

# Social Monitoring Report

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Bi-annual Social Monitoring Report  
July 2016

## PAK: MFF – Power Distribution Enhancement Investment Program (Tranche 2)

Prepared by Lahore Electric Supply Company, Punjab for the Asian Development Bank.

## NOTES

- (i) The fiscal year (FY) of the Government of the Islamic Republic of Pakistan and its agencies ends on 30 June.
- (ii) In this report “\$” refer to US dollars.

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**Re: Fw: Loan 2727-PAK: Power Distribution Enhancement Investment Program, Tranche II - LESCO's Social Monitoring Report T-II January-june 2016**

Jose Tiburcio Nicolas to: Liaqat Ali

20/07/2016 05:51 PM

Cc: Ashfaq Khokhar, Ehtesham Z. Khattak, Khurram Shahzad, Zhang Lei, Muhammad Zeeshan

Dear Liaqat sb,

Thanks for sharing the internal SMR for Tranche 2 for January-June 2016 submitted by LESCO. We **endorse the acceptance and uploading of this SMR to the ADB website for disclosure.** Please let us know when this has been disclosed so we can reflect in our monitoring matrix. While we endorse this SMR, we would like to offer the following comments and recommendations:

1. The SMR noted that DPs affected by the stringing activities for the Doula Chuchak gs and transmission line have complained to the E&S Cell why compensation has not been disbursed to the 150 DPs when stringing activities are already being conducted. At the same time, the long process for assessing and approving compensation payment was mentioned as affecting the timely disbursement of payments. LESCO needs to be reminded to facilitate the disbursement of payment in order to comply with the LARP provisions and ADB policy requirement and avoid DPs' complaints from escalating.
2. While the SMR noted that DPs complain about the compensation for the stringing activities, it was mentioned that no complaints were received and recorded in the grievance register. These are conflicting information. The DP complaints on the compensation should have been recorded in the register indicating who raised the complaint, when the complaint was received, what actions are being taken, what advice was given to the DP and the status of resolution. By not registering these complaints, DPs can claim that their concerns were not entertained or no explanation was given to them by the project. That would render their complaint eligible under the ADB accountability mechanism which will put the project in greater risk.
3. It is noted that LESCO is now monitoring the restoration of temporarily used plots. This action is appreciated and should be continued. It is further suggested that the names of DPs met during these monitoring activities should also be recorded in the SMRs.

Regards,

Tito S. Nicolas

Senior Social Development Specialist (Safeguards)  
Pakistan Resident Mission  
North Wing Level 8, Serena Office Complex  
Khayaban-e-Suhrawardy, G-5, Islamabad, Pakistan  
email : jnicolas@adb.org



Liaqat Ali	Dear Tito/Ashfaq: The SMR for Loans 2727 rece...	18/07/2016 09:50:49 AM
From:	Liaqat Ali/PRM/ADB	
To:	Jose Tiburcio Nicolas/CWRD/ADB@ADB, Ashfaq Khokhar/PRM/ADB@ADB	
Cc:	Zhang Lei/CWRD/ADB@ADB, Ehtesham Z. Khattak/PRM/ADB@ADB, Khurram Shahzad/Consultants/ADB@ADB	
Date:	18/07/2016 09:50 AM	
Subject:	Fw: Loan 2727-PAK: Power Distribution Enhancement Investment Program, Tranche II - LESCO's Social Monitoring Report T-II January-june 2016	

Dear Tito/Ashfaq:

The SMR for Loans 2727 received from LESCO for the period covering 1 January to 30 June 2016 is below for your review/comments or clearance for disclosure.

Regards,  
Liaqat Ali, Project Analyst, Pakistan Resident Mission  
Level 8, North, Serena Office Complex, G-5, Islamabad/Pakistan  
Tele: (92-51) 2600351-69/2087210 Fax: (92-51) 2600365-66/2087397-98  
email: lali@adb.org.

----- Forwarded by Liaqat Ali/PRM/ADB on 18/07/2016 09:48 AM -----

From: Muhammad Usman <uniqueromi@yahoo.com>  
To: Akhokhar <akhokhar@adb.org>, Liyaqat Ali <lali@adb.org>  
Date: 14/07/2016 04:21 PM  
Subject: Fw: Bi-annual Social Monitoring Report T-II January-june 2016

Respected sir  
Please find enclosed herewith the bi annual social monitoring report of tranche II for your kind perusal please  
Regards  
Muhammad Usman  
Deputy Manager Environment  
LESCO

Sent from Yahoo Mail on Android

On Thu, Jul 14, 2016 at 3:42 PM, zartashia mazhar  
<zartashia2010@yahoo.com> wrote:  
A.o.A

It is submitted that Bi-annual Social Monitoring Report T-II ADB January-June 2016 has been signed and approved by Chief Engineer (Dev) PMU and the same is enclosed herewith for onward submission to ADB as discussed please.

Regards

**Zartashia Mazhar**  
**Social Development Officer**



**PMU LESCO** Social Monitoring Report T\_II June 2016.docx



## Bi – Annual Internal Social Monitoring Report

*Project Number: 2727 – PK (Tranche – II)*

*(January – June 2016)*

# Islamic Republic of Pakistan

Power Distribution Enhancement Investment Project  
(PDEIP) Tranche - II

Multi – Tranche Financing Facility (MFF)

**Financed by Asian Development Bank**

**Prepared By: Environment & Safeguard Cell – Project Management Unit  
Office of the Chief Engineer Development LESCO  
132 – kV Qurtaba Grid Station Complex, Bahawalpur Road  
Lahore – 54000 Pakistan**

**For: Pakistan Electric Power Company (PEPCO)  
Lahore Electric Power Company (LESCO)**

This report does not necessarily reflect the views of ADB or the Government of Pakistan, and ADB and the Government can not be held liable for its contents

**ASIAN DEVELOPMENT BANK**

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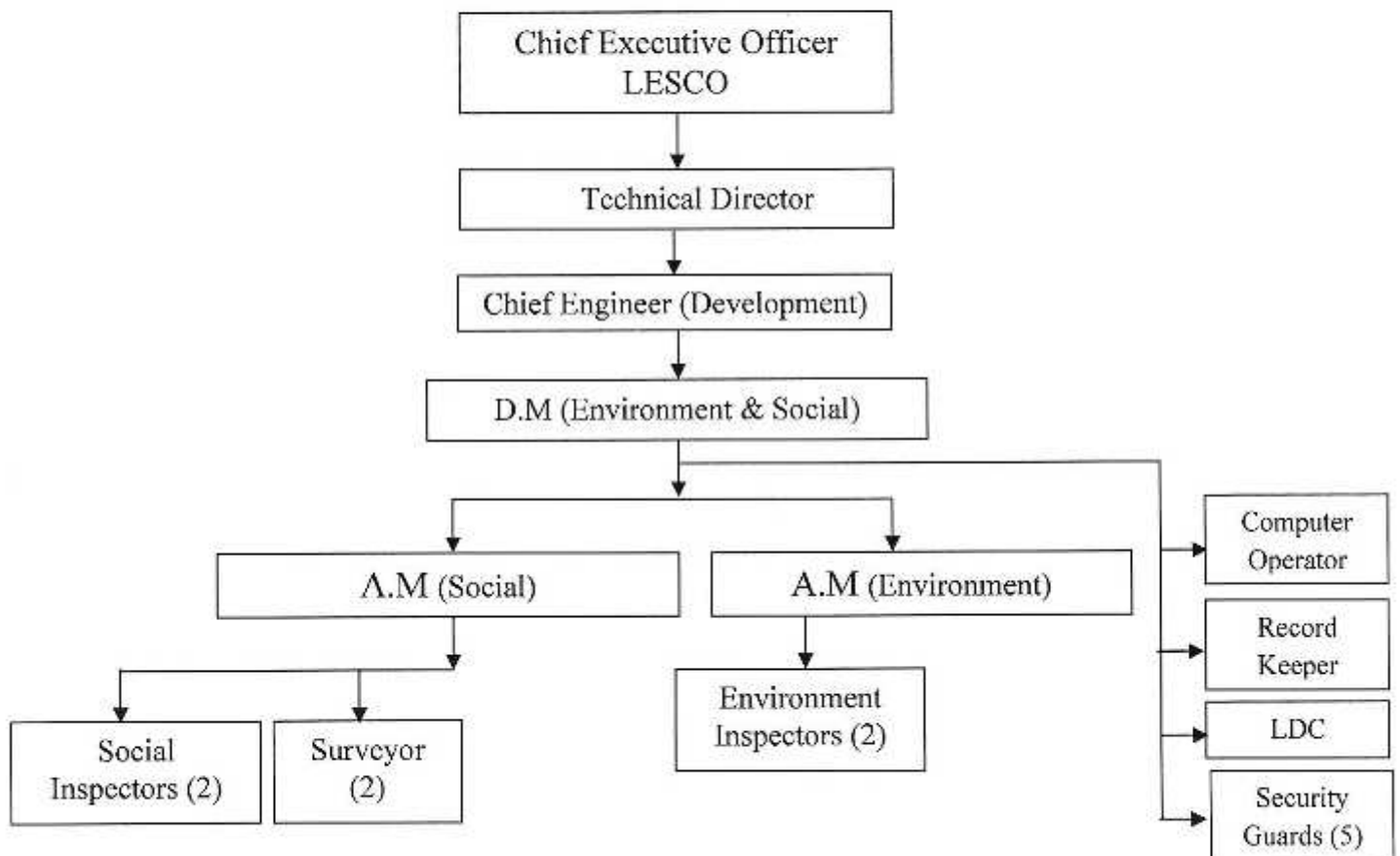
## 1. Introduction

- 1.1 LESCO is a public limited company responsible for distribution of electricity within its territorial jurisdiction comprising of five districts; Lahore, Kasur, Okara, Sheikhupura and Nankana of Punjab Province. LESCO was established in 1998 under Companies Ordinance, 1984 as a result of restructuring of the Power Wing of WAPDA after the enforcement of National Electric Power Regulatory Authority (NEPRA) Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997). LESCO is presently serving approximately three Million customers (Domestic, Commercial, Agricultural, Industrial and others).

### **Project Management Unit (PMU)**

- 1.2 LESCO Environment and Social Cell had been established in 2007 and this cell is currently part of Project Management Unit PMU established in 2009 and headed by Chief Engineer Development. PMU comprises of four sections i.e. Planning, Scheduling & Coordination, Procurement, Finance, M.C&C, Environment & Social Safeguard and GSC department.

The organogram of Environment and Social Safeguard Cell is given below:



## **2. Project overview**

- 2.1 LESCO through GOP has under gone a loan, project and financing agreement with the Asian Development Bank under Power Distribution Enhancement Investment Project Tranche - II in order to strengthen its existing distribution, transmission infrastructure and institutional capacity. The detail regarding project is summarized below:

ADB Loan No.	2727(SF) - PAK
Project Title	Power Distribution Enhancement Investment Project Tranche II
Borrower	Islamic Republic of Pakistan
Executing Agency	Pakistan Electric Power Company (PEPCO)
Implementing Agency	Lahore Electric Supply Company Ltd. (LESCO)
Total project cost (revised)	US \$ 35.46 Million.
ADB's financing (revised)	US \$ 24.88 Million
Counterpart Funding	US \$ 10.58 Million.
Loan Signing Date	January 28, 2011
Date of Closing (Revised)	December 31, 2016
Loan Effective Date	October 06, 2011

## **3. Scope of Work**

Sub projects to be financed by Asian Development Bank in Tranche – II included following scope of work:

Construction of New Grid Stations	=	05
Augmentation of Power Transformers	=	12



#### **4. Social Management**

- 4.1 02 Nos. Land Acquisition and Resettlement Plans LARPs (approved by ADB) for 132 kV Grid Stations Doula Chuchak and Central Park & 03 Nos. Due Diligence Reports (approved by ADB) for 132 kV Grid Stations DHA Rahber, Jubilee Town and Press Club Housing Society have been prepared by M/s BPI and CEO LESCO approved the same on 10 – 07 – 2010.
- 4.2 Land Acquisition and Resettlement Plans (LARPs) have been translated into Urdu and uploaded on LESCO's website (www.lesco.gov.pk) on 15-11-2010 after approval of ADB.
- 4.3 Clauses regarding Social safeguards have been provided to the procurement section to include in the bidding documents and EMMP & RP is the part of Bidding Document of STG Projects on turnkey basis.
- 4.4 An orientation workshop on Environment and Social Issues has been conducted on December 24'2011. Training Session on Environment & Social issues shall be conducted in next quarter subject to approval by LESCO.
- 4.5 Land Acquisition and Resettlement Plans LARPs have been updated keeping in view the inflation rate according to current market rates as desired by ADB for Doula Chuchak and Central Park Grid station & Transmission Line. Updated LARPs have been submitted to ADB for approval on 29-04-2014. ADB reviewed and approved on 13-10-2014. Revised/Updated LARPs have been uploaded on LESCO website.
- 4.6 LARPs were prepared on approved route plan and still there is no change in route plans so there is no remarkable/major change in the baseline data as provided in original LARPs.
- 4.7 Grievance Redressal Committee (GRC) has been re-notified in order to redress grievances of affected persons/stakeholders and notification is placed as **Annexure A**.

## 5. Social Monitoring

### 5.1 132 kV Grid Station Doula Chuchak and Feeding Transmission Line

#### **Physical Works**

132 kV Doula Chuchak Grid Station and its Feeding Transmission Line has been completed and the grid station has been energized in April'2016.

#### **Land Status and Involuntary Resettlement**

No land acquisition and involuntary resettlement involved as land was property of LESCO since fifteen years. During site visits no one complained or raised objection on LESCO for construction of grid station on the land owned by LESCO. However, LARP was prepared as this subproject involved construction of Feeding Transmission Line passing from four villages and caused damage to crops.

#### **Crop Compensation Status**

Crop Compensation is paid in three stages i.e. Foundation, Erection and Stringing. Compensation for foundation and erection stage has been paid to all affected persons except a few APs who were neither available during disbursement of compensation cheques on sites/GSC office and nor have contacted for compensation payment till so far. Announcement has been made on sites and GSC staff has visited the available addresses of APs to inform regarding cheques. Crop Compensation is paid on actual basis and has been disbursed through committee formulated by PD GSC.

During site visits all affected persons complained that LESCO has not yet started disbursement of compensation for stringing works though the stringing has been completed and Grid Station has been energized. Detail regarding compensation payment is tabulated below:

Sr. No.	Total No. of Affected Persons (APs)	No. of Affected Persons Paid (APs)	No. of Affected Persons (APs) yet to be Paid	Current Status & Remarks	Total Amount Disbursed in PKR Rs/-
Foundation	323	318	05	Cheques have been prepared but not disbursed due to non availability of APs. However, APs are being contacted by GSC staff to disburse the cheques at the earliest.	Rs.15868886/-
Erection	494	486	08		

Stringing	150			Amount has been approved for stringing payment and disbursement of cheques will be started shortly in next quarter.	
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Photographs of cheques disbursement among Affected Persons of feeding T/line of Doula Chuchak are placed in Annexure B

#### **Restoration of Site**

Feeding T/Line passed through agriculture land and has been restored and affected persons have started cultivation on land and no affected person complained regarding non restoration of land or any facility other than land.

Photographs taken during site visits are placed in Annexure A.

### **5.2 132 kV Grid Station Central Park and Feeding Transmission Line**

#### **Physical Works**

Civil works for Grid Station are near to completion and construction of feeding transmission line has not been started yet.

#### **Land Status and Involuntary Resettlement**

No land acquisition and involuntary resettlement involved as land was provided by Central Park Housing Society to LESCO free of cost. During site visits no one complained or raised objection on LESCO for construction of grid station on the land owned by LESCO. However, LARP was prepared as this subproject involved construction of Feeding Transmission Line passing from agricultural land and will cause damage to crops.

#### **Crop Compensation Status**

Neither construction nor crop compensation activity has been started yet for feeding transmission line of Central Park grid station.

#### **Restoration of site**

Status will be given after commencement of feeding T/Line construction.

### **5.3 132 kV Grid Station Jubilee Town and Feeding Transmission Line**

#### **Physical Works**

Grid Station and feeding Transmission line completed and energized.

### **Land Status and Involuntary Resettlement**

No land acquisition and involuntary resettlement involved as land was provided free of cost by housing society to LESCO. During site visits no one complained or raised objection on LESCO for construction of grid station. Due Diligence Report (DDR) was prepared and approved by ADB and LESCO. Construction of feeding T/Line does not involve damage to crops or any other private or public assets.

#### **5.4 132 kV Grid Station Press Club and Feeding Transmission Line**

##### **Physical Works**

Civil works for grid station are near to completion.

##### **Land Status and Involuntary Resettlement**

No land acquisition and involuntary resettlement involved as land was provided free of cost by housing society to LESCO. During site visits no one complained or raised objection on LESCO for construction of grid station. Due Diligence Report (DDR) was prepared and approved by ADB and LESCO. Construction of feeding T/Line does not involve damage to crops or any other private or public assets.

#### **5.5 132 kV Grid Station DIHA Rahber and Feeding Transmission Line**

##### **Physical Works**

Civil works and electrical installations has been completed.

##### **Land Status and Involuntary Resettlement**

No land acquisition and involuntary resettlement involved as land was provided free of cost by housing society to LESCO. During site visits no one complained or raised objection on LESCO for construction of grid station. Due Diligence Report (DDR) was prepared and approved by ADB and LESCO. Construction of feeding T/Line does not involve damage to crops or any other private or public assets.

**5.6** Augmentation works shall be carried out within existing grid stations and no land acquisition or involuntary resettlement is involved.

**5.7** GSC staff has been apprised regarding social aspects of the subprojects and on site briefing to the contractor has also be given for effective implementation of LARPs during site visits.

## 5.8 Mitigation Measures

- 5.8.1 Social Complaint Register (SCR) has been placed at all project sites in order to register the grievances and complaints of the stakeholders. No complaint has been registered so far by any affected person in SCR, however, during site visits of E&S team regarding monitoring of crop compensation payment and consultation sessions, Affected persons (APs) of Doula Chuchak grid station demanded for fast and timely disbursement of crop compensation amount and E&S Cell has regularly apprised the concerned GC Division Officers/Officials to expedite the process of compensation payment in order to redress the concerns of APs. Compensation assessment and disbursement procedure is too lengthy and remained main reason for late compensation payment. E&S cell PMU LESCO is regularly asking GSC staff to expedite the process of compensation payment.
- 5.8.2 The land has been restored to its original condition by the contractor and Affected Persons generally showed their satisfaction on restoration work during site visits of E&S team.
- 5.8.3 Grievance Redressal Committee (GRC) has been re-notified for Tranche II in order to comply with the Grievance Redressal Mechanism (GRM) described in LARPS. The organogram of GRC is given below:

Chief Engineer Development	Convener
Project Director GSC LESCO	Member
Dy. Manager (P&S) PMU LESCO	Member
Dy. Manager (Environment and Safeguard) LESCO	Member
One person from each project site	Member

The concerns regarding compensation payment have been resolved timely with the consultation of APs and no such complaints have been registered which needs GRM procedure to be followed for mitigation measures till so far.



**LAHORE ELECTRIC SUPPLY COMPANY**  
**Office of the Chief Engineer Development PMU LESCO**  
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Email: [cedev@lesco.gov.pk](mailto:cedev@lesco.gov.pk)

No. 7768/61 /C.E (Dev)/DM (E&S)/02

Dated 22 /06/2016

## NOTIFICATION

A Grievance Redressal Committee has been constituted under convener ship of the undersigned in order to redress the complaints and grievances lodged by the stakeholders/affected people for the subprojects to be financed by ADB under Tranche-II, III & IV. Grievance Redressal Committee (GRC) comprises of following:

1. Chief Engineer Development PMU
2. Project Director GSC
3. Manager (P&S)
4. Dy. Manager (E&S)
5. One Person from each Project site

Convener  
Member  
Member  
Member  
Member

(Engr. Asgher Reza Ch.)  
Chief Engineer (Dev)  
PMU LESCO

Info:

1. Chief Executive Officer LESCO
2. General Manager Technical LESCO
3. Director ER & Admn LESCO
4. All members nominated above
5. Master File



**Annexure B: Photographs of site restoration and disbursement of crop compensation for Doula Chuchak Transmission line**

