social securities.

Based on Paragraphs 8 and 9 of the ADB Operational Manual (ADB OM/F1), dated October 2013, CAREC Corridors 1 and 6 Connector Road “Aktobe-Makat” Reconstruction Project (Road Section km 160-330) is classified as C, as there are no consequences of acquisition and resettlement, and the number of persons affected by the project is 200 the most. There are no land acquisition and resettlement issues under this project, as the project alignment mainly follows the existing road with straightening only in exceptional cases as required.

This Report from July to December 2018 can be treated as yearly report, since it reflects yearly project information.

Aktobe-Makat Road is a two-lane road of republican importance built in 1970-1980. The road is 459 km long. Mainly it has category III/IV, and passes through the territory of Aktobe and Atyrau regions. Full reconstruction of road pavement with the reinforcement of its structure, would reduce travel time on road, fuel consumption of vehicles and operating cost of vehicles on road, and would increase the transport connection and economic development of the region. The road will be reconstructed using the standards for category II in accordance with the national standard of the Republic of Kazakhstan.

II. Brief Project Summary

1. The Project is funded by Asian Development Bank (ADB) under the Loan 3416. ADB and Government of the Republic of Kazakhstan jointly finance this Project in proportion of 88% and 12%.
2. The Project includes the reconstruction of Section km 160-km 468 of Aktobe-Makat Road: (i) km 160-km 330 in Aktobe region and (ii) km 330-km 468 in Atyrau region. After passing the State Expertise, the road design is the same as it was during the preparation of DDPLAR, i.e. it has not changed.
3. The road length to be reconstructed and upgraded under this Project is 299 km, technical category II, with high level of safety.
4. The entire 299 km long “Aktobe-Makat” section was split to 7 lots. Each of them is meant to have its own construction contract. The road section is split to following lots: Lot 1 (km 160- km 220), Lot 2 (km 236- km 275), Lot 3 (km 275- km 330), Lot 4 (km 330-km 370), Lot 5 (km 370- km 418), Lot 6 (km 418 –km 458) and Lot 7 (km 487 – km 504). This Report provides information on Lots 4, 5, 6 and 7.
5. There are 4 sections in Atyrau region under the Project. Lot 4 (km 330-370) and Lot 5 (km 370 - 418) were awarded to “Shanghai Construction Group Co.”, Lot 6 (km 418-458) was awarded to “Akkord/Ak Zhol Kurylys” JV (hereinafter referred to as “AA”), and Lot 7 (km 487-504) was awarded to “Ant Insaat Maden Sanayi A.S”.
6. Section 4: km 330-km 370 (Sagiz village): This site includes the road reconstruction from category III to category II with a total length of 40 km. Other parts of this site and the direction of traffic flow coincide with the existing pavement, having partial deviations from the embankment in

straightening and curving areas. Additional land acquisition is not specified for these areas at the present moment. The design provides for the construction of 2 bridges and 1 overpass at this section: an overpass with a length of 42.2 m at km 336+900, a bridge over the Nogaity River with a length of 66.15 m at km 338+900 and a bridge over the Sagiz River with a length of 105.3 m at km 342+300. The works in this area also include the construction of 14 culverts of different diameters, 6 cattle crossings and 2 rest areas.

7. Section 5: km 370-km 418 (Mukur village – Zhanterek village): This site includes the road reconstruction from category III to category II with a total length of 48.2 km. Other parts of this site and the direction of traffic flow coincide with the existing pavement, having partial deviations from the embankment in straightening and curving areas. Additional land acquisition is not specified for these areas at the present moment. The design provides for the construction of 1 bridge at this section: a bridge over the Mukur River with a length of 48.55 m at km 379+100. The works in this area also include the construction of 12 culverts of different diameters, 8 cattle crossings and 2 rest areas.
8. Section 6: km 418-km 458 (Zhamansor village): This site includes the road reconstruction from category III to category II with a total length of 36.73 km. Other parts of this site and the direction of traffic flow coincide with the existing pavement, having partial deviations from the embankment in straightening and curving areas. Additional land acquisition is not specified for these areas at the present moment. The design provides for the construction of 1 bridge at this section: a bridge over the Sagiz River with a length of 84.25 m at km 429+000. The design also provides for the construction of 12 culverts of different diameters, 1 cattle crossing and 2 rest areas at this section.
9. Section 7: km 487-km 504 (Dossor village): length of 15.392 km, type II, 2 lanes. This site includes the road reconstruction from category III to category II. Other parts of this site and the direction of traffic flow coincide with the existing pavement, having partial deviations from the embankment in straightening and curving areas. Additional land acquisition is not specified for these areas at the present moment. The works in this area include the construction of 12 culverts of different diameters and 2 cattle crossings.

Table 1: Information on Contractors' Contracts

Contractor's name	Contract No.	Road Length (Km)	Date of Contract signing	Project Start and Completion
Shanghai Construction Group Co. (China) - Lot 4	004-ADB/CW-2018	39.80	20.07.2018	19.12.2018 07.03.2021
Shanghai Construction Group Co. (China) - Lot 5	005-ADB/CW-2018	48.21	20.07.2018	19.12.2018 05.06.2021
Akkord / Ak Zhol Kurylys JV (Azerbaijan/Kazakhstan) - Lot 6	006-ADB/CW-2018	36.74	10.07.2018	01.10.2018 29.11.2020
ANT Insaat Maden Sanayi A.S (Turkey) - Lot 7	007-ADB/CW-2018	15.39	16.08.2017	16.08.2017 20.06.2019
Total Project Length		140.14		

10. CoR MID RK signed the Contract with "NC KazAutoZhol" JSC (KAZh) for Project management consulting services in accordance with Terms of Reference acceptable for ADB and applicable within the framework of regulation of the Republic of Kazakhstan. KAZh will stay fully staffed throughout the Project implementation period. The person in charge of environment protection and social safeguards carries out audits, site inspections, and interacts with CSC Social Safeguards Specialist for efficient project management to implement environment protection plans.
11. In order to increase the efficiency of the public administration system, the Ministry of Investments and Development of the Republic of Kazakhstan was reorganized by Decree of the President of the Republic of Kazakhstan, dated December 26, 2018 No. 806 "On measures for further improvement of the public administration system of the Republic of Kazakhstan", transforming into the Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan, with functions and powers delegated to the Ministry of National Economy of the Republic of Kazakhstan in forming the

government policy for investment promotion and to the Ministry of Foreign Affairs of the Republic of Kazakhstan in implementing the government policy for investment promotion.

12. Regional Representative of the Employer at local level is Branch of RSE “AtyrauZholLaboratory”.

III. Methodology and Approaches during the Report Preparation

13. Methodology, tools and participation approaches have been used in preparation of this report. The participation approach consists of the work of social safeguard specialist, involving project stakeholders, as well as persons affected by the project. Data from the Contractors' monthly reports were used as well. All visits and inspections of construction sites and labor camps were carried out with the participation of the Contractors' representatives. In order to fill out the Project's social and economic impact matrix for the implementation area, social safeguard specialist used the information received from Contractors' persons in charge.
14. Project's specialists in charge of social and environmental impact management and monitoring submitted information in the course of social audit. The information was verified during site visits .
15. The Contractors' GRM Coordinators were assigned to responsible specialists. Social grievances and requests are attributed to the duties of the health and safety engineer for both. These specialists carried out internal monitoring to find PAP. More information is provided in Section VII.

IV. Due Diligence Report

4.1. Land-Related Impacts during the Construction Works

16. Land acquisition was coordinated with all stakeholders in accordance with the established procedure as per the Land Code of the RK. Land acquisition was limited to state lands (Akimats' lands). These lands used for the road were poorly productive pastures. No lands owned by individuals or rented by land users from the state fell under acquisition for road construction. Detailed information about land acquisition and resettlement was submitted earlier in the 1st Semi-Annual Report 2018. No changes were found and no PAP were identified within the reporting period (July-December 2018).

4.2. New Conditions

17. No new land use-related grievances, including those related to permanent and temporary land acquisition, were found in the course of social audits and site visits within the reporting period. There were no changes in the design, which passed the State Expertise, for the road under construction.

V. Internal Monitoring Indicators

18. ADB's social safeguards are listed in ADB's SPS (2009), which is aimed to analyze major threats to saving and, if possible, raising living standards and quality of the persons affected by the project. Action plan was developed for this to prevent, minimize or mitigate potential damage and risks, and as the last possible means, to resort to appropriate compensatory measures for positive impact on the social environment of the project.

Safeguards Policy requirements are:

- (i) to identify and assess potential impact at early stages of the project;
 - (ii) to develop and implement an action plan to prevent, minimize, mitigate or compensate potential negative impacts;
 - (iii) to consult and inform people whose interests and rights were affected during project preparation and implementation
19. All above-mentioned ADB requirements were met during construction works, and no new conditions were recorded neither under GRM nor during site social audits. A number of indicators/indexes characterizing the project process were considered to obtain a clear picture of

social impact in the course of social audit and subsequent monitoring. Audit data are reflected below in Table No. 2. It does not reflect the work on Lots 4 and 5, as there were no works done on site.

Table 2. Status of mitigation activities for Lot 6 and Lot 7

Impact types	Activities to mitigate/eliminate negative impacts	Monitoring indicators	Status of activities
Base Camps			
Temporary land acquisition	Legalization and legal arrangement of temporary land acquisition	- temporary land acquisition contract; - rental payment if rented from a land owner	Land plots for accommodation, canteen, medical facilities, subcontractors' office for Lot 6 and Lot 7 were allocated from State Land Reserves
Society impacts			
Lands and buildings for commercial use	To monitor construction works	reports from contractor's specialist responsible for social aspect	No impact under such category among all Lots
The work lost for time being or permanently due to losing a building or structure	To monitor the condition of site and road service areas		
Impact such as lost business and business income	To monitor construction works		

20. Social impact monitoring is included in the work plan of CSC's Social Safeguards Specialist. The work on gathering and keeping track of the information on Lot 7 by multiple indicators/indexes was noted in the 1st Semi-Annual Social Impact Monitoring Report. Below is the information for reporting period.

Table 3. Indicator Performance Monitoring

Indicators/indexes	Information gathered for Lot 7
Information disclosure, information campaign, consulting with project persons and other stakeholders;	It was noted in Contractor's monthly reports that grievance studies had been implemented, but there were no acts to open grievance boxes.
Compensations for lands and affected buildings;	No new persons affected by the project found within the reporting period
Move statuses of disposed buildings and other properties of project persons;	N.A.
Lost income paid to affected small entities;	No persons affected, as there were no such cases
Alternative land areas leased;	There were no such cases
Re-registration of land plots;	N.A.
Living standards recovered.	N.A.

VI. Results of field surveys and consultations with local population

21. In the reporting period, CSC's social safeguards specialist conducted monitoring of construction site, labor camps and production bases and had an interview with labor and engineering personnel. Base Camp and site operations were monitored monthly. The information gathered is analyzed,

verified with verbal instructions and written comments issued earlier. Summaries and conclusions are reflected in corresponding chapter of the Report.

VII. Public Consultations and Grievance Redress Mechanism

22. Project-related grievance redress procedures aim to provide an effective and systematic mechanism for the Project in responding to queries, feedbacks and complaints from affected persons, other key stakeholders and the general public.
23. GRM Guidelines on environmental and social safeguards for road sector projects were prepared and approved by the CoR in August 2014.

The Grievance Redress Mechanism aims to:

- ✓ reduce conflicts, risk of unjustified delays and complications in the project implementation;
- ✓ improve the quality of project activities and results;
- ✓ ensure respect for the rights of persons affected by the Project;
- ✓ identify and respond to unforeseen project impacts on individuals;
- ✓ maximize the participation, provide support and benefits to local communities.

24. The proposed GRM does not replace the public grievance and conflict redress mechanisms provided by the legal system of the Republic of Kazakhstan, but attempts to minimize its use to the extent possible. Overall responsibility for timely implementation of GRM lies on the CoR and RSE "Atyrauzhollaboratory" supported by teams of consultants, such as PMC and CSC, involved in managing and supervising the civil works. Contractors carry out the actual civil works. Relevant region, district and village Akimats authorized by law to perform grievance-related tasks, and mediators/non-governmental organizations (NGO) involved in facilitating amicable resolution of grievances are also included in GRM. There were no changes among members within reporting period. Meanwhile, the information regarding GRM and members of GRC is communicated to the public through meetings in villages. On April 5, 2018, the Contractor presented the project at a meeting of the Council of Elders of Dossor village. At the invitation of the Akim of Dossor village, the Contractor participates once a quarter at the meetings held by the Akimat or the Council of Elders, where the Contractor provides information on the project progress. In the reporting period, such meetings were held on June 8, September 14 and December 4, 2018. In addition, there are boxes for grievances and suggestions at all construction sites (camps) that are checked on monthly basis. Moreover, consultations were held on March 12, April 6, May 18, June 6, and June 12, 2018, during the site visit by the CSC's social development specialist (Sara Imbarova). Public consultation announcements are published through local media (newspapers).

Contacts of Grievance Redress Committee in Atyrau region (regional level)

Representative/Organization Name	Address	Contacts
RSE "AtyrauZholLaboratory"	5 I. Taimanov Str., Atyrau	Tel.: 8 (7122) 29-29-40 e-mail: atrjollab@mail.ru
Atyrau Regional Branch of "NC "KazAutoZhol" JSC	5 I. Taimanov Str., Atyrau	Tel.: 8 (7122) 29-06-75 e-mail: a.muhanbetkaliev@kazautozhol.kz
Zeinullina Aliya Amantayevna, social safeguards specialist, PMC	8 Amman Str., Ak Bulak 2 Residential Area, Astana	Tel.: 8 701 982 66 57 e-mail: a.zeinullina@kazautozhol.kz
Imbarova Sara Yesenbekovna. social impact specialist, CSC	CSC, Makat village, Makat district, Atyrau region	Tel.: 8 771 754 13 55 8 701 362 36 12
Akimat of Atyrau region	77a Aiteke bi Str., Atyrau	Tel.: 8 (7122) 27-10-24 8 (7122) 35-40-95

Akimat of Makat district	Makat village, Makat district	Tel.: 8 (71239) 3-02-04 e-mail: makatobshiotdel@mail.ru
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Contacts of Grievance Redress Committee (central level)

Address: 32/1 Kabanbai batyr Ave., Astana, 010000, Kazakhstan
 Committee for Roads
 Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan
 Tel: +7 (7172) 75-46-41
 E-mail: a.karymbaeva@mid.gov.kz

GRM Levels and Processes

25. The GRM provides for two levels of grievance redress for road sector projects implemented under the guidance of the CoR: Grievance Redress Committee (GRC) at the regional (oblast) and central (Astana) levels in accordance with the GRM Guidelines. GRC consists of appointed members from the CoR, Akimats, regional zhollaboratories, PMC, CSC, and Contractors. Managers in charge of the overall work of the GRM and its effective and timely implementation chair the GRCs at the regional and central levels, while coordinators are responsible for engaging relevant parties and coordinating the work of the GRCs at the regional/central levels.
26. Persons affected by the project and other interested parties may visit, call or send a letter or fax to GRC at the regional level in Atyrau region.

7.1. Grievance and Request Status

27. No grievances on illegal land seizures and unauthorized acquisitions within the reporting period from July to December 2018, including those related to temporary or permanent land acquisition and resettlement in accordance with ADB Safeguard Policy Statement 2009, were identified. There were no grievances about negative impacts to local business, road commerce, as there are no such things on site. No negative impacts found to social environment during site visit and work monitoring.
28. Akimat of Dossor village carries out volunteer cleaning activities in the village area every Friday. To organize this activity, the Contractor assists by providing special machinery (excavators, loaders, dump trucks) on regular basis. Once a quarter, at the invitation of Akim of Dossor village, the Contractor participates in meetings of the Akimat or Council of Elders of Dossor village, where he provides information about work progress.
29. There were only 3 requests within the reporting period, specifically, the first request was made on 19.09.2018 to provide social assistance in repairing the road from Makat-Dossor to burial place of Baibakty Ata. Total length of the road to Baibakty Ata to be repaired is 7 km. The works were planned for on November once major works of 2018 Work Performance Schedule ("Aktobe-Makat" 487-504 km road reconstruction schedule) are completed. It was discovered during the audit that 7 km road was not repaired. The repair work was put off to spring works, namely April-May 2019. The second request was made on 21.09.2018 to provide special machinery in order to conduct a drill as per the regional action plan in case of emergencies. The Contractor satisfied this request on 23.09.2018. The third request was made on 07.11.2018 to provide special machinery to dispose of solid waste in Dossor village, and it was satisfied on 08.11.2018. The register of requests and grievances is kept in the CSC's office, and they report to the Employer in relation to this register. This register is available to everyone, and it is updated as soon as requests are received.

7.2. Social safeguards audits

30. Site visits were carried out during the reporting period. Information about visits and findings are shown in summaries and conclusions. The project was visited by extended ADB mission. Participants visited the entire site and monitored construction progress. There was a meeting in Lot 7 Engineer's office based on site visits and monitoring results. Parties discussed the progress

under work plans and other issues. The work at Lot 7 was point out in a positive way in terms of forming the concerned environment by interacting with stakeholders.

31. A consultation for Lot 4 and Lot 5 Contractors attended by the ADB Mission, CSC Team Leader, CSC engineers, social safeguards and road safety specialist was carried out on september 15. The issues of GRM launch, on-site safety, compliance with RK labor laws and contract obligations were discussed during the consultation.

VIII. Conclusions and Recommendations

32. In this reporting period, social safeguards specialist monitored Lot 7 Project Labor/Base Camps. Base camps on other lots are not ready yet.
33. In the reporting, the Contractor has eliminated the deficiency points issued by CSC Engineer during the social audit:
 - ✧ The Contractor involves residents from the nearest villages and complies with the principles of gender balance in terms of equal pay, recreation and living conditions;
 - ✧ The Contractor has provided facilities for women as per sanitary and hygienic requirements;
 - ✧ For workers of asphalt plant, such as operators, repairmen, service personnel, and at the sites with negative impacts to workers' health, the Contractor has arranged for giving cultured milk products, as these sites have negative impact to health of workers and local population;
 - ✧ First-aid post: fully furnished, with climate control equipment to maintain indoor temperature of +20°C. The engineer has made sure that there is first-aid kit ready for use;
 - ✧ The Contractor coordinates this work with local health authorities and has documented agreement with them to use hospitals and other local institutions;
 - ✧ There are Grievance Boxes installed at Base Camp and Akimat.
34. In the reporting period, a significant non-compliance related to the obligation to meet the conditions of Clause 124 of Section 100 "General Requirements" of the technical specifications was revealed at Lot 7: involving and employing students majoring in "Road Construction". This condition was not met in the construction season of 2018, as there was no response from the local authorities and employment agencies to the Contractor's request.
35. Next social safeguards monitoring report is due for disclosure by 31 July 2019.

IX. ATTACHMENTS

Site photos



Lot 6 Base Camp facilities are being assembled



Lot 6 Base Camp fencing.



Lot 6 Accommodation Modules are being assembled

PHOTOS of public consultations regarding ACP construction
Dossor village, Makat district
May 18,2018

