

Initial Environmental Examination

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BHU: Secondary Towns Urban Development Project—Sarpang Satellite Town Water Supply Distribution Network Subproject

Prepared by the Ministry of Works and Human Settlements of the Kingdom of Bhutan for the Asian Development Bank.

CURRENCY EQUIVALENTS

as of 16 March 2018

| | | |
|---------------|---|---------------|
| Currency Unit | – | Ngultrum (Nu) |
| Nu1.00 | = | \$0.015 |
| \$1.00 | = | Nu65.040 |

ABBREVIATIONS

| | | |
|-------|---|--|
| ADB | – | Asian Development Bank |
| BDWQS | – | Bhutan Drinking Water Quality Standards |
| EIA | – | environmental impact assessment |
| EMP | – | environmental management plan |
| FNCA | – | Forest and Nature Conservation Act |
| GRF | – | Government Reserved Forest |
| GRM | – | grievance redress mechanism |
| IEE | – | initial environmental examination |
| LAP | – | Local Area Plan |
| MOWHS | – | Ministry of Works and Human Settlements |
| NEC | – | National Environmental Commission |
| O&M | – | operation and maintenance |
| PIU | – | project implementation unit |
| PMU | – | project management unit |
| PPTA | – | project preparation technical assistance |
| REA | – | rapid environmental assessment |
| SPS | – | safeguard policy statement |
| TA | – | technical assistance |
| TOR | – | terms of reference |

WEIGHTS AND MEASURES

| | | |
|----------------|---|----------------------------------|
| ha | – | hectare |
| HP | – | horsepower |
| km | – | kilometer |
| lpcd | – | liters per capita per day |
| lps | – | liter per second |
| m | – | meter |
| m ² | – | square meter |
| m ³ | – | cubic meter |
| mg/L | – | milligrams per liter |
| mm | – | millimeter |
| NTU | – | nephelometric turbidity unit |
| TCU | – | true color unit |
| ug/Ncm | – | microgram per normal cubic meter |

NOTE

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

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Executive Summary

1. An environmental assessment was made for the proposed water supply subprojects as part of the Secondary Towns Urban Development Project (STUDP) for three selected secondary towns in Bhutan. The water supply subprojects are located in Dewathang and Samdrup Jongkhar, Shechamthang (Ranibagan) and Sarpang Tar (Sarpang), Trashigang, and Rangjung. This environmental assessment was accomplished through Asian Development Bank (ADB) technical assistance (TA) 8551-BHU.

2. An initial environmental examination (IEE) was carried out for the water supply subproject of STUDP for Shechamthang core. In accordance with ADB Safeguard Policy Statement (SPS), 2009, an initial screening was conducted using ADB's Rapid Environmental Assessment (REA) checklist for Water Supply. Result of the screening and assessment reveal that the subproject is unlikely to cause significant adverse environmental impact. Thus, the subproject is categorized as category B for environment as per ADB SPS, 2009.

3. This draft IEE report was prepared in accordance with ADB SPS 2009 requirements for environment category B projects. The assessment was also carried out within the policy, legal, and administrative frameworks relevant to water supply projects in Bhutan.

4. **Subproject Scope and Description.** This IEE covers Sechamthang core water supply subproject, which comprises (i) water transmission line from water treatment plant (WTP) to Shechamthang with total length of 2.98 kilometers (km); (ii) water transmission line from WTP to Sarpang bazaar with total length of 0.882 km; and (iii) water distribution network in Shechamthang with total length of 5.676 km. This subproject will complement the Sarpang water supply development subproject and Shechamthang roads and drains subproject which are covered by separate IEEs. These subprojects will eventually serve the target communities in Sarpang municipality. This IEE is prepared based on final detailed design of the sub-project.

5. **Environmental and Socioeconomic Conditions.** Project implementation will not pose significant problems to the environment since the proposed routes of the pipelines are along the main roads parallel to the existing pipelines and within right of way. Most areas immediately adjacent to the road where pipelines are to be laid are already occupied by residential and other structures, while areas beyond the road corridors are basically agricultural land. The sites are not within undisturbed landscapes or protected areas, but areas already inhabited by local people whose activities over the years resulted to their present residential, institutional, commercial, and agricultural land uses.

6. **Environmental Impacts and Environmental Management Plan.** Screening for environmental impacts is made through a review of the parameters associated with projects for water supply system against the components of the proposed subproject. An important consideration in analyzing the environmental impacts of the proposed subproject is the fact that these are improvements and expansion of existing water supply systems in an already altered environment. The issue on impacts and risks to biodiversity conservation is not applicable to the subproject since the components will not be located in areas that are environmentally sensitive or that have precious ecology.

7. This IEE is based on final detailed desging. During pre-construction phase, potential nuisances and problems to the public during construction shall be addressed by inclusion in the tender documents of specific provisions addressing these issues. Although there are no issues related to historical and cultural assets, a precautionary measure shall be taken by inclusion of

provisions in tender and construction contract documents requiring the contractor to immediately stop excavation activities and promptly inform the authorities if archaeological and cultural assets are discovered.

8. Adverse environmental impacts during construction are temporary, less than significant, and can be easily mitigated. There will be no massive construction activities that can damage the environment. No cutting of trees will be done in forest areas. Water supply pipelaying is a low impact construction activity since trench excavation is shallow with narrow width. Excavated soil is backfilled to the trench after pipelaying. Required structures are relatively small in size. Typical construction issues are manageable with the implementation of preventive measures to address: (i) erosion and sediment runoff, (ii) noise and dust, (iii) vehicular traffic, (iv) construction wastes, (v) oil and fuel spillages, (vi) construction camps, and (vii) public safety and convenience.

9. Environmental problems due to operation and maintenance of the proposed water supply system can be avoided by incorporating the necessary measures in the design and use of appropriate operational procedures. Public health risk due to delivery of poor water quality can be prevented in a broader scale by implementing a water safety plan as advocated by the World Health Organization and complying with the 2016 Bhutan Drinking Water Quality Standard.

10. An environmental management plan (EMP) is developed to effectively manage any environmental issues arising from the subproject implementation. The EMP includes: (i) mitigating measures to be implemented, (ii) required monitoring associated with the mitigating measures, and (iii) implementation arrangement. The institutional set-up and arrangement identifies the requirements, responsible stakeholders and responsibilities during pre-construction, construction, and operation phases. The EMP applicable for each phase is presented in detail in tabular form with specific information on: (i) required measures for each environmental impact that requires mitigation, (ii) locations where the measures apply, (iii) associated cost, and (iv) responsibility for implementing the measures and monitoring.

11. **Consultation and Participation.** Project planning and the subsequent IEE preparation for the proposed water supply subproject recognized the need for public consultation and participation as central to effective environmental safeguard. Within the context of “meaningful consultation”, Shechamthang (Sarpang thromde) with assistance from the PPTA consultants initiated a process of consultation during subproject preparation and intends to continue it during the construction phase. Initial public consultation and information disclosure was conducted at or near the subproject sites with concerned individuals, target residents, non-government organizations, and thromde officials. Details of the subproject components were presented to the stakeholders and their views on the respective proposals were gathered. As a result, stakeholders expressed support to the proposed subproject. Shechamthang (Sarpang thromde) will conduct public consultations and information disclosure as a continuing activity during the subproject implementation. Affected persons and other stakeholders are expected to attend these proposed future public consultations since proposed water tariffs would also be discussed. Thromde officials shall keep records of environmental and social complaints received during consultations, field visits, informal discussions, and/or formal letters, together with the subsequent follow-up and resolutions of issues.

12. **Grievance Redress Mechanism.** Implementation of the proposed water supply subproject will be fully compliant to ADB’s safeguards requirement on grievance redress mechanism (GRM). A GRM has already been developed for STUDP, which will be followed by

all subprojects, including Shechamthang core water distribution network subproject. Shechamthang (Sarpang thromde) officials shall disclose the GRM during public consultations to be conducted throughout the subproject implementation period. The GRM follows a tiered system, starting at the local level. The GRM structure has been agreed with the concerned agencies and a notification of the GRM structure has been issued. Grievance Redress Committee (GRC) composition has been provided by MOWHS. The GRM will ensure that grievances and complaints regarding land acquisition, compensation and resettlement or other social and environmental issues will be addressed in a timely and satisfactory manner. People will be made aware of their rights and the detailed procedures for filing of grievances. The project implementing unit (PIU) will be undertaking outreach activities to make stakeholders aware of the GRM and will be published on the thromde/dzongkhag and MOWHS websites. GRM will also be displayed at notice boards in the PIU office.

13. Institutional and Implementation Arrangement. The subproject will follow the overall institutional and implementation arrangement of STUDP. MOWHS is the executing agency and a project management unit (PMU) has been created under it, while PIUs have been created under Trashigang dzongkhag (district administration), Sarpang dzongkhag and Samrup jongkhar thromde (municipality). MOWHS has overall responsibility for (i) project coordination, implementation, and liaison with ADB and other government offices; and (ii) coordination of implementation at the national level, including procurement of goods, works, and services for all STUDP subprojects. In support to MOWHS, the PMU will: (i) designate an Environment Officer who will oversee all subprojects under STUDP, including this subproject, and work closely with consultants and PIUs on the implementation of the EMP; (ii) supervise the Project Management and Supervision Consultants (PMSC) that will assist MOWHS and PMU during pre-construction and construction phases; (iii) ensure overall compliance with all government rules and regulations and other environmental requirements of all subprojects under STUDP; and (iv) ensure that IEEs are included in bidding documents and civil work contracts for all subprojects under STUDP. In support to MOWHS and PMU, the PMSC will: (i) coordinate and work with PIU for the conduct of public consultations and day-to-day monitoring of subproject implementation; (ii) lead the conduct of training activities as per capacity development program; (iii) ensure that IEEs are updated when there will be changes in scope or components or alignments under the subproject; (iv) assist MOWHS and PMU in fulfilling their roles and responsibilities; and (v) ensure disclosure of IEEs in locations accessible to the public and in form and language understood by the local stakeholders. The PIUs will: (i) oversee the effective implementation of the contractor's EMP (CEMP) by the contractor; (ii) support implementation of the grievance redress mechanism; (iii) with support from PMU and PMSC, conduct public consultations as a continuing activity during the implementation of the subproject; and (iv) with assistance from contractors, prepare regular reports of EMP implementation and submit to PMU. The contractor will: (i) submit contractor's EMP (CEMP) based on the EMP outlined in this IEE; (ii) ensure compliance with all applicable legislation and the requirements of the CEMP; (iii) ensure implementation of the CEMP, including costs for survey, site establishment, preliminary activities, construction, defect liability activities, and environmental mitigation measures related to CEMP implementation during construction and post-construction phases; (iv) ensure that any sub-contractors or suppliers, who are utilized within the context of a contract, comply with the environmental requirements of the CEMP and EMP. The contractor will be held responsible for non-compliance on their behalf; (v) in coordination with PMU and PIU, provide environmental awareness training to staff prior to any construction activities; (vi) borne the costs of any damages resulting from non-compliance with the CEMP and EMP; and (vii) appoint one full time environment and safety staff for implementation of EMP, community coordination, documentation of grievances received and resolutions at the project level in compliance with the project's GRM.

14. **Conclusion and Recommendation.** The environmental screening process has highlighted the environmental issues and concerns of the proposed Shechamthang core water distribution network subproject. The screening identified that the proposed sites are not within undisturbed landscapes because the proposed routes of the pipelines are along the highways or roads with existing right of ways, or areas that are presently regarded as either residential, commercial, or agricultural landscapes. The screening also identified that the locations are not near any sensitive area. Hence, the proposed subproject is essentially not a new incursion to an ecologically untouched or protected zone.

15. Based on the screening for environmental impacts and risks, there are no significant negative environmental impacts and risks that cannot be mitigated. Consequently, assessment concludes that the proposed water supply distribution network subproject can be implemented in an environmentally acceptable manner. The potential adverse impacts that are associated with the design, construction, and operation can be mitigated to standard levels through integration of proper engineering designs and implementation of the EMP as outlined in this IEE. The overall safeguards implementation arrangement is very comprehensive, well defined, and already in place. The training program for all the implementing stakeholders has already been outlined.

16. Therefore, as per ADB SPS, the categorization of Shechamthang core water distribution network subproject as Category B for Environment is confirmed. As such, no further environmental impact assessment is required.

17. The proposed water supply distribution network subproject is hereby recommended for implementation with emphasis on the following conditions: (i) EMP of the subproject shall be included in the design process; (ii) Contracts of design consultants shall have provisions requiring the consultants to consider EMP recommendations in the design process; (iii) Tendering process shall advocate environmentally responsible procurement by ensuring the inclusion of EMP provisions in the bidding and construction contract documents; (iv) Contractor's submission of a CEMP shall be included in the construction contract conditions; (v) Contract provisions on operation of the GRM shall be included in construction contracts; (vi) MOWHS, with its functions, shall ensure that capability building shall be pursued; (vii) MOWHS shall continue the process of public consultation and information disclosure during the entire subproject implementation period; and (viii) MOWHS shall update this IEE should there be any change in subproject scope, and submit to ADB for review and disclosure.

I. INTRODUCTION

1. The percentage of urban population in Bhutan having access to improved water supply increased from 64% in 1990 to 99% in 2012, but sustainability and reliability of the urban water supply systems are the main challenges.¹ Amongst the 22 urban centers, 17 class B Thromdes² depend entirely on surface water sources while the four class A Thromdes (Thimphu, Phuentsholing, Samdrup Jongkhar and Gelephu) and one class B Thromde (Paro) depend on both surface water and ground water sources. The duration of supply generally ranges from 4 to 12 hours daily. About 43% of the total urban population has water supply available for 24 hours, 46% for 8 to 12 hours and 11% for less than 8 hours.

2. Project Preparatory Technical Assistance (PPTA) 8551-BHU Phase 2 was formulated for the preparation of the Secondary Towns Urban Development Project (STUDP) (formerly named as Improved Urban Environmental Infrastructure Project) for seven subprojects in three selected thromdes, namely: (i) Trashigang (including Rangjung); (ii) Sarpang (including Sechamthang); and (iii) Samdrup Jongkhar (including Dewathang). The project is designed to achieve balanced and environmentally sustainable urban development in the identified priority towns by harnessing mixed development approaches that integrate the natural terrain and resources in urban planning, design, and construction. It also aims to employ a creative approach consistent with a rapidly growing urban Bhutan. The subprojects include water supply, sewerage and wastewater treatment, transport (including urban roads), and storm drainage.

3. This IEE report has been prepared as part of PPTA 8551-BHU Phase 2 activities in order to assess the potential environment impacts of the proposed water supply subproject in Shechamthang (Sarpang thromde). The assessment has been conducted in accordance with ADB Safeguard Policy Statement (SPS), 2009, with due consideration to environmental legislations and relevant laws of Royal Government of Bhutan.

4. Preparation of the IEE involved preliminary activities such as: (i) field visits to the proposed subproject areas; (ii) review of available information, and (iii) discussions with Ministry of Works and Human Settlements (MOWHS), the National Inventory Commission, National Statistics Bureau (NSB), ShechamthangThromde and other government agencies, and members of the communities within the subproject areas.

5. Alongside these preliminary activities, the categorization and specific potential environmental impacts of the proposed subproject have been identified and assessed using ADB's Rapid Environmental Assessment (REA) Checklist for Water Supply (Appendix 1). Results of the assessment show that the project is unlikely to cause significant adverse environmental impacts. Thus, this IEE has been prepared in accordance with ADB SPS, 2009 requirements for Environment Category B projects.

6. Therefore, this IEE report examines the environmental conditions of proposed subproject locations and the potential environmental impacts of all activities in relation to subproject implementation from pre-construction to post-construction phases. This IEE further identifies all mitigation measures that need to be followed in order to avoid or mitigate any adverse

¹ World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), 2017. *Progress on Drinking Water, Sanitation and Hygiene: 2017 Update and SDG Baselines*. Geneva.

² Thromde in Dzongkha is a town or municipality or city.

environmental impacts and optimize any beneficial impacts of the subproject to the extent possible.

II. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK

A. ADB Policy

7. ADB requires the consideration of environmental issues in all aspects of ADB's operations, and the requirements for environmental assessment are described in the ADB SPS, 2009. This states that ADB requires environmental assessment of all project loans, program loans, sector loans, sector development program loans, loans involving financial intermediaries, and private sector loans.

1. Screening and categorization

8. The nature of the environmental assessment required for a project depends on the significance of its environmental impacts, which are related to the type and location of the project; the sensitivity, scale, nature, and magnitude of its potential impacts; and the availability of cost-effective mitigation measures. Projects are screened for their expected environmental impacts, and are assigned to one of the following four categories:

- (i) Category A. A proposed project is classified as category A if it is likely to have significant adverse environmental impacts that are irreversible, diverse, or unprecedented. These impacts may affect an area larger than the sites or facilities subject to physical works. An environmental impact assessment (EIA) is required;
- (ii) Category B. A proposed project is classified as category B if its potential adverse environmental impacts are less adverse than those of category A projects. These impacts are site-specific, few if any of them are irreversible, and in most cases mitigation measures can be designed more readily than for category A projects. An IEE is required;
- (iii) Category C. A proposed project is classified as category C if it is likely to have minimal or no adverse environmental impacts. No environmental assessment is required although environmental implications need to be reviewed; and
- (iv) Category FI. A proposed project is classified as category FI if it involves investment of ADB funds to or through a financial intermediary (FI). The FI must apply an environmental management system, unless all projects will result in insignificant impacts.

2. Environmental Management Plan

9. An environmental management plan (EMP), which addresses the potential impacts and risks identified by the environmental assessment, shall be prepared. The level of detail and complexity of the EMP and the priority of the identified measures and actions will be commensurate with the project's impact and risks.

3. Public disclosure

10. ADB will post the following safeguard documents on its website so affected people, other stakeholders, and the general public can provide meaningful inputs into the project design and implementation:³

- (i) for Environmental Category A projects, a draft EIA report at least 120 days before Board consideration;
- (ii) final or updated EIA and/or IEE upon receipt; and
- (iii) environmental monitoring reports submitted by the project management unit (PMU) during project implementation upon receipt.

4. Pollution Prevention and Control Technologies

11. During the design, construction, and operation of the project the PMU and project implementation units (PIUs) will apply pollution prevention and control technologies and practices consistent with international good practice, as reflected in internationally recognized standards such as the World Bank Group's Environment, Health and Safety Guidelines. These standards contain performance levels and measures that are normally acceptable and applicable to projects. When the Royal Government of Bhutan regulations differ from these levels and measures, the executing agency will achieve whichever is more stringent. If less stringent levels or measures are appropriate in view of specific project circumstances, the executing agency will provide full and detailed justification for any proposed alternatives that are consistent with the requirements presented in ADB SPS 2009.

³ As per ADB SPS, 2009, prior to disclosure on ADB website, ADB reviews the "borrower's/client's social and environmental assessment and plans to ensure that safeguard measures are in place to avoid, wherever possible, and minimize, mitigate, and compensate for adverse social and environmental impacts in compliance with ADB's safeguard policy principles and Safeguard Requirements 1-4."

Table 1: Applicable WHO Ambient Air Quality Guidelines⁴

| Table 1.1.1: WHO Ambient Air Quality Guidelines ^{7,8} | | |
|--|----------------------|---|
| | Averaging Period | Guideline value in $\mu\text{g}/\text{m}^3$ |
| Sulfur dioxide (SO ₂) | 24-hour | 125 (Interim target-1) 50 (Interim target-2) 20 (guideline) |
| | 10 minute | 500 (guideline) |
| Nitrogen dioxide (NO ₂) | 1-year | 40 (guideline) |
| | 1-hour | 200 (guideline) |
| Particulate Matter PM ₁₀ | 1-year | 70 (Interim target-1) 50 (Interim target-2) 30 (Interim target-3) 20 (guideline) |
| | 24-hour | 150 (Interim target-1) 100 (Interim target-2) 75 (Interim target-3) 50 (guideline) |
| Particulate Matter PM _{2.5} | 1-year | 35 (Interim target-1) 25 (Interim target-2) 15 (Interim target-3) 10 (guideline) |
| | 24-hour | 75 (Interim target-1) 50 (Interim target-2) 37.5 (Interim target-3) 25 (guideline) |
| Ozone | 8-hour daily maximum | 160 (Interim target-1) 100 (guideline) |

⁷ World Health Organization (WHO). Air Quality Guidelines Global Update, 2005. PM 24-hour value is the 99th percentile.

⁸ Interim targets are provided in recognition of the need for a staged approach to achieving the recommended guidelines.

Table 2: World Bank Group's Noise Level Guidelines

| Table 1.7.1- Noise Level Guidelines ⁵⁴ | | |
|---|---------------------------------|----------------------------|
| Receptor | One Hour L _{Aeq} (dBA) | |
| | Daytime 07:00 - 22:00 | Nighttime 22:00 - 07:00 |
| Residential; institutional; educational ⁵⁵ | 55 | 45 |
| Industrial; commercial | 70 | 70 |

⁵⁴ Guidelines values are for noise levels measured out of doors. Source: Guidelines for Community Noise, World Health Organization (WHO), 1999.

⁴ World Bank Group's General Environmental, Health, and Safety Guidelines: www.ifc.org/ehsguidelines.

B. Environmental Related Acts and Regulations of Bhutan

12. At the national policy level, environmental protection and conservation is a constitutional mandate and is required to (i) protect, conserve, and improve the pristine environment, (ii) safeguard biodiversity, and (iii) prevent pollution and ecological degradation. The policy, legal, and administrative frameworks relevant to the environmental assessment of water related infrastructure projects in Bhutan have been established by the following laws and regulations.

1. Constitution of the Kingdom of Bhutan 2008

13. Article 5 of the Constitution of Bhutan outlines the responsibilities of government and people to protect and conserve the pristine environment and safeguard Bhutan's wildlife. The Constitution states that it is the fundamental duty of every citizen to protect, conserve, and improve the pristine environment and safeguard the biodiversity, reduce pollution and prevent ecological degradation, and promote ecologically balanced sustainable development while also pursuing environmentally friendly economic and social development. The government stands by the policy of maintaining a minimum of 60% forest cover all the time to ensure sustainable conservation of natural resources and reduce degradation of the ecosystem. The citation of Constitution is relevant as the project requires clearing of the Government Reserved Forest (GRF) in some areas and also with regard to pollution by the project.

2. Environment Assessment Act 2000

14. The Environment Assessment Act outlines procedures for assessing the potential impact of projects on environment and formulates policies and measures to reduce potential adverse effects on the environment. Based on the above premise, the environmental clearance is required prior to the execution of any project that may entail adverse impacts on the environment. To this effect, the National Environmental Commission (NEC) is empowered to implement the Environmental Assessment Act 2000 by setting out guidelines for securing an environmental clearance for a project. The Environmental Assessment Act is applicable to this project considering foreseeable impacts on the surrounding environment.

3. National Environment Protection Act, 2007

15. National Environment Protection Act 2007 provides an effective system of conserving and protecting the environment of Bhutan. This system comprises NEC or other designated competent authorities and advisory committee members responsible for regulating and promoting sustainable development in an equitable manner. This Act creates a framework to develop measures and standards to protect environmental quality of the country.

16. The renewable (e.g. forest, water, air, biodiversity) and non-renewable (soil and rocks/minerals) natural resources shall not be fully compromised in order to just achieve sustainable development. The Act governs sustainable use of resources and guides to reduce waste generation while also adopting sound management plan for safe and proper disposal of wastes. The Act fixes accountability to the person polluting environment or causing ecological harm for the cost of containment, avoidance, abatement, medical compensation, mitigation, remediation and restoration.

4. Forest and Nature Conservation Act 1995

17. The enactment of the Forest and Nature Conservation Act (FNCA) in 1995 supersedes the first environmental legislation in Bhutan, i.e., the Forest Act of 1969. The FNCA contains policies prohibiting certain activities in the forested areas and allow other activities under special permits from the Department of Forests and Park Services. Clause 10 (a) (i) – (x) outlines types of activities, e.g., forest clearing, tree felling, wildlife hunting, and polluting that are prohibited in the GRF. Clause 22 mentions that all wild animals whether enlisted under Schedule I (totally protected species) or not, cannot be hunted and killed, injured, captured, or collected unless conditions requiring self-defense and other genuine reasons exist. The FNCA recognizes all forests in Bhutan are part of the GRF and prohibits development works unless permissible by law. This Act will be applicable to the proposed subprojects.

5. Land Act 2007

18. The Land Act of 1979 provides the basis for land tenure in Bhutan. It was revised in 2007 to restructure many provisions in the Land Act. This revision happened with the establishment of National Land Commission Secretariat, an autonomous agency mandated to deal with matters pertaining to land registration. The other major change under this revision is the categorization of land from 20 to 7 including (i) chuzhing (wetland), (ii) kamzhing (dry land) including orchard, (iii) khimsa (residential land), (iv) industrial land, (v) commercial land, (vi) recreational, and (vii) institutional land. Under this revision, an authority on land management (resolve disputes, process land transactions, and convert land categories) has been decentralized to local governance, e.g., Geog Tshogdue, Dzongkhag Tshogdue, and Thromde.

19. The Act reserves the right to acquire the land by the government if the land is deemed important for the country. When this happens, the affected individual, family, or community will be entitled for full compensation in the form of substitution from the same Dzongkhag or cash compensation depending on the type of land. This project will involve leasing of government land and hence the applicability of this Act.

6. Water Act of Bhutan 2011

20. The Water Act is enacted to ensure water resources are protected, managed, and conserved in the most efficient, sustainable, and equitable manner. As it is stated that the government is the trustee of the nation's water resources, it will work towards protecting, conserving, and/or managing water resources in accordance with the principles set out in this Act. This Act comes into play as water is the basic necessity for employees of the local areas and it also sets up drinking water as a priority and to ensure minimum pollution of water resources.

7. Waste Prevention and Management Act of Bhutan, 2009

21. Waste Prevention and Management Act of Bhutan, 2009 contains the holistic institutional framework to prevent and manage waste in Bhutan. This Act recognizes principles, mechanisms, and responsibilities for reducing, segregating and disposing wastes. The NEC as the apex regulatory body for waste prevention and management monitors whether the wastes are managed in an environment friendly manner or not, as well as prohibit the manufacture of products that are associated with generation of hazardous wastes.

8. The Local Government Act of Bhutan, 2009

22. The Local Government Act has provisions to undertake activities consistent with other relevant laws and policies of the country that are formulated towards conserving environment within its jurisdiction and reduce the impact on public health and accelerate socioeconomic development. This Act has relevance to the project in terms of protection of local population from health hazards, if any, and bring socioeconomic upliftment in the local area. It is also the principal document for delineation of power between the local governments and the national agencies.

9. Regulation for Environmental Clearance of Projects 2002

23. The Regulation for the Environmental Clearance of Projects 2002 outlines procedures and responsibilities for implementing and supplementing the Environmental Assessment Act, 2000 to issue environmental clearances. The NEC along with other competent authorities are agencies for administering and granting environmental clearance under the current legal framework. This regulation ensures that this project is implemented in compliance with the sustainable development policy of the government so that potential damage to the environment is mitigated and that the local community to benefit from this project. The regulation mandates establishment of an environmental unit under the project, conduct public consultation, and obtain environmental clearance within the specified period.

10. Forest and Nature Conservation Rules (FNCR) 2006

24. The updated FNCR 2006 of Bhutan specifies rules for clearing and felling of trees and blasting. Section 14 clauses 1 and 2 describe prohibitive and restrictive activities in the forest land. Section 55 outlines procedures for sourcing stone, gravel, sand, peat, and soil from the forested areas. Clause 61 (1) to (5) describe various forms of prohibitions within protected areas and highlight special requirements to get green signal for specific development activity. Clause 64 provides information on activities that may impact wildlife conservation initiatives. This regulation requires obtaining of forestry clearance prior to the clearing and felling of trees and the actual operation of the mines.

11. Rules and Regulations on Occupational Health and Safety 2006

25. The Rules and Regulations on Occupational Health and Safety aims to assure safe working environment for employees at the project site. These rules and regulations are relevant during the development and operation phases of the project.

12. Waste Prevention and Management Regulation 2012

26. This regulation identifies roles of the implementing agency (the Thromdes) to introduce appropriate waste management system beginning from every organization level concerning collection, segregation, treatment, storage, transportation, recycling and safe disposal of solid, liquid and gaseous wastes. This regulation shall control and prohibit haphazard dumping of waste. This regulation will ensure disposal of waste at designated site and uphold initiatives to segregate, reuse and recycle.

13. The Water Regulation of Bhutan 2014

27. This regulation shall ensure the protection, conservation and management of watersheds for sustainable water supply and minimize other environmental side effects. This regulation is relevant given projects have potential to pollute water and changing of water course and also for watershed protection.

28. Aside from environmental laws and regulations, the 2004 Penal Code of Bhutan also includes a provision on environmental pollution wherein Article 409 states that a defendant shall be guilty of the offense of environmental pollution if such defendant knowingly or recklessly pollutes or contaminates the environment including air, water, and land and makes it noxious to public health and safety.

14. Thromde Rules 2011

29. This is the principle document that prescribes the working procedures of Thromdes in Bhutan through implementation of the Local Government Act of 2009, and other related acts and regulations. The rules cover on how Thromdes should be formed, managed, regulated and also covers on property valuations and assessments for pooling or compensation.

15. Bhutan Building Rules 2002

30. All constructions in the country are required to follow the Bhutan Building Rules and its various amendments. In the urban areas, building construction permits are issued based on conformity to the rules. Monitoring and eventual certification of building occupancy are also governed by this rule. For the current project, the rules come into picture as buildings in the urban areas in particular are required to follow these rules and any plans are based off of this rules.

C. International Environmental Agreements

31. International conventions are also part of the environmental framework since Bhutan is a party to some international conventions, treaties and agreements on the principles and actions necessary for sustainable development and environmental protection. It has ratified the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change (25th of August 1995). These international conventions explicitly reference the application of environmental assessment to address the effects of human activities. The Convention on Biological Diversity, in particular, promotes the use of appropriate procedures requiring environmental impact assessment of proposed projects that are likely to have significant adverse effects on biological diversity.

III. DESCRIPTION OF THE PROJECT

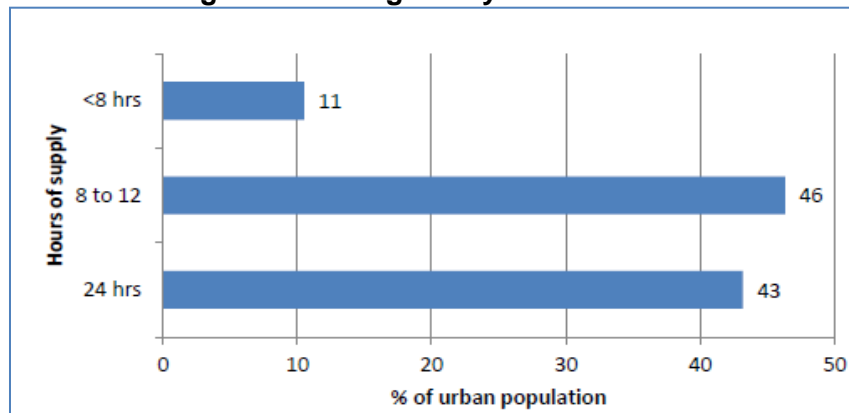
32. Although water network coverage in Bhutan is generally high, water duration in the nominated towns is characterized by intermittent supply that reflects the prevailing situation in the country. Water supply intervals range from 4 to 12 hours in majority of the project towns

from the source, and most individual homes have water storage tanks. The duration of supply in terms of the number of towns is as follows and the details are given below.⁵

- (i) 24 hours—Nine class B thromdes (Bumthang, Dagana, Gasa, Haa, Lhuentse, Pemagatshel, Tashiyangtse, Tashigang, Tongsa), 73% of Tshimasham and Tsimalakha, 58% of Thimphu Thromde (including 40% covered by community water supply), 16% of Phuentsholing Thromde, 15% of Gelephu Thromde and 28% of Samdrup Jongkhar Thromde;
- (ii) 8 to 12 hours—Four class B thromdes (Tsirang, Wangduephodrang, Samtse, and Paro), 27% of Tshimasham & Tsimalakha, 42% of Thimphu thromde, 84% of Phuntsholing thromde and 85% of Gelephu Thromde; and
- (iii) Less than 8 hours—Four class B thromdes (Mongar, Punakha, Sarpang and Zhemgang) and 72% of Samdrup Jongkhar.

33. The water supplied to urban centers varies from more than 15 million liters per day (MLD) in Thimphu to 0.5 (MLD) for smaller towns like Gasa. The total water supplied by the 22 urban centers amounts to more than 60 (MLD).

Figure 1: Average Daily Water Service



Source: Urban Water Supply Status and Plan, DES, MOWHS, October 2014

34. The reasons for the intermittent supply in most of the towns are primarily due to the following factors:

- (i) **Poor demand management.** Lack of awareness on proper water management and system inefficiency, leakages, and suboptimal operation resulting from poor maintenance (lack of operation and maintenance fund and low capacity of maintenance staff);
- (ii) **Inadequate existing facilities to cover demand.** Population increase which is triggered by urban growth and rural-urban migration, and insufficient capital investment has always been one of the top concerns of municipalities;
- (iii) **Inadequate and unreliable sources (drying up of sources).** Unreliable sources have been the primary reason for inadequate supply. The recent phenomenon of global warming aggravated by catchment degradation has resulted in reporting of drying up of the sources for several towns; and

⁵ Urban Water Supply Status and Plan, DES, MOWHS, October 2014.

- (iv) Remote location of intakes, which necessitates the construction of long transmission pipelines through difficult terrain that are susceptible to landslides, erosion and severe leakages and bursts, etc. While having long water lines has been a long standing practice in Bhutan, it is hardly intuitive given the presence of large rivers adjacent to certain towns such as in Punakha and Sarpang.

35. The major water quality problem in the urban centers is with microbiological contamination and turbidity. Most of the urban centers that use surface sources are provided with basic water treatment facilities which include sedimentation, filtration and disinfection. However, many of the water treatment plants (WTPs) are not operating properly due to either poor design or inadequate operation and maintenance (O&M).

36. For the ground water sources, only disinfection facilities are provided since the quality of ground water is supposed to be clean. Ground water however, may be contaminated with heavy metals such as arsenic, iron, zinc, etc. but has never been tested for heavy metals due to lack of equipment. About 74% of the urban populations are supplied with treated water while 26% are supplied with raw water. However, the sustainability of the ground water sources particularly the borewells in Phuentsholing and Gelephu are questionable since no detailed hydro-geological studies have been carried out.

37. The steep topography of the country provides unique opportunities for gravity supply of water. Sources for drinking water are mainly surface sources in the form of streams/rivers and protected springs.

38. The water tariff for all the urban towns is very minimal that not even the operation and maintenance cost is recovered. The minimum tariff for domestic uses varies between Nu1.50 per cubic meter (m^3) to Nu2.90/ m^3 for the bigger towns and Nu1.25/ m^3 to Nu1.50/ m^3 for smaller towns. It is generally much higher for industrial and commercial uses than for domestic use. Of the 22 towns, Tsimasham and Tsimalakha, Gasa, Pemagatshel and Sarpang are not metered and are therefore not charged for the water supplied.

39. Water supply projects consisting of components such as intake systems, transmission lines, treatment plants, reservoirs and distribution are amongst other subprojects, selected for implementation in the project thromdes under STUDP. In particular, the water supply distribution network subproject for Sechamthang involves construction of water transmission lines and distribution pipelines in the core area of Shechamthang.

40. The location of all the water supply subprojects under STUDP, including the Shechamthang subproject, are shown in Figure 2 below.

Figure 2: Map Showing the Location of Water Supply Subprojects⁶

⁶ Map taken from ADB TA 8551-BHU: Improved Urban Environmental Infrastructure Project.

A. Location of Subproject

41. Shechamthang is one of the three zones in Sarpang Town. Sarpang is the most important Dzongkhag in the Southern Region of Bhutan. It is strategically placed on the Indo-Bhutan border adjoining the Indian state of Assam. Sarpang town is one of the oldest towns in the country with access to motorable roads as early as in 1950s. It is also the administrative center for the Dzongkhag and located at a distance of about 32 km to the west of Gelephu.

B. Components

42. Sarpang Town is divided into three zones, namely, Shechamthang (Ranibagan), Sarpang Tar and Sarpang Bazar. Currently there are two gravity schemes namely—Lharing Scheme (13.5 km length) and Kamikhola Scheme (2.3 km length) of which the latter is seasonal (during summer only). Of the three zones, water is currently supplied only to Sarpang Tar in a rationed manner. Residents of Sarpang Bazaar have tapped the water themselves from the Kamikhola or seasonal streams while Shechamthang residents get water from the Rural Water Supply Schemes.

43. There is enough water supply from the Lharing Chhu source but the existing water supply system is not functioning optimally due to poor operation and maintenance.

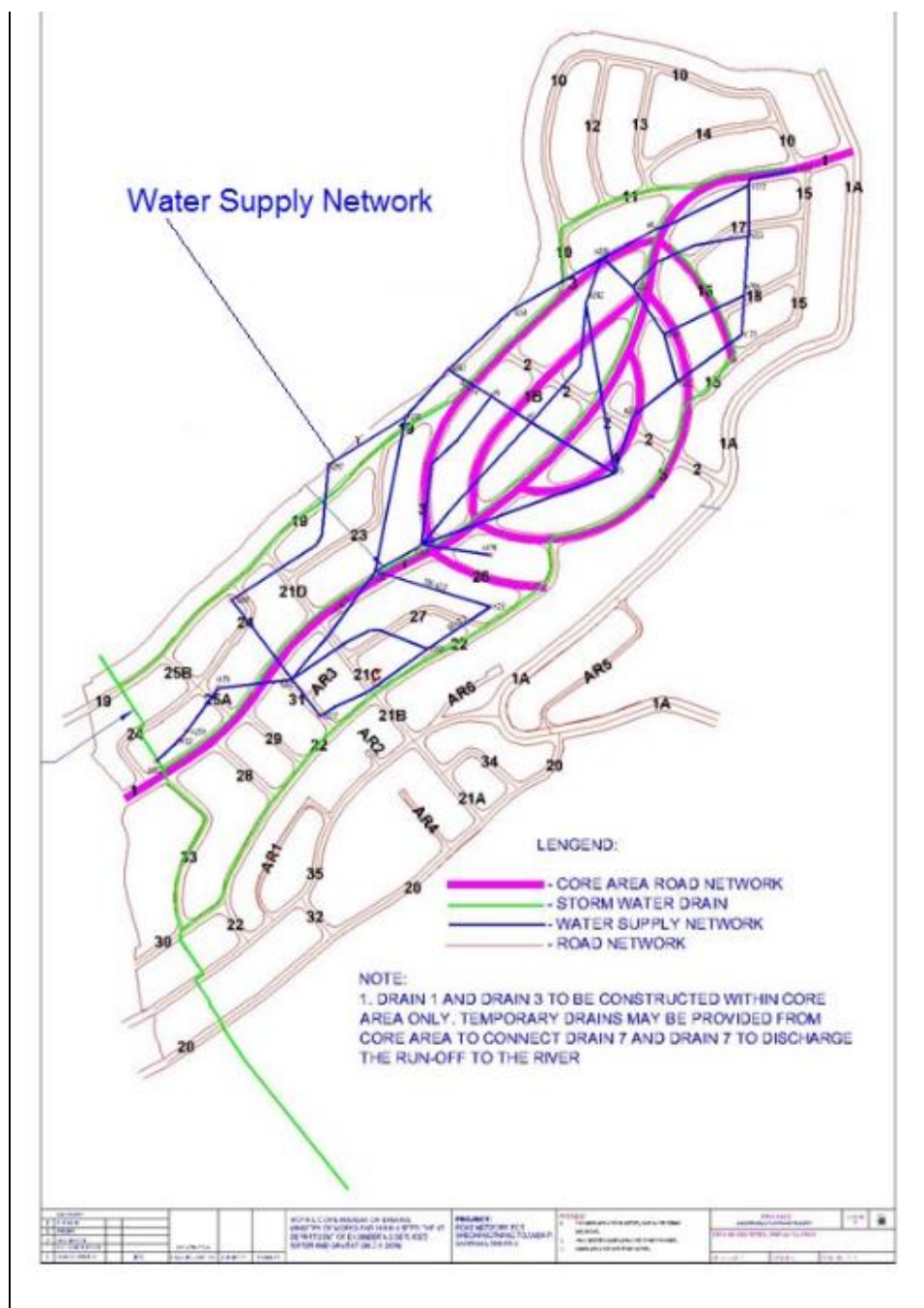
44. The proposed subproject includes: (i) water transmission line from WTP to Shechamthang with total length of 2.98 km; (ii) water transmission line from WTP to Sarpang Bazaar with total length of 0.882 km; and (iii) construction of water distribution network for Shechamthang core area with total length of 5.676 km.

45. The proposed network is shown below.

Figure 3: Layout of Proposed Water Supply Subproject for Shechamthang



Figure 4: Layout of Proposed Water Supply Distribution Network in Shechamthang



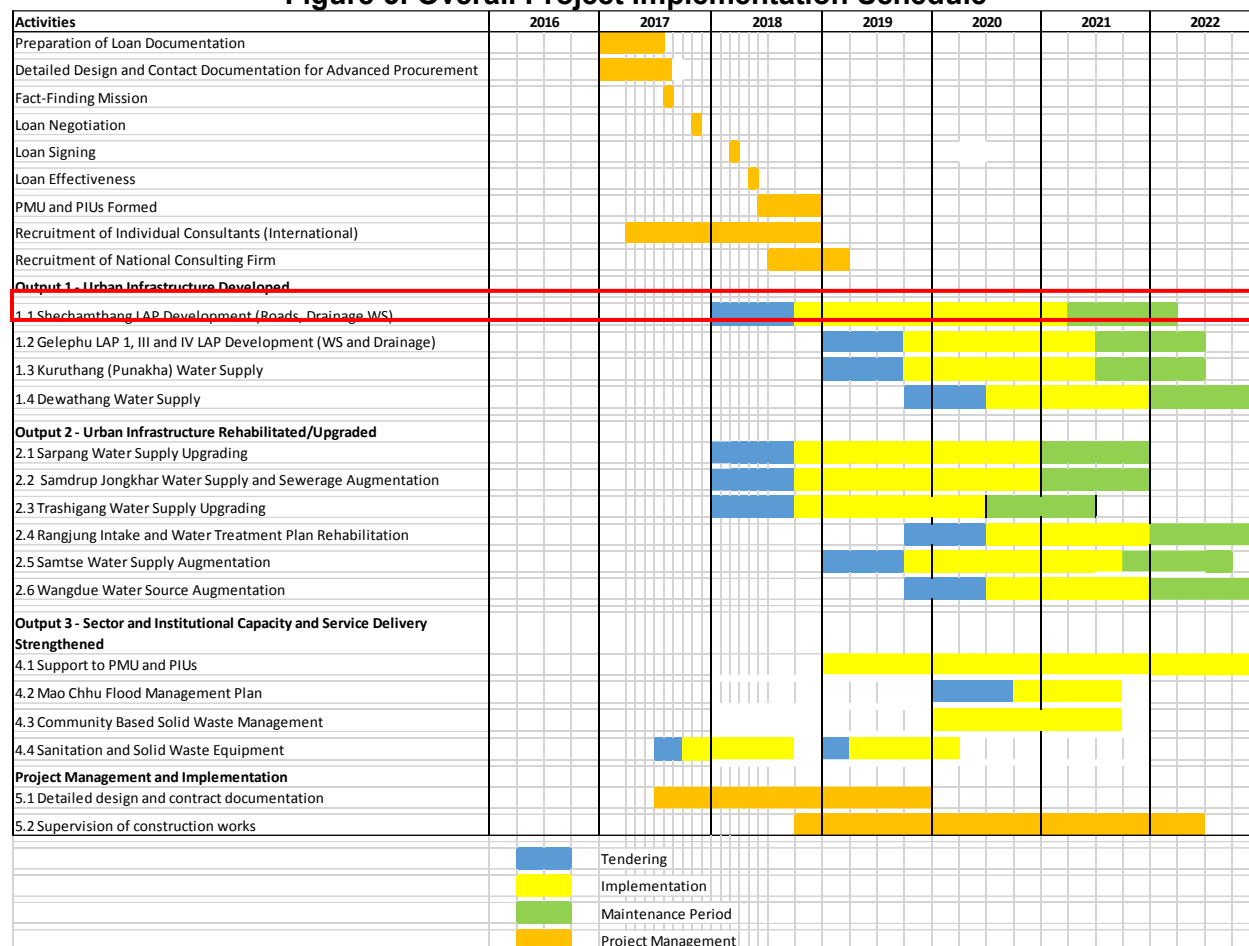
C. Operation and Maintenance Activities

46. The upgraded/rehabilitated water supply system shall be operated and maintained by the Sarpang municipality. Construction is scheduled to start in the fourth quarter of 2018, and is expected to be completed by first quarter of 2021.

D. Proposed Development Program

47. The timeline for development of water supply is shown below.

Figure 5: Overall Project Implementation Schedule



IV. DESCRIPTION OF THE ENVIRONMENT

48. A description of the existing environmental and socioeconomic conditions of the various subproject areas is presented in the succeeding sub-sections.

A. Methodology Used for the Baseline Study

1. Data collection and stakeholder consultations

49. The data for the IEE were collected primarily from the PPTA Phase 2 Interim Report,⁷ structural plans of Shechamthang (Sarpang thromde), Shechamthang Local Area Plan and other documents. In addition, field visit to the project sites was also carried out in February – March 2017 to collect both primary and secondary data of the project details, site information and to understand the probable impacts of the subproject components.

50. In the same period, several visits were made to assess the existing environmental conditions (physical and biological) at the project sites. A separate socioeconomic study was conducted to determine the demographic information, and other social safeguards information. Public consultations and discussions with relevant officials were also conducted at various project sites.

2. Data analysis and interpretation

51. The primary and secondary data collected from various sources have been analyzed using simple excel tools to quantify the various parameters such as benefits and impacts. For the purpose of visualization, the data from various sources are also laid out on Geographic Information System (GIS) using ArcGIS.⁸ The relevant information is presented in the succeeding paragraphs. The details of the results from the data and their interpretations are presented in the following sections.

B. Physical Resources

52. Most of the thromdes selected for the water supply subprojects under STUDP lie in southern and eastern parts of Bhutan bordering the state of Assam and West Bengal of India and two in western part of the country in the Punakha-Wangdue valley. We can basically club the thromdes according to their elevation and ecological characteristics. The three Thromdes of Punakha (Khuruthang), Wangdue (Bajo), and Trashigang (including Rangjung) represent part of the Inner Himalayas of Bhutan. Samtse, Sarpang (Shechamthang), Gelephu, and Samdrup Jongkhar (including Dewathang) are the thromdes in the southern lower foothills.

53. Shechamthang is the proposed as the new commercial hub of Sarpang Dzongkhag. It is located at 26°52' N Latitude and 90°16' E Longitude. The population is spread out over an area of approximately 2.74 square kilometres (km²). At present, the area could be characterized as an agglomeration of scattered pockets of residential, institutional and administrative settlements, each with varying population and density patterns. Shechamthang is on the Tsirang-Gelephu

⁷ ADB. 2016. *Technical Assistance to the Kingdom of Bhutan for the Improved Urban Environmental Infrastructure Project*. Manila (TA 8551-BHU).

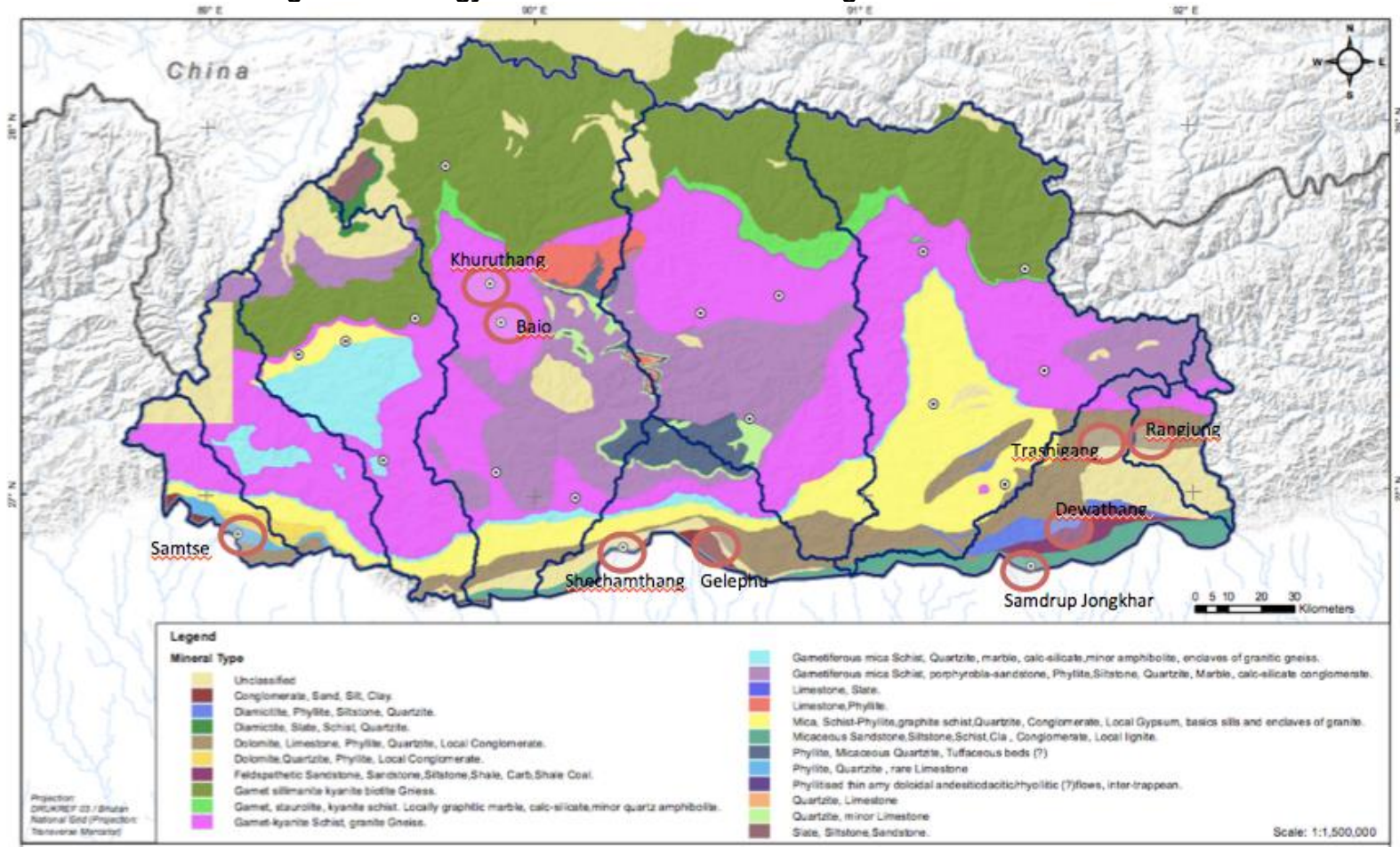
⁸ The GIS layers and Mapping base are from National Atlas of River Basins and Water Infrastructure in Bhutan, ADB TA 8623 BHU: Adapting to Climate Change through IWRM March 2016, NEC Bhutan and ADB.

Highway at around 30 km west of Gelephu. Sarpang Dzongkhag is south east of Tsirang, south of Wangdue Phodrang and Trongsa and west of Zhemgang.

C. Geology and Geomorphology

54. The Bhutan Himalaya can be tectonically divided into three east west trending belts:
 - (i) The southern frontal belt, which includes the lesser Himalaya and the foothills (Siwalik);
 - (ii) The central crystalline belt, which includes greater Himalaya and the lesser Himalaya; and
 - (iii) The Tethyan belt, which includes portion of the greater Himalaya and portion of lesser Himalaya.
55. The southern frontal belt borders with India in the south and comprises a very narrow strip of Tertiary Siwalik rocks represented by sandstone, mudstone, siltstone and boulder conglomerates. The Lesser Himalaya north of the Main Boundary Fault/Thrust (MBT) is represented by the rocks of Permian-Paleozoic formations. These formations from south to north are the Damuda, Baxa Group and the Shumar.
56. Damuda Formation consists of sandstones, shale with coal seams, feldspathic quartzite and carbonaceous shale Buxa Group consists of dolomite, variegated quartzite and conglomerates represented by different formations like Jainti, Manas, Phuentsholing and Pangsari.
57. Shumar formation consists of meta-sedimentary rocks represented by phyllite, micaceous quartzite with rare limestone bands.
58. The central Crystalline Belt over thrusts the southern frontal belt through the Main Central Thrust (MCT). This belt covers most of the Bhutan's Himalayan area, represented by high grade metamorphic and intrusive rocks of Paro-Thimphu group (Pre-Cambrian to Tertiary). Rocks of Paro are represented by quartzite, quartz-mica schist, marble, calcisilicate and graphitic schist while rocks of Thimphu are represented generally by granite, gneiss, migmatites and occasionally by granite-mica schist, feldspathic schist and amphibolite.
59. The Tethyan Belt covers portions of Northern Higher Himalaya range, Crystalline Belt of the central and eastern part of Bhutan Himalaya. It consists of various rock information's and is represented by sedimentary rocks (Pre-Cambrian to Cretaceous) intruded by Tertiary granites. The main rock types of this belt are shale, phyllite, slate, calcareous phyllite, quartzite and limestone with intrusive granite.
60. The geology of the specific project locations are shown below:

Figure 6: Geology of the Sites in Shechamthang and Other Locations⁹



⁹ Map taken from ADB TA 8551-BHU: Improved Urban Environmental Infrastructure Project.

61. The most prominent features of the area geology of Shechamthang are Mica, Schist-Phyllite schist, Quartzite and Granite.

D. Seismology¹⁰

62. Bhutan is prone to a number of natural hazards due to fragile geological conditions, steep sloping terrain, great elevation differences, variable climatic conditions and active tectonic processes taking place in the Himalayas. There is no detailed seismic micro-zonation of the country. However, since the north-eastern parts of India (next to Bhutan) fall under seismic zone V (seismically most active), it can reasonably be assumed that Bhutan is contiguous with this zone and either in seismic zone IV or V. Hence, there is a threat of a significant earthquake. However, considering the small nature of pipelaying works under the subproject, geohazard risk is not significant. Transmission and distribution pipes will use robust materials, such as ductile iron pipes, to withstand seismic events. Further, bracings at critical junctions will be provided to mitigate impact of landslides caused by earthquakes.

E. Soil

63. Soil types are greatly influenced by the nature of surface material formed from different kinds of nature processes such as glacial and peri-glacial deposition, colluvium, debris flows, river alluvia and windblown material. General trends are increase in leaching, acidification and podzolisation with increase in altitude together with slower decomposition and greater accumulation of organic matter.

64. As per the FAO soil classification 2003, the most dominant soil type in Sarpang, including Shechamthang is DystricCambisols, followed by DystricRegosols. In the upper catchment, the soil is OrthicAcrisols. The DystricCambisols, though less fertile, are used for (mixed) arable farming and as grazing land. Cambisols on steep slopes are best kept under forest; this is particularly true for Cambisols in highlands.¹¹

F. Topography

65. Topographical features of the country comprise of the High Himalayas in the northern region with many peaks and plateaus, north-south running ranges and deep valleys in the central region called the inner Himalayas, and foothills in the south of the country. The country extends some 300km east west and 100 km north-south crow fling distance with elevation ranges from 100-7000 masl.

66. Shechamthang is situated at the foot of the Himalayas and has relatively flat terrain. The average altitude of the area is around 300 masl. The Sarpang Chhu runs between the remnants of the Sarpang Bazaar and Shechamthang Area. It falls under the lower foothills of Bhutan.

¹⁰ Source: Initial Environmental Examination report for the Paskaha Access Road and Alay Land Customs Station under the Bhutan SASEC Road Connectivity Project. March 2014.

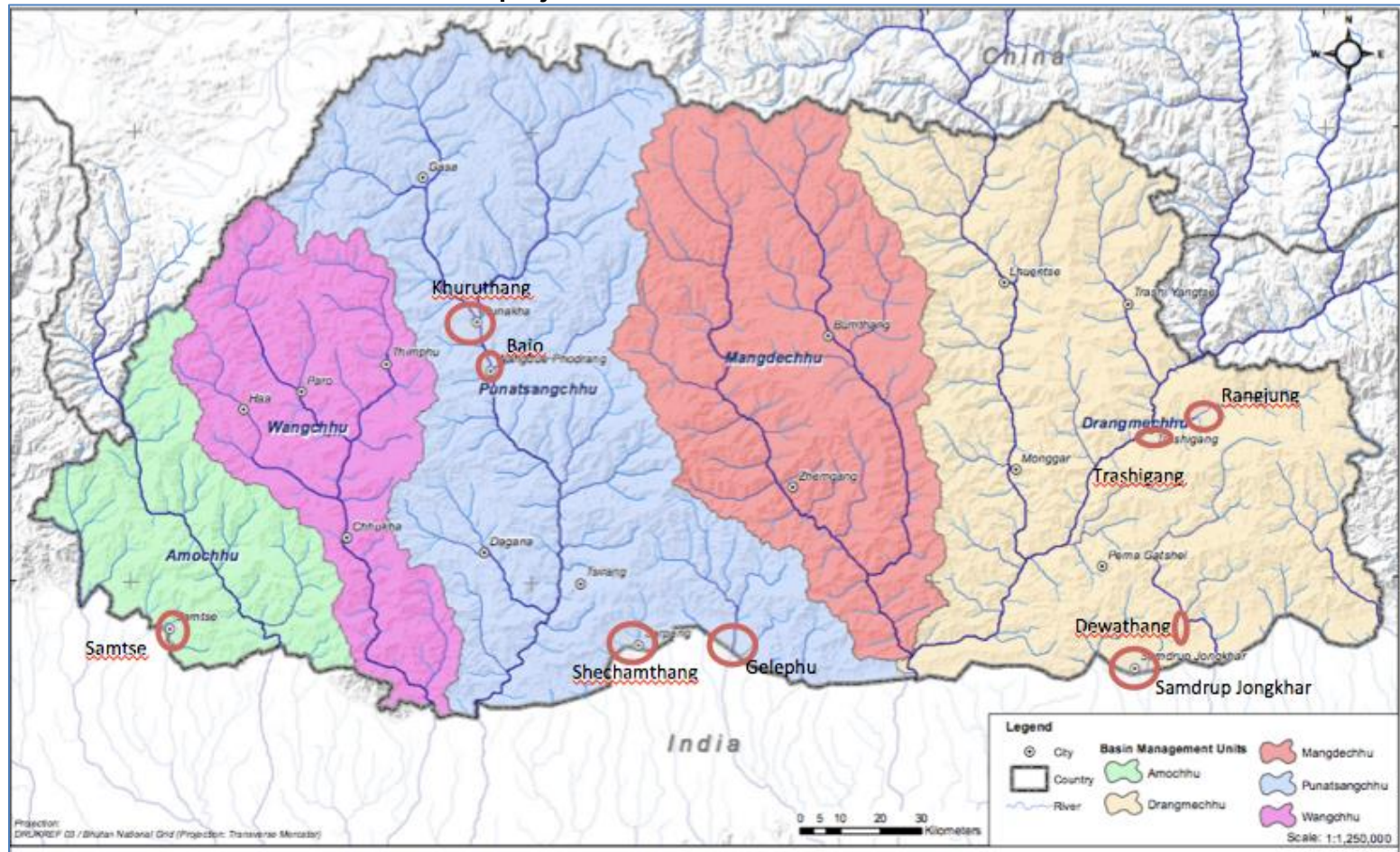
¹¹ Food and Agriculture Organization of the United Nations. 2001. *Lecture Notes on the Major Soils of the World*. Rome. <http://www.fao.org/docrep/003/y1899e/y1899e08.htm>.

G. Hydrology

67. Bhutan has four major river basin management systems: the Drangmechhu; the Mangdechhu; the Punatsangchhu; and the Wangchhu.¹² Each flow swiftly out of the Himalayas, southerly through the Duars to join the Brahmaputra River in India. Figure 7 illustrates project locations in relation to major river system of Bhutan.

¹² National IWRM Plan for Bhutan, NECS. ADB CDTA–Adapting to Climate Change Through Integrated Water Resources Management.

Figure 7: Shechamthang subproject location and other water supply subproject locations under STUDP and other propped urban projects and the River Basins of Bhutan



Source: Map taken from ADB TA 8551-BHU: Improved Urban Environmental Infrastructure Project.

68. The Sarpang Chhu runs between the remnants of the Sarpang Bazaar and Shechamthang Area. It falls under the Punatsangchhu river basin, while the sub-basin is the Sarpangchhu sub-basin. The eastern boundary of the Shechamthang local area plan (LAP) is indeed the Sarpangchhu itself.

H. Climate

69. With the data from Department of Hydro-Meteorological Service, a rainfall map of Bhutan had been produced. Annual rainfall map of Bhutan is shown in Figure 8 which is followed by rainfall in the project locations on monthly basis. The maximum rainfall are in the southern foothills with total annual rainfalls of 3,000–5,700 millimeters (mm) shown in dark yellow colours. The least rains are in the inner Himalayas with annual rainfall of 500–1,500mm. Rainfall pattern is shown in Figures 9.

Figure 8: Average Total annual Rainfall across Bhutan

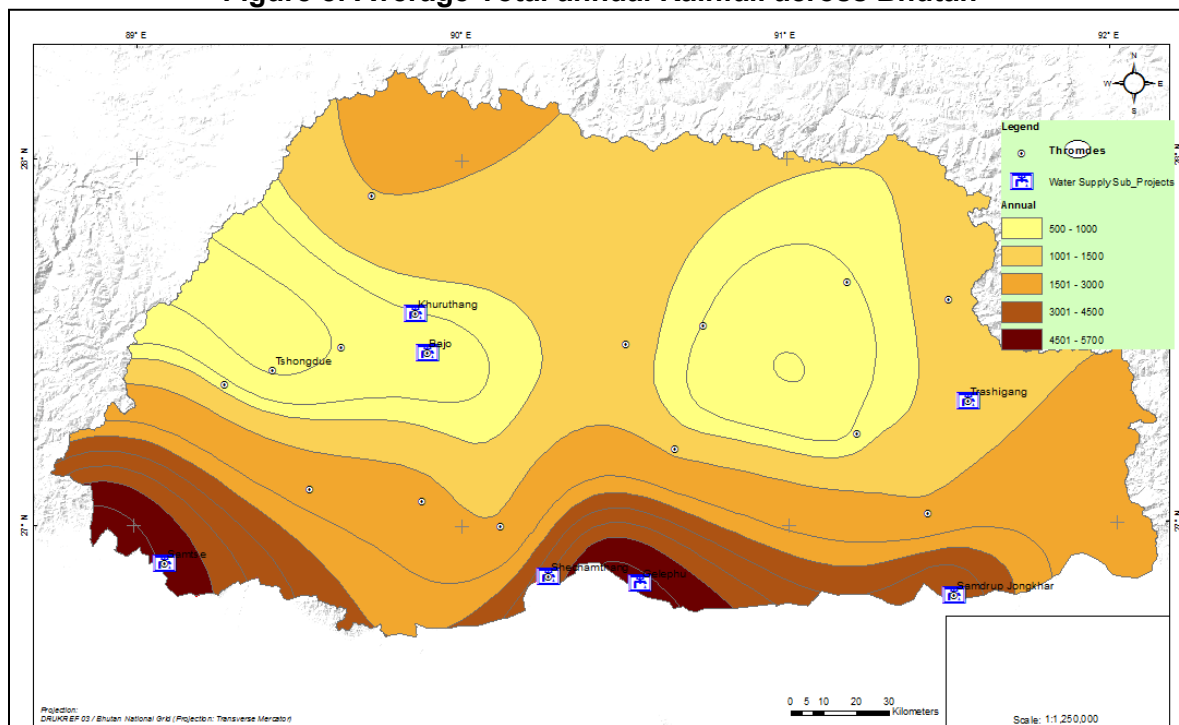
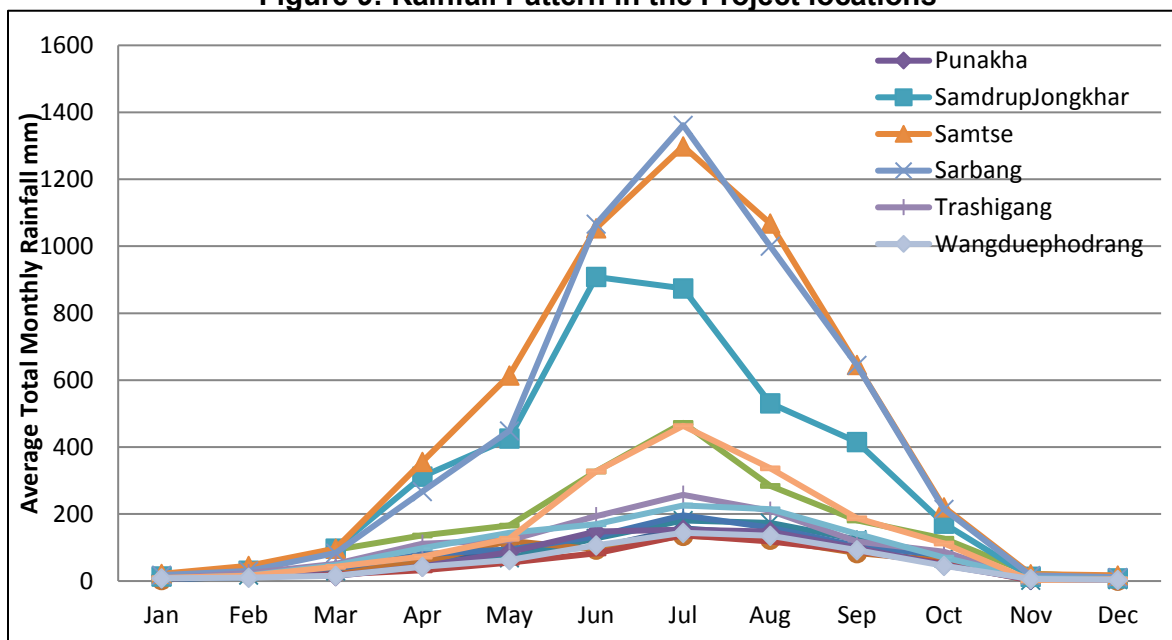
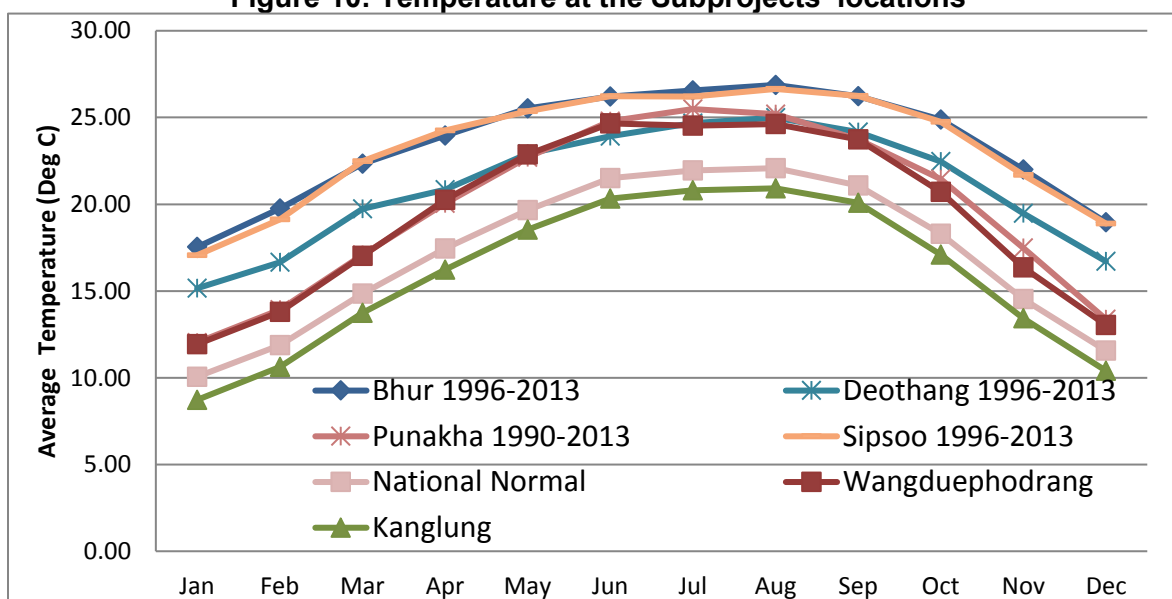


Figure 9: Rainfall Pattern in the Project locations

70. The temperature at the subproject locations are plotted in Figure 10. The hottest months are from July to August all across the country, while the cold months are January, February, November, and December. Bhur representing Gelephu and Sarpang (including Shechamthang), and Sipsoo representing Samtse are the warmest [average monthly minimum temperatures of about 17 degrees Celsius ($^{\circ}\text{C}$) and maximum of 27°C]. Kanglung, representing Trashingang and Rangjung, is coldest among the project areas (average monthly minimum temperatures of about 9°C and maximum of 21°C) shown in figure below.

Figure 10: Temperature at the Subprojects' locations

71. **Air Quality and Noise.** There are no available air quality data specific to the areas where subproject components will be constructed. However, indicative sound levels were measured using mobile devices. Average noise level for the subproject location as reflected in Table 3 is well within the national limit for mixed area (Ld-65dBA and Ln-55dBA). No component of the subproject will be located in any industrial zone. Table 4 illustrates the Noise Level limits from the NEC's Environmental Discharge Standard 2010.

Figure 11: Noise level measurements at site

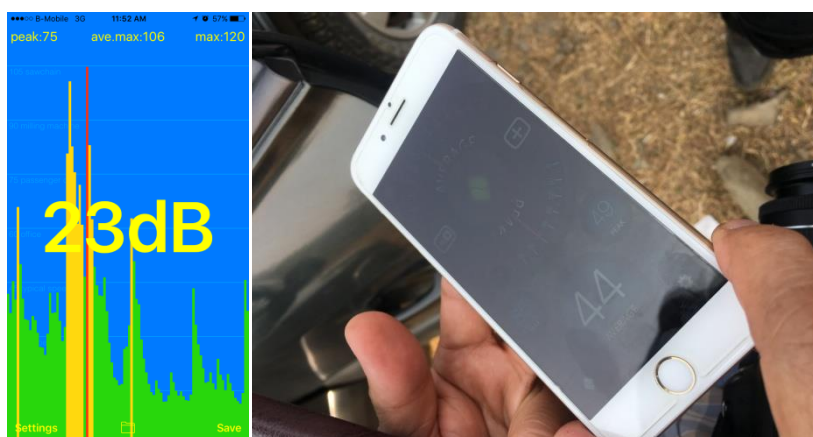


Table 3: Noise and Air Quality Data of project sites^a

| Thromdes | Noise (dBA) ^b | | Air Quality (µg/m3) | | | | CO |
|--|--------------------------|-----|---------------------|-------|-----|-----|------------------|
| | Max | Avg | TSPM | PM10 | SOx | NOx | |
| Shechamthang (Ranibagan) & Sarpang Tar (Sarpang) | 119 | 36 | | | | | |
| Gelephu (Sarpang) | 200 | 45 | 43.7 | 40.6 | BDL | BDL | BDL ^c |
| Trashigang | 188 | 25 | 71.05 | 87.75 | BDL | BDL | BDL |
| Rangjung | 123 | 33 | | | | | |
| Dewathang | 110 | 24 | | | | | |
| Samdrup Jongkhar | 177 | 47 | | | | | |
| Samtse (Samtse) | 191 | 56 | | | | | |
| Kuruthang | 186 | 48 | | | | | |
| Kabesa (Punakha) | 111 | 26 | | | | | |
| Bajo (Wangdue) | 89 | 22 | | | | | |

^a Noise level measurement taken at daytime on 7 December 2016 during the Tshechu Festival.

^b Measurements at site using dB Meter, Dmitry Pushkarev.

^c Source: ADB, Royal Government of Bhutan, ATCEP-AF Project, IEE, March 2016.

Table 4: Noise a Level Limits, Environmental Discharge Standard 2010, NEC

| Location | Day | Night |
|-----------------|--------|--------|
| Industrial area | 75 dBA | 65 dBA |
| Mixed area | 65 dBA | 55 dBA |
| Sensitive are | 55 dBA | 45 dBA |

dBA = A-weighted decibel.

72. The air quality data from two subproject sites under STUDP were collected. TSPM and PM10 levels were below the National Ambient Air Quality Standard for mixed area provided in the Environmental Discharge Standard 2010, NEC. Whereas, SO_x, NO_x and CO are below the detection limit, which indicate that the ambient air qualities are good for the two sites. Prior to subproject implementation in Shechamthang, ambient air quality will be determined and will be monitored regularly based on the environmental management plan described in this IEE. The national standard on air quality is in Table 5 below.

Table 5: NEC's Ambient Air Quality Standards (Maximum Permissible Limits in µg/m³)

| Parameter | Industrial Area | Mixed Area* | Sensitive Area** |
|--|-----------------|-------------|------------------|
| Total Suspended Particulate Matter | | | |
| 24 Hour Average | 500 | 200 | 100 |
| Yearly Average | 360 | 140 | 70 |
| Respirable Particulate Matter (PM 10) | | | |
| 24 Hour Average | 200 | 100 | 75 |
| Yearly Average | 120 | 60 | 50 |
| Sulfur Dioxide | | | |
| 24 Hour Average | 120 | 80 | 30 |
| Yearly Average | 80 | 60 | 15 |
| Nitrogen Oxides | | | |
| 24 Hour Average | 120 | 80 | 30 |
| Yearly Average | 80 | 60 | 15 |
| Carbon Monoxide | | | |
| 8 Hour Average | 5000 | 2000 | 1000 |
| 1 hour Average | 10000 | 4000 | 2000 |

* Mixed Area means area where residential, commercial or both activities take place,

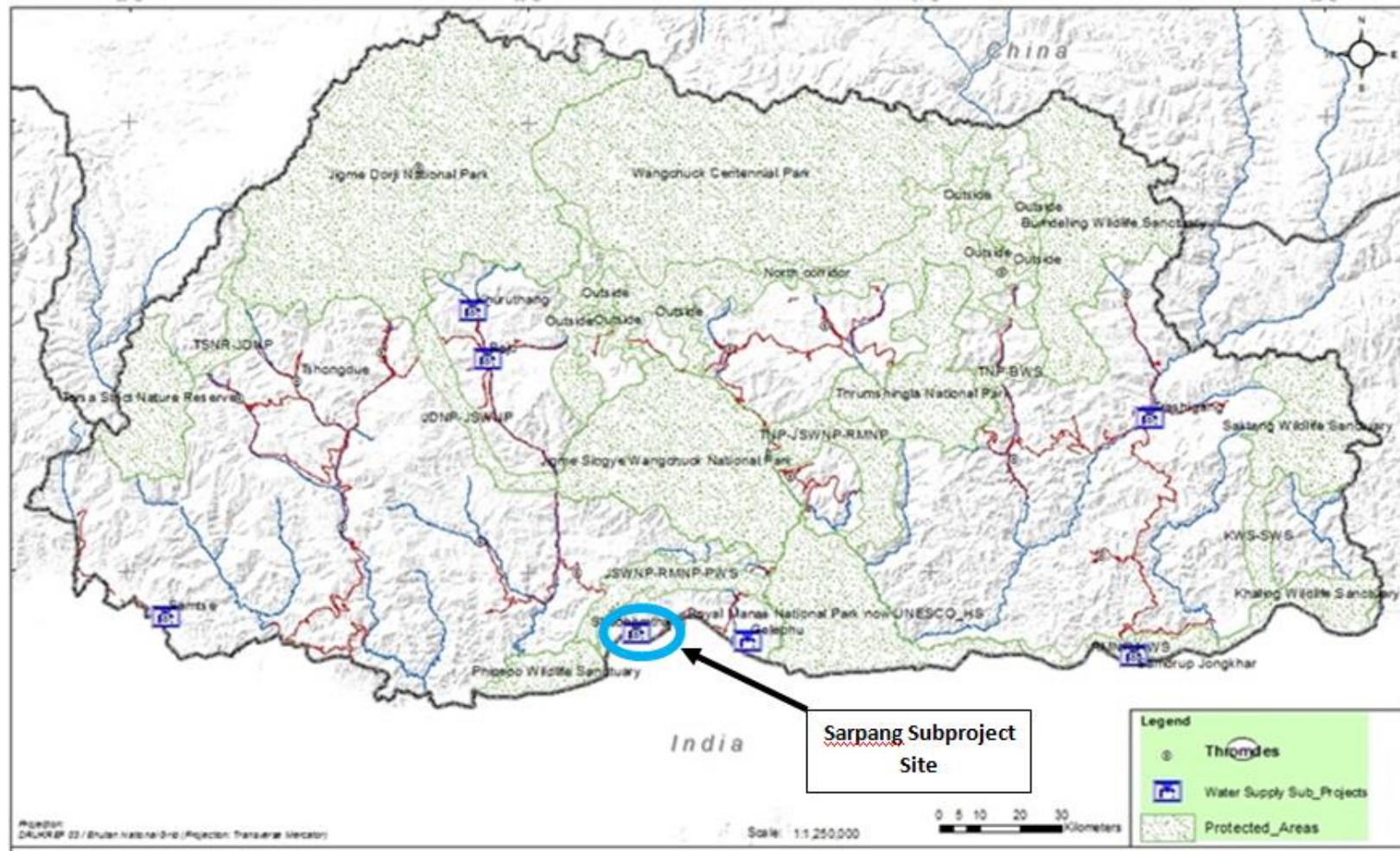
** Sensitive Area means area where sensitive targets are in place like hospitals, schools, sensitive ecosystems.

I. Ecological Resources

73. Protected areas in Bhutan cover about 51% of the land as shown in Figure 12. It is confirmed that locations of Shechamthang subproject components and all other water supply subprojects under STUDP are not within any of the protected areas of Bhutan. All subprojects are located in urban and built up areas, which are not part of protected areas of the country.

Figure 12: Protected Areas of Bhutan

(Showing Shechamthang Subproject Location and Other Subproject Locations Under STUDP and other proposed urban projects)



Source: Map taken from ADB TA 8551-BHU: Improved Urban Environmental Infrastructure Project.

1. Flora and Fauna Resources within Shechamthang (Sarpang Thromde) and other STUDP Subproject Sites

74. No endangered or protected plant species as listed in Schedule I – Forest and Nature Conservation Rules of Bhutan, 2000 is observed or reported in all the project sites. Some of the plant and animal species found at the subproject district which is huge area (that only indicates the general location and type of biodiversity) are shown in Table 6. Although found to be wandering within the district, the golden langur (see Table 7) in particular, do not stay at or around the subproject sites.

Table 6: Flora Species in Shechamthang and Other Subproject Sites under Secondary Towns Urban Development Project

| Local Name | Scientific Name |
|----------------|---------------------------------|
| Alnus | <i>Alnus nepalensis</i> |
| Ambokay | <i>Monkey fruit tree</i> |
| Amliso | <i>Thysanolaena latifolia</i> |
| Amliso | <i>Thysanolaena Maxima</i> |
| Bamboo | <i>Bambusoideae</i> |
| Banana | <i>Musa xParadisiaca</i> |
| Beetle Nut | <i>Areca nut</i> |
| Bhalayo | <i>Rhusgriffthii</i> |
| Broom stick | <i>Cytisus Scoparious</i> |
| Chap | <i>MicheliaChampaca</i> |
| Cherata | <i>Swertia Chirayaita</i> |
| Chest nut | <i>Castanea Fagaceae</i> |
| Chilauney | <i>Schima Wallichii</i> |
| Chir pine | <i>PinusRoxburghii</i> |
| Chuletro | <i>Brassiopsis hainala</i> |
| Fern | <i>Dryopteris Cocheata</i> |
| Fern Tree | <i>Pteridophytes</i> |
| Gogan | <i>Sauravia Nepalinsis</i> |
| Gokul dhop | <i>CanariumSikkimenis</i> |
| Guras | <i>Rhododendron</i> |
| Jack fruit | <i>Artocarpus heterophyllus</i> |
| Kabro | <i>Ficus Lacor</i> |
| kadam | <i>Anthocephalus Kadamba</i> |
| Kamlee (grass) | <i>Pilea Symmeria</i> |
| Katus(Oak) | <i>Castanopsis Indica</i> |
| Khanayo | <i>Ficus semicordata</i> |
| Lampatey | <i>Terminalia Myrocarpa</i> |
| lemon | <i>Citrus Medica</i> |
| Litchi fruit | <i>Nephelium lappaceum</i> |

| Local Name | Scientific Name |
|---------------------------|-------------------------------|
| Malato | <i>Macaranga spp</i> |
| Male shield fern | <i>Dryopteris filix-Mas</i> |
| Malota | <i>MacarangaPustlata</i> |
| Malota | <i>Macaranga spp</i> |
| Mango | <i>Magnifera indica</i> |
| Mauwa | <i>Engelhardia spicata</i> |
| Morongay (Poinious Plant) | <i>Anarcardiaceae</i> |
| Nebaro | <i>Ficas rosenbergii</i> |
| Oak | <i>Quercus</i> |
| Pakasaj | <i>Rerminalia crenulata</i> |
| paksaj | <i>Terminalia tomentosa</i> |
| Panax Ginseng | <i>Panax Quinquefolious</i> |
| Phaledo | <i>Erythrina Indica</i> |
| Piple | <i>Populus Ciliata</i> |
| Rasp berry | <i>Rubus Pentagunus</i> |
| Sal | <i>Shorea Robusta</i> |
| Sethi Kath | <i>Sethi kath</i> |
| Setikath | <i>Endospermum chanensis</i> |
| Seto siris | <i>Albezza procera</i> |
| Simal | <i>Bombax ceiba</i> |
| Simal | <i>Bombacaeae</i> |
| Siris | <i>Albizia lebbek</i> |
| Sisnu (Himalayan nettle) | <i>Girardina diversifolia</i> |
| Sunakhari | <i>Epiphylic Orchid</i> |
| Teak | <i>Tectona Grandis</i> |
| Thakal | <i>Cycas peetinate</i> |
| Thootne | <i>Ficas hipsida</i> |
| Titaypati | <i>Artemisia plant</i> |
| Tooni | <i>Cendrela febrifuga</i> |
| Tooni | <i>Toona ciliate</i> |
| Tooni | <i>Cendrela febrifuga</i> |
| tree Fern | <i>Cythea</i> |
| Utis | <i>Alnus Nepalis</i> |
| Wild banana | <i>Muas Paradisica</i> |

Table 7: Some Fauna Species in Shechamthang and Other Subproject Sites under Secondary Towns Urban Deveopment Project

| English Name | Scientific name |
|--------------------------|----------------------------|
| Golden langur | <i>Trachypithecus geei</i> |
| Rofous Necked Hornbill | <i>Bucerosbicornis</i> |
| Rofous bellied hawk Egle | <i>Lophotriorchis</i> |
| common leopard | <i>Panthere Pardus</i> |
| Barking Dear | <i>Indian Muntajac</i> |
| Goral | <i>Naemorhedus baileyi</i> |
| common pythons | <i>Pythonidae</i> |
| Leeches, | <i>Hirudinea</i> |
| Common lizard | <i>Zodiac vivipara</i> |

75. Shechamthang is a dry land cultivated without any vegetation. There are hardly any trees besides some cultivate fruit trees that will be impacted by the project. The water supply trunkline from Lharingchhu to Sarpang does pass through a mixed deciduous broad leaf subtropical forest in the initial stretch of about 2 km there after it passes through the Relangthang village and to the Gelephu- Tsirang highway at Relangthang zero point. Further the trunk line shall run all along the Gelephu- Tsirang highway till Jogidara village and further the trunk line recedes downhill and shall make a road crossing just above the Shechamthang local area plan (LAP). The line then passes through the barren LAP and to the Sarpangchhu bridge crossing and takes-up along the hillside of the road till Bhutan Oil Corporation (BOC). From BOC the trunk line passes through the up-hill section on cultivated land till to the Amaley dara Water Treatment Plant. The new pipe line is proposed to be laid along the existing line and is not likely to require any tree felling.

2. Avifauna in Shechamthang and Other Subproject Areas under STUDP

76. The subtropical forests of Sarpang, Gelephu and Samtse are rich in birds and mammals. Mammals such as elephant, barking deer, rhesus macaque, Bengal fox, hares, jungle cat etc inhabit the area. Elephant which known to occasionally visit the areas are totally protected under Schedule I of FNCA and is categorized as endangered in IUCN red list. The sub-tropical forest along the foothills up to 1200m is the richest in bird species.

77. In the slightly colder, cool broad-leafed forests of Trashigang, Punakha and Wangdue Phodrang mammals such as Assamese Macaque, wild boar, barking deer, goral, Himalayan Serow, Sambar, leopard etc. are known to inhabit the areas further away from the human habitation. Leopard is protected species under schedule I of Forest and Nature Conservation Act (FNCA) but it is categorized as lower risk under IUCN categorization. But none of the endangered and classified specieis are found around the project sites as the project areas are in habituated semi-urban areas. The list of birds that are found the project area is provided in the table below based on historical data.

Table 8: Avifauna in Project Areas

| Scientific name | Common Name | Inner | South | FNCA Status | IUCN Status |
|-----------------------------|--------------------------------|-------|-------|-------------|-----------------|
| <i>Aceros nipalensis</i> | Rufous-necked hornbill | | √ | Protected | Vulnerable |
| <i>Buceros bicornis</i> | great hornbill | | √ | - | Near Threatened |
| <i>Pavo cristatus</i> | Indian peafowl | | √ | - | Least Concern |
| <i>Chaimarrornis</i> | white-capped water | √ | √ | - | - |
| <i>Garrulax albogularis</i> | White-throated | √ | | | |
| <i>Garrulax leucolophus</i> | white-crested laughingthrush | √ | √ | - | - |
| <i>Pomatorhinus</i> | rusty-cheeked scimitar babbler | √ | √ | - | - |

Note: Area Inner—Inner Himalayas (Punakha, Wangdue, Trashigang), South—Sarpang, Gelephu, Samdrup Jongkhar, Samtse.

J. Economic Development of the Subproject Sites

1. Income and Expenditures

78. As an urban project the general beneficiaries of the projects are the urban populace who are mostly into business. Other residents are working for the various services and public sectors in the areas. The income and expenditure of respondent households in Shechamthang and other locations of subprojects under STUDP were determined and are shown in Table 9. Incomes range from Nu5,913 in Rangjung to Nu73,518/month in Bajo/Wangdue. Similarly, expenditures range from the lowest of Nu9,261/month in Rangjung to highest of Nu32,736/month in Bajo/Wangdue. In particular, figures for Sarpang is at lower range with monthly household income of Nu13,938 and monthly household expenditure of Nu13,251. There is a wide variation between the towns which may be explained by the randomness of the survey. Incomes are relatively high in almost all towns compared to rural areas across the country as the survey work was targeted primarily in urban centers mainly with the business community and working families.

Table 9: Income and Expenditure of Respondent Household Heads

| Town | Monthly Household Income (Nu/month) | Monthly Household Expenditure (Nu/month) |
|-----------------|-------------------------------------|--|
| Sarpang | 13,938 | 13,251 |
| Paro | 50,624 | 25,931 |
| Punakha | 29,490 | 30,634 |
| Samtse | 34,695 | 11,836 |
| Gelephu | 58,881 | 24,715 |
| SamdrupJongkhar | 38,640 | 17,156 |
| Dewathang | 40,016 | 10,029 |
| Trashigang | 28,187 | 15,624 |
| Rangjung | 5,913 | 9,261 |
| Bajo | 73,528 | 32,736 |

Source: Poverty and Social Analysis (PSA) Survey 2015-2016 (TA 8551).

79. Poverty is usually defined as an income that is inadequate to meet the minimum expenditure associated with the maintenance of a family. Since the Poverty and Social Analysis (PSA) survey was carried out in core urban town area, the Poverty rate per month per Person is way above than the total poverty line of Bhutan 2017 which stands at Nu2,195.95 per person per month of which the food poverty line is Nu1,473.45/person/month while the non-food allowance is Nu722.5/person/month.¹³

2. Educational Institutions and Services

80. Literacy rates for each of the project towns under STUDP, including Shechamthang (Sarpang), are shown below in Table 10. The overall literacy rate for all towns is 73.12%. Males have a higher literacy rate than females at 81.11% compared with 63.81%. Literacy rates general fall with the range of 35% to 85%, although the small, largely rural town of Pam has much lower rates of literacy as could be expected.

Table 10: Literacy Rates for Project Towns

| Town | Literacy Rate (%) | | |
|------------------|-------------------|--------|-------|
| | Male | Female | Total |
| Sarpang | 85.63 | 68.69 | 77.54 |
| Paro | 82.93 | 67.18 | 76.30 |
| Punakha | 89.89 | 81.63 | 85.95 |
| Samtse | 83.77 | 65.19 | 74.20 |
| Gelephu | 78.36 | 59.86 | 70.53 |
| Samdrup Jongkhar | 83.95 | 60.74 | 74.51 |
| Dewathang | 73.19 | 50.55 | 62.54 |
| Trashigang | 84.58 | 67.83 | 76.95 |
| Rangjung | 73.0 | 60.32 | 71.24 |
| Pam | 28.96 | 42.22 | 35.35 |
| Bajo | 79.74 | 61.00 | 71.57 |
| Overall | 81.11 | 63.81 | 73.12 |

Source: PSA report 2015-2016 conducted under TA 8551: Improved urban environmental Infrastructure Project

3. Health Infrastructure and Services

81. Health in Bhutan is one of the government's highest priorities in its scheme of development and modernization. As a component of Gross National Happiness (GNH), affordable and accessible health care is central to the public policy of Bhutan. The Constitution of Bhutan ensures a "safe and healthy environment," by providing "free access to basic public health services" in both modern and traditional medicines. As of 2013, there were 32 hospitals across Bhutan and most Dzongkhags are facilitated with at least one hospital, except for Gasa. There are also smaller medical facilities available in each dzongkhag such as basic health unit and outreach clinic.

¹³ 2017. National Statistics Bureau, *Poverty Analysis Report*. Thimphu. The calculation is based on average household size of 4.1 persons.

82. Presently, there are referral hospitals, district hospitals, basic health units and outreach clinics in Bhutan. The emergency cases are usually referred to the referral hospital either in Thimphu in western Bhutan or in Mongar which is situated in the eastern Bhutan. Shechamthang (Sarpang) and other subproject locations under STUDP are in the Dzongkhag centers and have district hospitals in the vicinity. The list of facilities is shown in Table 11.

Table 11: Medical Facilities in Project Towns

| Thromde | Nearest Hospital. Distance |
|-----------------|---|
| Sarpang | Sarpang District Hospital, <2km |
| Paro | Paro District Hospital, <3km. |
| Punakha | Punakha District Hospital, <5km. |
| Samtse | Samtse District Hospital, <2km. |
| Gelephu | Gelephu Regional Hospital, Within Thromde |
| SamdrupJongkhar | Samdrup Jongkhar District Hospital, <2km. |
| Dewathang | Deothang Hospital, <1km |
| Trashigang | Trashigang District Hospital, <2km. |
| Rangjung | Rangjung BHU <2 km. |
| Bajo | Wangdue district Hospital, <5km |

4. Basic Amenities and services

83. Shechamthang (Sarpang) has existing road networks and established local area plan (LAP). It draws electricity supply from the national grid and water from existing water supply infrastructure that is the focus of both Shechamthang and Sarpang subprojects under STUDP.

5. Market

84. Shechamthang (Sarpang) has an existing or planned urban center with few commercial activities. The market such as weekend vegetable market is observed to be open once a week, although vegetables are always available throughout the week. This is due to excellent farm-to-market roads and transport facilities set up by the government. However, this situation may not hold true during monsoon season due to frequent road obstructions.

6. Demography

85. Sarpang is the most important Dzongkhag in the Southern Region of Bhutan. It is strategically placed on the Indo-Bhutan border adjoining the Indian state of Assam. It is also one of the oldest towns in the country with access to motorable roads as early as in 1950s. The administrative center for the Dzongkhag is also at Sarpang Tar and the big urban center of Gelephu which is at a distance of about 32 km to the west. In the past Sarpang was the seat of administration for southern Bhutan and housed the office of Commissioner, Lhotsham Chichhap. It became a Dzongkhag headquarters in late 1980s. Sarpang town presently accommodates a population of 4,000 inclusive of Shechamthang. The population is spread out over an area of approximately 2.74 km². The overall population of Sarpang Dzongkhag is 34,426 within 12 Gewogs.¹⁴ The area at present could be characterized as an agglomeration of

¹⁴ Asian Development Bank, National Statistics Bureau of Bhutan. 2013. *Bhutan Living Standards Survey, 2012 Report*. Manila and Thimphu.

scattered pockets of residential, institutional and administrative settlements, each with varying population and density patterns.

86. Sarpang Dzongkhag is administratively supported by a one Dungkhag (Gelephu) and consists of 12 Gewogs and 172 villages. The dzongkhag has a domestic airport recently established in Gelephu Dungkhag. In the same locality there is also a hot spring known for its special healing property.

87. The overall demographics of Sarpang town consist of (51.28%) male and (48.72%) female. Literacy rates are higher for males than females at 85.63% compared with 68.69% as shown in Table 12. The population of Sarpang town (excluding Shechamthang area) in the year 2015 was 2,619 and is expected to reach 5,000 by the year 2020 considering a compound growth rate of 4.41% per annum.¹⁶

Table 12: Demographic Information of Sarpang

| Category | | | Total |
|-----------|------------|----------------|--------------|
| Gender | Male | 1,343 (51.28%) | 2,619 (100%) |
| | Female | 1,276 (48.72%) | |
| Education | | | |
| Male | Literate | 1,043 (85.63%) | 1,809 |
| Female | | 766 (68.69%) | |
| Male | Illiterate | 175 (14.37%) | 524 |
| Female | | 349 (31.31%) | |

Source: PSA report 2015–2016 conducted under TA 8551: Improved urban environmental Infrastructure Project.

7. Occupation and Income

88. The PSA 2015¹⁷ showed that the majority of household heads in the urban sector of Sarpang is engaged in business (71.45% male) and (61.12% female) followed by 28.55% males in civil service. Of all the sample surveyed households, no one was engaged in agricultural farm works as the survey was centered in urban areas. Accordingly, the contribution of agriculture is none to total household income. See Table 13 below.

Table 13: Occupation of Head of Household by Gender in Sarpang

| Occupation | Male | | Female | | Total | |
|------------------------------|------|-------|--------|-------|-------|-------|
| | No. | % | No. | % | No. | % |
| Agricultural worker (farmer) | 0 | 0 | 0 | 0 | 0 | 0 |
| Business | 5 | 71.45 | 11 | 61.12 | 16 | 88.89 |
| Private Sector employee | 0 | 0 | 0 | 0 | 0 | 0 |
| Civil Service | 2 | 28.55 | | | 2 | 11.11 |
| Housewife | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 7 | 100 | 11 | 100 | 18 | 100 |

Source: PSA 2015.

¹⁵ Population and Housing Census of Bhutan, 2005.

¹⁶ Bhutan National Urbanization Strategy, 2008.

¹⁷ A survey (PSA 2015) of sample households in SamdrupJongkhar, Trashigang, Samtse, Paro, Punakha, Sarpang and Gelephu was undertaken between Feb-April 2015. An additional survey work of Bajo town under Wangdue was carried out in May 2016.

89. The regular major contributor to total annual income of sample households in Sarpang is salaries and wages followed by other sources such as business (shops). No income coming from rental of farming equipment or pension was reported, as shown in Table 14 below.

Table 14: Contribution of Sources of Income to Total Monthly Household Income of Sarpang

| Sources | Amount per annum (Nu) |
|---|-----------------------|
| Fruit orchard | 14,384.00 |
| Rental of farming equipment/animals/land | 00 |
| Salaries and wages | 25,577.00 |
| Pensions | 00 |
| Others shop | 43,700.00 |
| Average monthly income of reporting households (Nu) | 13,938.00 |

Source: PSA 2015.

K. Socio and Cultural Resources

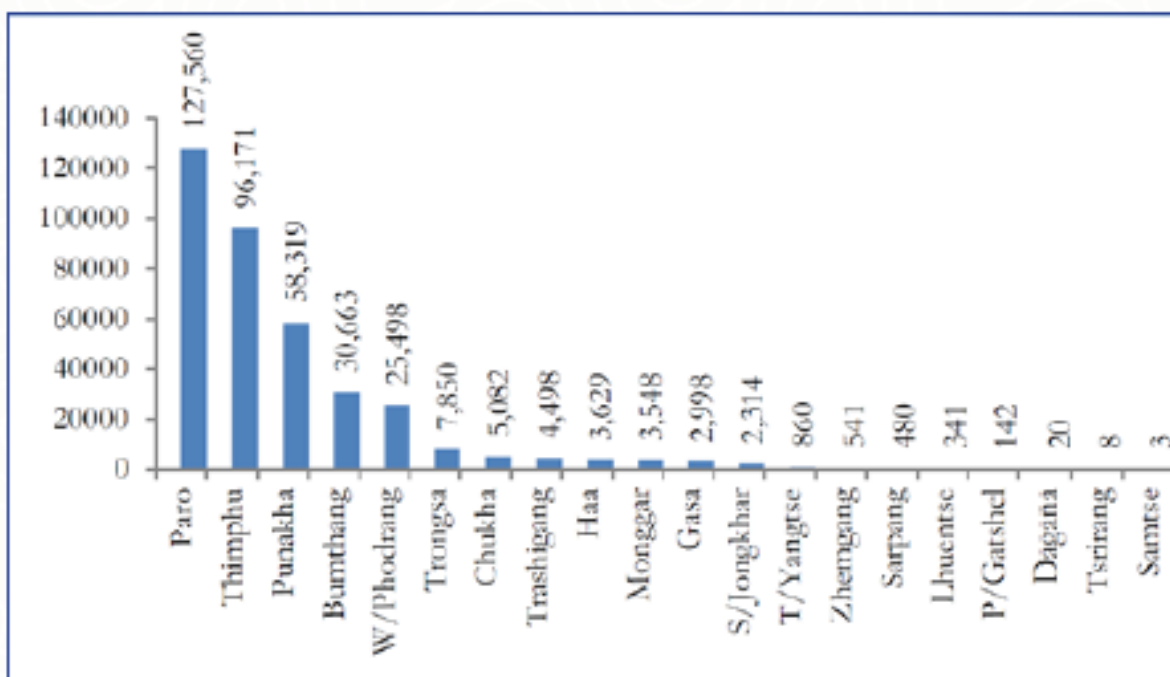
90. There are no religious, historical, cultural and archaeological sites within proposed project areas that are highly sensitive and likely to be impacted at any of the Project Thromdes. However, the projects are in vicinity of some religious and cultural entities in each of the Thromdes are listed as below:

Table 15: Important sites in Project Towns

| Thromde | Cultural Highlights that will be impacted by projects |
|-----------------------|--|
| Shechamthang, Sarpang | none |
| Paro - Tshongdue | Ugyen Pein Palace, Airport, Tshongdue Lhakhang, Khangkhu Lhakhang. |
| Paro- Bondey | Bondey Lhakhang, National highway and access to international airport. |
| Punakha | Khuru Lhakhang, Ugyen Academy, Khuru MS School. |
| Samtse | Shiva Mandir, Royal Guesthouse, |
| Gelephu | Tali Dratshang, |
| SamdrupJongkhar | None. |
| Dewathang | RBA Camp |
| Trashigang | Trashigang Dzong, |
| Rangjung | Rangjung Yoesel Choling Lhakhang |
| Bajo | Chhukhor manis near the intake, scared site on the way. Wangdue Dzong, Bajo Lhakhang |

1. Tourism and Recreation

91. Paro, Thimphu, Punakha, Wangdue Phodrang, and Bumthang districts are the most popular destinations for tourists in Bhutan. The top four destinations are all located in the western part of the country. On the other hand, Pema Gatshal, Dagana, Tsirang and Sarpang received the fewest number of tourists in 2014. Incidentally, all of them are located in the Southern part of country. The Eastern districts also received very limited number of tourists. The Central districts, though they received far fewer tourists compared to the West, fared quite well compared to the Eastern and the Southern parts of the country. Compared to 2013, the number of tourists increased drastically in 2014, but disproportionately more in the popular districts of Paro, Thimphu and Punakha.

Figure 13: Tourist Arrival per Thromde, 2014

2. Tourist arrivals by bed nights and Dzongkhag

92. The highest tourist arrival in the country is in Paro due to the international airport and its proximity to the capital city of Thimphu. There are also places of cultural and recreational interests in Punakha, and Wangdue. Trashigang, and Samdrup Jongkhar are on the main east-west-south highway and have decent tourist arrivals. Sarpang is on the route to Zhemgang and part of the ecotourism initiatives in the Manas region. Samtse receive comparatively least tourists than any other districts.

V. ANTICIPATED IMPACTS AND MITIGATION MEASURES

93. This IEE assesses the impacts of the proposed activities for water distribution network subproject on environmental attributes in Shechamthang.

94. Methodology. Issues for consideration have been raised by the following means: (i) input from interested and affected parties; (ii) desk research of information relevant to the proposed project; (iii) site visit and professional assessment by the environment specialist; and (iv) evaluation of proposed design and potential impacts based on the environment specialist's past experiences. Categorization of the project and formulation of mitigation measures have been guided by ADB's Rapid Environmental Assessment (REA) Checklist for Water Supply (Appendix 1) and ADB Safeguard Policy Statement (SPS), 2009.

95. A comprehensive screening for environmental impacts is made through a review of the parameters associated with water supply projects against the components of the proposed subproject and the environment where the facilities will be located. A screening checklist was developed from various sources such as NEC checklists, ADB REA Checklist for Water Supply, and World Bank environmental assessment sourcebook. Some items of the checklist may not be applicable to this particular subproject. However, they are included in the discussions to indicate that their applicability was reviewed in the environmental impact screening process. This exercise will help identify which topics do not require further attention.

96. **Assessment of the Impacts.** The assessment is made on the following phases of the subproject: (i) Pre-construction, (ii) Construction, and (iii) Operation and Maintenance. Results of the environmental impacts screening are summarized in Table 16. It shows the impact types and magnitudes for both positive and negative impacts without the mitigating measures and the resulting situations when mitigating measures will be implemented. Discussions of each issue are presented in the succeeding sections. For ease of identification, a summary of the environmental impacts that should be carried to the section for environmental management plan (EMP) is presented at the end of this section.

97. Environmental impacts arising from decommissioning of the proposed water supply project were also reviewed but are no longer further discussed due to the following: (i) decommissioning of facilities is a remote possibility since these will serve growing urban areas and such facilities are critical for sustaining those areas, (ii) residual waste cleanup is not a major concern since the facilities are not industrial manufacturing plants with potential problems for toxic and hazardous wastes, and (iii) if assuming a decommissioning is needed in the future, solid wastes from this activity is also not a major concern since the structures are mostly made of reinforced concrete and the solid wastes to be generated are mostly recyclable materials such as broken concrete materials, reinforcing steel bars used in the structures, structural steel, etc.

Table 16: Summary of Environmental Impact Screening

| Environmental Impacts and Risks | Without Mitigation | With Mitigation |
|---|---------------------------|------------------------|
| PRE-CONSTRUCTION PHASE | | |
| Encroachment to environmentally sensitive areas | na | na |
| Impacts and risks to biodiversity conservation | na | na |
| Encroachment to historical areas and cultural areas | Δ - | Δ |
| Potential competing use of water resource | Δ - | Δ |
| Potential nuisance and problems to the public | ● - | Δ |
| Loss of assets (IR concerns) | ● - | Δ |
| | | |
| CONSTRUCTION PHASE | | |
| Modification of construction site topography | Δ - | Δ |
| Cutting of trees | Δ - | Δ |
| Displacement of Rare or Endangered Species | na | na |
| Soil erosion and sediments of construction sites | ● - | Δ |
| Nuisance/ public inconvenience in pipelaying | ● - | Δ |
| Noise from construction equipment | ● - | Δ |
| Local air pollution due to construction activities | ● - | Δ |
| Oil and other hazardous materials releases | Δ - | Δ |
| Vehicular traffic congestion and public access | ● - | Δ |
| Hazards to public due to construction activities | ● - | Δ |
| Pollution and health risk due to workers camp | ● - | Δ |
| Increase employment opportunity in work sites | ● + | ● + |
| Improper closure of construction sites | ● - | Δ |
| | | |
| OPERATION AND MAINTENANCE PHASE | | |
| Health hazard due to delivery of poor water quality | ● - | Δ |
| Pollution from increased generation of sewage and sullage | ● - | Δ |
| Noise and air pollution of pumping stations | Δ - | Δ |
| Ground subsidence due to over-pumping | ● - | Δ |
| Noise and air pollution from water treatment plant | Δ - | Δ |
| Waste generation of filter beds (backwash) | Δ - | Δ |
| Pumping stations operational risk and safety | ● - | Δ |
| Water treatment facility operational risk and safety | ● - | Δ |
| Increase employment opportunities | Δ + | Δ |

Legend: n.a. = not applicable; Δ = insignificant; ● = significant; + = positive; - = negative.

A. Design/Pre-Construction Phase Considerations

98. **Encroachments.** The subproject's component will not be located in areas that are environmentally sensitive and areas with historical and cultural importance. As described in the environmental baseline, the proposed sites are existing pipeline routes or along roads with existing right of way. The alignments are in residential, institutional, and commercial areas. There are no known archaeological and cultural assets in these proposed sites. Nevertheless, precautions will be taken to avoid potential damage to any archaeological and cultural assets by inclusion of provisions in tender and construction documents requiring the contractors to immediately stop excavation activities and promptly inform the authorities if archaeological and cultural assets are discovered.

99. **Impacts and Risks to Biodiversity Conservation.** The issue on impacts and risks to biodiversity conservation is not applicable to the subproject sites, since the subproject's

components will not be located in areas that are environmentally sensitive. The sites are not in undisturbed or declared protected areas, but in landscapes that over the years have been inhabited by people whose various activities defined the present land uses as either or combination of the following: (i) residential, or (ii) commercial; or (iii) institutional; or (iv) agricultural.

100. **Competing Use of Water Resource.** The proposed sources of water systems are surface waters that are already being tapped for domestic water supply and still have excess discharge capacities.

101. **Nuisance and Problems to the Public.** Potential nuisances and problems to the public during construction can best be avoided if proactively addressed during detailed design and pre-construction phase. Consultation and information dissemination to potentially affected people shall be done during detailed design. Tender documents shall include provisions addressing potential nuisances and problems to the public during construction. These include environmental management provisions on the following issues: (i) erosion and sediment runoff, (ii) noise and dust, (iii) vehicular traffic, (iv) construction wastes, (v) oil and fuel spillages, (vi) construction camps, and (vii) public safety and convenience. In addition, prior to site works, the contractor shall coordinate with the appropriate agencies in the procurement of required clearances with regard to electricity, telephone lines and other utilities/structures that may be affected by construction activities. These shall all be reflected in the construction contracts.

102. **Loss of Assets.** Site-specific infrastructure component of the water supply distribution subproject such as water distribution pipelines will be laid out underground, hence the disturbance to private property where they might pass through will be temporary and minimal. Moreover, the new pipelines will usually be laid out parallel to existing lines making potential disturbance less intrusive.

B. Construction Phase Environmental Impacts

103. **Site Preparation.** Construction of water supply distribution network will all be located in along alignments with existing right of way and will not involve modification of the construction site topography. Water supply pipelines will follow as much as possible the existing site contour. There will be no cutting of trees in forest lands. Therefore, the issue on environmental impacts of site preparation is considered not significant. Likewise, potential removal of trees will not be an issue because pipelines will mostly be laid in trenches along the right-of-way of existing roads parallel to existing pipelines. The issue on displacement of rare or endangered species is not applicable to this subproject since there are no known rare or endangered species within the proposed sites.

104. **Mitigation.** It is not expected that trees will be cut because the pipelines will be along the existing site contour.

105. **Source of materials.** Significant amount of gravel, sand and aggregate, will be required for this subproject. The sources of these materials might have generated negative impact to the environment.

106. **Mitigation.** The contractor will be required to:

- (i) source gravels from Natural Resource Development Corporation Ltd. (NRDCL) approved, existing and operational quarries, or import from overseas companies with authority to export such materials; and
- (ii) no direct quarrying in the project areas.

107. **Archaeological and cultural resources—chance finds.** As mentioned above, subproject areas are not potential archaeological area and therefore no impacts is envisaged. However, in the remote possibility that archaeological artifacts or assets are found during excavation activities, chance find procedure will be followed.

108. **Mitigation.** In any event of a likely chance find, the following procedure will be followed by the contractor:

- (i) Stop work immediately to allow further investigation; and
- (ii) If the site supervisor determines that the item is of potential significance, an officer from the Ministry of Home and Cultural Affairs (MOHCA) will be invited to inspect the site and work will be stopped. Until MOHCA has responded to this invitation, work will not re-commence in this location until agreement has been reached between MOHCA, PMU and PIU as to any required mitigation measures, which may include excavation.

109. **Soil Erosion and Sediment of Construction Sites.** During rainy periods, exposed soil at the construction site can be easily washed away by runoff and carried to the natural and man-made drainage systems. Hence, soil erosion of the construction sites could occur if preventive measures are not instituted.

110. **Mitigation.** Control of the surface runoff is necessary in preventing erosion. The contractor shall be required to use structural erosion prevention and sediment control practices which will divert the storm water flows away from the exposed areas, prevent sediments from moving offsite, and reduce the erosive forces of runoff waters. These may include the following: (i) interceptor dikes, (ii) pipe slope drains, (iii) sediment traps, and (iv) temporary sediment basins. Whenever possible, total exposed area shall be minimized.

111. **Nuisance or public inconvenience during pipelaying.** Public inconvenience could arise in pipelaying works due to prolonged period of water supply service interruptions. Dumping of construction materials and solid wastes in watercourses could degrade surface water quality and disturb the natural flow regime of these water bodies, which would eventually cause nuisance to the public.

112. **Mitigation.** The construction contractor shall be required: (i) to do installation of pipes within the shortest time possible to minimize water supply cut-off periods and/or use of night time schedules, as well as announcement of water supply interruptions two to three days prior to actual cut-off; and (ii) not to dump earth, stones, and solid wastes in watercourses to avoid adverse impact on water quality and flow regime.

113. **Construction Noise.** Potential sources of noise are the construction equipment, such as trucks and other equipment, which can generate noise of 80 dB(A) from a distance of 30 meters. Loud noise sources such as blasting are not expected in the construction activities of the subproject. This issue is important if the proposed pipeline routes are in residential areas.

114. **Mitigation.** Nuisance from equipment noise can be mitigated with the use of sound suppression devices for the equipment. In areas near any house or noise-sensitive sites, noisy equipment shall not be operated during nighttime to early morning (2200H–0600H). Noise levels due to construction activities should not exceed 55 dB(A) near schools and other sensitive areas, and 45 dBA during nighttime (2200H–0600H). Workers using noisy equipment shall be provided with earplugs.

115. **Local Air Pollution Due to Construction Activities.** Dust generation from trenching, earthworks, and soil preparation activities during dry periods is expected to give rise to air pollution problem. Intermittent episodes of air pollution from smoke belching equipment may also occur. This issue is considered significant during dry periods. Another potential source of air pollution are large stockpiles of construction materials such as soil and aggregates. Without any mitigating measures, dust generation could be significant during dry periods.

116. **Mitigation.** The contractor shall be required to: (i) perform regular water spraying of the sites during dusty periods in order to reduce the generation of dusts; (ii) use equipment that are properly maintained; (iii) cover stockpiles that will be left idle for a long time to avoid dust generation due to wind action; and (iv) ensure that trucks transporting loose construction materials such as sand, gravel, spoils, and the like shall be provided with tarpaulin cover.

117. **Oil and other hazardous materials releases.** Heavy equipment and vehicles will be used in the various construction activities for the subprojects. Aside from fuel, oil, and grease, the activities may also involve the use of paints and solvents. Although there is potential for accidental releases of these materials, the issue is not considered significant since expected quantities will be relatively small. However, as part of good construction practice, the contractors shall be required to implement an awareness program for all workers regarding the prevention and management of spills and proper disposal of used containers. Fuel and oil shall be stored in a designated secured area provided with an impermeable liner to prevent any spills from seeping into the ground.

118. **Vehicular Traffic Congestion and Public Access.** Construction activities, such as pipelaying, may cause traffic congestion in heavily traveled highways and narrow streets. It may hinder public access. Pipelaying is expected to cause traffic slowdown and congestion since this kind of road work could constrict the passageway of vehicles. Installation of secondary pipes crossing the highway to the other side may also need temporary closure of about half the road, which may lead to traffic congestion. This issue is therefore considered significant.

119. **Mitigation.** Contractors shall be required to: (i) prepare a traffic management plan; (ii) closely coordinate with local authorities for the closure of roads or rerouting of vehicular traffic in accordance with the traffic management plan; (iii) consider the schedules of local activities with heavy presence of people such as festivities, processions, parades, etc. in the timing of construction activities; (iv) do proper stockpiling and immediate disposal of spoils to avoid nuisance and traffic/access obstruction; and (v) do immediate restoration of roads and other areas affected by pipe laying, construction activities and vehicles.

120. **Hazards to Public Due to Construction Activities.** Construction activities, such as pipelaying, along the roads may result to hazardous driving conditions since vehicles would still be using the road while construction activities are ongoing. The movement of construction vehicles and excavations would pose some hazards to the driving public. There is also risk of

people falling into open trenches since pipelaying trenches are normally left uncovered until pipeline testing is completed.

121. **Mitigation.** The contractor shall be required to implement a road safety plan incorporated in the construction schedule. Safety measures shall be implemented including: (i) warning signs to alert people of hazards around the construction sites, (ii) barricades, and (iii) night lamps for open trenches.

122. **Pollution and Health Risk Due to Workers Camp.** The contractor is expected to erect temporary workers' camps during construction phase. Improperly managed silt runoff and sanitary wastes from these camps may reach nearby areas. Poor sanitation and lack of proper solid waste management at the workers' camps will provide the conditions for vermin and other disease vectors to easily multiply and infect the workers. This may lead to the transmission of diseases from the workers' camps to other areas. These conditions will increase public health risk.

123. **Occupational Health and Safety.** To reduce day to day risks associated with working with heavy equipment in trafficked areas, contractor will be required to appoint health and safety officers for each site and to ensure regular briefing of the construction workforce on health and safety issues. Contractor shall establish their occupational health and safety plan to be adopted at each site following international best practices and the World Bank EHS guidelines on construction and decommissioning activities. As minimum and whichever are applicable, the occupational health and safety plan shall ensure the following:

- (i) Communication and Training
 - a. Training of all workers on occupational health and safety prior to construction works;
 - b. Conduct of orientation to visitors on health and safety procedures at work sites;
 - c. Signages strategically installed to identify all areas at work sites, including hazard or danger areas;
 - d. Proper labeling of equipment and containers at construction and storage sites; and
 - e. Suitable arrangements to cater for emergencies, including: first aid equipment; personnel trained to administer first aid; communication with, and transport to, the nearest hospital with an accident / emergency department; monitoring equipment; rescue equipment; fire fighting equipment; and communication with nearest fire brigade station.
- (ii) Physical Hazards
 - a. Use of personal protective equipment (PPE) by all workers such as earplugs, safety shoes, hard hats, masks, goggles, etc. as applicable, and ensure these are used properly;
 - b. Avoidance of slips and falls through good house-keeping practices, such as the sorting and placing loose construction materials or demolition debris in established areas away from foot paths, cleaning up excessive waste debris and liquid spills regularly, locating electrical cords and ropes in common areas and marked corridors, and use of slip retardant footwear;
 - c. Use of bracing or trench shoring on deep excavation works;

- d. Adequate lighting in dark working areas and areas with night works;
- e. Rotating and moving equipment inspected and tested prior to use during construction works. These shall be parked at designated areas and operated by qualified and trained operators only;
- f. Specific site traffic rules and routes in place and known to all personnel, workers, drivers, and equipment operators; and
- g. Use of air pollution source equipment and vehicles that are well maintained and with valid permits.

(iii) General Facility Design and Operation

- a. Regular checking of integrity of workplace structures to avoid collapse or failure;
- b. Ensuring workplace can withstand severe weather conditions;
- c. Enough work spaces available for workers, including exit routes during emergencies;
- d. Fire precautions and fire fighting equipment installed;
- e. First aid stations and kits are available. Trained personnel should be available at all times who can provide first aid measures to victims of accidents;
- f. Secured storage areas for chemicals and other hazardous and flammable substances are installed and ensure access is limited to authorized personnel only;
- g. Good working environment temperature maintained;
- h. Worker camps and work sites provided with housekeeping facilities, such as separate toilets for male and female workers, drinking water supply, wash and bathing water, rest areas, and other lavatory and worker welfare facilities; and
- i. Maintain records and make reports concerning health, safety and welfare of persons, and damage to property. Take remedial action to prevent a recurrence of any accidents that may occur.

124. **Mitigation.** The construction contractor shall be required to: (i) install proper sanitary facilities to prevent the indiscriminate discharge of sanitary wastes at the camp's surroundings, (ii) implement proper solid waste management, and (iii) prevent surface runoffs from flowing out of the workers camps to avoid carrying away any contaminants. The contractor shall be required to use temporary diversion drains, catch drains, and silt-traps at these camps.

125. **Improper Closure of Construction Sites.** Construction activities will generate construction solid wastes after completion of work. This may include used wood materials, steel works cuttings, paint and solvents containers, used oil from equipment, unused aggregates, etc. If not remove from the sites after completion of the construction activities, these solid wastes will cause aesthetic problems and some will be potential sources of contaminants for surface runoffs.

126. **Mitigation.** After completion of construction activities, the contractor shall be required to (i) remove all temporary structures built during construction phase and other unused construction materials left; (ii) remove all construction wastes from the sites; and (iii) implement surface restoration.

127. **Increase Employment Opportunities at Work Sites.** Various construction activities for the water supply project will require a number of workers. The impact would be beneficial and significant since employment opportunities in the subproject area will increase.

128. **Enhancement.** Whenever possible, the contractor shall be encouraged to use the available local labor for these construction activities. The recruitment of workers shall be coordinated with the local officials.

C. Operation Phase Environmental Impacts

129. **Health Hazard Due to Delivery of Poor Water Quality.** Delivery of poor water quality will increase the health risk to water consumers. Threats to water quality are always present in all components of a water supply system, from the raw water sources up to the service connections. Threats of contamination in water sources may be due to the presence of bacteria, viruses, protozoa, or chemicals. This issue raises the need to provide a secure barrier to post-treatment contamination as the water is transported to the consumer. Failure to implement the appropriate management measures may result to adverse consequences threatening public health such as the case of a microbial outbreak.

130. **Mitigation.** As operator or managing entity of the water supply distribution network subproject, Shechamthang (Sarpang thromde) should manage the environmental risks associated with the operation of its entire water supply system. Prevent the delivery of poor quality water to consumers by (i) ensuring that the water treatment system and the distribution network are working according to design, capacity and efficiency, and (ii) implementing a water safety plan as advocated by WHO and the 2016 Bhutan Drinking Water Quality Standard (BDWQS).

131. A water safety plan shall enable municipal engineers offices to: (i) prevent contamination of its water sources; (ii) treat the water to reduce or remove contamination that could be present to the extent necessary to meet the water quality targets; and (iii) prevent re-contamination during storage, distribution and handling of drinking water. It is an approach that will clearly show the desire of the thromdes in applying best practices in ensuring delivery of potable water to its consumers.

132. **Pollution from Increased Generation of Sewage and Sullage.** Increasing the water supply to the service area will also increase the generation of sewage and sullage since most of the water used by consumers will become wastewater from the toilets, kitchens, and laundry areas. This wastewater will contribute to pollution of the surrounding areas. Without a mitigating measure, this impact would be significant.

133. **Mitigation.** Wastewater from the toilets, kitchens, and laundry areas are normally handled by the individual household septic tanks. The septic tank system will: (i) treat the wastewater and reduce the pollution potential, and (ii) reduce the people's exposure to untreated domestic wastewater.

134. **Occupational health and safety.** The operator of the water supply subproject will adopt the World Bank EHS guidelines related to occupational health and safety for the operation of water and sanitation projects.¹⁸

135. **Increase Employment Opportunities.** Operation and maintenance of the distribution network will definitely require a number of workers. The impact would be beneficial since employment opportunities in the area will increase. However, the expected number of additional workers will be small since maintaining the distribution system is not labor intensive. This impact is therefore considered less significant.

136. Overall, the proposed water supply subproject will have a beneficial net effect on the subproject area because it will ensure continuous water supply availability and improvement in the quality of life of people in the municipality.

137. After impacts and risk screening, Table 17 lists the environmental impacts and risks that requires mitigation and shall be carried to the EMP Section.

Table 17: Environmental Impacts and Risks for Inclusion in EMP

| Environmental Impacts and Risks | Without Mitigation | With Mitigation |
|---|---------------------------|------------------------|
| PRE-CONSTRUCTION PHASE | | |
| Potential nuisance and problems to the public | ● - | Δ |
| | | |
| CONSTRUCTION PHASE | | |
| Soil erosion and sediments of construction sites | ● - | Δ |
| Nuisance/ public inconvenience in pipelaying | ● - | Δ |
| Noise from construction equipment | ● - | Δ |
| Local air pollution due to construction activities | ● - | Δ |
| Vehicular traffic congestion and public access | ● - | Δ |
| Hazards to public due to construction activities | ● - | Δ |
| Pollution and health risk due to workers camp | ● - | Δ |
| Increase employment opportunity in work sites | ● + | ● + |
| Improper closure of construction sites | ● - | Δ |
| | | |
| OPERATION AND MAINTENANCE PHASE | | |
| Health hazard due to delivery of poor water quality | ● - | Δ |
| Pollution from increased generation of sewage and sullage | ● - | Δ |
| Ground subsidence due to over-pumping | ● - | Δ |
| Future scarcity of water and conflict in water uses due to climate change | ● - | Δ |
| Water treatment facility operational risk and safety | ● - | Δ |
| Pumping stations operational risk and safety | ● - | Δ |

Legend: n.a. = not applicable; Δ = insignificant; ● = significant; + = positive; - = negative

¹⁸ World Bank Group. Environmental, Health, and Safety Guidelines for Water and Sanitation. <http://www.ifc.org/wps/wcm/connect/e22c050048855ae0875cd76a6515bb18/Final%2B-%2BWater%2Band%2BSanitation.pdf?MOD=AJPERES>

138. The subproject is unlikely to cause significant adverse impacts. However, there are no impacts that are significant or complex in nature, or that needs an in-depth study to assess the impact. The potential adverse impacts that are associated with design, construction, and O&M can be mitigated to acceptable levels with the recommended mitigation measures.

D. Cumulative Impact Assessment

139. The cumulative impact assessment examined the interaction between the project's residual effects (i.e., those effects that remain after mitigation measures have been applied) and those associated with other past, existing, and reasonably foreseeable future projects or activities. The interaction of residual effects associated with multiple projects and/or activities can result in cumulative impacts, both positive and negative. The project's potential cumulative effects were considered with respect to valued components in environmental and socioeconomic categories, in four areas:

- (i) any potential residual project effects that may occur incrementally over time;
- (ii) consideration of other known relevant projects or activities within the specified study area boundaries, even if not directly related to the project;
- (iii) potential overlapping impacts that may occur due to other developments, even if not directly related to the proposed project; and
- (iv) future developments that are reasonably foreseeable and sufficiently certain to proceed.

140. The project has identified the valued components as water quality, noise, traffic management, socioeconomic and socio-community components, and human health. There are no foreseeable projects that will overlap with the project. The spatial boundary of the project is the area along the pipe alignment, existing right of ways, and pump sites.

141. Given that the water supply requirements of other municipalities will be met and the sources considered adequate, there are no significant cumulative impacts expected on the future water supply.

142. **Air quality effects will occur during construction.** Consequently, although emissions of common air contaminants and fugitive dust may be elevated in proximity to active work sites, this impact will be short-term and localized to the immediate vicinity of the alignment. Greenhouse gas emissions may increase as a result of project activities (i.e. vehicle and equipment operation, concrete production, disposal of excavated material, landfilling of residual wastes). Given the project's relatively minor contribution to common air contaminants and greenhouse gas emissions during construction, the overall significance rating of both these potential residual effects is considered to be negligible.

143. Noise levels during construction in the immediate proximity of most work sites are expected to increase. The duration of this exposure will be relatively brief. This exposure represents a temporary, localized, adverse residual effect of low to moderate significance for affected receptors. While damage to buildings due to ground vibrations is unlikely, there may be annoyance to receptors during construction. However, all construction activities will be undertaken during daytime when background noise is relatively higher. Hence, the impact of noise generated by the construction activities is expected to be minimal and tolerable. Further, the EMP provides measures to minimize any construction noise generated.

144. Land use/traffic management concerns will occur during construction. Site-specific mitigation measures will be implemented to address temporary disruptions to land use and access, traffic delays and detours, and increased volumes of construction-related traffic. Traffic movement along the alignment will be improved once construction is completed. Since only relatively small land area will be occupied by the pipelines (that will also be buried), it will not conflict with existing or planned land use. However, following improvement in infrastructures and services, residential developments, commercial, and business facilities and increased densities are expected to develop and enhance the project area. This can be considered a long-term cumulative benefit of the subproject.

145. Upon completion of the subproject, the socio-community will benefit from improved water supply system. This is considered a long-term cumulative benefit.

146. No adverse residual effects to human health will occur as a result of subproject construction or operation. With the short term duration and localized nature of impact, the exposure to elevated noise levels and fugitive dust and common air pollutants in the vicinity of project work sites during construction is considered minor and insignificant with no measurable effects on human health.

147. The subproject will benefit the general public by contributing to the long-term improvement of water supply system and community livability in Shechamthang (Sarpang Thromde).

VI. INFORMATION DISCLOSURE, CONSULTATION, AND PARTICIPATION

148. Ministry of Works and Human Settlements (MOWHS) has undertaken various activities concerning information disclosure, public consultation, and public participation for the proposed water supply subproject for Shechamthang. These were done to achieve a meaningful stakeholders' consultation and ensure the successful implementation of the project.

149. During the planning phase, information regarding the proposed water supply project were disclosed to the public, including the conduct of a socioeconomic survey. Households in project areas were informed about the proposed project and interviewed for socioeconomic data. Survey of respondents also included those households without water service connection.

150. Key informant interviews and focus group discussions with LAP officials and municipal officials were conducted to get their cooperation and gather information relative to poverty incidence and concentration, and identify needs and recommendations on the water supply project. Participants in the key informant and focus group discussions included the following: (i) staff of the municipalities, (ii) local health officials, (iii) gender focal persons of municipalities, (iv) village officials, (v) local environment offices, and (vi) nongovernment organizations (NGOs), if present in the area.

151. **Public Consultation.** An initial public consultation was conducted on the proposed Shechamthang water supply distribution network subproject, including the proposed wastewater treatment plant and sewerage subprojects that were eventually cancelled under STUDP. Stakeholders were encouraged to raise their social and environmental issues in relation to the proposed subprojects. Participants included: (i) concerned individuals, (ii) LAP officials, (iii) NGOs, (iv) municipal officials, and (v) dzongkhag officials. As a result, stakeholders expressed support to the subprojects. Summary of the consultation outcomes is presented in Table 18, while the documentation is presented at the Appendixes 2 to 6.

152. **Future Disclosure and Consultations.** During detailed design, the project office and the MOWHS will again conduct public consultations and information disclosure. Large group of stakeholders are expected to attend these proposed consultations since proposed water tariffs will also be discussed. Views of the stakeholders will be considered in the overall design process. Stakeholders' consultations shall be continued throughout the duration of subproject implementation. MOWHS shall keep records of environmental and social complaints, received during consultations, field visits, informal discussions, and/or formal letters, together with the subsequent follow-up and resolutions of issues.

Table 18: Summary of Consultation Outcomes

| Name/ Organization | Question | Response |
|-------------------------------|--|--|
| Consultants | Does the local person support the proposed Project? | All participants pledged to give their full support for the said Project for everybody's welfare. |
| Consultants | Any critical issue or concern by the local people regarding the Project | None. |
| Consultants | Any critical issue or concern by the local people regarding the Project | No issues or concerns. |
| Consultants | Any loss of residential or commercial structures due to the Project | Yes, being dealt separately by the District and separate surveys shall be conducted for all impacted households. |
| Consultants | Any loss of Community life (like market place, public playground) or Community Activities that will be affected? | Besides the land pooling, no private land will be used for any such purpose |
| Consultants | Would there be land acquisition that would result in resettlement, or would affect parks, forest, etc.? | Besides the land pooling, no private land will be used for any such purpose |
| Consultants | Will the Project location adversely affect water resources? | No issues or concerns are foreseen. |
| Consultants | Any other issues you want to share (security, cooperation from local communities)? | We are happy to collaborate and contribute. |
| Consultants | Any Cultural or Sacred sites in the proposed township | No such places of worship or sacred sites exist. |

VII. GRIEVANCE REDRESS MECHANISM

153. Local grievance redress mechanism is important in the implementation of the proposed subproject since any complaint and concern of the affected people must be addressed promptly at no cost to the complainant and without retribution. This mechanism shall be disclosed in public consultations during detailed design and in meetings during the construction phase. Complaints about environmental performance of projects during the construction phase can best be handled by an ad-hoc committee at the local level where the subproject is located for expeditious resolutions to the complaints. Complaints during the operation phase can be

brought to the attention of the MOWHS or National Environmental Commission Secretariat (NECS).

154. The Project Grievance Redress Mechanism (GRM) follows a tiered system, starting at the local level. The GRM structure has been agreed with the concerned agencies and a notification of the GRM structure as shown in Figure 14 below and the Grievance Redress Committee (GRC) composition have been provided by MOWHS. See government notification in Appendix 7. The GRM will ensure that grievances and complaints regarding land acquisition, compensation and resettlement or other social and environmental issues will be addressed in a timely and satisfactory manner. People in the towns will be made aware of their rights and the detailed procedures for filing of grievances. PIUs will be undertaking outreach activities to make people aware of the GRM and will be published on the thromde/ dzongkhag and MOWHS websites. GRM will also be displayed at notice boards in the PIU offices.

155. **First level of GRM.** Aggrieved persons may first approach the contractor's site representative/project manager in case of complaints related to construction related nuisances. The complaint must be recorded in the site register and contractor should provide a resolution to the complaint within 2 days. In case, the complaint is not resolved at this level, the aggrieved persons can then file a complaint with the PIU office. Aggrieved persons are entitled to lodge complaints regarding any aspect of the land acquisition, entitlements, benefits or rates of payment as well as any project related social or environmental issues. Complaints can be made verbally or in written form. Complaints made to the PIU should be resolved within 3 days. All complaints must be recorded by the PIU, including actions taken to resolve the complaint. Complaints, their nature and resolution should be mentioned in the quarterly progress reports. A sample grievance registration form is appended as Appendix 8.

156. **Second level of GRM.** At this level, the PIU Manager/Municipal level will coordinate with the Dzongkhag/ thromde municipal Committee which should be in place prior to project implementation. This committee will be comprised of: (i) Dzongda (district administrator) or thompon (mayor) as Chairman; (ii) municipal engineer (PIU Project managers) as Member secretary; (iii) District engineers; (iii) district/municipal planning officer; (iv) district/municipal legal officer; (v) district/municipal environmental officer; (vi) district/municipal land record officer, (vii) town representatives (elected); and (viii) gender focal person of PIUs. The aggrieved person who filed the complaint (or representative/s from the affected household/s) will be called to present his/her case and deliberation on the case will be done through proper hearing or mediation. It will be the responsibility of the dzongkhag/ thromde committee to resolve the issue within 15 days from the date the complaint is received. Minutes of meeting of the Dzongkhag/ thromde committee meeting will be kept and resolution provided will be recorded for purposes of project monitoring.

157. If the complaint is unresolved at this level, the PMU, PIU or the District Administrator will inform the aggrieved person accordingly and assist them in elevating the complaint to the PMU/ Central Grievance Committee.

158. **Third level of GRM.** Grievances not redressed at the Dzongkhag/ thromde municipal committee within 15 days will be brought to the Central Grievance Redress Committee at MOWHS level. The Central Grievance Redress Committee will comprise of: (i) Secretary, MOWHS (Chairman); (ii) Director, DES (Member secretary); (iii) Project manager, PMU; (iv) Project coordinator, PMU; (v) Water and Sanitation Division chief; (vi) legal officer, MOWHS; (vii) environmental officer, MOWHS; (viii) gender officer (MOWHS); and (ix) representatives from local NGOs. It will be the responsibility of the dzongkhag/ thromde committee to resolve

the issue within 10 days from the date the complaint is received. In the event, the grievance is still not resolved; the matter may be elevated by the aggrieved person to an appropriate court of law. The court will have the final authority to approve or reject the case. Aggrieved persons may seek recourse through legal system at any stage of the GRM process.

159. **Recordkeeping.** Records will be kept by the PIU of all grievances received, including contact details of complainant, date the complaint was received, nature of grievance, agreed corrective actions and the date these were effected, and final outcome.

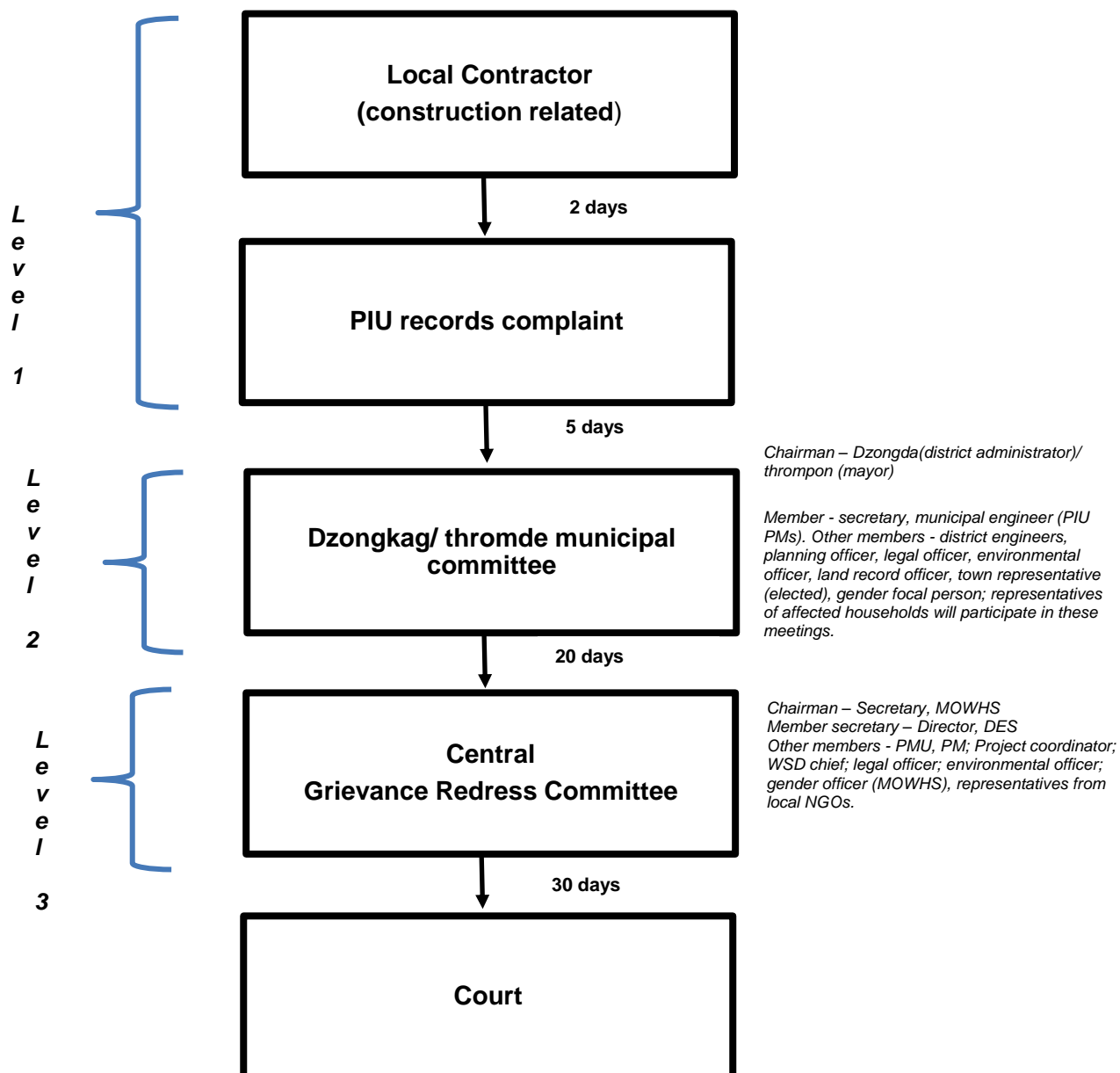
160. **Costs.** All costs involved in resolving the complaints (meetings, consultations, communication, and information dissemination) will be borne by the municipalities (Shechamthang for this subproject) that will operate and maintain the water distribution network.

161. **Complaints to NECS.** Complaints about environmental performance of projects issued an Environmental Clearance can also be brought to the attention of NECS. The steps that NECS may follow in handling complaints are: (i) NECS shall verify if the complaint is within its jurisdiction; (ii) within 72 hours from receipt of a complaint NECS will send the proponent a Notice of Alleged Violation and requests for an official reply as to why the proponent should not be penalized; and (iii) NECS may conduct field validation, site inspection and verification or other activities to assess or validate the complaint. The proponent is allowed to respond within 7 days. Proponent's failure to respond to the NAV and further notices will force NECS to take legal actions. NECS may issue a Cease and Desist Order to project proponents which shall be effective immediately based on: (i) violations under the National Assessment Act of 2000 and its implementing rules and regulations, and (ii) situations that present grave or irreparable damage to the environment. NECS may also suspend or cancel the proponent's Environmental Clearance if the terms and conditions have been violated the National Environment Protection Act of 2007.

162. The GRM notwithstanding, an aggrieved person shall have access to the country's legal system at any stage. This can run parallel to accessing the GRM and is not dependent on the negative outcome of the GRM.

163. In the event that the established GRM is not in a position to resolved the issue, the affected persons can also use the ADB Accountability Mechanism through directly contacting (in writing) the Complaint Receiving Officer at ADB headquarters. The complaint can be submitted in any of the official languages of ADB's Developing Member Countries. The ADB Accountability Mechanism information will be included in the Project Information Document to be distributed to the affected communities, as part of the project GRM.

Figure14: Grievance Redress Process



VIII. ENVIRONMENTAL MANAGEMENT PLAN

164. This section addresses the need for mitigation and management measures for the Shechamthang water supply distribution network subproject. Information includes: (i) mitigating measures to be implemented, (ii) required monitoring associated with the mitigating measures, and (iii) implementation arrangement. Institutional set-up is presented in the implementation arrangement and discusses the roles during implementation and the required monitoring. It also outlines the requirements and responsibilities during pre-construction, construction, and operation phases.

A. Environmental Mitigation

165. Some details of mitigating measures are already discussed in Section V where the need for mitigation of each impact was determined in the screening process. More comprehensive EMPs are shown in Table 19 to Table 21 which cover water supply at various stages of the project (pre-construction, construction and post-construction/O&M stages). These present the information on: (i) required measures for each environmental impact that requires mitigation, (ii) locations where the measures apply, (iii) associated cost, and (iv) responsibility for implementing the measures.

Table 19: Environmental Management Plan for Anticipated Impacts: Pre-Construction

| Aspects/Fields | Anticipated Impacts | Mitigation Measure | Location | Responsible for Implementation/Supervision | Mitigation Cost |
|--|--|--|--|--|------------------------------|
| PRE-CONSTRUCTION PHASE | | | | | |
| Excavation requirements | Potential damage to archaeological and cultural assets | Tender documents shall include a provision that will require construction activities to be stopped immediately upon discovery of any archaeological and cultural relics and authorities will be informed promptly | Pipeline trenches, civil works excavations | Design Consultants / MOWHS Project Management Unit (PMU) | Part of detailed design cost |
| Social and community concerns | Potential nuisance and problems to the public | Consultation with the affected communities regarding the expected impacts and proposed mitigation measures of the project; Tender documents shall include provisions addressing the potential nuisances and problems to the public during construction phase | Pipelines routes, reservoir and pumping station | PIU, Design Consultants / MOWHS PMU | Part of detailed design cost |
| IR concerns | Loss of assets | Compensation and other assistance for loss assets and land acquisition; Consultation and information dissemination to affected people. | Pipelines routes, reservoir and pumping stations | PIU, Design Consultants / MOWHS PMU | Part of detailed design cost |
| Preparation of detailed engineering design | Natural hazards, such as earthquake, flood | Structural integrity of the water supply system shall conform with the requirements and the latest edition of the American Water Works Association (AWWA) Standards for wells, pipes, valves, and fittings. Likewise, hazard maps shall be consulted. | All structural components | Design Consultants / MOWHS PMU | Part of detailed design cost |

Table 20: Environmental Management Plan for Anticipated Impacts: Construction

| Aspects/Fields | Anticipated Impacts | Mitigation Measure | Location | Responsible for Implementation/Supervision | Mitigation Cost |
|----------------------------------|---|---|---|---|---------------------------------------|
| CONSTRUCTION PHASE | | | | | |
| Excavation works | Chance finds for archaeological and cultural artifacts or assets | (i) Stop work immediately to allow further investigation; and (ii) If the site supervisor determines that the item is of potential significance, an officer from the Ministry of Home and Cultural Affairs (MOHCA) will be invited to inspect the site and work will be stopped. Until MOHCA has responded to this invitation, work will not recommence in this location until agreement has been reached between MOHCA, PMU and PIU as to any required mitigation measures, which may include excavation. | Pipelines routes, reservoir and pumping station | Contractor / PIU, PMU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Soil erosion and sediments of construction sites during rainy periods | Total area exposed shall be minimized; use of structural erosion prevention and sediment control practices which may include: interceptor dikes, pipe slope drains, straw bale barriers, sediment traps, and temporary sediment basins | Pipelines routes, reservoir and pumping station | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying | Nuisance / inconvenience to the public | Minimize water supply cut-off periods and /or use of nighttime schedules, as well as announcement of water supply interruptions two to three days prior to actual cut-off; no dumping of earth, stones, and solid wastes in watercourses | Pipelines routes, | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Nuisance from noise of construction equipment | Consultation with affected areas; not to operate noisy equipment during nighttime (22:00 – 06:00); sound suppression for equipment; ear plugs for workers | Pipelines routes, reservoir and pumping station | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other | Air pollution | Water spraying for dust control; | Pipelines routes, | Contractor / PIU, Supervision | Incorporated |

| Aspects/Fields | Anticipated Impacts | Mitigation Measure | Location | Responsible for Implementation/Supervision | Mitigation Cost |
|--|---|---|---|---|---------------------------------------|
| civil works | due to construction activities | construction materials with potential for significant dust generation shall be covered; tarpaulin cover for trucks transporting loose construction materials; not smoke belchers equipment | reservoir and pumping station | Consultants | in construction contract |
| Pipelaying and other civil works | Traffic congestion and hindrance to access | Close coordination with local authorities in road closure and traffic rerouting; contractor's traffic plan; proper stockpiling of materials and immediate disposal of spoils; immediate restoration of roads and affected areas | Pipelines routes | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Pollution and health risks due to workers camp | Proper camp sanitation; installation of sanitary facilities; solid waste management; surface runoffs control such as temporary diversion drains, catch drains, and silt-traps | Workers camp | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Hazard to public due to construction activities | Implement road safety plan and safety measures including warning signs to alert people of hazards around the construction sites, barricades, and night lamps for open trenches in pipelaying | Pipelines routes, reservoir and pumping station | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Occupational health and safety risks | Implement the occupational health and safety plan to be adopted at each site following international best practices and the World Bank EHS guidelines on construction and decommissioning activities | All subproject sites | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Rehabilitation and closure of construction sites | Improper closure of construction sites | Removal of all construction wastes and implement surface restoration | Pipelines routes, reservoir and pumping station | Contractor / PIU, Supervision Consultants | Incorporated in construction contract |
| Pipelaying and other civil works | Increase employment opportunities | Contractor required to give preference to local labor; workers recruitment to be coordinated with local officials | Pipelines routes, reservoir and pumping station | Contractor / PIU, Supervision Consultants | No cost |

Table 21: Environmental Management Plan for Anticipated Impacts: Operation

| Aspects/Fields | Anticipated Impacts | Mitigation Measure | Location | Responsible for Implementation/Supervision | Mitigation Cost |
|---------------------------------|---|--|--|---|--|
| OPERATION PHASE | | | | | |
| Water production | Health hazard due to delivery of poor water quality | Water disinfection using chlorine; water safety plan implementation | Pipelines, reservoirs, and pumping stations, | Mun. Engr / MOWHS PMU | Part of operation & maintenance costs |
| Water consumption | Pollution from increased generation of sewage and sullage | Septic tanks system of water consumers | Subproject water supply service area | Water consumer/ Municipal Environmental Officer | Cost of water consumers |
| Groundwater pumping | Potential ground subsidence due to excessive pumping | Groundwater pumping at lesser than the safe yield of each well | pumping stations | Mun. Engr. / MOWHS PMU | No cost |
| Water treatment plant operation | water treatment plant operational risk and safety | Adopt the World Bank EHS guidelines related to occupational health and safety for the operation of water and sanitation projects. Use liquid chlorine (sodium hypochlorite) instead of chlorine gas | Water treatment plant | Mun. Engr. / MOWHS PMU | Part of capital, operation & maintenance costs |
| Pumping station operation | Pumping station operational risk and safety | Adopt the World Bank EHS guidelines related to occupational health and safety for the operation of water and sanitation projects. Use liquid chlorine (sodium hypochlorite) instead of chlorine gas | Pumping station | Mun. Engr. / MOWHS PMU | Part of capital, operation & maintenance costs |
| Abstraction of | Scarcity of | Hydrogeological studies show | Water supply | Mun. Engr. / MOWHS PMU | Part of |

| Aspects/Fields | Anticipated Impacts | Mitigation Measure | Location | Responsible for Implementation/Supervision | Mitigation Cost |
|-----------------------|---|--|-------------------|---|------------------------|
| groundwater | water supply and conflict in water uses | that the water supply sources are sustainable and are not in conflict with other users | intakes/wellheads | | operation cost |

166. Although details of the required mitigating measures are already discussed in the screening for impacts, the following items are discussed further to highlight their importance: (i) tender documents and construction contracts, (ii) contractor's environmental management plan, (iii) construction site management plan, (iv) water safety plan, (v) source protection study and wellhead protection plan, and (vi) unanticipated environmental impacts.

167. **Tender Documents and Construction Contracts.** Environmentally responsible procurement advocates the inclusion in construction contract documents the provisions addressing the management of environmental impacts and risk during construction. This includes the contractor's submission of a Contractor's Environmental Management Plan (CEMP). Tender documents and construction contracts shall therefore include provision to ensure contractor comply with the CEMP and the subproject's EMP as reflected in Table 19 to Table 21.

168. **Contractor's Environmental Management Plan.** During construction, each contractor will be guided by its detailed CEMP. This shall be based on the subproject's EMP with details on staff, resources, implementation schedules, and monitoring procedures. The agreed CEMP will be the basis for monitoring by PIU, MOWHS PMU and PMSC. Inclusion in construction contract documents the provisions requiring the contractor to submit a CEMP is important since the contractor will be legally required to allocate a budget for mitigation measures implementation. The CEMP will allow PIU construction supervision engineer to focus on what are specific items expected from the contractor regarding environmental safeguards on a day-to-day basis. With the CEMP, PIU can easily verify the associated environmental requirements each time the contractor will request approval for work schedules.

169. The CEMP shall be prepared by all contractors before the start of the construction works and shall be approved by PIU. This requirement shall be included in the construction contracts. It shall provide details on specific items related to the environmental aspects during construction. It shall include specifications on requirements for dust control, erosion and sediment control, avoidance of casual standing water, management of solid wastes, workers' camp sanitation, pollution from oil, grease, fuel spills, and other materials due to the operation of construction machineries, safety and traffic management, avoidance of inconveniences to the public, air and noise pollution control. It shall also include guidance on the proper design of the construction zone, careful management of stockpiles, vegetation, topsoil, and vehicles and machinery.

170. **Water Safety Plan.** Municipal engineer and environment officer shall prepare a water safety plan to manage the environmental risk to its water supply system in a broader scale. As previously pointed out, the role of a water safety plan in addressing the risk cannot be overemphasized. This is an approach advocated by WHO for ensuring the delivery of safe drinking water to the consumers. Its need is also reflected in the 2007 BDWQS. The water safety plan shall enable the municipality to (i) prevent contamination of its water sources, (ii) treat the water to reduce or remove contamination that could be present to the extent necessary to meet the water quality targets, and (iii) prevent re-contamination during storage, distribution and handling of drinking water. It is an approach that will clearly show the desire of the municipality in applying best practices in ensuring delivery of potable water to its consumers.

171. **Unanticipated Environmental Impacts.** Where unanticipated environmental impacts become apparent during project implementation, municipal engineer shall prepare a supplementary environmental assessment and EMP to assess the potential impacts and outline mitigation measures and resources to address those impacts.

B. Environmental Monitoring

172. Table 22 presents the information on: (i) aspects or parameters to be monitored, (ii) location where monitoring is applicable, (iii) means of monitoring, (iv) frequency of monitoring, (v) responsibility of compliance monitoring, and (vi) cost of monitoring. PIU shall prepare quarterly environmental monitoring reports to be submitted to MOWHS management detailing the status of mitigating measures implementation.

Table 22: Environmental Monitoring Plan

| Aspects/Parameters to be monitored | Location | Means of Monitoring | Frequency | Implementation Responsibility | Compliance Monitoring Responsibility | Monitoring Cost |
|---|--|---|---|--------------------------------------|---|--|
| PRE-CONSTRUCTION PHASE | | | | | | |
| Specific provision in tender documents on archeological/ cultural relics | Pipeline trenches, civil works excavations | Verify draft and final documents | Twice – draft and final documents | Design consultants | MOWHS PMU | Part of project management in detailed design (minimal cost) |
| Consultation meetings; Specific provisions in tender documents on nuisance & problems to public | Pipelines routes, reservoir and pumping station | Verify meetings documentation; Verify draft and final documents | After completion of meetings; Twice – draft and final documents | Design consultants | MOWHS PMU | Part of project management in detailed design (minimal cost) |
| Consultation meetings; payments to affected people | Pipelines routes, reservoir and pumping stations | Verify meetings documentation; Verify plans and IR payments | After completion of meetings; upon completion of payments | Design consultants | MOWHS PMU | Part of project management in detailed design (minimal cost) |
| CONSTRUCTION PHASE | | | | | | |
| Total area to be exposed; runoff flowing into disturbed sites | Pipelines routes, reservoir and pumping station | Visual inspection of sites; plans verification | Daily during rainy periods | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Water supply interruptions; materials and solid wastes dumped in watercourses | Pipelines routes | Visual inspection of sites; work schedules verification | Daily | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Noise levels not to exceed 50 dBA near school, 55 dBA in other areas, and 45 dBA during nighttime | Pipelines routes, reservoir and pumping station | Use of sound levels meter | Daily | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Dust, cover of stockpiles, smoke belching | Pipelines routes, reservoir and pumping station | Visual inspection of sites | Daily | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's |

| Aspects/Parameters to be monitored | Location | Means of Monitoring | Frequency | Implementation Responsibility | Compliance Monitoring Responsibility | Monitoring Cost |
|--|---|--------------------------------------|--|-------------------------------|---|--|
| | | | | | | construction supervision contract |
| Road closure and traffic rerouting; materials stockpiles; road restoration | Pipelines routes | traffic plans verification | weekly | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Sanitary toilets, garbage bins, runoff controls | Workers camps | Visual inspection of camps | Once before start of construction and once monthly | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Road safety plan; sign, barricades and night lamps | Pipelines routes, reservoir and pumping station | Visual inspection of sites | Daily | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Construction wastes | Pipelines routes, reservoir and pumping station | Visual inspection of sites | Once before final stage of demobilization | Contractor | PIU; Construction supervision consultants | Part of PIU implementation cost and consultant's construction supervision contract |
| Number of local labor employed | Pipelines routes, reservoir and pumping station | Verification of contractor's records | Once a month | Contractor | PIU | No cost |
| OPERATION PHASE | | | | | | |
| E. Coli bacteria; BDWS physical & chemical | Pipelines, reservoirs, and pumping stations, | Water sampling and laboratory test | Monthly for bacteria; annual for physical & chemical | Mun. Engr. | MOWHS | Part of municipality's operation cost (USD300 /year) |
| Septic tank of water consumers | Subproject water supply service area | Visual inspection of sites | Once a year | Water consumer | Municipality | Minimal cost |
| Groundwater levels | Wells/ pumping stations | Use of groundwater level meter | Once a month | Mun. Engr. | MOWHS | Minimal cost to MOWHS |
| Liquid chlorine usage | Water treatment | Verification of | Once a year | Mun. Engr. | MOWHS | Minimal cost |

| Aspects/Parameters to be monitored | Location | Means of Monitoring | Frequency | Implementation Responsibility | Compliance Monitoring Responsibility | Monitoring Cost |
|---|------------------|-----------------------------------|------------------|--------------------------------------|---|------------------------|
| | plant | operation records | | | | |
| Liquid chlorine usage | Pumping stations | Verification of operation records | Once a year | Mun. Engr. | MOWHS | Minimal cost |

173. **Project Performance Monitoring.** Project performance monitoring presents the desired outcomes as measurable events by providing parameters or aspects that can be monitored and verified (Table 23). Tendering process advocating environmentally responsible procurement is a desired outcome during the pre-construction phase. This can easily be verified by checking if EMP requirements are incorporated in construction contracts. Construction phase desired outcomes include effective management of environmental impacts and reduce risk to public. For the operation phase, water supply system must meet the drinking water standards (2016 BDWQS) for bacteria count (E. coli), color, pH, turbidity, dissolved solids, hardness, alkalinity, manganese, iron, fluoride, chloride, sulfates, magnesium, calcium, carbonates, and bicarbonates.

Table 23: Project Performance Monitoring

| Desired Outcomes | Aspects/Parameters to be monitored | Means of Monitoring | Frequency | Implementation | Compliance Monitoring | Monitoring Cost |
|---|---|--|--|-----------------------|---|--|
| PRE-CONSTRUCTION | | | | | | |
| Detailed design is environmentally responsive | EMP requirements incorporated in detailed design | Verify detailed design documents; EMP requirements reflected in tender documents | Two reviews: (i) draft detailed design documents and (ii) prior to approval of final documents | Design consultants | MOWHS PMU | Minimal cost |
| Tendering process advocates environmentally responsible procurement | EMP requirements incorporated in construction contracts | Verify construction contract documents; | Prior to finalization of construction contract documents | Mun. Engr. | MOWHS PMU | Minimal cost |
| CONSTRUCTION PHASE | | | | | | |
| Effective management of environmental impacts during construction | Number of public complaints on construction activities | Verification of contractor's records; MOWHS coordination with local officials | Once a month | Contractor | Construction supervision consultants, MOWHS PMU | Part of consultant's construction supervision contract |
| Reduce risk to public during construction | Number of accidents involving construction activities | Verification of contractor's records; MOWHS coordination with local officials | Once a month | Contractor | Construction supervision consultants, MOWHS PMU | Part of consultant's construction supervision contract |
| OPERATION PHASE | | | | | | |
| Water quality meets drinking water standards | Required drinking water quality parameters | Water sampling and laboratory test | Monthly for bacteria; annual for physical & chemical | Mun. Engr. | MOWHS PMU | Part of municipality's operation cost (USD300 /year) |

C. Implementation Arrangement

174. This subsection presents the: (i) institutional set-up, (ii) implementation schedule, (iii) required clearances and permits, and (iv) capability building.

175. **Institutional Setup.** The subproject will follow the overall institutional and implementation arrangement of STUDP. MOWHS is the executing agency through a project management unit (PMU) created under it, and the project implementing unit (PIU) is under Sarpang dzongkhag. MOWHS has overall responsibility for (i) project coordination, implementation, and liaison with ADB and other government offices, including semi-annual reporting to ADB; and (ii) coordination of implementation at the national level, including procurement of goods, works, and services for all STUDP subprojects.

176. Roles of the PMU in environmental safeguards:

- (i) Designate an Environment Officer who will oversee all subprojects under STUDP, including this subproject, and work closely with consultants and PIUs on the implementation of the EMP;
- (ii) Supervise the Project Management and Supervision Consultants (PMSC) that will assist MOWHS and PMU during pre-construction and construction phases. PMSC will have a team of environmental consultants (with international consultant to be hired when needed only) whose terms of reference, including the roles and responsibilities, is attached as Appendix 9;
- (iii) With assistance from PMSC, PIUs, and contractors, ensure overall compliance with all government rules and regulations and other environmental requirements of all subprojects under STUDP; and
- (iv) With assistance from PMSC, ensure that IEEs are included in bidding documents and civil work contracts for all subprojects under STUDP.

177. Roles of PMSC in environmental safeguards:

- (i) Coordinate and work with PIU for the conduct of public consultations and day-to-day monitoring of subproject implementation;
- (ii) Lead the conduct of training activities as per capacity development program discussed in this IEE, including the conduct of induction course for contractors covering all aspects of the EMP and GRM implementation.
- (iii) Ensure that IEEs are updated when there will be changes in scope or components or alignments under the subproject.
- (iv) Assist MOWHS and PMU in the following aspects:
 - a. ensuring overall compliance with government rules and regulations and other environmental requirements for the subproject;
 - b. ensuring that measures of climate change impacts are integrated in the design of subproject components; and
 - c. preparing the semi-annual environmental monitoring reports for ADB.
- (v) Ensure disclosure of IEEs in locations accessible to the public and in form and language understood by the local stakeholders.

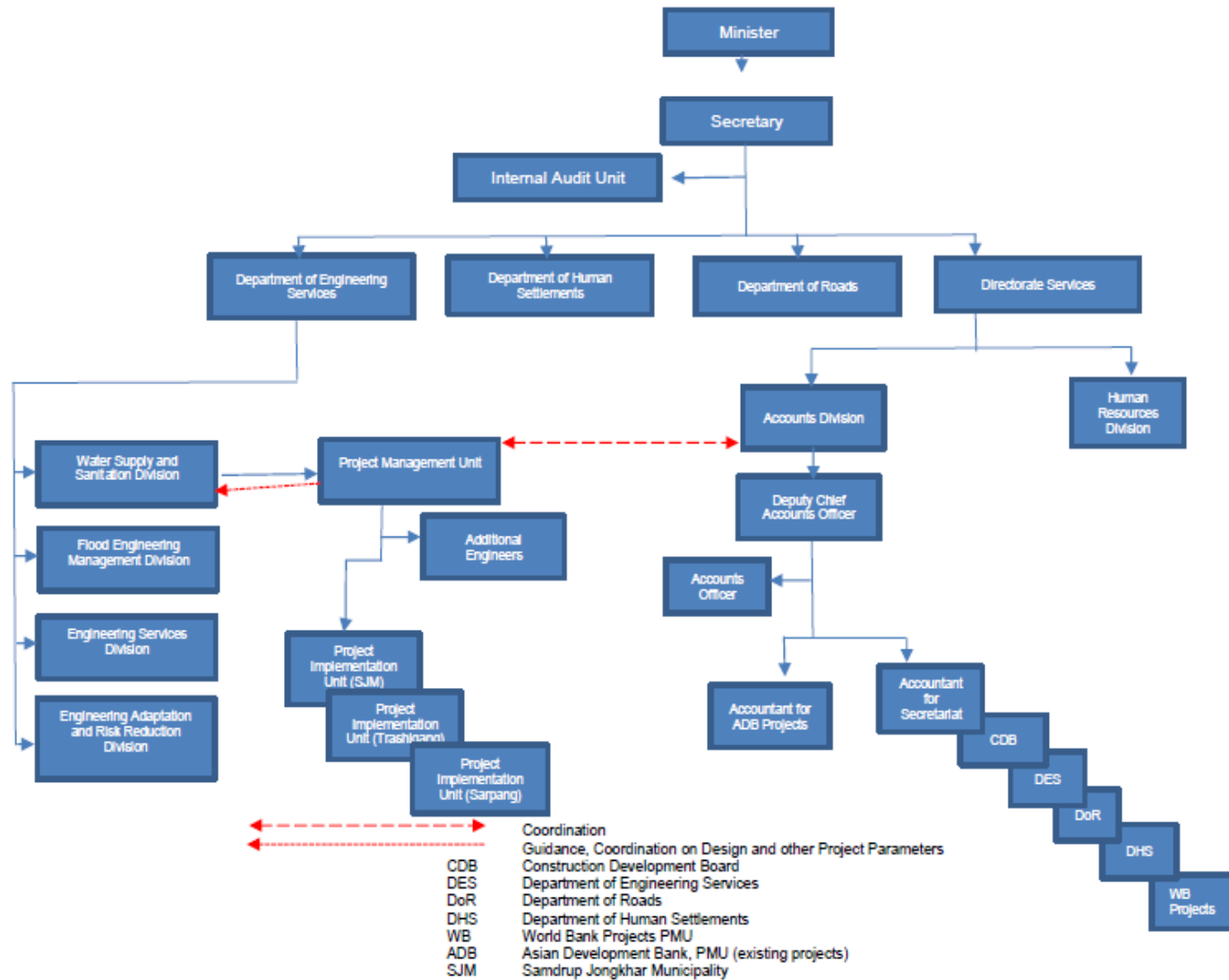
178. Roles of the PIU (Shechamthang/Sarpang thromde) in environmental safeguards:

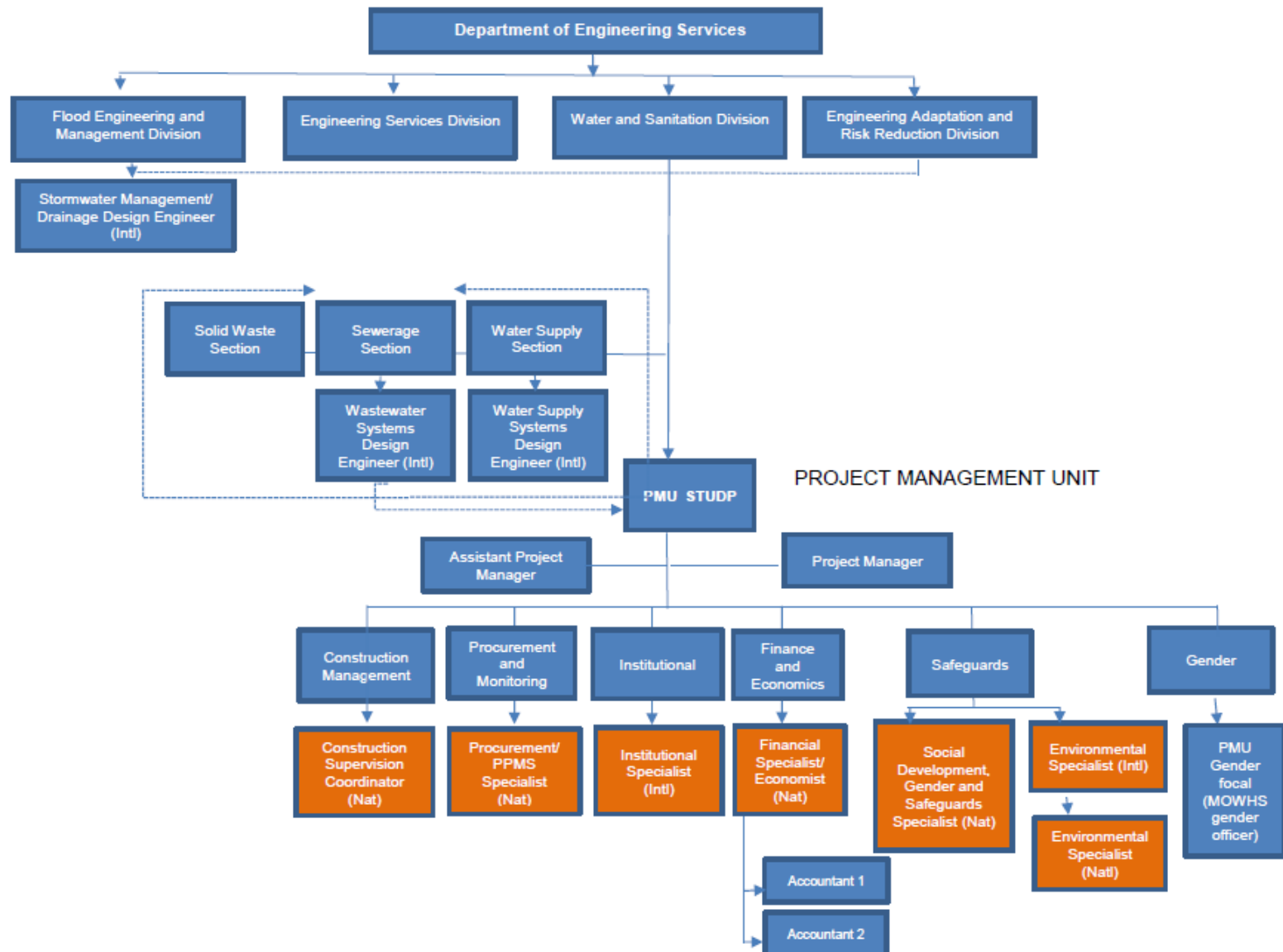
- (i) Oversee the effective implementation of the contractor's EMP (CEMP) by the contractor;
- (ii) Support implementation of the grievance redress mechanism and promptly address the complaints on environmental performance of the subproject during execution of the construction activities;

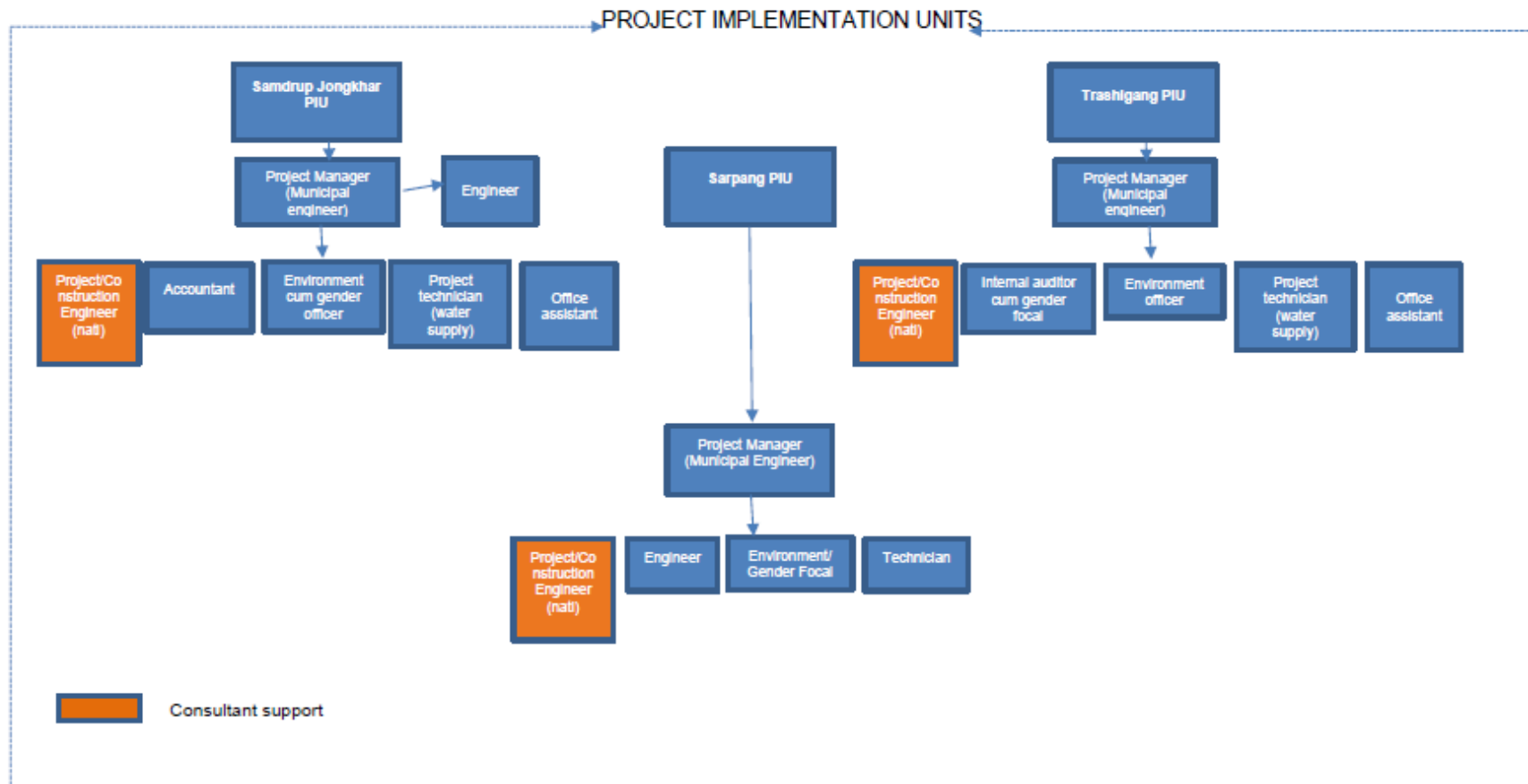
- (iii) With support from PMU and PMSC, conduct public consultations as a continuing activity during the implementation of the subproject; and
- (iv) With support from the contractors, prepare regular reports on the implementation of the EMP and submit to PMU.

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Figure 15: Institutional Setup







179. **Roles of Contractor.** Overall, the contractor will have the following responsibilities:
- (i) Submit contractor's EMP (CEMP) based on the EMP outlined in this IEE;
 - (ii) Ensure compliance with all applicable legislation and the requirements of the CEMP;
 - (iii) Ensure implementation of the CEMP, including costs for survey, site establishment, preliminary activities, construction, defect liability activities, and environmental mitigation measures related to CEMP implementation during construction and post-construction phases;
 - (iv) Ensure that any sub-contractors or suppliers, who are utilized within the context of a contract, comply with the environmental requirements of the CEMP and EMP. The contractor will be held responsible for non-compliance on their behalf;
 - (v) In coordination with PMU and PIU, provide environmental awareness training to staff prior to any construction activities;
 - (vi) Borne the costs of any damages resulting from non-compliance with the CEMP and EMP; and
 - (vii) Appoint one full time environment and safety staff for implementation of EMP, community coordination, documentation of grievances received and resolutions at the project level in compliance with the project's GRM.

180. **Environmental Monitoring Reports.** During the construction period, the construction supervision consultants, together with the PIU, shall prepare monthly environmental monitoring reports to be submitted to MOWHS. The contractor shall submit to the PIU a monthly environmental monitoring report. Based on the monthly reports, the PMU with assistance from PMSC shall prepare semi-annual environmental monitoring reports (SEMRs), which shall be submitted by MOWHS to ADB. During post-construction/operation phase and until ADB issues a project completion report, MOWHS shall continue to submit SEMRs to ADB.¹⁹ The template for SEMR is attached as Appendix 10.

181. **Corrective action plan.** In the event of non-compliance/s identified during the monitoring activities, contractor will prepare a time-bound corrective action plan and budget, and submit to PMU for approval. The approved corrective action plan will be additional basis for the subsequent monitoring activities. A copy of this approved corrective action plan will be included in next immediately due semi-annual environmental monitoring report of MOWHS to ADB.

182. **Implementation Schedule.** As presented in the project description, the subproject is scheduled to start in fourth quarter 2018 and to be completed in early 2021. PMU shall ensure that construction contract provisions related to the EMP shall be included in the tendering stage.

183. **Clearances and Permits.** Under present Bhutan regulations, the PIU (Shechamthang) needs an Environmental Clearance from the NECS for the proposed Shechamthang water supply distribution network subproject. An Environmental Clearance dated 10 January 2018 has been issued covering this subproject. A copy of the clearance is attached as Appendix 11.

184. **Other Environmental Costs.** Other environmental costs outside those borne by contractor are also expected. For example, securing the environmental clearances may also incur costs and these shall be borne by Shechamthang. The cost for periodic environmental

¹⁹ Para. 30 of ADB Operations Manual Section F1 states that "ADB's monitoring and supervision activities are carried out on an ongoing basis until a project completion report (PCR) is issued".

monitoring activities during construction and operation phases is an annual recurring expense that shall be borne by Shechamthang (Sarpang thromde) as well.

185. The costs for public consultations and information disclosure, and capacity building are major costs that are covered by the project.

186. **Defect Liability Period.** Consistent with contractor's responsibilities enumerated above, all monitoring during defect liability period of O&M phase will be conducted by contractor at its own cost. Any other additional costs will be at the expense of PIU [Shechamthang (Sarpang thromde) for this subproject].

D. Capacity Development Program

187. The PMSC located within the PMU are responsible for all training activities on environmental awareness and management in accordance with both ADB and government requirements. Specific modules customized for the available skill set will be devised after assessing the capabilities of the target participants and the requirements of the project. The proposed training program²⁰ along with the frequency of sessions is presented in Table 24.

Table 24: Training Program for Environmental Management

| Items | Pre-construction/ prior to construction | Construction | |
|----------------|--|--|---|
| Training Title | Orientation workshop | Orientation program/ workshop for contractors and supervisory staffs | Experiences and best practices sharing |
| Purpose | To make aware the participants of the environmental safeguard requirements of ADB and Royal Government of Bhutan and how the project will meet these requirements | To build the capacity of the staffs for effective implementation of the designed EMPs aimed at meeting the environmental safeguard compliance of ADB and government | To share the experiences and best practices aimed at learning lessons and improving implementation of EMP |
| Contents | Module 1: Orientation on ADB Safeguards Policy Statement and Government of Bhutan Environmental Laws and Regulations Module 2: Environmental Assessment Process ADB environmental process, identification of impacts and mitigation measures, formulation of an environmental management plan (EMP), implementation, and monitoring requirements. Review of | <ul style="list-style-type: none"> • Roles and responsibilities of officials/ contractors/ consultants towards protection of environment • Environmental issues during construction • Implementation of EMP • Monitoring of EMP implementation | Experiences on EMP implementation – issues and challenges Best practices followed |

²⁰ This is an initial proposal. The Environment Specialist will design the program based on the assessment results.

| Items | Pre-construction/ prior to construction | Construction | |
|--------------|---|--------------------------|--|
| | environmental assessment report to comply with ADB requirements. Incorporation of EMP into the project design and contracts | • Reporting requirements | |
| Duration | 1 day | 1 day | 1 day on a regular period to be determined by PMU, PIUs, and Consultants |
| Participants | MOWHS, PMU, and PMU staffs (technical and environmental) involved in the project implementation | PMU/PIUs Contractors | PMU /PIUs Contractors |

IX. CONCLUSIONS AND RECOMMENDATIONS

188. Development of the new commercial town of Shechamthang through requires clean and potable water supply system. With the proposed water supply system under STUDP, the capacity to deliver safe drinking water and adequate water pipeline pressure will be provided.

189. The environmental screening process has highlighted the environmental issues and concerns of the proposed Shechamthang water supply distribution network subproject. The screening identified that the proposed sites are not within undisturbed landscapes because the proposed routes of the pipelines are along the highways or roads with existing right of ways, or areas that are presently regarded as either residential, commercial, or agricultural landscapes and not near any sensitive area. Hence, the proposed subproject is essentially not a new incursion to an ecologically untouched or protected zone.

190. Based on the screening for environmental impacts and risks, there are no significant negative environmental impacts and risks that cannot be mitigated. Consequently, this assessment concludes that the proposed water supply subproject can be implemented in an environmentally acceptable manner. The potential adverse impacts that are associated with the design, construction, and operation can be mitigated to standard levels through integration of proper engineering designs and implementation of the EMP outlined in this IEE. The overall safeguards implementation arrangement is very comprehensive, well defined, and already in place. The training program for all the implementing stakeholders has already been outlined.

191. Therefore, as per ADB SPS, the categorization of Shechamthang water supply distribution network subproject as Category B for Environment is confirmed. As such, no further environmental impact assessment is required.

192. The proposed water supply subproject is hereby recommended for implementation with emphasis on the following conditions: (i) EMP of the subprojects shall be included in the design process; (ii) Contracts of design consultants shall have provisions requiring the consultants to consider EMP recommendations in the design process; (iii) Tendering process shall advocate environmentally responsible procurement by ensuring the inclusion of EMP provisions in the bidding and construction contract documents; (iv) Contractor's submittal of a CEMP shall be included in the construction contract conditions; (v) Contract provisions on operation of the GRM shall be included in construction contracts; (vi) MOWHS, with its functions, shall ensure that capability building shall be pursued; (vii) MOWHS shall continue the process of public

consultation and information disclosure during detailed design and construction phases; and (viii) MOWHS shall update this IEE should there be any change in subproject scope, and submit to ADB for review and disclosure.

RAPID ENVIRONMENTAL ASSESSMENT – SHECHAMTHANG**Instructions:**

- (i) The project team completes this checklist to support the environmental classification of a project. It is to be attached to the environmental categorization form and submitted to the Environment and Safeguards Division (SDES) for endorsement by the Director, SDES and for approval by the Chief Compliance Officer.
- (ii) This checklist focuses on environmental issues and concerns. To ensure that social dimensions are adequately considered, refer also to ADB's (a) checklists on involuntary resettlement and Indigenous Peoples; (b) poverty reduction handbook; (c) staff guide to consultation and participation; and (d) gender checklists.
- (iii) Answer the questions assuming the “without mitigation” case. The purpose is to identify potential impacts. Use the “remarks” section to discuss any anticipated mitigation measures.

Country/Project Title:

Bhutan: Secondary Towns Urban Development Project

Sector Division:

Schechamthang LAP – Water Supply

| Screening Questions | Yes | No | Remarks |
|--|-----|----|---------|
| A. PROJECT SITING IS THE PROJECT AREA... | | | |
| ▪ DENSELY POPULATED? | | √ | |
| ▪ HEAVY WITH DEVELOPMENT ACTIVITIES? | | √ | |
| ▪ ADJACENT TO OR WITHIN ANY ENVIRONMENTALLY SENSITIVE AREAS? | | √ | |
| • CULTURAL HERITAGE SITE | | √ | |
| • PROTECTED AREA | | √ | |
| • WETLAND | | √ | |
| • MANGROVE | | √ | |
| • ESTUARINE | | √ | |
| • BUFFER ZONE OF PROTECTED AREA | | √ | |

| Screening Questions | Yes | No | Remarks |
|--|-----|----|--|
| <ul style="list-style-type: none"> SPECIAL AREA FOR PROTECTING BIODIVERSITY | | √ | |
| <ul style="list-style-type: none"> BAY | | √ | |
| B. POTENTIAL ENVIRONMENTAL IMPACTS Will the Project cause... | | | |
| <ul style="list-style-type: none"> pollution of raw water supply from upstream wastewater discharge from communities, industries, agriculture, and soil erosion runoff? | | √ | |
| <ul style="list-style-type: none"> impairment of historical/cultural monuments/areas and loss/damage to these sites? | | √ | |
| <ul style="list-style-type: none"> hazard of land subsidence caused by excessive ground water pumping? | | √ | |
| <ul style="list-style-type: none"> social conflicts arising from displacement of communities ? | | √ | |
| <ul style="list-style-type: none"> conflicts in abstraction of raw water for water supply with other beneficial water uses for surface and ground waters? | | √ | |
| <ul style="list-style-type: none"> unsatisfactory raw water supply (e.g. excessive pathogens or mineral constituents)? | | √ | |
| <ul style="list-style-type: none"> delivery of unsafe water to distribution system? | | √ | |
| <ul style="list-style-type: none"> inadequate protection of intake works or wells, leading to pollution of water supply? | | √ | |
| <ul style="list-style-type: none"> over pumping of ground water, leading to salinization and ground subsidence? | | √ | |
| <ul style="list-style-type: none"> excessive algal growth in storage reservoir? | | √ | |
| <ul style="list-style-type: none"> increase in production of sewage beyond capabilities of community facilities? | √ | | Proper drainage, septic tanks are to be addressed to handle the sewerage |
| <ul style="list-style-type: none"> Inadequate disposal of sludge from water treatment plants? | √ | | Minimal |
| <ul style="list-style-type: none"> Inadequate buffer zone around pumping and treatment plants to alleviate noise and other possible nuisances and protect facilities? | | √ | Ideal location without habitation around proposed WTP |
| <ul style="list-style-type: none"> Impairments associated with transmission lines and access roads? | | √ | New transmission pipe line shall be laid parallel to existing system |

| Screening Questions | Yes | No | Remarks |
|--|-----|----|---|
| ▪ health hazards arising from inadequate design of facilities for receiving, storing, and handling of chlorine and other hazardous chemicals. | | √ | Need for water quality test for both raw & treated water to ascertain level of chlorination |
| ▪ Health and safety hazards to workers from handling and management of chlorine used for disinfection, other contaminants, and biological and physical hazards during project construction and operation? | | √ | |
| ▪ dislocation or involuntary resettlement of people? | | √ | |
| ▪ Disproportionate impacts on the poor, women and children, Indigenous Peoples or other vulnerable groups? | | √ | |
| ▪ noise and dust from construction activities? | √ | | Temporary |
| ▪ increased road traffic due to interference of construction activities? | √ | | Minimal |
| ▪ continuing soil erosion/silt runoff from construction operations? | | √ | |
| ▪ delivery of unsafe water due to poor O&M treatment processes (especially mud accumulations in filters) and inadequate chlorination due to lack of adequate monitoring of chlorine residuals in distribution systems? | √ | | To be addressed in proposed Project |
| ▪ delivery of water to distribution system, which is corrosive due to inadequate attention to feeding of corrective chemicals? | | √ | |
| ▪ accidental leakage of chlorine gas? | | √ | |
| ▪ excessive abstraction of water affecting downstream water users? | | √ | |
| ▪ competing uses of water? | | √ | |
| ▪ increased sewage flow due to increased water supply | √ | | To be addressed in Proposed Project |
| ▪ increased volume of sullage (wastewater from cooking and washing) and sludge from wastewater treatment plant | | √ | |
| ▪ large population influx during project construction and operation that causes increased burden on social infrastructure and services (such as water supply and sanitation systems)? | | √ | |

| Screening Questions | Yes | No | Remarks |
|---|-----|----|---|
| ▪ social conflicts if workers from other regions or countries are hired? | | √ | Labour & Immigration regulation in placed & shall be addressed in EMP |
| ▪ risks to community health and safety due to the transport, storage, and use and/or disposal of materials such as explosives, fuel and other chemicals during operation and construction? | | √ | |
| ▪ community safety risks due to both accidental and natural hazards, especially where the structural elements or components of the project are accessible to members of the affected community or where their failure could result in injury to the community throughout project construction, operation and decommissioning? | | √ | |

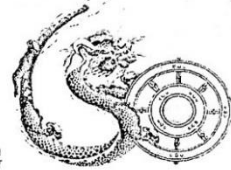
SHECHAMTHANG ANNOUNCEMENT ON PUBLIC CONSULTATION



དཔལ་ལྷན་འབྲུག་གཞི་རྒྱུད་།
ཇིང་ཁག་བདག་སྲུང་གསར་ལྷན་།

**ROYAL GOVERNMENT OF BHUTAN
DZONGKHAG ADMINISTRATION, SARPANG**

Dzongkhag Engineering Section



Ref: SD/Zorig-20/2016-2017/14250

Dated: 13.2. 2017

The Commercial Manager,
Advertisement Department,
BBS, Thimphu

Sub:- Announcement.

Sir,

Please kindly arrange to broadcast in BBS TV as well as in radio for the below mentioned announcement for a duration of three days commencing from today. The subject is as entailed below:-

Announcement theme: ADB 8551-BHU project is earmarked for Schechamthang Town under Sarpang Dzongkhag. Before the project steps inn, there is a need to conduct social and environmental assessment of the proposed project in which public consultation is must. Hence, all the landowners under the Schechamthang precinct are requested to attend the meeting on 17.2.2017 at 9.00 AM sharp for public consultative meeting. The venue of the meeting will be in RNR meeting hall under Gakidling Geog. No complaints shall be entertained if you fail to attend the meeting.

The bill may be submitted to the undersigned for settlement please.

Thanking you,

Yours sincerely,

Dawala
(Dzongdag)

Copy to:-

1. The Finance Officer, DAS for information and necessary action.
2. The Gup, Gakidling Geog to inform all the public to attend the meeting.

PABX-365173, FAX-365145, Dzongdag-365100, Dzongrab-365194, Adm-365264, HRO-365230, Finance-365263, DE-365168, Census Officer-365102, Planning Officer-365146, DEO-365277, LRO-365184, RNR-365174, DMO-365120, DHSO-365159.

**MINUTES OF PUBLIC CONSULTATION FOR SOCIAL AND ENVIRONMENT SAFEGUARDS
AND ASSESSMENT IN SHECHAMTHANG
DOCUMENTATION OF PUBLIC CONSULTATION HELD ON 17 FEBRUARY 2017**

Location: RNR Conference Hall, Gakidling Gewog, Schechamthang, Sarpang, Bhutan

List of Participants Stakeholders/Participants:

1. Total of 65 participants from the public were present at the meeting.
2. Tashi Chophel, Municipal Engineer.
3. Consultants from Lahmeyer IDP Consult and PRCS.

Agenda

| | | |
|---------------|---|---|
| 9:00 - 9:15 | Registration | Secretariat |
| 9:15 - 9:30 | Welcome Address | Tashi Chhophel, Municipal Engineer |
| 9:30 - 9:45 | Introduction of Participants | Sangay Wangdi, Social Assistant |
| 9:45 - 10:45 | Presentation of Proposed Sub-Projects at Schechamthang, Sarpang | Tashi Chhophel, Municipal Engineer |
| 10:45 - 11:45 | Open Forum | Rajesh Pradhan, Chhimi Dorji and others |
| 11:45 - 12:00 | Thank you | Nyrh Cabance, Environmental Specialist |
| 12:00 - 12:15 | Closing Remarks | Tashi Chhophel, Municipal Engineer |

Brief Minutes of the Public Consultation

Opening/Presentation:

The public consultation/meeting started at 9:30 A.M. Mr. Tashi Chophel, Municipal Engineer welcoming the participants and thanked them for positively responding to the Dzongkhag's invitation.

The Municipal Engineer presented the detailed aspects of the proposed Project and the current status of the Project at Schechamthang. He also went through the list of Affected Persons and checked if all affected persons are there which was confirmed.

Mr. Sangay Wangdi from the Social consultation team also thanked the participants and introduced the team members.

Comments, Views, Issues and Concerns:

1. All participants are aware of the Project and mentioned that they are in complete support of project. The Project site had already been visited by His Majesty the King and Hon'ble Minister of MOWHS among others.

2. It was also confirmed that the Land Pooling Agreement had been drawn with all land owners in the area with their willingness. Upon questioning, it was clarified by the public that the Land Pooling was agreed due to the benefits of the Project such as road access, water supply and also with possibility of getting higher land values.

3. Members of the community present also provided their support and commitment to the Project and raised no negative issue with the proposed Project.

4. Further, consultations asked for following questions and discussions transpired as below.

| Name/ Organization | Question | Response |
|-------------------------------|--|--|
| Consultants | Does the local person support the proposed Project? | All participants pledged to give their full support for the said Project for everybody's welfare. |
| Consultants | Any critical issue or concern by the local people regarding the Project | None. |
| Consultants | Any critical issue or concern by the local people regarding the Project | No issues or concerns. |
| Consultants | Any loss of residential or commercial structures due to the Project | Yes, being dealt separately by the District and separate surveys shall be conducted for all impacted households. |
| Consultants | Any loss of Community life (like market place, public playground) or Community Activities that will be affected? | Besides the land pooling, no private land will be used for any such purpose |
| Consultants | Would there be land acquisition that would result in resettlement, or would affect parks, forest, etc.? | Besides the land pooling, no private land will be used for any such purpose |
| Consultants | Will the Project location adversely affect water resources? | No issues or concerns are foreseen. |
| Consultants | Any other issues you want to share (security, cooperation from local communities)? | We are happy to collaborate and contribute. |
| Consultants | Any Cultural or Sacred sites in the proposed township | No such places of worship or sacred sites exist. |

LIST OF PARTICIPANTS TO THE SHECHAMTHANG PUBLIC CONSULTATION

Public Consultation for Social and Environment Safeguards and Assessment.

ADB PPTA-8551 BHUTAN:
IMPROVED URBAN ENVIRONMENTAL INFRASTRUCTURE PROJECT

Venue: RNR meeting Hall Gathu du g ATTENDANCE SHEET Date: 2/08/2017

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|-------------------|------------|-----|--|-------------------------------------|---------------------------|
| 1 | Dawa Tshering | M | 37 | ECB | Dawa Tshering 667 @ 1761256 | |
| 2 | <u>Wangchuk</u> | M | 52 | <u>Wangchuk</u> | <u>Wangchuk</u> 1761256 | |
| 3 | Tshewang Khama | F | 56 | Farmer | 17949116 Shechamthang | |
| 4 | Dil Bdr Rai | M | 59 | Farmer | 17611608 " | |
| 5 | Boran Rai | M | 34 | Driver Gang | 17508040 " | |
| 6 | Jit Kumari Mangas | F | 47 | Farmer / housewife | 1761268 heley/kyeling | |
| 7 | Paspa Rai | M | 47 | Farmer | 17856841 Chokhyang | |
| 8 | Kiran Rai | F | 25 | " | 17508913 Rani bagon | |
| 9 | Chang Zangpa | M | 63 | " | 17701652 Shechamthang | |
| 10 | Jit bdr Rai | M | 63 | " | Rani bagon | |

Page 1 of 4

Public Consultation for Social and Environment Safeguards and Assessment.

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|---------------------|------------|-----|--|-------------------------------------|---------------------------|
| 11 | Penjar | M | 74 | Farmer | 17731825 Shechamthang | |
| 12 | Rup Narine | M | 61 | Farmer | 17674964 Shechamthang | |
| 13 | Sunaba Rai | F | 36 | " | 17538124 Rani bagon | |
| 14 | Hun Haya Timmer | F | 42 | " | 17732679 Shechamthang | |
| 15 | Harlen bdr Rama | M | 47 | " | 17902205 (Hun Rai) | |
| 16 | Kanjula | F | 64 | " | 17932697 Shechamthang | |
| 17 | Bhim bdr Rai | M | 83 | " | 17668346 Rani bagon | |
| 18 | Mohendra Suberi | M | 50 | " | 17576983 Orachina | |
| 19 | Hlema Rai | F | 58 | Teacher | 17118583 Rani Bagon | |
| 20 | Hun bdr Rai | M | 49 | Farmer | 17428422 Rani bagon | |
| 21 | Pedam bdr Guragai | M | 52 | " | 17513531 Rani bagon | |
| 22 | Rai bdr Rai | M | 83 | " | " Rani bagon | |
| 23 | Passang Norbu Shapa | M | 37 | CBCL Department | Pangbang | |

Page 2 of 4

Public Consultation for Social and Environment Safeguards and Assessment.

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|------------------|------------|-----|--|-------------------------------------|---------------------------|
| 24 | Ile Gurung | M | 57 | Business | 17172990 Gelspha | |
| 25 | Jeta Kumar Rai | M | 41 | Farmer | 17689400 Gelspha | |
| 26 | Dangi Haya Rai | F | 46 | Business | 17710710 Orachina | |
| 27 | Karma Chagay | M | 74 | Active Citizen | 17652609 Gelspha | |
| 28 | Sangay | M | 62 | Business | 17625827 Shechamthang | |
| 29 | Robert paneta | M | 37 | Business/Shop | 17659950 Shechamthang | |
| 30 | Damphi Chhetri | F | 60 | housewife / f | " | |
| 31 | Indu Rai | F | 35 | " | 17698022 " | |
| 32 | Jigene Namgyal | M | 33 | Farmer | 17422482 " | |
| 33 | Pema Gyeltshen | M | 40 | " | 17404619 " | |
| 34 | Purney Haya | F | 68 | " | 17891895 Monchulay | |
| 35 | Ganga Haya Rai | F | 33 | NRC Sect. | - | |
| 36 | Ganga Ram Pasnet | M | 63 | Farmer | Karaburi | |

Page 3 of 4

Public Consultation for Social and Environment Safeguards and Assessment.

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|----------------------------|------------|-----|--|-------------------------------------|---------------------------|
| 37 | Sabbar Dongar | M | 56 | Farmer | 17909155 | |
| 38 | Debi Prada | F | 67 | Business / Chap | 17674980 | |
| 39 | Kamala Thapa | F | 72 | — | 17319017 | |
| 40 | Manjor Xing Rai | M | 91 | house w. Pa. | 17615692 | |
| 41 | Karna bdr Gurung | M | 50 | Govt. Service | 17626691 | |
| 42 | Dak Thapa | F | 25 | — | 17881047 | |
| 43 | Mangal Rai | M | 53 | Farmer | 17519759 | |
| 44 | Tek bdr Rai | M | 64 | Farmer | — | |
| 45 | Debay Rana Adhikari | M | 74 | // | 15675019 | |
| 46 | Shakti Rana And Kumar Rana | M | 28 | Thung | 17640457 | |
| 47 | Dhan bdr Parag | M | 57 | Farmer | 17872900 | |
| 48 | Rabi Lal | M | 63 | // | 179048461 | |

Page 4 of 4

Public Consultation for Social and Environment Safeguards and Assessment.

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|----------------------|------------|-----|--|-------------------------------------|---------------------------|
| 49 | Gopal Khatri | M | 57 | Business | 17557765 | |
| 50 | Prapa Rai | M | 55 | Business | 77560982 | |
| 51 | Tapa Sharma | M | 49 | " | 17879461 | |
| 52 | Atma Dangi Sharma | M | 41 | Farmer | 17579376 | |
| 53 | Prapa Rana Sharma | M | 47 | " | 17928529 | |
| 54 | Baghi Prasad Rakhrai | M | 55 | Business / Chap | 17758358 | |
| 55 | Jeeba Dangi | F | 50 | Govt. Service | 176617317 | |
| 56 | Tehang Phantun | M | 49 | Govt. Service | 17288219 | |
| 57 | Manu Moya Rai | F | 53 | Business Chap | 17466610 | |
| 58 | Ran bdr Pithay | M | 51 | Marketing | 17860974 | |
| 59 | Rajni Phantun | M | 57 | AG - 71 85-51 | 17603661 | |
| 60 | Babu Pradhan | M | 24 | — | 17722710 | |

Page 2 of 7

Public Consultation for Social and Environment Safeguards and Assessment.

| | PRINTED NAME | SEX F/M | AGE | VILLAGE/ ORGANIZATION/FIRM & DESIGNATION | CONTACT NUMBER/S & EMAIL ADDRESS | SIGNATURE/ THUMB PRINT |
|----|----------------------|------------|-----|--|-------------------------------------|---------------------------|
| 61 | Anita Dongar | F | 30 | Farmer | 177649104 | |
| 62 | Kamal Kumar Rai | F | 62 | Farmer | — | |
| 63 | Pratima Pradhan | M | 69 | Farmer | 1788335 | |
| 64 | Chandra Moya Thakral | F | 49 | Business | 17404809 | |
| 65 | Radika Karki | P | 70 | house wife / Farmer | — | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |

Page 3 of 7

SHECHAMTHANG PUBLIC CLEARANCE

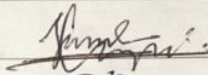
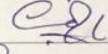
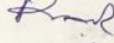
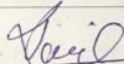
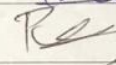

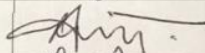
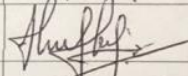
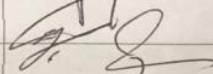
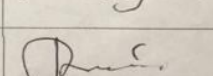
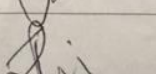
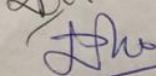
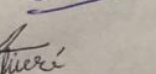


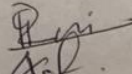

NO OBJECTION FROM THE PUBLIC (SOCIAL CLEARANCE)

This is based on our experience and presence in the public consultation held on 17/02/2017 at Gakiling Gewog Office, Shechantang, Sarbang.

We certify that the undersigned are fully aware and clearly understood the implications of the proposed Development of Shechangthang Local Area Plan of the Sarbang Dzongkhag Administration, and Ministry of Works and Human Settlements.

Hence, we the following certify that there are no objection whatsoever to the undertaking of the said project and the public are in favour of the proposed project.

Done in Shechangtang, Gakiling Gewog Office, this day; 17/02/2017.

| | Printed Name | Position/Office | Signature |
|-----|--------------------|-----------------|---|
| 1. | Jigmi Namgay | farmer |  |
| 2. | Choki Zuppo | farmer |  |
| 3. | Reek namam | farmer |  |
| 4. | Jit Bodrai | farmer |  |
| 5. | Pema Gyitchen | " |  |
| 6. | Ganga Naya Rai | " |  |
| 7. | Jit Kumari Mergar | " |  |
| 8. | Purni maya Rai | " |  |
| 9. | Sangay Penjor | " |  |
| 10. | Sangay | " |  |
| 11. | Rabirai Rai | " |  |
| 12. | Indu Rai | |  |
| 13. | Meena Rai | Teachers |  |
| 14. | Padam Bets Guragai | — |  |
| 15. | Non maya Tiwari | — |  |
| 16. | Bhion Bets Rai | — |  |
| 17. | Bansita Mongar | — |  |

PHOTOGRAPHS OF SHECHAMTHANG PUBLIC CONSULTATION



GRIEVANCE REDRESS MECHANISM AND GRIEVANCE REDRESS COMMITTEE NOTIFICATION



དཔལ་ལྷན་འབྲུག་གཞུང་། འབས་ཏོག་ལྷན་ཁག།
ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF WORKS & HUMAN SETTLEMENT
 DEPARTMENT ENGINEERING SERVICES
 THIMPHU: BHUTAN

“Construction Industry: Solutions through innovation and improved technology”

DES/PMU/ ADB-8551/8 95

4.12. 2017

The Director,
 Urban Development and Water Division,
 South Asia Department,
 Asian Development Bank
 6 ADB Avenue, Mandaluyong City
 1550 Metro Manila, Philippines

Sub: **Grievance Redress Mechanism**

Dear Sir,

The Ministry of Works and Human Settlement would like to inform that the Grievance Redress Mechanism (GRM) has been established in the Ministry and in the Project Implementation Units. The objective of the establishment of the GRM is to redress the social, environmental and other grievances of the aggrieved persons during the implementation of the Secondary Towns Urban Development Project (STUDP) BHU-8551. The flow chart, structure of the GRM committee, the procedure that would be followed is attached.

This is as per the agreement reached with the ADB during the mission from 13th November to 17th November 2017.

Thank you,

Yours sincerely,


 (Phuntsho Wangdi)
Secretary

Cc:

1. Dasho Dzongda Trashigang and Sarpang Dzongkhag
2. The Executive Secretary Samdrup Jongkhar Thromde, Samdrup Jongkhar
3. Director, Department of Engineering Services, MoWHS, Thimphu
4. Shinjini Mehta, Urban Development Specialist, SAUW, ADB, Manila, Philippines.
5. Chief Engineer, WSD, DES
6. Project Manager, ADB-8551, WSD, DES

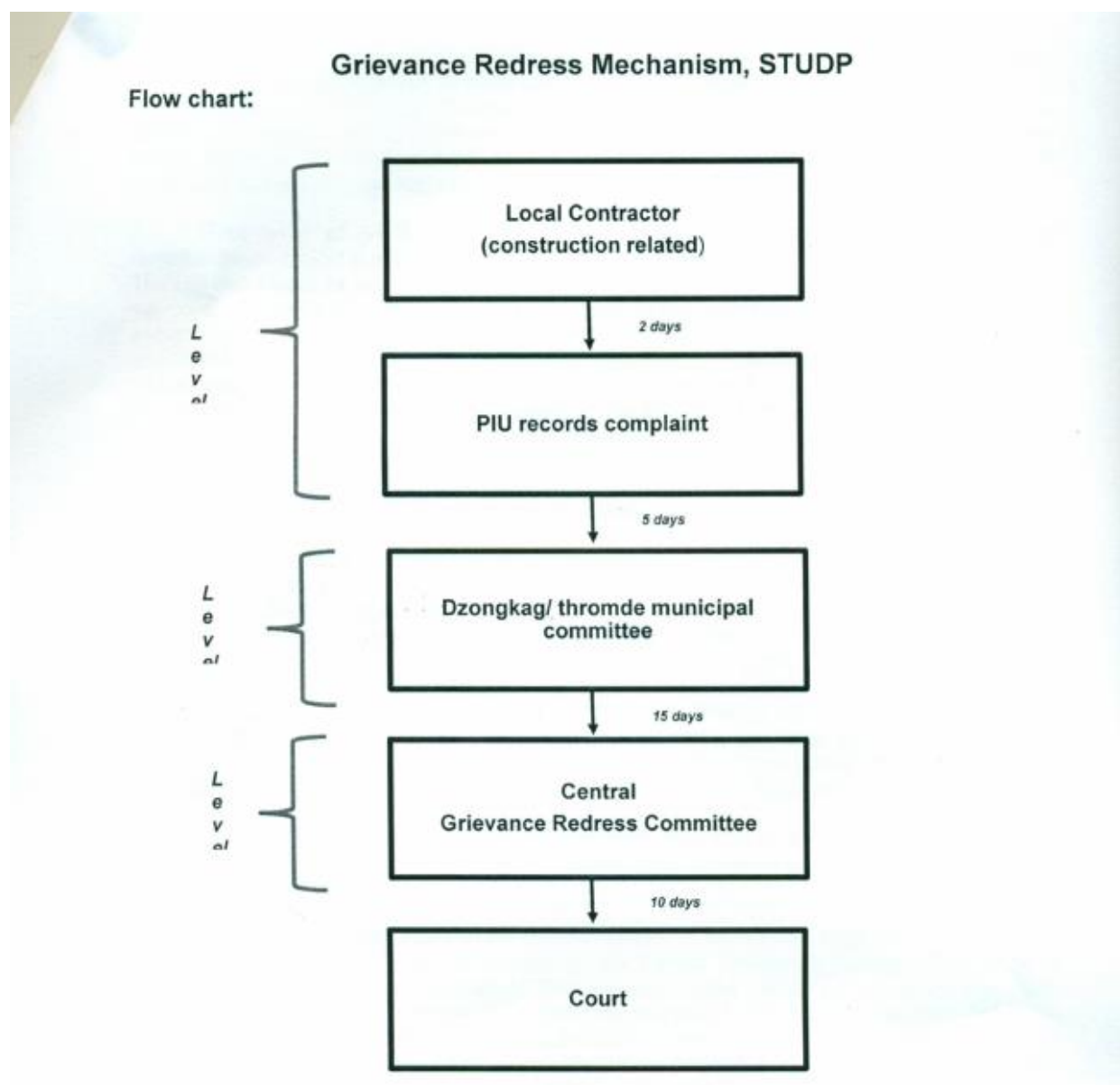


Figure 1: Grievance Redress Mechanism, STUDP

Procedure and composition of GRM Committee

1. The Project Grievance Redress Mechanism follows a tiered system, starting at the local level. The GRM structure has been agreed with the concerned agencies and a notification of the GRM structure and composition has been provided by the Ministry of Works and Human Settlements (MOWHS)

). The GRM will ensure that grievances and complaints regarding land acquisition, compensation and resettlement or other social and environmental issues will be addressed in a timely and satisfactory manner. People in the towns will be made aware of their rights and the detailed procedures for filing of grievances. PIUs will be undertaking outreach activities to make people aware of the GRM and will be published on the thromde/ dzongkhag and MOWHS websites. GRM will also be displayed at notice boards in the PIU offices.

2. **First level of GRM.** Aggrieved persons may first approach the contractor's site representative/ project manager in case of complaints related to construction related nuisances. The complaint must be recorded in the site register and contractor should provide a resolution to the complaint within 2 days. In case, the complaint is not resolved at this level, the aggrieved persons can then file a complaint with the PIU office. Aggrieved persons are entitled to lodge complaints regarding any aspect of the land acquisition, entitlements, benefits or rates of payment as well as any project related social or environmental issues. Complaints can be made verbally or in written form. Complaints made to the PIU should be resolved within 3 days. All complaints must be recorded by the PIU, including actions taken to resolve the complaint. Complaints, their nature and resolution should be mentioned in the quarterly progress reports.

3. **2nd level of GRM:** At this level, the PIU Manager/Municipal level will coordinate with the Dzongkhag/ thromde municipal Committee which should be in place prior to project implementation. This committee will be comprised of : (i) Dzongda (district administrator) or thrompon (mayor) as Chairman; (ii) municipal engineer (PIU Project managers) as Member secretary; (iii) District engineers; (iii) district/ municipal planning officer; (iv) district/ municipal legal officer; (v) district/ municipal environmental officer; (vi) district/ municipal land record officer, (vii) town representatives (elected); and (viii) gender focal person of PIUs; The aggrieved person / or the representative who filed the complaint will be called to present his case and deliberation on the case will be done through proper hearing or mediation. It will be the responsibility of the dzongkhag/ thromde committee to resolve the issue within 15 days from the date the complaint is received. Minutes of meeting of the Dzongkhag/ thromde committee meeting will be kept and resolution provided will be recorded for purposes of project monitoring.

4. If the complaint is unresolved at this level, the PMU, PIU or the District Administrator will inform the aggrieved person accordingly and assist them in elevating the complaint to the PMU/ Central Grievance Committee.

5. **3rd level of GRM.** Grievances not redressed at the Dzongkhag/ thromde municipal committee within 15 days will be brought to the Central Grievance Redress Committee at MOWHS level. The Central Grievance Redress Committee will comprise of: (i) Secretary, MOWHS (Chairman); (ii) Director, DES (Member secretary); (iii) Project manager, PMU; (iv) Project coordinator, PMU; (v) Water and Sanitation Division chief; (vi) legal officer, MOWHS; (viii) environmental officer, MOWHS; (ix) gender officer (MOWHS); (x) representatives from local NGOs. It will be the responsibility of the Central committee to resolve the issue within 10 days from the date the complaint is received. In the event, the grievance is still not resolved; the matter may be elevated by the aggrieved person to an appropriate court of law. The court will have the final authority to approve or reject the case. Aggrieved persons may seek recourse through legal system at any stage of the GRM process.

Composition of Dzongkhag/ thromde
Municipal Committee

Chairman – Dzongda (district administrator)/
thrompon (mayor)
Member – secretary- municipal engineer
(PIU PMs)
Other members - district engineers, planning
officer, legal officer, environmental officer,
land record officer, town representative
(elected), gender focal person, .

Composition of central Grievance Redress
Committee

Chairman – Secretary, MOWHS
Member secretary – Director, DES
Other members- PMU, PM, Project coordinator;
WSD chief, legal officer, environmental officer,
gender officer (MOWHS)
representatives from NGOs



SAMPLE GRIEVANCE REDRESS FORM

The _____ Project welcomes complaints, suggestions, queries, and comments regarding project implementation. We encourage persons with grievance to provide their name and contact information to enable us to get in touch with you for clarification and feedback.

Should you choose to include your personal details but want that information to remain confidential, please inform us by writing/typing ***(CONFIDENTIAL)*** above your name. Thank you.

| | | | | | |
|---|--|-----------------------|--|-----|--|
| Date | | Place of Registration | | | |
| Contact Information/Personal Details | | | | | |
| Name | | Gender | <input type="checkbox"/> Male <input type="checkbox"/> Female | Age | |
| Home Address | | | | | |
| Place | | | | | |
| Phone no. | | | | | |
| E-mail | | | | | |
| Complaint/Suggestion/Comment/Question Please provide the details (who, what, where, and how) of your grievance below: | | | | | |
| If included as attachment/note/letter, please tick here: | | | | | |
| How do you want us to reach you for feedback or update on your comment/grievance? | | | | | |

FOR OFFICIAL USE ONLY

| | |
|---|---|
| Registered by: (Name of Official registering grievance) | |
| Mode of communication: <input type="checkbox"/> Note/Letter <input type="checkbox"/> E-mail <input type="checkbox"/> Verbal/Telephonic | |
| Reviewed by: (Names/Positions of Officials Reviewing Grievance) | |
| Action Taken: | |
| Whether Action Taken Disclosed: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Means of Disclosure: | |

TERMS OF REFERENCE FOR ENVIRONMENTAL SPECIALISTS TO SUPPORT THE PROJECT MANAGEMENT UNIT AND PROJECT IMPLEMENTATION UNITS

Environmental Specialist (International)

She/he will have preferably a post-graduate degree in environmental sciences or equivalent, with 10 years' experience in environmental safeguards and in overseeing of project implementation/monitoring/ compliance. She/he should be conversant with national environmental regulations and ADB safeguard requirements. The candidate should possess good communication (oral and written), interpersonal and teamwork skills. Experience working in in South Asia is preferred.

He/she will work closely with his/her national counterpart:

The duties and tasks of the Environmental Specialist include, but not limited to:

- (i) Ensure that all ADB and/or the government's safeguard and environment regulations/statutory requirements and related issues are properly incorporated into the design and implementation phases of the project;
- (ii) Update the initial environmental examination (IEE) and environmental management plan (EMP) during detailed design stage, where necessary;
- (iii) Implement a system for monitoring the environmental safeguards, prepare indicators for monitoring the important parameters of the safeguards (for inclusion in the PPMS) (reflected in the IEE);
- (iv) Work with the Institutional Specialist in preparing a Training Plan, incorporate all training requirements to ensure no duplication of efforts and to maximize available resources;
- (v) Conduct an orientation workshop for the MOWHS, and Thromde/Dzongkag officials involved in the project implementation on ADB Safeguards Policy Statement, the Royal Government of Bhutan environmental laws and regulations, and environmental assessment process;
- (vi) Train contractors and PIU, preparing them on EMP implementation, environmental monitoring requirements related to mitigation measures, and taking immediate action to remedy unexpected adverse impacts or ineffective mitigation measures found during the course of implementation;
- (vii) Monitor compliance with all government rules and regulations regarding site and environmental clearances as well as any other environmental requirements (e.g., permits), as relevant;
- (viii) Oversee implementation of the EMP during construction, including environmental, health and safety monitoring of contractors;
- (ix) Coordinate with the safeguard specialist and PIUs on mitigation measures involving the community and affected persons;
- (x) Take corrective actions when necessary to ensure no environmental impacts;
- (xi) With the national counterpart, review compliance reports by contractors and submit regular environmental monitoring reports to the PMU PM;
- (xii) Work with the national counterpart in the setting up and implementation of Grievance Redress Mechanism as reflected in the IEE; and
- (xiii) Ensure timely preparation and submission of compliance reports related to the environmental safeguard details during the implementation phase which maybe (but not necessarily limited to) semi-annual environmental Monitoring Reports, and such details related to the project completion reports, etc.

Environmental Specialist (National, 14 person-months)

She/he will have preferably a post-graduate degree in environmental sciences or equivalent, with 8 years' experience in environmental safeguards and in overseeing of project implementation/monitoring/compliance. S/he should be conversant with national environmental regulations and ADB safeguard requirements. The candidate should possess good communication (oral and written), interpersonal and teamwork skills.

He/she will work closely with his/her international counterpart who will be hired as an individual consultant.

The duties and task of the Environmental Specialist includes, but not limited to:

- (i) Help ensure that all ADB and Government safeguard and environment regulations/statutory requirements and related issues are properly incorporated into the design and implementation phases of the project;
- (ii) Assist in updating the initial environmental examination (IEE) and environmental management plan (EMP) during detailed design stage;
- (iii) Include the EMP in bidding documents and civil works contracts;
- (iv) Implement system for monitoring the environmental safeguards, assist in preparing indicators for monitoring the important parameters of the safeguards for inclusion in the PPMS (reflected in the IEE); conduct regular site visits to monitor compliance to EMP provisions including adherence to occupational health and safety provisions and core labor standards;
- (v) Work with the Institutional Specialist in preparing a Training Plan, assist in incorporating all training requirements to ensure no duplication of efforts and to maximize available resources;
- (vi) Organize an orientation workshop for the MOWHS, and Thromde/Dzongkhag officials involved in the project implementation on ADB Safeguards Policy Statement, 2009, RGOB environmental laws and regulations, and environmental assessment process;
- (vii) Assist in obtaining (and renewing) necessary environmental clearances for projects prior to commencement of construction works;
- (viii) Assist in the training of contractors and PIU, briefing them on preparation of site specific EMP and its' implementation, environmental monitoring requirements related to mitigation measures, and taking immediate action to remedy unexpected adverse impacts or ineffective mitigation measures found during implementation;
- (ix) Enforce and monitor compliance with all government rules and regulations regarding site and environmental clearances as well as any other environmental requirements (e.g., permits), as relevant;
- (x) Oversee implementation of the EMP during construction, including environmental, health and safety monitoring of contractors;
- (xi) Coordinate with the safeguard specialist and PIUs on mitigation measures involving the community and affected persons;
- (xii) Take corrective actions when necessary to ensure environmental impacts are adequately mitigated by the concerned parties;
- (xiii) Assist in reviewing compliance reports by contractors and submit regular environmental monitoring reports to the PMU Project Manager and any other compliance reports related to the environmental safeguard details during the implementation phase and such details related to the project completion reports etc.;

- (xiv) Address any grievances through the grievance redress mechanism in a timely manner as per the IEEs. Prepare record of such grievances for inclusion in the quarterly progress reports;
- (xv) Prepare compliance reports related to environmental safeguards during the implementation phase which maybe (but not necessarily limited to) monthly and quarterly reports, semi-annual environmental safeguards monitoring reports, and such details related to the project completion reports etc.; and
- (xvi) Any other works assigned by PMU/PIU.

TEMPLATE FOR SEMI-ANNUAL ENVIRONMENTAL MONITORING REPORT

Introduction

- Overall project description and objectives
- Environmental category as per ADB Safeguard Policy Statement, 2009
- Environmental category of each subproject as per national laws and regulations
- Project Safeguards Team

| Name | Designation/Office | Email Address | Contact Number | Roles |
|----------------|--------------------|---------------|----------------|-------|
| 1. PMU | | | | |
| | | | | |
| | | | | |
| 2. PIUs | | | | |
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| 3. Consultants | | | | |
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- Overall project and subproject progress and status
- Description of subprojects (package-wise) and status of implementation (preliminary, detailed design, on-going construction, completed, and/or O&M stage)

| Package Number | Components/List of Works | Contract Status (specify if under bidding or contract awarded) | Status of Implementation (Preliminary Design/Detailed Design/On-going Construction/Completed/O&M) ^a | If On-going Construction | |
|----------------|--------------------------|--|--|--------------------------|--------------------------|
| | | | | %Physical Progress | Expected Completion Date |
| | | | | | |
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^a If on-going construction, include %physical progress and expected date of completion.

Compliance status with National/State/Local statutory environmental requirements^a

| Package No. | Subproject Name | Statutory Environmental Requirements ^b | Status of Compliance ^c | Validity if obtained | Action Required | Specific Conditions that will require environmental monitoring as per Environment Clearance, Consent/Permit to Establish ^d |
|-------------|-----------------|---|-----------------------------------|----------------------|-----------------|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |

^a All statutory clearance/s, no-objection certificates, permit/s, etc. should be obtained prior to award of contract/s. Attach as appendix all clearance obtained during the reporting period. If already reported, specify in the "remarks" column.

^b Specify (i.e., environmental clearance, permit/consent to establish, forest clearance, etc.).

^c Specify if obtained, submitted and awaiting approval, application not yet submitted.

^d Example: Environmental Clearance requires ambient air quality monitoring, Forest Clearance/Tree-cutting Permit requires 2 trees for every tree, etc.

Compliance status with environmental loan covenants

| No. (List schedule and paragraph number of Loan Agreement) | Covenant | Status of Compliance | Action Required |
|--|----------|----------------------|-----------------|
| | | | |
| | | | |
| | | | |

Compliance status with the environmental management plan (refer to EMP tables in the approved IEEs)

- Confirm if IEE/s require contractors to submit site-specific EMP/construction EMPs. If not, describe the methodology of monitoring each package under implementation.

Package-wise IEE Documentation Status

| Package Number | Final IEE based on Detailed Design | | | | Site-specific EMP (or Construction EMP) approved by Project Director? (Yes/No) | Remarks |
|----------------|---|---|---|---|--|---------|
| | Not yet due (detailed design not yet completed) | Submitted to ADB (Provide Date of Submission) | Disclosed on project website (Provide Link) | Final IEE provided to Contractor/s (Yes/No) | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

- For each package, provide name/s and contact details of contractor/s' nodal person/s for environmental safeguards.

Package-wise Contractor/s' Nodal Persons for Environmental Safeguards

| Package Name | Contractor | Nodal Person | Email Address | Contact Number |
|--------------|------------|--------------|---------------|----------------|
| | | | | |
| | | | | |
| | | | | |

- With reference to approved EMP/site-specific EMP/construction EMP, complete the table below

Summary of Environmental Monitoring Activities (for the Reporting Period)^a

| Impacts (List from IEE) | Mitigation Measures (List from IEE) | Parameters Monitored (As a minimum those identified in the IEE should be monitored) | Method of Monitoring | Location of Monitoring | Date of Monitoring Conducted | Name of Person Who Conducted the Monitoring |
|--|--|--|---------------------------------|-----------------------------------|---|--|
| Design Phase | | | | | | |
| | | | | | | |
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| Pre-Construction Phase | | | | | | |
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| Construction Phase | | | | | | |
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| Operational Phase | | | | | | |
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^a Attach Laboratory Results and Sampling Map/Locations.

Overall Compliance with Contractor's Environmental Management Plan/ Environmental Management Plan

| No. | Subproject Name | EMP/CEMP Part of Contract Documents (Y/N) | CEMP/EMP Being Implemented (Y/N) | Status of Implementation (Excellent/ Satisfactory/ Partially Satisfactory/ Below Satisfactory) | Action Proposed and Additional Measures Required |
|------------|----------------------------|--|---|---|---|
| | | | | | |
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Approach and methodology for environmental monitoring of the project

- Briefly describe the approach and methodology used for environmental monitoring of each sub-project.

Monitoring of environmental IMPACTS on PROJECT SURROUNDINGS (ambient air, water quality and noise levels)

- Discuss the general condition of surroundings at the project site, with consideration of the following, whichever are applicable:
 - Confirm if any dust was noted to escape the site boundaries and identify dust suppression techniques followed for site/s;

- As a minimum the results should be presented as per the tables below.*

[illegible]

| Site No. | Date of Sampling | Site Location | Parameters (Monitoring Results) | | | | | |
|----------|------------------|---------------|---------------------------------|-------------------------------|----------|----------|---------|---------|
| | | | pH | Conductivity $\mu\text{S/cm}$ | BOD mg/L | TSS mg/L | TN mg/L | TP mg/L |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Noise Quality Results

| Site No. | Date of Testing | Site Location | LA _{eq} (dBA) (Government Standard) | |
|----------|-----------------|---------------|--|------------|
| | | | Day Time | Night Time |
| | | | | |
| | | | | |

| Site No. | | Date of Testing | Site Location | LA _{eq} (dBA) (Monitoring Results) | |
|----------|--|-----------------|---------------|---|------------|
| | | | | Day Time | Night Time |
| | | | | | |
| | | | | | |

Grievance Redress Mechanism

- Provide information on establishment of grievance redress mechanism and capacity of grievance redress committee to address project-related issues/complaints. Include as appendix Notification of the GRM (town-wise if applicable).

Complaints Received during the Reporting Period

- Provide information on number, nature, and resolution of complaints received during reporting period. Attach records as per GRM in the approved IEE. Identify safeguards team member/s involved in the GRM process. Attach minutes of meetings (ensure English translation is provided).

SUMMARY OF KEY ISSUES AND REMEDIAL ACTIONS

- Summary of follow up time-bound actions to be taken within a set timeframe.

APPENDIXES

- Photos
- Summary of consultations
- Copies of environmental clearances and permits
- Sample of environmental site inspection report
- all supporting documents including signed monthly environmental site inspection reports prepared by consultants and/or contractors
- Others

SAMPLE ENVIRONMENTAL SITE INSPECTION REPORT

Project Name _____
Contract Number _____

NAME: _____ DATE: _____
TITLE: _____ DMA: _____
LOCATION: _____ GROUP: _____

WEATHER CONDITION: _____

INITIAL SITE CONDITION: _____

CONCLUDING SITE CONDITION:

Satisfactory _____ Unsatisfactory _____ Incident _____ Resolved _____ Unresolved _____

INCIDENT:
Nature of incident: _____

Intervention Steps: _____

Incident Issues

Resolution

| | | |
|------------------------|-------------------|--|
| Project Activity Stage | Survey | |
| | Design | |
| | Implementation | |
| | Pre-Commissioning | |
| | Guarantee Period | |

Inspection

| | | | | |
|-------------------------------------|-------------------------|--|----|--|
| Emissions | Waste Minimization | | | |
| Air Quality | Reuse and Recycling | | | |
| Noise pollution | Dust and Litter Control | | | |
| Hazardous Substances | Trees and Vegetation | | | |
| Site Restored to Original Condition | Yes | | No | |

Signature _____

Sign off

ENVIRONMENTAL CLEARANCE



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 ROYAL GOVERNMENT OF BHUTAN
 DZONGKHAG ADMINISTRATION
 SARPANG

Environment Section

SD/Env-01/2017-18/ ༤༤༩

Date: 10/01/2018

To
 Municipal Engineer
 Sarpang Dzongkhag

Sub: Environmental Clearance

As per the authority granted by the National Environment Commission (NEC) under the listed activities that the competent authority shall screen and issue Environment Clearance 2016, the Dzongkhag Environment Committee (DEC) is pleased to issue **Environment Clearance for construction of water supply lines (Laying of distribution network for Shechamthang LAP and Sarpang Bazaar) and construction of road network and storm water Drainages at Shechamthang LAP.**

Following are the terms and conditions to be followed during the construction work:

1. The Environment Clearance specifically covers for the construction of aforementioned activities only.
2. The trenching work has to be done with minimal disturbance to local environment.
3. The excavated soil and boulders from the trenching work have to be reused to burying the pipeline.
4. At the time of construction, pipeline alignments should be fix in such a way that there is no bursting of pipes and leakage of water into the natural environment causing stagnation of water and landslides.
5. The construction work should not lead to disturbance to private land and other private infrastructures.
6. The wastes produced from the execution of this activity have to be managed as per the provisions of Waste Prevention and Management Act 2009 and its regulation 2012.
7. Removal of vegetation should be at the minimum possible.
8. 30% of total water should be let out at the intake as an environmental flow.
9. There should have intervals of Break Pressure Tank to avoid disaster in the down stream.
10. The storm water drainage and road network has to be done as per the specification mentioned in the BoQ.
11. Overflow of water should be avoided to avoid unnecessary flooding and destabilization of the slope.



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 རྒྱལ་ཁབ་བདག་སྐྱོང་ གསལ་སྤང་།
 ROYAL GOVERNMENT OF BHUTAN
 DZONGKHAG ADMINISTRATION
 SARPANG

Environment Section

12. Any terms and conditions agreed with other stakeholders have to be implemented strictly.
13. The applicant of this activity must be fully responsible for any disputes and offenses arising pertaining to execution of this project.

Non-compliance or failure to comply with any of the terms and conditions shall constitute an offense under Environmental Assessment Act 2000, its Regulation 2016, National Environment Protection Act 2007 and any other relevant laws. Penalties for such offenses shall include but not limited to suspension and revocation of environment clearance in part or whole without any liability on the part to Government.

This environmental clearance remains valid for **2 years** from the date of issue.

Expiry date: 09/01/2020

(Chairperson)
 Dzongkhag Environment Committee
 Sarpang Dzongkhag

Cc:

1. Head, ESD, NECS, Thimphu for information.
2. Divisional Forest Officer, Divisional Forest Office, Sarpang for information.
3. Office copy