Safeguards Monitoring Report

2nd Semestral Report December 2016

Cambodia: Second Greater Mekong Subregion Corridor Towns Development Project

Prepared by the Project Management Unit of the Executing Agency for the General Directorate of Public Works, Ministry of Public Work and Transport; the Implementing Agencies, Provincial Department of Public Works and Transport and Municipal Governments in Kampot and Sihanoukville and the Asian Development Bank.

CURRENCY EQUIVALENTS

(as of 1 December 2016)

Currency unit – riel (KR) KR1.00 = \$0.000243 \$1.00 = KR 4,110

NOTE

In this report, "\$" refers to US dollars.

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I. EXECUTIVE SUMMARY

1. Project Overview

The Second Greater Mekong Subregion (GMS) Corridor Towns Development Project (the project) represents the second phase of the ongoing GMS Corridor Towns Development Project in Cambodia, Lao PDR and Viet Nam. It supports the first four strategic thrusts of the GMS Strategic Framework 2012–2022 namely (i) strengthening infrastructure linkages; (ii) facilitating cross-border trade, investment, and tourism; (iii) enhancing private sector participation and competitiveness; and (iv) developing human resources. The focus on corridor town development follows an approach that will maximize the economic benefits of increased trade and traffic flows along the major transport corridors in the GMS with the expected positive impacts resulting from accelerated investments in strategically located towns and cities, and added value on economic growth through development oriented on green growth and climate resilience.

The objective is to strengthen competitiveness of the GMS economic corridors through environmental infrastructure. Towns along the Southern Economic Corridor (SEC) which links Thailand with southern Viet Nam through Cambodia are well positioned to serve as dynamic centers of investment and economic growth. The strategic location of the corridor towns provides the stimulus for increased trade and investment. Access to markets will provide many incentives for local economies in the hinterlands of the corridor towns. Given these development opportunities, and with the rapid growth of the urban population and expansion of these areas, several corridor towns are now facing demands for urban infrastructure and essential support services, including Kampot and Sihanoukville.

The participating corridor towns in Cambodia, Kampot and Sihanoukville, continue to face the urgent task of coping with the demands of expanding urban areas. The local authorities want to plan and manage urban growth using an integrated approach, operate and maintain urban environmental and economic infrastructure and efficiently deliver municipal services. Kampot is a provincial capital and; an agricultural, commercial and service center and a regional tourism center. Its strategic location provides excellent road based connections in the SEC and to Phnom Penh the capital city. There are significant opportunities for increased economic activities and investments. Sihanoukville is a regional center and provincial capital with a rapidly expanding economy and significant levels of urbanization. Its success is built around investment in strategic infrastructure, including an international port, an airport and a special economic zone, coupled with a beach environment that has given the town an international resort status.

Impact and Outcome. The project's impact for Kampot and Sihanoukville towns will be aligned with the government's National Strategic Development Plan (2014 – 2018) promoting growth that is sustainable, inclusive, equitable and resilient; creating employment, including through improving competitiveness; promoting equity through reducing poverty, improving environmental sustainability, and promoting efficiency through further strengthening institutional capacity and governance.

Outputs. Outputs of the project are: (1.) Strategic Local Economic Development Plans (SLEDPs) developed; (2.) priority urban infrastructure investments implemented; (3.) institutional capacities for managing public investments strengthened; and (4.) community awareness on project activities and environmental sustainability improved.

2. Project Progress

Project activities to date have dealt mainly with planning, the establishing the PMU and PIU in Kampot and Sihanoukville, setting up the Financial Management system, and initial

Procurement activities including: (i) bidding and signing of a Contract for Consulting Services for Project Management and Implementation Support, Detailed Design and Construction Supervision (Package 1) and Capacity Building (Package 2), and (ii) updating the Procurement Plan.

3. Summary of EMP/RP Status

The project Environmental Management Plan (EMP) and the Resettlement Plan are part of the SAFEGUARDS, which comprises

- Environment (Category B) -the Initial Environmental examinations (IEE) for Kampot and Sihanoukville, environmental management plans (EMPs) for wastewater collection and treatment, solid waste management and urban drainage in Kampot, and solid waste management and urban drainage in Sihanoukville. The IEE/ EMP for the wastewater collection and treatment in Kampot will need to be updated because the location of the wastewater treatment plant has changed.
- Resettlement (Category B) Resettlement Plans (RP) for Kampot and Sihanoukville subprojects. The RP for Kampot wastewater collection and treatment will need to be updated because the location of the wastewater treatment plant has changed. For the Solid Waste Management Subproject In Sihanoukville, the two communities on the landfill site will not be consolidated.
- Indigenous Peoples (Category C) The proposed project is not expected to have impacts on indigenous peoples. No further action is required.

4. Monitoring Activities

- Monitoring activities have been limited to field inspection visits for reconnaissance of start of project implementation;
- Monitoring activities, in detail as required, are envisaged to commence in Q1/Q2 2017 as the preparation and completion of surveys and investigations for detailed design of proposed works is being accomplished with further intensification as construction activities commence in 2018;
- No immediate Key Issues or Grievances have brought to initiate remedial actions, and
- The PISCB Consultants have mobilized and will submit the Inception Report during Q1/2017. This report will present the approach to providing the Consulting Services and will present an updated Project Implementation Plan, considering the ADB Loan Inception Mission 07-14 December 2016.

II. SAFEGUARDS MONITORING REPORT

1. Introduction and Project Overview

Project Number and Title:	Project Number: 46443-002 Kingdom of Cambodia Second Greater Mekong Subregion Corridor Towns Development Project	
Safeguards Category	Environment Indigenous Peoples Involuntary Resettlement	Category B Category C Category B
Reporting period:		July 2016 to December 2016
Last report date:	Initial // Baseline Report	
Key sub-project activities since last report:	Applicable to Kampot and Sihanoukville Subprojects: • Contract Awards • PISCB Consultant (14 October 2016) • Progress of Work (% physical completion) • N/A (Not Applicable) – Construction Works to commence in 2018 • Changes of Surrounding Environment • Kampot Wastewater Treatment Plant Location Changed • Status of Permits / Consents • Not required yet	
Report prepared by:	PMU General Directorate of Public Works, MPWT	

1.1 Environmental Safeguards

The project is classified as <u>Category B</u> for environment in accordance with the ADB's Safeguard Policy Statement (2009). One Initial Environmental Examination (IEE) report has been prepared for Cambodia, as well as two (2) Environmental Management Plan (EMPs), one each for Kampot and Sihanoukville.

The proposed subprojects are not expected to cause irreversible adverse environment impacts. Mitigation measures for identified impacts related to siting, design, construction, and operation have been incorporated in the environment management plans (EMPs). In addition, potential impacts of climate change and natural hazards (e.g., flooding, earthquake) on the project are recommended for integration into the design/engineering stage as part of the IEE assessment whenever feasible/practical and appropriate. An initial estimate of the costs associated with climate change measures is presented in Appendix 7.

At the detailed design stage, the IEEs/EMPs will be updated, and finalized to confirm that the proposed mitigating measures are adequate to ensure that environmental receptors are not adversely affected. The final estimated costs for implementing the EMPs will be integrated into the project costs. Likewise, further consultation is required to address the concerns raised during previous consultations to ensure that all public concerns are updated and publicly acknowledged and incorporated into detailed designs and updated EMP.

The final EMPs, cleared by ADB, will form part of the contract bidding documents to ensure mitigation of identified environment impacts during construction. Proof of compliance with applicable national (government) environmental requirements/clearances/approval (e.g., Environmental Compliance Certificate) shall be submitted by EA/IA before award of contract. The successful contractor shall be required to prepare and implement a Construction Environmental Management Plan (CEMP) based the EMP, and include this in his bid. The project cost shall include the budget necessary for implementation of the CEMP. This shall be included in the works contract as competitive cost items.

Finally, the grievance redress mechanism (to cover all safeguards) shall be established prior to any field activities that may be conducted.

1.2 Social Safeguards (Involuntary Resettlement and Indigenous Peoples)

The project is classified as category B for involuntary resettlement and category C for indigenous peoples in accordance with the ADB's Safeguard Policy Statement (2009). One RP has been prepared for Kampot.

The project will result in physical, social and economic displacement resulting from acquisition of land and buildings to secure implementation of the sub-projects in both towns. The nature and scale of displacement is specified in the RP for Kampot where there are a number of safeguards issues and activities, which guide implementation of the subproject components.

One RP has been prepared and integrated into project costs. The draft updated RP at the detailed design stage will be cleared by ADB. The RP includes a review of local laws and regulations, gap analysis and proposed gap-filling measures. The resettlement policy proposed in the project is consistent with the provisions of the ADB's SPS and takes into consideration relevant provisions of local laws.

The costs include (i) compensation cost, (ii) administration cost, including costs for consultation and grievance redress mechanism; (iii) monitoring cost, and (iv) contingency. Project information has been disclosed to affected persons through the project preparation during consultations and surveys and a project information booklet will distributed to all the affected people in by project approval. It will be updated and distributed during DMS (Detailed Measurement Survey). All land acquisition and resettlement costs will be financed from the counterpart funds.

1.2.1 Institutional Arrangements for Social Safeguards Implementation]

Project Management Unit

The PMU, in close collaboration with PIU, will serve as the Project's internal monitor. The PMU is responsible for submitting project quarterly progress reports that also include updates on the progress of resettlement to the IRC and the ADB. MPWT will not allow construction activities in a specific section to commence until the APs have been provide compensation and/or assistance in accordance with the project resettlement plan and after ensuring that the specific section of the area is free of all obstructions.

The PMU shall designate a focal person in charge of resettlement and who has been involved in other ADB or donor funded projects to be a member of IRC and IRC-WG and who will work closely with the Resettlement Department of the MEF (RD-MEF) on the preparation, updating, and implementation of the RP. The tasks include the following:

Securing the approval of the RP by the IRC;

- Securing prior approval by IRC and the ADB for any variations in the approved RP;
- Securing the database of affected persons and assets that will be gathered during the preparation and updating of the RP; and
- Preparing progress reports on RP implementation for submission to the MPWT and PMU.

According to the PAM, one resettlement officer will be assigned to the PMU and one resettlement officer will be assigned to the PIU (Kampot). The resettlement-related tasks include the following:

- Preparation and updating RPs, and conduct of Community Development activities
- Coordination with counterparts in the PMU, consultants' team, local authorities on involuntary resettlement safeguards matters;
- Assist the PMU and PIU to ensure that ADB's involuntary resettlement safeguard categorization remains B;
- Assist in the preparation of updated RPs;
- Assist in monitoring that the grievances are addressed promptly and properly and that the grievance redress mechanism is functioning well;
- Assistin the training on grievance if needed;
- Assist PMU and PIU with ongoing internal monitoring for resettlement based on the approved updated resettlement plan and affected households database, including contributing towards quarterly internal monitoring report for involuntary resettlement as an attachment to the quarterly project progress reports;
- Assist the PIU in updating the public information booklets and translating them into Khmer.

Inter-Ministerial Resettlement Committee (IRC)

The IRC is a collective entity composed of representatives from different relevant line ministries.. The IRC then emerged as decision making body and has since been involved in other foreign-assisted government infrastructure projects with involuntary resettlement. The MEF is the permanent Chair of the IRC and reconstitutes it for every development partners' project. The IRC will assume the function of a quasi-regulatory body, ensuring that funds for resettlement are spent properly and that the RP is carried out as intended. The technical arm of the IRC is its Resettlement Department (IRC-RD). It will assist the IRC in the following tasks:

- Reviewing and approving the RP, ensuring that the RP is consistent with the Cambodian Laws and Regulations and ADB's 2009 SPS;
- Endorsing the approved RP to ADB for review and approval:
- Convening the Provincial Resettlement Committee (PRSC) and its Working Group (WG);
- Orienting, as needed, the PRSC and its working group (PRSC-WG) on their tasks relative to RP updating and implementation;
- Securing from the national treasury the budget for carrying out the RP, ensuring that funds are available in a timely manner and in sufficient amounts;
- Approving all disbursements connected with the implementation of the RP, such as payment of compensation and other entitlements, acquisition and preparation of replacement plots, operational expenses of personnel, etc.;

- Ensuring that funds for resettlement are spent judiciously; and
- Recruit the External Monitoring Agency to monitor the implementation of the RP, ensuring that this is carried out in compliance with the RP and with the loan agreement.

Provincial Resettlement Sub-Committee

The Provincial Resettlement Sub-Committee (PRSC) is a collegial body at the provincial level. Headed by the Provincial Governor or Provincial Deputy Governor, the members of the PRSC are provincial department directors of line ministries represented in the IRC, and as well as the respective chiefs of the districts and communes traversed by the Project road. The technical arm of the PRSC is the Working Group (PRSC-WG). The PRSC- WG is headed by the Director or a duly-authorized representative of the Provincial Department of Public Works and Transport (PDPWT). The regular members of the PRSC-WG come from the Provincial Government, Provincial Department of Economy and Finance (MDEF), and the Ministry of Interior. In an effort to make the whole process of resettlement effective, participatory and transparent, the respective chiefs of the affected communes and villages in the affected communes will seat in the PRSC-WG in matters concerning their respective areas of jurisdiction. The PRSC, through the PRSC-WG, will have the following functions:

- Facilitate a sustained public information campaign, to ensure that the public, especially the APs, are updated on any developments regarding the Project and resettlement activities:
- Cooperate with the IRC-WG in conducting the detailed measurement survey (DMS), public consultation and information disclosure meeting, and the implementation of the final approved RP;
- Assist the IRC-WG in the selection, acquisition, and preparation of replacement plots, including the preparation of a coordinated schedule of delivery of compensation and other entitlements, the relocation of people, harvesting of standing crops, and the start of civil works in a particular component;
- Spearhead the delivery of compensation and other entitlements to the APs;
- Receive and act on the complaints and grievances of APs in accordance with the Final RP; and
- Maintain a record of all public meetings, grievances, and actions taken to address complaints and grievances.

Project Implementation Support and Capacity Building (PISCB) Consultants

The Project Implementation Support and Capacity Building (PISCB) Consultants will assist the PMU the following activities:

- Assist in the conduct of the information disclosure to the AHs;
- Check the accuracy of the AHs database prepared and provide improvements if necessary;
- Assist in the preparation of an updated RP;
- Provide capacity training to PMU and the Provincial Grievance Redress Committee on project policies, grievance redress procedure, public consultation process and effective RP implementation;
- Assist and improve, if necessary, procedures for the coordination of resettlement and compensation activities;

- Ensure that grievances are addressed promptly and properly;
- Assist in implementing the ongoing internal monitoring;
- Design and deliver capacity development activities for PMU, as needed.

Together with the PMU, the PISCB consultants will supervise civil works activities to ensure that the contractors adhere with the terms of their contract relative to avoiding and/or minimizing resettlement impacts, in addition to ensuring that contractors provide the necessary compensation and/or assistance to the AHs prior to and/or during construction activities.

2. Environmental Performance Monitoring

No activity to report this period-- since the project loan date of effectiveness date (29 February 2016) with more to report expected in 2017.

At the detailed design stage, as IEEs/EMPs will be updated and finalized, Mitigation measures (including any additional requirements) for identified impacts will be incorporated into the Environmental Management Plans (EMPs) – which were prepared individually for each of the components. Costing for developing and implementing the EMPs will be refined for inputs to project costing. the proposed mitigating measures will be reviewed to ensure that environmental receptors are not adversely affected.

The PMU will work closely with Ministry of Environment on the training programs involving the updating of the EMPs and mitigation measures on environment safeguards.

a. Summary of Compliance with EMAP Requirements (Environmental Performance)

No 'compliance' status can be presented at this time. The PICSB International and National Environmental Specialists will mobilize to update the IEEs an/EMPs as required in coordination with the Detailed Design.

A typical EMP compliance monitoring tables is presented below for future reference.

EMAP Requirements	Compliance Status (Yes, No, Partial)	Comment or Reasons for Non-Compliance	Issues for Further Action
Use environmental impact as main heading and EMAP as listing (see example below) Rise of employment opportunities: Job openings of the project should give priority to local communities. Recruitment of local laborers should be stipulated in the contract for construction	Use EMoP list as basis for rating/evaluating compliance (see example below) • Field inspections and interviews with communities - DONE • Note each complaint case in the field – 3 COMPLAINTS RECEIVED • Set up grievance centre and report as part of monitoring action	Tor Non-Compliance	Action
33.13.13.13.1	plan – NOT DONE		

b. Issues for Further Action

No issues to be reported at this time.

ISSUE	Required Action	Responsibility and Timing	Resolution
Old Issues from Previo	us Reports		
List of EMoP measures or activities not completed (last column of previous table)			
New Issues from This F	Report		

c. Other activities

No issues or monitoring to be reported at this time.

- Other issues not covered by EMAP/EMoP
- Environmental monitoring as required by GOI (e.g., air quality, water sampling)

3. Involuntary Resettlement Performance Monitoring

Kampot

A Resettlement Plan was prepared for the subprojects in Kampot as part of the Feasibility Study. Based on preliminary engineering design and field visits, it has been found that one component will have permanent LAR impacts, the Waste Water Collection and Treatment Component. For the urban drainage component, the LAR impacts are limited to the loss of two temporary shelters and one pig shelter, one kitchen; and for the solid waste management component, LAR impacts are limited to the loss of trees and one temporary shelter on public land.

The inventory of losses (IOL) and census of affected persons (APs) and affected households (AHs) were conducted between on the 16th and 20th January 2015 in Kampot. Summary of impacts includes the following (see in Table below summarizing LAR impacts): (i) an area of 6.1 ha of private agricultural land required for the component of Wastewater Collection and Treatment will affect 13 households (HHs) (65 APs); (ii) 04 HHs (12 APs) along the drainage channels (two wooden tin sheds, one kitchen and one pig shelter will be removed and compensated); (iii) for the solid waste management component, 19 HHs (95 APs) affected with loss of trees such as 628 mangos, 233 cashews, and 133 other trees, and 01 HH (05 APs), a temporary resting shelter will be removed and compensated. Among the AHs, 6 HHs with 30 APs will be severely affected in the WWTP area as they will lose more than 10% of their total income through the acquisition of agriculture land and 2 HHs with 5 APs will be severely affected due to removal of their living wooden tins shed within the right of way of the channel.

Summary of LAR impacts Component	Area affected (sq m)	Type of land	Structures	Trees	No Ahs	No APs	Severely affected
Wastewater Collection and Treatment	61,000	Agriculture land	00	00	13	65	6 HHs, (30 APs)
Solid Waste Management	00	00	One temporary resting shelter	994	19	95	
Urban drainage	00	Live on the canal ROW	2 wooden tin sheds, 1 kitchen and1 pig shelter	00	4	12	2 HHs (5APs)
Total	61,000		5	994	36	172	8 HHS (35 APs)

However, since the Resettlement Plan was prepared, the location of the wastewater treatment plant has been changed. The land being acquired is an area of approximately 9 to 10 ha located 6 to 7 km from the city center, whereas the previous site was 6.1 ha located approximately one km from the city center. Therefore, the affected persons associated with the Wastewater Collection and Treatment will change.

During the ADB Inception Mission, PISCB consultants accompanied the ADB staff. The PISCB International and National Resettlement Specialists will be mobilized during the Q2 2017 to assist in the necessary update the resettlement plan for Kampot.

Sihanounkville

Solid Waste Management

A Resettlement Due Diligence Report was prepared for the subprojects in Sihanoukville as part of the Feasibility Study. The existing dump site is located on government land and no expansion of the current site is proposed. The upgrading to a controlled landfill will be within the same boundaries. The access road will be upgraded, without widening the road. The proposed improvements will be done within the existing right of way (ROW). Therefore, no land acquisition is required and no resettlement will not be done along the access road.

In the Aide Memoire for the Loan Inception Mission, the ADB requested that the EA confirm that the two communities will not be consolidated. The two communities will not be consolidated and will be provided with amenities.

Urban Drainage

The drainage improvements will be done within the ROW of the roads. In case of any extended pavement or driveway for houses in the road verge, the Contractor will minimize the impact and reinstate the previous condition.

a. Summary of Compliance with RP Requirements

RP Requirements	Compliance status Yes/No/Partial	Comment or Reasons for Compliance, Partial Compliance/Non- Compliance	Issues for Further Action
Establishment of personnel in PMU/PIU	Complied	PMU has a staff member assigned with responsibility for resettlement. There is a PIU staff position for a Resettlement Officer (Kampot)	
Public consultation and socialization process		Provide information on: Public consultation, participation activities carried out Inclusive dates of these activities To be elaborated on in Item 5	
Land area to be acquired is identified and finalised	Identified 9.1 ha site for wastewater treatment plant in Kampot Land for all other subcomponents is government owned land.	Price has been agreed. MEF is in process of purchasing land for wastewater treatment plant in Kampot.	
Land acquisition completed			
Establishment of Resettlement Site(s)	To be finalized for Kampot Wastewater Treatment Plant	Please state: Number of AHs to be relocated as per agreed RP Number of AHs already relocated Number of houses built Status of installation of community facilities to be provided as per agreed RP	
Compensation payments for affected assets is completed		Please state: Total Number of Eligible AHs and APs (as per agreed RP) Number of AHs and APs compensated as of this monitoring period Total Budget allocation as per agreed RP Total budget disbursed to AHs as of this monitoring period	
Transport assistance for relocating affected households		As above	
Additional assistance to vulnerable affected household		Please state: Total Number of vulnerable AHs and APs (as per agreed	

Income Restoration Program	RP) • Agreed forms of assistance as per RP • Number of AHs and APs assisted as of this monitoring period Please state progress per income restoration feature/activity and actual period of implementation	
Temporary impacts have been addressed (affected properties restored to at least pre-project conditions)	Please state: Total Number of AHs affected by temporary impacts as per agreed RP Actual Number of AHs and total area affected by temporary impacts (if this differs from the projected number, such as in cases of unforeseen project impacts) Status of restoring affected property	
Capacity building activities	, ,	

b. Issues for Further Action

Issue	Required Action	Responsibility and Timing	Resolution		
Old Issues from Previous	Reports				
List of RP activities not completed (last column of previous table)					
New Issues from This Rep	New Issues from This Report				

4. Occupational, Health and Safety (OHS) Performance Monitoring

There are no construction activities at this time. Therefore, there is no activity to report, regarding OHS Performance Monitoring.

a. OHS for worker

Issue	Required Action	Responsibility and Timing	Resolution			
Old Issues from Previous	Old Issues from Previous Reports					
New Issues from This Re	eport					

b. Public Safety

Issue	Required Action	Responsibility and Timing	Resolution		
Old Issues from Previous Reports					
New Issues from This Report					

5. Information Disclosure and Socialization including Capability Building

There is no activity to report at this time. The PISCB International and National Capacity Building Specialists will be mobilized in the Q2 2017 to commence the Training Needs Assessment.

- Field Visits (sites visited, dates, persons met)
- Public Consultations and meetings (Date; time; location; agenda; number of participants disaggregated by sex and ethnic group, not including project staff; Issues raised by participants and how these were addressed by the project team)
- Training (Nature of training, number of participants disaggregated by gender and ethnicity, date, location, etc.)

- Press/Media Releases
- Material development/production (e.g., brochure, leaflet, posters)

6. Grievance Redress Mechanism

No issues to report at this time.

Summary:

•	Number of new grievances, if any, since last monitoring period:
•	Number of grievances resolved:
•	Number of outstanding grievances:

Type of Grievance	Details (Date, person, address, contact details, etc.)	Required Action, Responsibility and Timing	Resolution
Old Issues from Previou	s Reports		
New Issues from This Re	eport		

7. Conclusion

Activity on this Project will increase in 2017, with the formation of the PMU and PIU in Kampot and Sihanoukville, the signing of a Contract with the PISCB consultants and their mobilization, land acquisition activities, etc. As such, there will be additional substantive information to be included in the next semi-annual report.

- Important results from the implementation of EMAP/EMoP and RP monitoring
- Recommendations to improve EMAP/EMoP and RP management, implementation, and monitoring

8. Attachments

- Consents / permits
- Monitoring data (water quality, air quality, etc.)
- Photographs
- Maps