

# External Social Monitoring Report

---

Bi-annual Social Monitoring Report  
February 2017

## Pakistan: MFF – Power Distribution Enhancement Investment Program – Tranches 1-4

Prepared by Pakistan Electric Power 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.

This external social monitoring report is a document of the Borrower. The views expressed herein do not necessarily represent those of ADB’s Board of Directors, Management, or staff, and may be preliminary in nature.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

**MFF PDEIP T2 and T3 External Social Monitoring Report (July-Dec 2016)**

Jose Tiburcio Nicolas To: Liaqat Ali

13/02/2017 03:06 PM

Cc: Ehtesham Z. Khattak, Muhammad Zeeshan, Ashfaq Khokhar

Dear Liaqat sb,

I have reviewed the external resettlement monitoring report prepared by the FMC (SMEC) for the period July-December 2016. I endorse its acceptance and uploading on the ADB website for disclosure. Please advise us when it has been disclosed so we can reflect in our records.

Some of the issues raised in the previous external monitoring report remain are still to be fully resolved. These include:

1. Delay in compensation payments in most DISCOs (including for some completed subprojects. For Tranche-2 where most subprojects have been completed or about to be completed, a total of 316 DHHs from subprojects of GEPCO, HESCO, IESCO and LESCO have not been compensated. For Tranche-3, where civil works are at different stages of implementation, risk of delay in compensation payment payment is likely if no action is made on improving the staffing and resources of ESIC and GSC for LARP implementation.
2. Lack of cooperation from the Finance Departments of some DISCOs (particularly in HESCO and IESCO) in expediting the processing of compensation payments
3. Weak coordination between the GSC and ESIC. GSC staff in some DISCOs do not share updates to ESIC regarding the commencement of work at sub projects, which results in the delay of compensation payments
4. Unfilled ESIC positions (2 in MEPCO, and 2 in FESCO)
5. lack of appropriate transportation support to the ESIC from QESCO and FESCO for proper monitoring of the LARP implementation

I suggest that we ask PEPCO to:

1. instruct GEPCO, HESCO, IESCO and LESCO to submit a time-bound action plan for completing the compensation of the remaining 316 DHHs for the Tranche 2 subprojects.
2. request the CE for HESCO and IESCO to instruct their Finance Departments to expedite the processing of compensation payments
3. remind all DISCOs to (a) improve coordination between the GSC and ESIC on the commencement of civil work and compensation payments in sub projects; (b) improve the complaint registration and grievance resolution mechanism including adding DP representatives to the GRCs ; (c) hire additional support staff (Qanongo, patwari and surveyors); and (d) approve the SOPs on safeguards,
4. ask the CE of MEPCO and FESCO to fill-in ASAP the vacant ESIC positions and report to ADB once these have been filled in
5. request the CE of QESCO and FESCO to provide appropriate transportation support to their ESIC for proper monitoring of the LARP implementation
6. instruct FMC to continue its on-the job training program for the ESIC and GSCs. Subsequent OJT sessions should also include proper internal resettlement monitoring and reporting in order to improve the quality of internal resettlement monitoring reports submitted by the DISCOs to ADB.

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  
+92 51 2600351-69/ 208 7300 ext 219  
+92 305 9419662 (mobile)



Ext. Social Monitoring Report July- Dec 2016.pdf

109/2017



PAKISTAN ELECTRIC POWER COMPANY (PVT) LIMITED  
8<sup>TH</sup> FLOOR, PIA TOWR, EGERTON ROAD LAHORE  
Ph. No. (92)-42-99200135-36 Fax: (92)-42-36302557  
E.Mail: edtpepc@hotmail.com



No. 75-78 /PEPCO/CE/PD/PMU/FMC/ADB

Dated 6-2-2017 / /2017

Senior Project Officer (Energy),  
Asian Development Bank (ADB),  
ISLAMABAD

Sub: **LOAN-2439-PAK: CONSULTANCY SERVICES FOR FACILITY  
MANAGEMENT CONSULTANT (FMC) - POWER DISTRIBUTION  
ENHANCEMENT INVESTMTN PROGRAM (PDEIP)**

Enclosed please find "*Bi-annual Social and Environmental Monitoring Reports*  
received from M/s. SMEC, vide letter dated 03.02.2017, for information and necessary  
action

DA/as above

*[Signature]*  
CHIEF ENGINEER/PD  
(PMU) PEPCO

CC to:

- GM (C&M) PEPCO
- SO to MD PEPCO
- M/s. SMEC  
Master file

ASIAN DEVELOPMENT BANK  
**RECEIVED**  
08 FEB 2017  
PAKISTAN RESIDENT MISSION  
ISLAMABAD

Dept./Unit	To:
CDO	
HR	
PLA	
DU	
PMU	<i>[Signature]</i>
Rec./Prog.	
CSR	
Salvagard	
PM	
Water	
Energy	<i>Zhafe Liaqat</i>
Transport	
Irriq/RD	
PSO	



(In association with SOFRECO, Bit Com Services GmbH, Engineering General Consultants (EGC) Pvt. Ltd. and TECHNO legal Consultants Pvt Ltd)

**Loan No. 2439 PAK: Consultancy Services for Facility  
Management Consultant (FMC): Power Distribution  
Enhancement Investment Program**

**Six Monthly Monitoring Report of Land Acquisition and  
Resettlement Plans (LARPs)  
Implementation of Tranches: 1, 2, 3 & 4  
(July- December 2016)**

For:  
Asian Development Bank (ADB)  
Ministry of Water and Power, Government of Pakistan  
PEPCO

February 03, 2017



## Table of Contents

Table of Contents.....	i
<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>1 INTRODUCTION.....</b>	<b>5</b>
1.1 General .....	5
1.2 Objectives of the External Monitoring and Evaluation (E M&E).....	6
1.3 External Monitoring and Evaluation (EM&E) Indicators .....	6
1.4 Approach Adopted for E M&E.....	6
1.5 Distribution Companies (DISCOs) .....	6
<b>2 ASSESSMENT OF LARP PROCESSES.....</b>	<b>9</b>
2.1 Preparation of Revised LARP(s).....	9
2.2 Sub Project Cut-Off Dates .....	10
2.3 Eligibility and Entitlement for Compensation .....	11
2.4 Compensation for Crops, Trees and other Assets.....	11
2.5 Institutional Arrangement to implement LARPs .....	11
2.6 Academic Assessment of Staff in ESICs .....	12
2.7 Staff Support.....	14
2.8 Transport .....	14
2.9 Capacity Building.....	14
<b>3 LARPs Implementation .....</b>	<b>16</b>
3.1 LARPs Compensation.....	16
3.2 LARPs Implementation Status.....	16
3.3 LARPs Conclusions.....	21
3.4 LARP Disclosure.....	22
3.5 Participation .....	23
3.6 Monitoring of Socio-Economic Surveys and Profiles .....	23
3.7 Grievance Redress Mechanisms .....	24
3.8 Resettlement Budget.....	24
3.9 Visits Schedule to DISCOs .....	25
3.10 Internal Monitoring System .....	25
<b>4 CONCLUSIONS.....</b>	<b>26</b>
4.1 Corrective Action Plan (CAP).....	26

**LIST OF TABLES**

TABLE 1: DESCRIPTION OF REVISED TRANCHE 2 LARPS	9
TABLE 2: DESCRIPTION OF REVISED TRANCHE 3 LARPS	9
TABLE 3: CUT-OFF DATE AS PER REVISED TRANCHE-2 LARP(S)	10
TABLE 4: CUT-OFF DATE TRANCHE-3 LARP(S)	10
TABLE 5: ACADEMIC ASSESSMENT OF ESICS STAFF	13
TABLE 6: LOGISTIC AVAILABILITY	14
TABLE 7: SUMMARY - COMPENSATION STATUS OF ALL DISCOS TRANCHE-2	16
TABLE 8: IMPLEMENTATION AND COMPENSATION STATUS OF ALL DISCOS TRANCHE-2	17
TABLE 9: IMPLEMENTATION AND COMPENSATION STATUS OF ALL DISCOS TRANCHE-3	19
TABLE 10: LARP IMPACTS FOR TRANCHE-2 TURNKEY SUBPROJECTS	21
TABLE 11: MONITORING OF SOCIO-ECONOMIC PROFILE INDICATORS	23
TABLE 12: DETAILS OF GRIEVENCE REDRESS COMMITTEE (GRC)	24
TABLE 13: INTERNAL MONITORING OF DISCOS	25

**LIST OF ANNEXURES**

- Annex-I: Disco wise List of Sub Projects Tranche-2
- Annex-II: Disco wise List of Sub Projects Tranche-3
- Annex-III: Disco wise List of Sub Projects Tranche-4
- Annex-IV: Capacity Building Involuntary Resettlement (IR) Safeguard
- Annex-V: Monitoring of Information Collection Methods/Survey
- Annex-VI: Photographic Profile
- Annex-VII: Minutes of Meeting regarding Land purchase for
- Annex VIII: External Environmental and Social Monitoring Visit Schedule

**ABBREVIATIONS**

ADB	Asian Development Bank
BPI	British Power International (Consultants)
CAP	Corrective Action Plan
CED	Chief Engineer Development
Col	Corridor of Impact
DDR	Due Diligence Report
DHs	Dislocated Households
DMS	Detailed Measurement Survey
DPs	Dislocated Persons
EMA	External Monitoring Agency
ELR	Energy Loss Reduction
ESIC	Environmental and Social Impact Cell
FMC	Facility Management Consultants
GRC	Grievance Resolution Committee
GRM	Grievance Resolution Mechanism
IMO	Independent monitoring organization
IMR	Internal Monitoring Report
IPDF	Indigenous Peoples Development Framework
IPDP	Indigenous Peoples Development Plan
IPP	Independent Power Producer (Private Sector Power Generation entity)
LAO	Land Acquisition Officer
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
PDEIP	Power Distribution Enhancement Investment Program
PEPCO	Pakistan Electric Power Company
RFS	Resettlement Field Survey
ROW	Right of Way
SMEC	Snowy Mountains Engineering Corporation (FMC Consultants)
TA	Technical Assistance
TL	Transmission Line
TNA	Training Need Assessment
WAPDA	Water and Power Development Authority

## EXECUTIVE SUMMARY

The Government of Pakistan aims to redress ageing, overloaded and deteriorated power distribution system in Pakistan. Excess load on power transmission and distribution lines exacerbated with poor power factor of load leads to higher power losses. The reliability of the distribution networks is also a cause for concern because power interruptions and customer downtime are beyond acceptable levels.

The Government of Pakistan wishes to redress these problems through rehabilitation and augmentation of power distribution system. The Government requested the Asian Development Bank (ADB) to support the Power Distribution Enhancement Investment Program (the Investment Program) and provide financing through a multi-Tranche financing facility (MFF) for \$810 million over a 10-year period. This program comprises 15% of the total power distribution sector investment plan for 2008–2017.

The Investment Project is being implemented by eight power distribution companies (DISCOs); namely Faisalabad Electric Supply Company Limited (FESCO), Gujranwala Electric Power Company Limited (GEPCO), Hyderabad Electric Supply Company Limited (HESCO), Islamabad Electric Supply Company Limited (IESCO), Lahore Electric Supply Company Limited (LESCO), Multan Electric Power Company Limited (MEPCO), Peshawar Electric Supply Company Limited (PESCO), and Quetta Electric Supply Company Limited (QESCO) with Pakistan Electric Power Company (PEPCO) acting as the Executing Agency (EA) for the investment program.

PEPCO and eight DISCOs signed Loan Agreements with ADB for implementation of activities financed under Tranche-1 (2438-PAK), Tranche-2 (2727-PAK), Tranche-3 (2972-PAK) and Tranche-4 (3096-PAK) of the Investment Program in November 2008, January 2011, September 2013 and April 2014, respectively. The overall cost of each is:

- Tranche 1 subprojects amounted to \$212 million with \$172 million financed by ADB
- Tranche 2 subprojects revised estimates are \$221 million, with \$172 million financed by ADB
- Tranche 3 subprojects are estimated at \$272 million, with \$245 million financed by ADB.
- Tranche 4 subprojects are estimated at \$228 million, with \$167 million financed by ADB.

The implementation of Tranche-1 was largely completed by the end of October 2012, whereas Tranche-2 will continue until March 2018 and Tranche 3 until January 2018. Tranche-4 completion is tentatively targeted by June 2017. The work covered by all the Tranches ranges across all voltage levels and consists of 734 subprojects on the secondary transmission system and 39 subprojects on the 11kV system. The subprojects will contribute to the improvement of the overall performance of the power distribution sector by improving distribution efficiency, and increasing access to power.

Under ADB loan 2439 (SF)-PAK, to support DISCOs in the implementation of the Power Distribution Enhancement Investment Program, a Facility Management Consultant (FMC) – SMEC International Pvt. Ltd. in association with SOFRECO, Bit Com Services GMBH, Engineering General Consultants (EGC) Pvt. Ltd, and TECHNO legal Consultants Pvt. Ltd. (herein referred as The Consultant), has been engaged up-to June 2018 to implement this investment.

The FMC project has four main tasks: Project Development of Tranches-3 and 4; Project Implementation of Tranches 1, 2, 3 and 4; External Monitoring; and Capacity Building. The activities for Tranche-1 and Tranche-2 of the Investment Programs were commenced in January 2009 and January 2011 respectively. Under the scope of Tranche-1 and Tranche-2 Implementation, 302 subprojects on Secondary Transmission and Grid system (STG) and 39 subprojects on the lower voltages are being covered. There are 161 Tranche-2 subprojects. The work on Tranche-3 and Tranche-4 sub-projects has been started in all DISCOs. Tranches-3 and 4 contain 117 and 315 sub-projects including spare transformers; respectively. These include the approved additional subprojects in August 2015 under savings. ADB loan covenants require "internal" and "external" Monitoring and Evaluation (M&E) of sub-projects which have environmental or social impacts. The FMC is responsible for the external M&E for the loan, covering Tranches 1, 2, 3 and 4 sub-projects.

Tranche-1 projects had two LARPs and one DDR. The implementations of projects with associated LARPs were completed in June 2012 and there are no outstanding issues.

All DISCOs have constituted GRCs to resolve the issues regarding compensation and right of way issues that may arise during the implementation of sub projects. Most of the complaints are resolved at the community level.

In Tranche-2, there are 26 LARPs and 6 DDRs. IESCO, HESCO, LESCO and GEPCO are still working on some subprojects that may require updates in LARPs. MEPCO and PESCO have completed their subprojects.

Tranche-3 has 35 LARPs and 8 DDRs. Civil work for the construction of grid stations and the foundations of transmission lines have been started in all DISCOs. Assessment of compensation is being carried out and documents are being collected from APs.

DISCOs with savings from Tranche-3 had added new sub projects in August 2015. MEPCO proposed a 66 to 132 kV conversion of the Yazman grid station along with associated transmission line and QESCO proposed 66 to 132 kV conversions of 4 grid stations (Dera Murad Jamali, Rojhan Jamali, Usta Muhammad and Jhal Magsi) along with associated transmission line. LARPs for these projects had been prepared and submitted to ADB.

Tranche-4 has 8 Due Diligence Reports (DDR) for all the extension & augmentation subprojects which are within the boundaries of the existing Grid Stations at the DISCOs. No social impacts will be made on local communities. Hence, one DDR had been prepared for each DISCO covering all the subprojects under Tranche-4.

DISCOs had added new projects under Tranche-4 savings in August 2015. MEPCO proposed 4 new sub-projects while FESCO proposed one subproject. LARPs for these subprojects had been prepared, revised by the FMC and sent to ADB. Civil work on subproject in FESCO has been started while contracts have been awarded for two subprojects in MEPCO.

LESCO, IESCO, PESCO and HESCO have identified some more subprojects under savings of Tranches-3 and 4. LARPs and DDRs prepared by LESCO and IESCO for these subprojects have been reviewed by SMEC and sent to ADB. PESCO and HESCO have still not finalized lands for grid stations.

FMC environment and social safeguard specialists frequently visit the DISCOs for monitoring of the compliance with ADB SPS 2009. During last six months, visits were conducted to FESCO (August 03-05), HESCO (September 19- 24), GEPCO (November 07-08) and IESCO (October 16-20) in addition to extensive visits to all DISCOs for bi-annual monitoring (November 13, 2016 – January 13, 2017). Meeting with ESIC and GSC staff along with site visit and community consultation regarding compensation payment are the main objectives of these visits. GRC meeting in HESCO was also attended during the HESCO visit in foregoing September.

Following are the main observations, with respect to Tranche-2 and Tranche-3, made in the previous (January-June 2016) M&E Report:

- LARPs of Tranche-3 are being revised in IESCO and MEPCO. Other DISCOs will update LARPs after approval of the line profiles.
- DISCO's GSC staff does not share updates regarding the commencement of work at sub projects with ESIC staff. This lack of coordination results in delay in the preparation and disbursement of compensation.
- Generally, most contractors have hired subcontractors for civil work but no representatives of the contractors were present during the site visits.
- Shortage of staff in ESICs at FESCO is non-compliant with ADB's SPS.
- Finance Departments at DISCOs continue to delay the preparation of compensation.
- Communities have concerns over the amounts paid in all DISCOs. A complaint regarding underpayment has been lodged in HESCO.



- Independent vehicle facilities must be provided to ESICs for smooth functioning and timely monitoring of sub projects in QESCO and PESCO.
- Some ESIC staff is not qualified for their positions. PD (GSC) support staff (Qanoongo, Patwari and LAO) is not well trained to carry out different types of sociological surveys that are essential to fulfil the LARP conditions.
- Except at PESCO, the Social Internal Monitoring & Evaluation is being carried out properly.
- A revised TNA and training proposal was sent to the PMU on June 5, 2016. This has still not been forwarded to ADB

For this report, the evaluation of DISCOs compliance with ADB Safeguard Policy Statement was performed during field visits to all DISCOs. The following main observations/findings with respect to Tranche 2, Tranche-3 and Tranche-4 were made by the FMC during the July – December 2016 M&E report:

- Compensation payments are delayed in most of the DISCOs despite completion of subprojects.
- LARPs of Tranche-3 are being revised in IESCO, FESCO, QESCO, HESCO and MEPCO while PESCO will revise the LARP after commencement of work on transmission lines.
- DISCO's GSC staff does not share updates regarding the commencement of work at sub projects with ESIC staff. This lack of coordination results in delay in the preparation and disbursement of compensation.
- Generally, most contractors have hired subcontractors for civil work in subprojects but no representatives of the contractors were present during the site visits.
- Shortage of staff in ESICs at FESCO is non-compliant with ADB's SPS.
- Finance Departments at DISCOs continue to delay the preparation of compensation.
- Communities have concerns over the amounts paid in all DISCOs.
- Independent vehicle facilities must be provided to ESICs for smooth functioning and timely monitoring of sub projects in QESCO and PESCO.
- Vacant positions at ESIC must be filled with appropriate personals. GSC's support staff (Qanoongo, Patwari and LAO) is not well trained to carry out different types of sociological surveys that are essential to fulfil the LARP conditions.
- Except at PESCO, the Social Internal Monitoring & Evaluation is being carried out in its true means.
- A revised TNA and training proposal was sent to the PMU on June 5, 2016. This has still not been forwarded to ADB.

The FMC proposes the following corrective action plan for making improvements in the progress of LARP implementation:

- Compensation must be paid to those, who failed to submit documents of ownership in time, for several subprojects of Tranche-2 in GEPCO, as per Social Safeguard Policy of ADB.
- Coordination among GSC and ESIC needs to be enhanced for smooth functioning and better project implementation
- Complaint registration and resolution mechanism may be improved to avoid RoW issues.
- Grievance Redress Committees (GRC) must have active participation in complaint resolution. The GRCs should meet once in a month to sort out any outstanding issue.
- GRCs may be reconstituted with representation from affected community where required.



- Independent means of transport should be made available at PESCO and QESCO.
- Support Staff (Qanongo, Patwari, Surveyers) should be hired in all DISCOs for smooth and effective functioning of ESICs.
- Compensation processes are slow. The finance department of concerned DISCOs must accelerate their payment processes.
- All vacant posts in Environment and Social Impact Cells (ESICs) must be filled, especially in FESCO and MEPCO. E&SICs must have the staff with relevant qualification; the staff with irrelevant qualifications must be replaced.
- DISCOs must strengthen ESICs by approving SOPs, for smooth functioning of ESICs.

## 1 INTRODUCTION

### 1.1 General

Government of Pakistan aims to redress ageing, overloaded and deteriorated power distribution system in Pakistan. Excess load on the transformers and transmission lines exacerbated with poor power factor of load leads to higher power losses. The reliability of the distribution networks is also a cause for concern because power interruptions and customer downtime are beyond acceptable levels.

The Government has requested the Asian Development Bank (ADB) to support the Power Distribution Enhancement Investment Program (the Investment Program) and provide financing through a multi-Tranche financing facility (MFF) for \$810 million over 10 years period. This program comprises of 15% of the total power distribution sector investment plan for 2008–2017.

The Investment Project will be implemented by eight power distribution companies (DISCOs); namely Faisalabad Electric Supply Company Limited (FESCO), Gujranwala Electric Power Company Limited (GEPCO), Hyderabad Electric Supply Company Limited (HESCO), Islamabad Electric Supply Company Limited (IESCO), Lahore Electric Supply Company Limited (LESCO), Multan Electric Power Company Limited (MEPCO), Peshawar Electric Supply Company Limited (PESCO), and Quetta Electric Supply Company Limited (QESCO) with Pakistan Electric Power Company (PEPCO) acting as the Executing Agency (EA) for the investment program.

PEPCO and eight DISCOs signed Project Agreements with ADB for implementation of activities financed under Tranche-1 and Tranche-2 of the Investment Program in December 2009 and January 2011 respectively.

Tranche-1 projects had two LARPs and one DDR. The implementation of Tranche-1 was mainly completed in September 2012 and there are no outstanding issues, whereas in Tranche-2 there are 26 LARPs and 6 DDRs. Issues raised in June 2016 Bi-annual social monitoring report to DISCOs were (i) compensation must be paid in all completed subprojects on priority basis; (ii) better coordination among GSC and ESICs must be ensured for smooth functioning; (iii) weaknesses and errors in analysis of socio-economic aspects need to be addressed; (iv) lack of experienced staff in ESICs coupled with support staff and lack of transport for carrying out RFS is to be rectified.

The subsequent field visits to DISCOs indicate that the problems have largely been addressed and all LARPs were revised, cut of dates as per revised LARPs were included and replacement costs were computed in each revised LARP according to the new rates of DISCOs concerning revenue and other departments. However, the works on transmission lines are still not completed in HESCO, LESCO, GEPCO and IESCO.

Tranche-3 Civil work for construction of grid stations and foundations of transmission lines has been started in all DISCOs. According to ADB's SPS, the client is required to undertake "internal" and "external" M&E of various sub-projects. EM&E is carried out to: a) monitor and measure progress of RP implementation, b) verify monitoring indicators for subprojects having significant IR impacts, c) prepare a Corrective Action Plan (CAP) if some significant issues exists, and d) the client is not allowed to proceed with implementation of subprojects until the proposed CAP is disclosed and reviewed by ADB. As a result of ISA/ Initial Screening 26 and 33 LARPs were prepared for Tranche-2 and Tranche-3 sub projects respectively (a list of these projects is given in Annex-I and Annex II). MEPCO and QESCO have included 2 new subprojects with savings in Tranche-3.

The inclusion of additional work containing turnkey installations in FESCO and MEPCO from savings in Tranche-4 has altered the implementation category from "C" to "B" that generates the obligatory need to ensure social safeguards monitoring (a list of these projects is given in Annex-III).

LARPs for the new turnkey sub-projects, introduced due to savings in Tranches-3 and 4 had been prepared and sent to ADB. Civil work in FESCO under Tranche-4 savings has been initiated.

In addition to above, LESCO, IESCO, PESCO and HESCO has identified some more subprojects under savings of Tranches-3 and 4. These are under approval stage. However, LARPs and DDRs prepared by

LESCO and IESCO for these subprojects have been reviewed by SMEC and sent to ADB. PESCO and HESCO have still not finalized lands for grid stations.

## **1.2 Objectives of the External Monitoring and Evaluation (E M&E)**

FMC has convened E M&E of Tranches-1, 2, 3 and 4 subprojects to fulfil following objectives:

- To assess whether the methodology (census & surveys) to collect LARP information is correct;
- To provide an independent periodic assessment of safeguards' implementations and impacts;
- To verify internal monitoring, reporting, planning and implementation processes;
- To assess whether resettlement objectives have been met;
- To appraise the LARP efficiencies, effectiveness, impact/ sustainability and draw lessons from the evaluations;
- To ascertain whether the key stakeholders, especially the DPs, are fully consulted throughout the sub-projects' development and implementation.

## **1.3 External Monitoring and Evaluation (EM&E) Indicators**

FMC utilized the following indicators in the External Monitoring & Evaluation study of subprojects:

- LARP Status- (Date, Validity & Revision)
- Subproject cut-off dates
- Institutional Arrangements to Implement LARPs
- Logistic Support (Transport)
- LARP Disclosures
- Replacement costs
- Disclosure & Participation
- Grievance Redress Mechanisms
- Resettlement Budgets
- Implementation Schedules

## **1.4 Approach Adopted for E M&E**

The FMC reviewed revised LARPs, held meetings with staff of Environment Social Impact Cells (ESICs), Project Management Units (PMU), Supervision Consultants/ contractors and conducted field visits of DISCOs. Detailed information as collected on LARP implementation progress is given in section ahead.

## **1.5 Distribution Companies (DISCOs)**

### **1.5.1 Faisalabad Electric Power Company Limited (FESCO)**

FESCO distributes and supplies electricity to about 3.63 million customers within its service territory with a population of over 22 million under a Distribution License granted by National Electric Power Regulatory Authority (NEPRA) pursuant to the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act). Geographical service area of FESCO comprises Faisalabad, Sargodha, Mianwali, Khushab, Jhang, Bhakkar, T.T Singh, Mandi Baha ud din (partially) and Chiniot districts. In total 14 sub-projects of augmentation (8) and extension (6) have been approved under Tranche-2. All sub-projects are categorized as 'C' because there are no significant impacts on community due to these projects (see

Annex-II). In Tranche-3 total 11 sub-projects including 2 new sub-stations, 4 conversions and 5 transmission lines have been approved. 5 transmission lines sub projects are categorized as 'B' and LARPs have been prepared to meet ADB's SPS, 2009 (Annex III). 1 conversion sub project has been included with savings of Tranche-4. The subproject falls under category 'B' and LARP has been prepared in compliance to ADB's SPS 2009 (Annex-IV).

### **1.5.2 Gujranwala Electric Power Company Limited (GEPCO)**

GEPCO is a public limited utility company, established in 1998 under Companies Ordinance 1984 and is responsible for distribution of Electric Power within its territorial jurisdiction and presently serving approximately 3 Million Customers (domestic, commercial, agricultural, industrial and others) in the six districts of Province Punjab (Gujranwala, Narowal, Gujrat, Hafizabad, Sialkot and Mandi Baha ud din). In total, 17 sub-projects including 5 augmentation/ extension, 2 conversions, 4 new substations, 5 transmission lines and 1 subproject of power distribution transformer have been approved under Tranche-2. However conversions, new substations and transmission lines subprojects are categorized as 'B' and LARPs have been prepared for these as per ADB's SPS, 2009 (see Annex-II). There are 4 conversion sub-projects along with associated transmission lines for Tranche-3. Transmission lines have social impacts and are categorized as 'B'. LARPs have been prepared as per ADB's SPS, 2009 requirements. These lines are not included in ADB's scope of work as these will be completed from own resources by GEPCO (Annex-III).

### **1.5.3 Hyderabad Electric Supply Company Limited (HESCO)**

HESCO is a public limited utility company, established in 1998 under Companies Ordinance 1984 and is responsible for distribution of Electric Power within its territorial jurisdiction in entire Sindh except Karachi. The Power Distribution Enhancement Investment Program (PDEIP) Tranche-2 is located in 22 districts viz., Badin, Dadu, Ghotki, Hyderabad, Jacobabad, Jamshoro, Kashmore, Khairpur, Larkana, Matiari, Mirpur Khas, Naushahro Firoz, Shaheed Benazirabad (Nawab Shah), Qamber and Shahdad Kot, Sanghar, Shikarpur, Sukkur, Tando Allah Yar, Tando Muhammad Khan, Tharparkar, Thatta and Umer Kot. Under Tranche-2, 3 conversions, 1 new substation, 3 transmission lines and 19 power transformers for augmentation works have been approved. However, conversions, new substations and transmission lines subprojects are categorized as 'B' and LARPs have been prepared as per ADB's SPS, 2009 (see Annex-II). In total 14 sub-projects including 3 conversions, 1 new substation, 4 augmentation/extension and 6 transmission lines have been approved in Tranche-3. The 6 transmission lines are categorized as 'B' and LARPs have been prepared for these subprojects under ADB's SPS, 2009 (Annex-III).

### **1.5.4 Islamabad Electric Supply Company Limited (IESCO)**

IESCO is a public utility company, providing electricity to the Islamabad Capital Territory (ICT), Northern districts of the Punjab province (Rawalpindi, Attock, Jhelum and Chakwal) and Southern area of Azad Jammu and Kashmir (AJK). The IESCO was registered in April 1998 under the Companies Ordinance 1984, Pakistan. The Power Distribution Enhancement Investment Program (PDEIP) Tranche-2 is located in two districts of Northern Punjab; Jhelum, and Chakwal and three districts of Azad Jammu & Kashmir (AJK); Bagh, Hattian, & Mirpur. In total 11 sub-projects including 4 augmentation/ extension, 1 conversion, 3 transmission lines and 3 capacitor/ rehabilitation have been approved under Tranche-2. The conversions, new substations and transmission lines subprojects are categorized as 'B' and LARPs have been prepared for these sub-projects as per ADB's SPS, 2009 (see Annex-II). In Tranche-3, 3 new sub stations, 13 augmentation/extensions and 8 transmission lines have approved. 7 transmission lines sub-projects are categorized as 'B' and LARPs have been prepared to meet the ADB's SPS, 2009 requirements (Annex III).

### **1.5.5 Lahore Electric Supply Company Limited (LESCO)**

Lahore Area Electricity Board was reorganized into one such corporatized entity under the name of Lahore Electric Supply Company (LESCO) with effect from 22nd March 1998, with the aim of commercialization and eventually privatization. The proposed sub-projects are spread out over most of Lahore district; both in the main Lahore city, as well as in the fringe areas of Lahore. Most of the distribution grid substations (DGS) are

located in Tehsils and Districts of Lahore, province of Punjab. The Power Distribution Enhancement Investment Program (PDEIP) Tranche-2 is located in the districts of Lahore, Sheikhpura, Kasur, Okara, and Nankana. In total 23 sub-projects of extensions/augmentation including 14 extensions/augmentations, 5 new substations and feeding transmission lines and 4 capacitor/ distribution transformer subprojects have been approved under Tranche-2. However new substations and transmission lines subprojects are categorized as 'B' and LARPs have been prepared as per ADB's SPS, 2009 (see Annex-II). Approved projects for Tranche-3 contain 4 new substations, 9 augmentation/extensions and 4 transmission lines sub-projects. Transmission lines sub-projects have no social impact and are categorized as 'C', therefore, no LARP is required (Annex III).

#### **1.5.6 Multan Electric Power Company Limited (MEPCO)**

MEPCO is a public limited utility company, established in 1998 under Companies Ordinance 1984 responsible for distribution of Electric Power within its territorial jurisdiction and presently serving more than five Million customers (domestic, commercial, agricultural, industrial and others) in thirteen districts of Punjab province (Multan, Sahiwal, Bahawalpur, Bahawalnagar, Dera Ghazi Khan, Rajanpur, Rahim Yar Khan, Lodhran, Khanewal, Pakpattan, Muzaffargarh, Vehari and Layyah). In total 29 sub-projects including 23 extension and augmentations, 3 conversions with associated transmission lines, 2 new sub stations with transmission lines and 1 capacitor subproject have been approved under PDEIP Tranche-2. All the conversions, new substations and transmission lines subprojects are categorized as 'B' and LARPs have been made as per ADB's SPS, 2009 (Annex-II). In Tranche-3, a total of 19 sub-projects including 2 new substations, six 66 to 132 kV conversions, 3 augmentations and extensions and 8 transmission lines have been approved. 8 transmission lines are categorized as 'B' and LARPs have been prepared as per ADB's SPS, 2009 requirements. 2 subprojects of conversion and transmission lines have been added under savings in Tranche-3 (Annex III). MEPCO has added 04 new sub stations and 1-conversion of 66 kV to 132 kV sub project under Tranche-4 saving that are categorized as 'B'. LARPs have been prepared as per SPS 2009 of ADB (Annex IV).

#### **1.5.7 Peshawar Electric Supply Company Limited (PESCO)**

PESCO, located in Peshawar, provides service of power distribution to over 3 million consumers of all civil districts of Khyber Pukhtunkhwa, Pakistan. At PESCO networks, Khyber Pakhtunkhwa's electricity distribution system is maintained via 132, 66, 33KV sub-transmission lines, sub-stations and 11KV & 440V low tension lines with distribution transformers that deliver electricity to homes or business. In total 23 sub-projects including 22 extensions/ augmentation, and 1 new substation have been approved under Tranche - 2. The new substation and its associated transmission line subproject are categorized as 'B' and LARP has been prepared as per ADB's SPS, 2009 (see Annex-II). Tranche-3 has 22 sub-projects including 2 new substations, 2 conversions, 16 augmentation/extensions and 2 transmission lines. Transmission lines sub-projects are categorized as 'B' and LARPs have been prepared to meet ADB's SPS 2009 (Annex III).

#### **1.5.8 Quetta Electric Supply Company Limited (QESCO)**

QESCO is operating as a Power Distribution Company and will act as Private Organization on switching over from Public to Private Sector. QESCO is dealing with Power Supply System in the whole Baluchistan less District Lasbela. It is smallest in terms of consumers but largest in terms of area as it covers 43% area of Pakistan. The Power Distribution Enhancement Investment Program (PDEIP) Tranche-2 projects lie in the Quetta, Mastung, Kalat, and Khuzdar Districts of Baluchistan. In total 18 sub-projects of extension/augmentations have been approved under PDEIP Tranche-2. All sub-projects are categorized as 'C' because there are no significant impacts on community due to these developmental activities (see Annex-II). In total 6 subprojects, 2 transmission lines and 4 conversions with associated transmission lines have been approved under Tranche-3. The transmission lines sub-projects are categorized as 'B' and LARP have been prepared to meet the ADB's SPS, 2009 requirements. 66 to 132 kV conversions of 4 grid stations and associated transmission lines have been added under Tranche-3 savings. The LARP for this sub project has prepared in accordance with SPS 2009 of ADB as the sub project comes under category 'B' (Annex III).

## 2 ASSESSMENT OF LARP PROCESSES

FMC has examined the methods and approaches adopted by the DISCOs in the preparation, revision and implementation of LARPs. In addition, important LARP indicators including: (i) development of safeguard protocols (staffing, devising safeguard formats); (ii) data collection and reporting procedures and devising feedback mechanism, etc.; (iii) cut-off dates, (iv) Capacity Building (training needs) and (v) Logistic Support (Transport) are monitored to assess the soundness of program implementations. Information regarding these indicators was collected for LARPs of sub projects prepared by the DISCOs and are set out below.

### 2.1 Preparation of Revised LARP(s)

The LARPs of Tranche-2 sub projects were prepared 4 to 5 years ago. All LARPs are required to be updated with actual data after completion or finalization of any subproject. Accordingly, LARPs of all DISCOs have been revised in most of cases. However, the works on transmission lines are still not completed in HESCO, LESCO, GEPCO and IESCO. LARPs may call for the revision of the ongoing transmission lines subprojects, if needed.

Tranche-3 implementation is in progress. LARPs are being revised after getting approval of transmission line profiles. However, LARP revision is a continuous process as the number of effected personals varies as per the work progress.

**Table 1: Description of Revised Tranche 2 LARPs**

Name of DISCO	LARP(s) Submitted to ADB (Date)		Total No. of LARPs	Revised LARP(s) Received	Remarks
	Original	Revised			
FESCO	--	--	--	--	Tranche-2 only includes augmentation subprojects. These sub-projects are of category 'C', therefore, no LARP exists.
QESCO	--	--	--	--	--do--
GEPCO	Nov, 2010	April, 2013	10	10	Provided to FMC for EM&E
HESCO	Nov, Dec 2009	April, 2013	7	7	One LARP not provided
IESCO	April, 2010	April, 2013	3	3	Provided to FMC for EM&E
LESCO	Sep, 2010	June 2014	2	2	Approved by ADB, but not delivered to FMC
MEPCO	June, 2010	April, 2013	3	3	Provided to FMC for EM&E
PESCO	Dec, 2009	April, 2012	1	1	Provided to FMC for EM&E

**Table 2: Description of Revised Tranche 3 LARPs**

Name of DISCO	LARP(s) Submitted to ADB (Date)		Total No. of LARPs	Revised LARP(s) Received	Remarks
	Original	Revised			
FESCO	Oct 2012	--	05	--	Revision in progress
QESCO	Oct 2012	--	03	--	It includes saving LARP
GEPCO	Oct 2012	April, 2013	04	--	Transmission lines are being constructed from DISCO's own sources
HESCO	Oct 2012	--	06	--	In progress

IESCO	Oct 2012	April, 2016	07	3	Provided to FMC
LESCO	Oct 2012	--	-	--	No LARPs required, as transmission lines are being constructed from DISCO's own sources
MEPCO	Oct 2012	--	08	--	It includes saving LARP
PESCO	Oct 2012	--	2	--	Line route profiling in progress

## 2.2 Sub Project Cut-Off Dates

Census, DMS and socio-economic surveys were carried out to determine the nature and type of DPs and to estimate the extent of impacts and economic losses. The setting of project cut-off dates is done at the completion of these surveys. Normally, the last day of the census date is taken as cut-off date for the sub project. The Cut-off date is very important in any sub-project because it determines that there can be no further changes from community on the land. It also determines the over-run period for compensation.

Against Tranche 2 subprojects, the cut-off dates as per revised LARPs for all sub projects of DISCOs were updated to reflect revised project timelines. HESCO, MEPCO and LESCO did not change their LARPs cut-off dates because there was no change in line route, while GEPCO and IESCO changed their Cut-off dates due to changes in line routes. PESCO has already changed its Cut-off date as indicated below in tables.

Tranche-3 is under Implementation. The cut-off dates will be revised as necessitated with revision of LARPs.

The cut-off dates set against Tranches 2 and 3 are mentioned below. .

**Table 3: Cut-off Date as per Revised Tranche-2 LARP(s)**

DISCOs	Impact Assessment Survey Period (Cut-off Date)	Over Run Period (Months)	Remarks
FESCO	--	--	No LARP required
QESCO	--	--	
GEPCO	April, 2013	44	In most of the Sub-Projects, the over-run period is 3-8 years.
HESCO	Sep. 2008 to Jul, 2009	94-100	
IESCO	Nov, 2012	49	
LESCO	Jan-Mar 2009	96-99	
MEPCO	July 2008 to July 2009	94-100	
PESCO	April, 2012	49	

**Table 4: Cut-off Date Tranche-3 LARP(s)**

DISCOs	Impact Assessment Survey Period (Cut-off Date)	Over Run Period (Months)	Remarks
FESCO	October 2012	50	In most of the Sub-Projects, the over-run period is 1-5 years.
QESCO	--	--	
GEPCO	April, 2013	45	
HESCO	Aug 2015 – Oct 2015	15-17	
IESCO	Nov, 2012	49	

DISCOs	Impact Assessment Survey Period (Cut-off Date)	Over Run Period (Months)	Remarks
LESCO	No LARP	-	
MEPCO	Aug 2015	17	
PESCO	April, 2012	57	

### 2.3 Eligibility and Entitlement for Compensation

Eligibility and entitlements for compensation include: (i) DPs eligible for compensation provisions under the Investment Program, (ii) Compensation listed under the Entitlement Matrix, (iii) Valuation & replacement cost of assets, and (iv) In-kind compensation. These have been well described in all LARPs.

Eligibility and Entitlements are described in accordance with ADB's SPS in the LARPs. The updated LARPs include changes in the eligibility and entitlements. The eligibility and entitlements are primarily for landowners and sharecroppers for crops and trees and other affected assets. Census and DMS would be the source for any change in the eligibility and entitlements.

### 2.4 Compensation for Crops, Trees and other Assets

Replacement costs used in valuing DPs assets intend to replace losses at market value or the nearest equivalent. It is the amount of cash or in-kind needed to replace an asset in its existing condition without deduction of transaction costs or any material salvaged.

The source for estimation of replacement costs were provided in all the revised LARPs. All DISCOs have the latest rates of compensation based on 2015-16 compensation rates.

DISCOs operate in large territorial area as summarized below:

- LESCO = 5 Districts
- GEPCO = 6 Districts
- FESCO = 8 Districts
- IESCO = 8 Districts
- MEPCO = 9 Districts
- PESCO = KPK Province
- HESCO = Sindh Province except K – Electric
- QESCO = Baluchistan Province

To establish the DPs and compensation, ESIC staff used (i) resettlement field surveys (RFS) design, indicating the layouts of sites and (ii) drawings showing line profiles of transmission lines and spotting of bases for towers. Actual on site demarcation of corridors of impact (COI) are being carried out. However, field demarcation, which should have been done before collecting Census, DMS, or Socio-Economic Profile data / information, was not performed.

### 2.5 Institutional Arrangement to implement LARPs

Institutional arrangements include: (i) Institutional responsibilities and mechanisms for carrying out LARPs; (ii) Capacity Building; (iii) participation of DPs representatives/ NGOs; and (iv) involvement of women in planning and implementation. Institutional arrangements for LARP revision and implementation need to be

well defined. It has been observed during the monitoring visits that following groups play major role in LARP implementation:

- Environment & Social Cell (E&SC)
- GSC staff (surveyors, patwaris and LAO)
- Contractor's Environmental and Social Safeguard Staff

Coordination between these sections is not satisfactory, and could be improved by (i) clearly defining the roles of each section, (ii) increasing the interaction with each direct or indirect stakeholder in LARP implementation activities including review of progress, and (iii) building consensual decision making to undertake corrective actions. ESIC should act as a focal entity in building up coordination.

## **2.6 Academic Assessment of Staff in ESICs**

Effective implementation of social safeguard activities requires the placement of qualified staff in ESIC. The ESICs lack the appropriate level of human resources and skills. Five posts are still vacant out of twenty-four designated positions. Some staff members do not have relevant qualification (see Table below). Only sixteen qualified personnel are looking after the work of all the eight DISCOs. The consultant recommends that vacant posts should be filled and staff with relevant qualifications should be appointed to equip ESIC with more appropriate human resources.

**Table 5: Academic Assessment of ESICs Staff**

Name of DISCO	Name of Post	Status	Experience (in years)	Qualification (Last Degree)	Suitability		Remarks
					Yes	No	
LESCO	DM (ENV)	Working	12	M.Phil. (Env.)	✓	--	--
	AM (ENV)	Working	03	MBA	--	✓	--
	AM (SOC)	Working	7	M.A (Eco)	✓	--	--
MEPCO	DM (ENV)	Vacant	-	-	-	--	Post vacant since Dec 2016
	AM (ENV)	Vacant	--	--	--	--	Post vacant since Dec 2015
	AM (SOC)	Working	05	M. Phill (Soc)	✓	--	--
IESCO	DM (ENV)	Working	08	M.Sc. (Env)	✓	--	--
	AM (ENV)	Working	05	M.Sc. (Env)	✓	--	--
	AM (SOC)	Working	05	M.Sc. (Env)	✓	--	--
FESCO	Manager (ENV)	Working	04	B. Sc. (Civil)/ M. Sc. Environment	✓	--	--
	AM (ENV)	Vacant	--	--	--	--	--
	AM (SOC)	Vacant	--	--	--	--	Post vacant since Aug 2015
GEPCO	DM (ENV)	Working	14	M.Phill (Env)	✓	--	--
	AM (ENV)	Working	10	M.Sc. (Env)	✓	--	05 years' experience as AM (ENV) in GEPCO
	AM (SOC)	Working	05	M.Phil. (Env)	✓	--	--
PESCO	DM (ENV)	Vacant	--	--	--	--	--
	AM (ENV)	Working	05	M.Sc. (Env)	✓	--	--
	AM (SOC)	working	07	MS Urban & Regional Planning	✓	--	Post occupied since Feb 2016
HESCO	DM (ENV)	Working	10	M.E (Env)	✓	--	--
	AM (ENV)	Working	02	M.E (Env)	✓	--	--
	AM (SOC)	Working	02	M.A (Eco)	✓	--	--
QESCO	DM (ENV)	Working	21	B.E (Civil)	--	✓	Post M.A/M.Sc. Social Sciences
	AM (ENV)	Working	05	M.Sc. (Env)	✓	--	--
	AM (SOC)	Working	05	M.Sc. (Env) Management)	✓	--	--

## 2.7 Staff Support

The ESIC is led by a Deputy Manager (Environment) under whom one Assistant Manager (Environmental Safeguards) and one Assistant Manager (Social Safeguards) are deputed. ESIC staff is assisted by Surveyors (Qanugo, Patwari and LAO) of PD (GSC) for collecting resettlement related field surveys. Surveyors are not well skilled and have less expertise in carrying out sociological surveys. It is recommended that qualified and experienced field enumerators should be attached with the cell on permanent or on as-required basis. Furthermore, all the socio-economic and socio-demographic data should be collected under the supervision of A.M social.

## 2.8 Transport

ESICs in QESCO and PESCO lack availability of independent transport facilities. The ESICs are provided transport on demand; however, they often have to postpone their scheduled activities due to unavailability of transport. This practice causes delay in several activities regarding revision/updating of LARPs and issues related to compensation. Furthermore, the transport provided to FESCO is not suitable for the difficult terrain in its region and require four-wheel drive vehicle.

**Table 6: Logistic Availability**

Name of DISCO	Transport Availability	
	Independent	On Demand
FESCO	✓	--
GEPCO	✓	--
HESCO	✓	--
IESCO	✓	--
LESCO	✓	--
MEPCO	✓	--
PESCO	--	✓
QESCO	--	✓

## 2.9 Capacity Building

It has been realized that intensive formal and on-site training is required in the realms of monitoring, evaluation, LARP revision and implementation. DISCOs staff should be well equipped with skills to conduct socio-economic census, detailed measurement surveys and public consultation. Specific training courses on Data Collection tools & Techniques, Data Compilation, Gender and Development should also be introduced. In addition, staff working for resettlement in GSC, especially Qanoongo, Patwari and LAO would also be given training. The training will also be beneficial for the technical staff of DISCOs.

A comprehensive TNA was conducted in March 2013 to evaluate the staff's working knowledge as well as their training requirements. The results (see Annex-IV) show that 89% staff was willing to acquire training. The following steps were proposed to achieve this task:

- The A.M Social of all DISCOs should visit other successful resettlement projects and gain experience and knowledge.
- Comprehensive resettlement management training along with other key trainings on social aspects and workshops should be organized.

In addition, technical support and on the job trainings should be provided to build the capacity of DISCOs staff for planning and implementation of RPA. Revised proposal for capacity building training of ESICs and GSC staff was submitted to PEPCO for approval in June 2016 after required alteration. Due to long



deferrals, this attempt has also become unworkable to organize. Fresh wide-ranging TNAs would need to be carried out.

Considering the state of affairs, FMC extended a successful on-job-training program for strengthening capacity of DISCOs staff in environmental and social safeguards domains in conjunction with monitoring visits from November 2016 to January 2017 to subproject site areas organized for preparation of current 9th bi-annual monitoring reports on Environment and Social aspects. Tools for effective capacity building included presentations, group discussions, case studies followed by training evaluation and follow-up. Outcomes of these on-job-trainings are expected to be very positive and beneficial for the E&SS Cell staff in all DISCOs.

The main objective has been to enhance the handling capacity of the professionals including social safeguards, environment and construction staff of the Project Management Unit (PMU) of DISCOs. In general, the scope covered the following extents.

1. ADB Environmental Impact Assessment study and preparation of Environmental Management Plans (EMP)
2. Preparation of Land Acquisition and Resettlement Policies (LARP) for the Electric Distribution Sector
3. Effective implementation of Environmental Management Plan (EMP) and preliminary outline of Occupational Health & Safety (OHS) in the construction of Electric Distribution Systems

### 3 LARPs Implementation

#### 3.1 LARPs Compensation

Funds are available in all DISCOs for compensation. All DISCOs are compensating the DP's in three stages i.e. (i) Foundation stage, (ii) Erection Stage and (iii) Stringing stage, as per LARPs to ensure continued access to the affected properties. Against Tranche-2, IESCO, GEPCO, HESCO, MEPCO and LESCO are paying compensation to DP's in these days. HESCO and IESCO are facing some problems in paying compensation as their finance departments are delaying payments. PESCO has completed compensation for all three stages. For Tranche-3 sub-projects, compensation payments are being paid in FESCO, HESCO, IESCO and MEPCO. Assessment of damages is in progress at QESCO. The summary of compensation provided by DISCOs for Tranche-2 is shown in following Table.

**Table 7: Summary - Compensation Status of All DISCOs Tranche-2**

Name of DISCO	Total No. of DPs	Total No. of DHHs	Compensated DHHs As of 30-06-2016	Compensated DHHs As of 31-12-2016
FESCO	There are no DPs. Therefore, project falls in category 'C'			
QESCO	There are no DPs. Therefore, project falls in category 'C'			
GEPCO	5504	741	713	713
HESCO	4116	397	219	219
IESCO	7769	795	768	768
LESCO	1459	179	96	96
MEPCO	1389	148	147	148
PESCO	64	7	7	7
TOTAL	20301	2267	1950	19501

It may be noted that ADB's SPS 2009, states that the compensation payment for crops, trees and other assets should be made prior to start of civil works. The Affected Persons should be involved in census and detailed measurement surveys to build consensus on the losses/damages. So, DISCOs prepare the inventories of crops, trees and other assets that have been affected due to civil works on transmission lines and believe that payment compensation before commencement of civil works would give way to DPs to create issues. The assessment of damages is done in consent with the affected persons and compensation is made as per Government rates for assets for the relevant fiscal year. The FMC sent a format to each DISCO, asking them to provide plans for compensation on monthly basis.

#### 3.2 LARPs Implementation Status

The construction had been commenced in most of the Tranche-2 sub-projects 2-3 years ago. Many of the sub projects have been completed and energized successfully. One sub project each in HESCO and IESCO, two sub projects each in LESCO and GEPCO are in progress. LARPs for the aforementioned subprojects are still being processed. Tree compensation is being paid. The targeted/expected completion date for all remaining subprojects is set within 1<sup>st</sup> half of 2017. The compensation status of ongoing subprojects of Tranches 2 and 3 for all DISCOs is given in the following Tables.

**Table 8: Implementation and Compensation Status of All DISCOs Tranche-2**

DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
LESCO	Central Park G.S & T.L	March, 2009	GS civil work in progress	Done	Not Provided	TL work not started
	Doula Chuchak G.S & T.L	March, 2009	Subproject has been successfully completed	Done	Provided	Compensation for stringing phase being carried out
MEPCO	Miran Pur G.S & T.L	March, 2009	GS and TL work has been completed	Done	Provided	Compensation for all three stages has been paid
	Ali pur Conversion of GS	Sep, 2008	GS and TL work has been completed.	Done	Provided	Compensation for all three stages has been paid
	Fateh Pur Conversion of GS	Sep, 2008	Subproject has been completed	Done	Provided	Compensation for all three stages has been paid
IESCO	Noor Pur Sethi G.S	May, 2009	Subproject has been successfully completed	Done	Provided	Compensation for all three stages (Foundation, Erection and stringing) has been paid
	Hattian Bagh T.L.	May, 2009	Subproject has been successfully completed	Done	Provided	Assessment of damages has been completed. Payment in disbursement process
	Mangla L.B Rajar TL	May, 2009	TL work in progress	Done	Provided	Compensation for erection stage is partially paid and rest in process. Stringing phase compensation is being prepared
FESCO	No LARP Project	--	--	--	--	--
GEPCO	Godh Pur G.S.	Mar, 2009	Foundation and erection work in progress	Done	Provided	Compensation has been partially paid for completed foundations and erected towers. Assessment of damages is in progress for remaining work.
	New Daska G.S.	Mar, 2009	Subproject has been successfully completed	Done	Provided	Compensation has been paid to GS Land Owners. TL work not included in ADB's scope of work
	Khiali Bypass GS	Oct, 2008	Civil & electrical work completed	Done	Provided	Compensation of GS has been paid to Land Owner
	Conversion of Kolu Tarar	Mar, 2009	Subproject has been	Done	Provided	Compensation has been paid for all three stages



DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
	GS		successfully completed			but some DPs have not received compensation due to late submission of documents.
	Conversion of Jalalpur New GS	Feb, 2009	Subproject has been successfully completed	Done	Provided	Compensation has been paid for all three stages but some DPs have not received compensation due to late submission of documents.
	Nokhar-Hafizabad 132 kV TL	Feb, 2009	Civil work of TL completed	Done	Provided	Compensation in progress
	In out Hafiz Abad Road GS	Feb, 2009	Subproject has been successfully completed	Done	Provided	Compensation has been completed and TL has been energised.
	In Out Hafiz Abad II, TL	Oct, 2008	Subproject has been completed	Done	Provided	Compensation has been completed and TL has been energised.
	Sahowala-Pasroor 132 TL	Feb, 2009	Civil work of TL in progress	Done	Provided	Compensation being carried out
	In-out for Garhi GS	Feb, 2009	Subproject has been completed	Done	Provided	Compensation has been completed
PESCO	DI Khan Industrial (Gomal Uni) GS & TL	Revised in Aug, 2012	Civil Works of GS and TL has been completed	Done	Provided	Compensation has been completed
	Conversion of Sukkur City GS	Sep, 2008	Subproject has been completed	Done	Provided	Compensation for stringing stage has been paid
	Conversion of Larkana Old GS	Sep, 2008	Civil work on TL completed	Done	Provided	Compensation has been paid
HESCO	Conversion of Talhar GS	Jul, 2009	Subproject has been completed	Done	Provided	LARP for this subproject has been completed. Combined compensation was paid for Erection and Stringing stages.
	Shikarpur Larkana New TL	Jul, 2009	Stringing work has been completed	Done	Provided	Stringing work has been completed. Compensation payment still pending
	Second circuit stringing Sanghar-Kandiyari-Mirpur Khas	Jul, 2009	Subproject has been completed	Done	-do-	Compensation has been paid



DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
	132 kV TL					
	Construction of Larkana-Mehar-Dadu 132kV DC/TL	Jul, 2009	Work on TL in progress	Not done	-do-	Foundation work in progress. Compensation has been paid for completed foundations
	New Jacobabad GS & TL	June 2013	Civil work on TL has been completed	Done	Provided	Compensation has been paid
QESCO	No LARP Project	--	--	--	--	--

**Table 9: Implementation and Compensation Status of All DISCOs Tranche-3**

DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
FESCO	220 KV Grid Station TTS to Haveli Bahadur Shah TL	Aug-12	Civil Work of transmission line in progress	In Progress	Provided	Erection of towers in progress. Compensation is being paid
	Rakh Dagrán TL	Oct-12	Sub project has been completed	In Progress	Provided	Compensation has been forwarded to finance department for preparation of payment
	HB Shah to 18 Hazari TL	Aug-12	Civil Work of transmission line in progress	In Progress	Provided	Stringing in progress. Assessment of damages is being done
	Jinnah Hydro – Kalabagh TL	Aug-12	Sub project has been completed	In Progress	Provided	Assessment of damages has been completed. Compensation is being prepared
	18 Hazari to GM Raja TL	Aug-12	Civil Work of transmission line in progress	In Progress	Provided	Stringing in progress. Compensation is being paid
GEPCO	Conversion of Malakwal GS	Aug-12	Civil work of GS in progress	In Progress	Not Provided	TL is not included in ABD's scope of work
	Conversion of Head Marala GS	Aug-12	-do-	In Progress	Not Provided	
	Conversion of Siranwali GS	Aug-12	-do-	In Progress	Not Provided	
	Conversion of Daska GS	Aug-12	-do-	In Progress	Not Provided	
HESCO	TG Ali – Matli TL	Aug-12	Civil Work of transmission line in progress	In Progress	Provided	Foundation and erection work in progress. Compensation is being paid
	New Matli GS and associated TL	Aug-12	Civil work of GS in progress	In Progress	Provided	Compensation of GS has been paid to land owner
	Tando Ghulam Ali-Digri TL	Aug-12	Civil Work of transmission line	In Progress	Provided	Foundation and erection work in progress.



DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
			in progress			Compensation is being paid
	Digri-Tando Jan Muhammad TL	Aug-12	Civil Work of transmission line in progress	In Progress	Provided	Assessment of damages in process
	Tando Muhammad Naukot TL	Aug-12	Work not started	In Progress	Not Provided	Bidding in process
	Hala Road – Hala Town TL	Aug-12	-do-	In Progress	Not Provided	-do-
IESCO	Sangjani-Zero Point TL	Sep-12	Civil work started	In Progress	Provided	Compensation preparation in process
	Adyala-Chakri GS (Feed for Chakri)	Sep-12	-do-	In Progress	Provided	-do-
	New Sangjani GS & T/L	Sep-12	Work not started	In Progress	Not Provided	Line profile approval in process
	KTM (I-16 )-Chakri Road T/L	Sep-12	Civil work started	Done	Provided	Assessment of damages has been completed. Compensation preparation in process
	Replacement of Burhan-New Wah Cantt 1 & 2, TL	Sep-12	-do-	In Progress	Provided	-do-
	New Rawat-Sowan T/L with new Line on Same route	Sep-12	Subproject has been completed and energized	Done	Provided	Compensation for foundation stage has been paid. Compensation for erection and stringing stages in progress
	In & Out construction at Chakri Sub Station (Additional SC) TL	Sep-12	Subproject has been completed	Done	Provided	Compensation has been paid
LESCO	No LARP project	-	-	-	-	-
MEPCO	New Mubarak Pur GS and TL	Aug-12	Civil work of GS and TL has been completed	In Progress	Provided	Compensation paid for all three stages
	Conversion of Chak 83 GS and associated TL	Aug-12	Sub project has been completed	In Progress	Provided	Compensation being paid
	Conversion of Dahranwala GS and associated TL	Aug-12	Sub project has been completed	In Progress	Provided	-do-
	Conversion of Faqirwali GS & associated TL	Aug-12	Civil work of TL in progress	In Progress	Provided	Compensation for foundation stage has been completed
	Conversion of Fort Abbas GS and associated TL	Aug-12	-do-	In Progress	Provided	Compensation being paid
	Conversion of Shah Sadar Din	Aug-12	Civil work of GS and TL in	In progress	Provided	Line route may be realigned and LARP will



DISCO	Name of Sub Station	LARP Survey Period	Implementation Status	LARP Revision	Compensation Status	Remarks
	GS & associated TL		progress			need be revised
	New Chunnawala GS & associated TL	Aug-12	-do-	In Progress	Provided	Compensation being paid
	Conversion of Yazman GS and associated TL (Additional subproject under Tranche 3 savings)	Aug-15	Civil Work of GS in progress	-	-	--
PESCO	Conversion of Kulachi GS and associated TL	Aug-12	Civil work of GS is in progress	In Progress	Not Provided	Line route profiling in progress
	Conversion of Darban GS & associated TL	Aug-12	Civil work of GS is in progress	In progress	Not provided	-do-
QESCO	Khuzdar-Quetta TL	Aug-12	Foundation and Erection work has been started	In Progress	Provided	Compensation being paid
	Loralai-Quetta TL	Aug-12	-do-	In Progress	Not Provided	-do-
	D M Jamali – Jhal Magsi TL (Additional sub projects under Tranche 3 savings)	Jun-15	Work not started	-	-	LARP has been approved by ADB

### 3.3 LARPs Conclusions

The most of turnkey subprojects are commissioned under Tranche-2. It is expected that remaining subprojects would be completed within 1<sup>st</sup> half of 2017. The following table depicts the Original, Revised and Final stages of LAR's Implementation. A few of subprojects are completed but their final LARPs are still to be documented. FMC is following up with DISCOs to finalize the LARPs.

Table 10: LARP Impacts for Tranche-2 Turnkey Subprojects

Name of DISCO	Name of Sub-Projects	Original LARP	Revised LARP	Final LARP	Remarks
LESCO	Central Park, 132 kV Grid Station (GS) & Transmission Line (TL)	May 2009	January 2015	--	No civil work initiated so far
	Doula Chowk, 132 kV G.S & TL	January 2010	January 2015	--	Compensation pending
GEPCO	In-Out 500 kV, Garhi 132 DC TL at Garhi	November 2010	May 2013	October 2015	Compensation paid
	Sohuwala-Pasroor DC 132 kV TL	November 2010	October 2015	--	Civil work in progress
	Conversion of Kolu Tarrar GS (66 to 132 kV) and DC TL.	November 2010	May 2013	October 2015	Compensation paid
	Conversion of Jalal pur Nau GS (66 kV to 132 kV) & DC-TL	November 2010	May 2013	October 2015	Compensation paid

	Nokhar-Hafizabad-II 500 kV GS & 132 DC-TL	November 2010	October 2015	--	Compensation pending
	In-Out 500 kV Nokhar GS of 132 kV Terri Sansi-College Road Gujranwala & Therri Sansi-Hafizabad Road, Gujranwala TL.	November 2010	May 13	October 2015	Compensation paid
	132 kV Khiali Bypass GS S	November 2010	May 2013	October 2015	Compensation paid
	New Daska 132 kV GS & DC-TL	November 2010	May 2013	October 2015	Compensation paid
	In-out Existing Nokahr-Hafizabad TL (CCT No1) 132 kV DC-TL	November 2010	May 2013	October 2015	Compensation paid
	Construction of Gohdpur GS & TL	November 2010	October 2015	--	Civil work in progress
IESCO	Bagh-Hattian 132 kV TL	July 2009	March 2015	--	Compensation pending
	Mangla R.B. Rajjar 132 kV TL	November 2012	June 2013	--	Civil work in progress
	Choa Saiden Shah to Noor Pur Sethi 132 kV TL	November 2012	April 2013	--	Compensation paid. LARP completion in pending
PESCO	Gomal University (DI Khan) New GS & TL	June 2009	April 2012	--	Compensation paid. LARP completion in pending
MEPCO	Fateh Pur 132 kV GS & TL	June 2009	April 2013		Compensation paid. LARP completion in pending
	Alipur 132 kV Conversion of GS & TL	May 2009	April 2013		Compensation paid. LARP completion in pending
	Miran pur 132 kV GS & TL	June 2009	April 2013		Compensation paid. LARP completion in pending
HESCO	Jacobbabad-II New Grid Station & TL	-do-	July 2013		Compensation paid. LARP completion in pending
	Sukker City 132 kV New GS & conversion from 66 to 132 kV TL	-do-	April 2013		Compensation paid. LARP completion in pending
	Conversion of Larkana Old & TL	-do-	May 2013		Compensation paid. LARP completion in pending
	Conversion of Talhar GS & TL	-do-	April 2013		Compensation paid. LARP completion in pending
	Kandiaro-Sanghar-Kandiaro-Mirpur Khas TL	-do-	April 2013		Compensation paid. LARP completion in pending
	Shikarpur -Larkana 132 kV New TL	-do-	May 2015		Compensation pending
	Construction of Larkana-Mehar-Dadu TL	July 2009	January 2015		Civil work in progress
QESCO	--	--	--	--	--

### 3.4 LARP Disclosure

A participation mechanism facilitates the consultative process and includes information sharing with DPs and other stakeholders. According to ADB's SPS, The DISCOs' project management should share all aspects of the project namely: conception, planning and design, alternative options, implementation, etc. with the stakeholders.

LARPs of Tranche-2 and 3 were prepared in the year 2008-10 and November 2012 respectively. At that time both English and Urdu versions of LARPs were posted on the ADB and DISCO's websites. These were placed in the local offices and contractors' site offices as well. The same process has been tracked for the subprojects approved under saving component.

During the recent visits of FMC at various randomly selected subprojects, it has been noticed that no copy of LARP was available at running Tranche-2 subproject sites in any DISCO. For Tranche-3, urdu versions of LARPs for respective sites were available in FESCO and HESCO only. No LARP was found at any subproject site or camp office of the contractor at MEPCO, IESCO and QESCO. Physical work has been started at 2 conversion subprojects in PESCO. The LARP was not available at site for allied transmission lines. Line route profiling is being done. The irregularities were discussed with the DISCOs. Public consultation is being conducted in all DISCOs during different phases of work.

### 3.5 Participation

Consultation with stakeholders at different stages of the subproject is required by ADB's SPS as set out in the LARF. All DISCOs held participatory Resettlement Field Surveys (RFS), semi-structured discussions aiming community awareness and provision of consultations regarding the project's likely impacts with the small groups of men and women along with proposed transmission lines. However, these discussions and meetings occur without prior notices.

### 3.6 Monitoring of Socio-Economic Surveys and Profiles

Annexure-V describes the information collection methods/surveys (ISA, Census and DMS) for the LARP profile. The socio-economic profiles include: (i) field methodology, (ii) general information on DHs, (iii) social groups, (iv) indigenous people, (v) size of DHs, (vi) gender composition, (viii) income by livelihood sector (viii) literacy, (ix) vulnerability/poverty, (x) impact on women and (xi) social amenities.

These are well described in revised LARPs of various sub-projects. Hence comments for all DISCOs are similar and are shown in the table below:

**Table 11: Monitoring of Socio-Economic Profile Indicators**

Aspects	Status			Remarks
	Proper	Weak	Wrong	
Field Methodology	✓	--	--	Instead of census use 25% sample
General Information on DHs	✓	--	--	--
Social Group	✓	--	--	--
Indigenous People	✓	--	--	--
Data of DHs				
i) Size of DHs	--	✓	--	Does the size agree with that reported in Population Census Reports which for most districts is of the range of 6.5 to 8 persons against 9 to 14 persons reported in various LARPs?
ii) Age & Gender	✓	--	--	
iii) Housing	✓	--	--	Report No. of DPs by different dwellings.
Livelihood Sector	✓	--	--	--



Aspects	Status			Remarks
	Proper	Weak	Wrong	
Literacy	--	✓	--	Include children
Vulnerability / Poverty	--	--	✓	Pakistan's 2005-6 Official Poverty Line of Rs. 849/- per DPs per month. It is used for LARPs prepared during 2009 & 2010. Should have been computed for the cut off dates (2008, 2009 or 2010) and now 2013, whichever is the case. Moreover, it varies according to size of DHs of a locality so should be worked out separately for each sub-project of each DISCO.
Impact on Women	--	--	--	Not included
Social Amenities	--	--	--	Not included

### 3.7 Grievance Redress Mechanisms

Grievance Redress Committees (GRCs) and Grievance Resolution Processes (GRPs) are well developed in all DISCOs. Complainants prefer to consult court rather than presenting issues to GRC. All DISCOs have constituted GRC for complaint resolution. Only QESCO has constituted the GRC as per LARF. Most of DISCOs have not included community representatives who must be a part of GRC for efficient working.

Recently, GRC of HESCO met in September 2016 to review the complaint of Mr. Mumtaz Riyar. Minutes of meeting are attached (Annex-VII).

Detailed formation of GRC is shown in the table below:

**Table 12: Details of Grievance Redress Committee (GRC)**

DISCO	GRC Constitution date	Remarks
FESCO	13 – 07 - 2016	No Tehsildar
GESCO	08 – 04 – 2013	Representative from affected persons must be included. No Tehsildar
HESCO	03 – 08 – 2015	No Tehsildar
IESCO	11 – 07 – 2009	No Tehsildar
LESCO	22 – 06 – 2016	Representative from affected persons must be included. No Tehsildar
MEPCO	25 – 07 – 2009	Representative from affected persons must be included. No Tehsildar
PESCO	25 – 10 – 2011	Representative from affected persons must be included. No Tehsildar
QESCO	09 – 03 – 2015	Complete Formation

### 3.8 Resettlement Budget

The budgets for various revised LARPs are prepared in a very systematic manner in all DISCOs. These have been revised for most LARPs except at LESCO.

### 3.9 Visits Schedule to DISCOs

FMC Environment and Social team has conducted site visits to all DISCOs during November 2016 –January 2017 to check the compliance of ADB Environmental and Social Policy and collect the data for current 9th bi-annual external environmental monitoring report for the period July till December, 2016. The visit schedule is attached as Annex-VIII.

### 3.10 Internal Monitoring System

There is an acquiescent Environment and Social Internal Monitoring System in all the DISCOs to fulfil both ADB policies and regulatory requirements. To date, 9 Internal Monitoring Reports have been submitted by each DISCO on bi-annual basis. However, the DISCOs are facing difficulties in submitting the reports due to unavailability of sufficient staff.

**Table 13: Internal Monitoring of DISCOs**

<b>DISCO</b>	<b>No. of IMRs submitted as of 31-12-2016</b>	<b>Interval</b>	<b>Submission Dates in 2016</b>
FESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
GEPCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
HESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
IESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
LESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
MEPCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
PESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016
QESCO	9	Bi-annual (Ending every June and December )	June 2016 & Dec 2016

## 4 CONCLUSIONS

After evaluation and during field visits of all the DISCOs, the following observations were made by Social Safeguards Facility Management Consultant:

- Compensation payments are delayed in most DISCOs despite completion of subprojects.
- LARPs of Tranche-3 are being revised in IESCO, FESCO, QESCO, HESCO and MEPCO while PESCO will revise the LARP after commencement of work on transmission lines.
- DISCO's GSCs staff does not share updates regarding the commencement of work at sub projects with ESIC staff. This lack of coordination results in delay of preparation and disbursement of compensation.
- Generally, most contractors have hired sub-contractors for civil work but no representative of the contractors was present during the site visits.
- Shortage of staff in ESICs at FESCO is non-compliant with ADB's SPS.
- Finance Departments at DISCOs continue to delay the preparation of compensation
- Communities have concerns over the amounts paid in all DISCOs. A complaint regarding underpayment has been lodged in HESCO.
- Independent vehicle facilities must be provided to ESICs for smooth functioning and timely monitoring of sub projects in QESCO and PESCO.
- Vacant positions at ESICs must be filled with appropriate personals. GSC's support staff (Qanoongo, Patwari and LAO) is not well trained to carry out different types of sociological surveys that are essential to fulfil the LARP conditions.
- Except at PESCO, the Social Internal Monitoring & Evaluation is being carried out in its true means.

### 4.1 Corrective Action Plan (CAP)

FMC proposes following Corrective Action Plan for making improvements in the progress of LARPs implementation:

- Compensation must be paid to those who failed to submit documents of ownership in time, for several subprojects of Tranche-2 in GEPCO as per Social Safeguard Policy of ADB.
- Coordination among GSC and ESICs needs to be enhanced for smooth functioning and better project implementation
- Complaint registration and resolution mechanism may be improved to avoid RoW issues.
- Grievance Redress Committees (GRC) must participate actively in complaint resolution. The frequency of GRCs meeting should be at least once a month to sort out any outstanding issues.
- GRCs may be reconstituted with representative from affected community where needed.
- Independent means of transport should be made available at PESCO and QESCO.
- Support Staff (Qanongo, Patwari, Surveyors) should be hired in all DISCOs for smooth and effective functioning of ESICs.
- Compensation processes are slow. The finance department of concerned DISCOs must accelerate their payment processes.
- All vacant posts in Environment and Social Impact Cells (ESICs) must be filled, especially in FESCO and MEPCO. E&SICs staff must have relevant qualification; the staff with irrelevant qualifications must be replaced.



- DISCOs must strengthen ESICs by approving SOPs, for smooth functioning of ESICs.

**ANNEX-I: DISCO WISE LIST OF SUB PROJECTS – TRANCHE – 2**

Sr. No	Name of DISCO	Name of Sub Project	Preparation of Revised LARPs (Date)
1	LESCO	Central Park GS	January 2015
		Doula Chuchak G.S	-do-
2	MEPCO	Miran Pur G.S	April, 2013
		Ali pur Conversion of GS	-do-
		Fateh Pur Conversion of GS	-do-
3	IESCO	Noor Pur Sethi G.S and associated transmission line	April, 2013
		Hattian-Bagh transmission line	-do-
		Mangla L.B - Rajjar transmission lines	-do-
4	FESCO	No LARP Project	N/A
5	GEPCO	Godh Pur G.S.	April, 2013
		New Daska G.S.	-do-
		Khiali By-pass GS	-do-
		Conversion of Kolu Tarar GS	-do-
		Conversion of Jalalpur Nau-GS	-do-
		Nokhar-Hafizabad 132 kV transmission lines	-do-
		In-out Hafiz Abad II-GS	-do-
		Sahowala-Pasroor 132 transmission lines	-do-
		In-out for Garhi GS	-do-
		Gujranwala Therisansi	-do-
6	PESCO	DI Khan Industrial (Gomal University) GS & transmission lines	April, 2012
7	HESCO	Conversion of Sukkur City GS	April, 2013
		Conversion of Larkana Old GS	May, 2013
		Conversion of Talhar GS	April, 2013
		Shikarpur Larkana New transmission lines	May, 2013
		Second circuit stringing Sanghar-Kandiyari-Mirpur Khas 132 kV transmission lines	April, 2013
		Construction of Larkana-Mehar-Dadu 132kV DC/transmission lines	Revised in October 2014
		New Jacobabad GS & transmission lines	June 2013
8	QESCO	No LARP Project	N/A

**ANNEX-II: DISCO WISE LIST OF SUB PROJECTS – TRANCHE – 3**

Sr. No	Name of DISCO	Name of Sub Project	Preparation of Revised LARPs (Date)
1	LESCO	No LARP Project	N/A
2	MEPCO	Mubarak Pur 132KV GS and DC Transmission Line	In Progress
		Hasilpur-Chunnawala 132KV Single Circuit T/L	-do-
		Chistian-Daharanwala 132KV Single Circuit T/L	-do-
		Haronabad-Faqirwali 132KV Single Circuit T/L	-do-
		Faqirwala-Fort abbas 132KV Single Circuit T/L	-do-
		Shahdan Lund-Shah Sadar din 132KV Single Circuit T/L	LARP may be revised as line route alteration is under consideration
		Mianchanu-Chak 83 132KV Single Circuit T/L	In Progress
		Yazman 132 KV GS and TL	-do-
3	IESCO	Sangjani-Zero point (New DC) 132 KV T/L	April 2016
		Feed for Chakri Road GS for Adyala	LARP revision in progress
		132KV New Sangjani GS & T/L	December 2015
		132KV KTM(I-16)-Chakri Road T/L	December 2015
		Replacement of Burhan-New Wah Cantt 1 & 2, 132KV T/L	April 2016
		132KV New Rawat-Sowan T/L with new Line on Same route	-do-
		In & Out construction at Chakri Sub Station (Additional SC) T/L	December 2015
4	FESCO	Construction of D.C 132 KV T/L form 220 KV Grid Station Toba Tek Singh to Haveli Bahadur Shah (District Jhang)	Civil work of TL started. LARP revision is not initiated so far
		Construction of D/C 132 KV T/L form 132 KV Piplan T/L to 66 KV Grid Station Rakh Dagan (District Bhakkar)	-do-
		Construction of 30 Km D/C 132 KV T/L form 132 KV Grid Station HB Shah to 66 KV Grid Station 18-Hazari (District Jhang)	-do-
		Construction of D.C 132 KV T/L form Jinah Hydropower-220KV Dadu Khel In & Out Kalabagh Grid Satation (District Mianwali)	-do-

Sr. No	Name of DISCO	Name of Sub Project	Preparation of Revised LARPs (Date)
		Construction of 45 Km long 132 KV T/L form 66 KV Grid Station 18 Hazari to 66 KV Grid Station Garh Mahraja (District Jhang)	-do-
5	GEPCO	Conversion of Malakwal GS and associated D.C Transmission Line	LARP Implementation is not included in ADB's scope of work
		Conversion of Head Marala GS and associated D.C 132KV TL	-do-
		Conversion of siranwali GS and associated 132KV D.C Transmission Line	-do-
		Conversion of Daska GS and associated D.C 132KV TL	-do-
6	PESCO	Up gradation of 66KV Kulachi to 132KV GS and TL	Line Route Survey in process
		Up gradation of 66KV Darban to 132KV GS and TL	-do-
7	HESCO	Construction of DC 132KV Tando Muhammad Khan-New Matli TL	Civil work of TL started. LARP revision is not initiated so far
		Construction of New Matli GS and DC 132KV TL from New Matli to Tando Ghulam Ali	-do-
		Construction of DC 132KV TL Tando Ghulam Ali-Digri (District Mirpur Khas)	-do-
		Construction of DC 132KV TL Digri-Tando Jan Muhammad	-do-
		Construction of DC 132KV TL Tando Jan Muhammad-Naukot (District Mirpur Khas)	Civil work is not started so far
		Construction of DC 132KV TL Hala Road GS-Hala town	-do-
8	QESCO	Construction of DC 132KV T/L Khuzdar to Quetta	LARP Revision is progress
		Construction of DC 132KV T/L Loralai to Quetta	-do-
		D M Jamali – Jhal Magsi TL (Additional sub projects under Tranche 3 savings)	No work initiated so far

**ANNEX-III: DISCO WISE LIST OF SUB PROJECTS – TRANCHE – 4**

Sr. No	Name of DISCO	Name of Sub Project	Preparation of Revised LARPs (Date)
1	FESCO	Conversion of Ahmad Pur Sial GS and associated TL	Civil work started. LARP revision is not initiated so far
2	MEPCO	Conversion of Choti GS and associated TL	Bid Evaluation in process
		New Walana GS with associated TL	-do-
		New Buch Villas GS and associated TL	Contract awarded
		New Punjab Housing Society GS and Associated TL	-do-

**ANNEX-IV: CAPACITY BUILDING – INVOLUNTARY RESETTLEMENT (IR) SAFGUARDS**

Sr. No.	Training Title	Current Knowledge (%)					Training Require (%)
		Excellent	Good	Average	Poor	None	Yes
1	Awareness about ADB SPS Policies	2	17	25	21	36	89
2	Legal Frame work regarding Resettlement in Pakistan	0	13	25	28	34	92
3	Sub Project Data Compilation	0	21	30	17	32	87
4	ISA (Initial screening Assessment)	2	17	32	21	28	89
5	Census Survey	4	6	47	17	26	89
6	DMS (Detail Measurement Survey)	2	6	38	23	32	91
7	Socio-Economic Survey	4	9	36	19	32	89
8	Resettlement cost and Budgeting	0	11	34	23	30	96
9	Institutional Arrangements	4	15	36	19	26	85
10	LARP Revision/Updating	2	9	32	25	32	91
11	Compensation Plan Formulation	2	19	40	13	26	91
12	Grievance Redress Mechanism	2	23	36	9	30	79
13	Internal & External Monitoring	4	19	38	13	26	87
14	Monitoring & Evaluation	4	17	34	15	30	87
15	Gender Action Plan	0	6	42	11	42	91
16	Social Poverty Analysis	0	6	38	15	42	94
17	LARF (Land Acquisition and Resettlement Framework)	0	6	38	19	38	89
Average		1.9	12.9	35.4	18.1	31.9	89.2

**ANNEX-V: MONITORING OF INFORMATION COLLECTION METHODS/ SURVEYS**

Sr. No	DISCO	Name of Sub Station	Initial Screening		DPs Census		DMS		DPs Socio Economic Profile		Remarks
			Satisfactory	Unsatisfactory	Done	Not Done	Satisfactory	Unsatisfactory	Full	Partial	
1	LESCO	Central Park GS	√	--	√	--	√	--	--	√	Since important socio-economic indicators like literacy, sex ratio, poverty and social amenities avoidable are not discussed.
		Doula Chuchak G.S	√	--	√	--	√	--	--	√	
2	MEPCO	Mira Pur G.S	√	--	√	--	√	--	√	--	
		Ali pur Conversion of GS	√	--	√	--	√	--	√	--	
		Fateh Pur Conversion of GS	--	√	--	√	--	√	--	√	
3	IESCO	Noor Pur Sethi G.S and associated transmission line	√	--	√	--	√	--	√	--	
		Hattian Bagh transmission line.	√	--	√	--	√	--	√	--	
		Mangla L.B Rajar transmission lines	√	--	√	--	√	--	√	--	
4	FESCO	No LARP Project	--	--	--	--	--	--	--	--	
5	GEPCO	Godh Pur G.S.	√	--	√	--	√	--	√	--	
		New Daska G.S.	--	--	--	--	--	--	--	--	
		Khiali By-pass GS	--	--	--	--	--	--	--	--	
		Conversion of Kolu Tarar GS	√	--	√	--	√	--	√	--	
		Conversion of Jalalpur Nau-GS	√	--	√	--	√	--	√	--	

Sr. No	DISCO	Name of Sub Station	Initial Screening		DPs Census		DMS		DPs Socio Economic Profile		Remarks
			Satisfactory	Unsatisfactory	Done	Not Done	Satisfactory	Unsatisfactory	Full	Partial	
		Nokhar-Hafizabad 132 kV transmission lines	√	--	√	--	√	--	√	--	
		In-out Hafiz Abad II-GS	√	--	√	--	√	--	√	--	
		Sahuwala-Pasroor 132 transmission lines	√	--	√	--	√	--	√	--	
		In-out for Garhi GS	√	--	√	--	√	--	√	--	
		Gujranwala Therisansi	√	--	√		√	--	√	--	
6	PESCO	DI Khan Industrial (Gomal Uni) GS & transmission lines	√	--	√	--	√	--	√	--	
		Conversion of New GS & transmission lines Sukkur City	√	--	√	--	√	--	√	--	
		Conversion of New GS & transmission lines Larkana Old	√	--	√	--	√	--	√	--	
7	HESCO	Conversion of New GS & transmission lines Talhar	√	--	√	--	√	--	√	--	
		Second circuit stringing Sanghar-Kandiyari-Mirpur Khas 132 kV transmission lines	√	--	√	--	--	√	--	√	
		Shikarpur-Larkana 132 kV	√	--	√	--	--	√	--	√	

Sr. No	DISCO	Name of Sub Station	Initial Screening		DPs Census		DMS		DPs Socio Economic Profile		Remarks
			Satisfactory	Unsatisfactory	Done	Not Done	Satisfactory	Unsatisfactory	Full	Partial	
		New transmission lines									
		New Jacobabad GS and transmission lines	√	--	√	--	√	--	√	--	
		Construction of Larkana-Mehar-Dadu 132kV DC/transmission lines	√	--	√	--	√	--	--	√	
8	QESCO	No LARP Project	--	--	--	--	--	--	--	--	

**ANNEX-VI: PHOTOGRAPHIC PROFILE****Faisalabad Electric Supply Company (FESCO)**

Figure-1: T-Off tower at Jinnah Hydro – Kala Bagh Transmission Line.

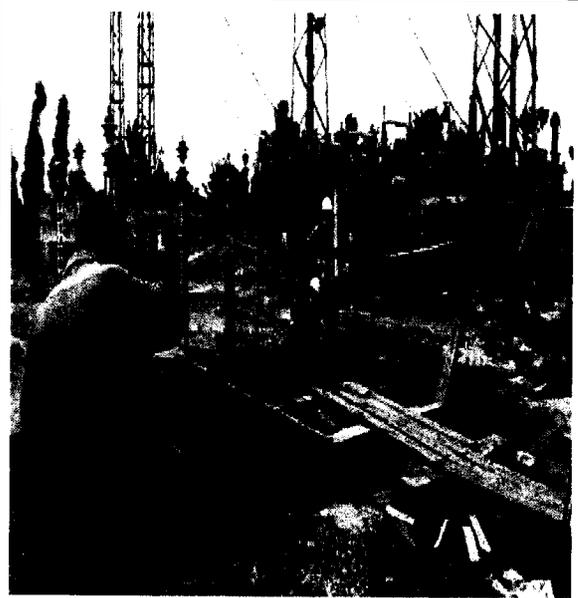


Figure-2: Civil work in progress in switch yard at Rakh Dagan Grid Station

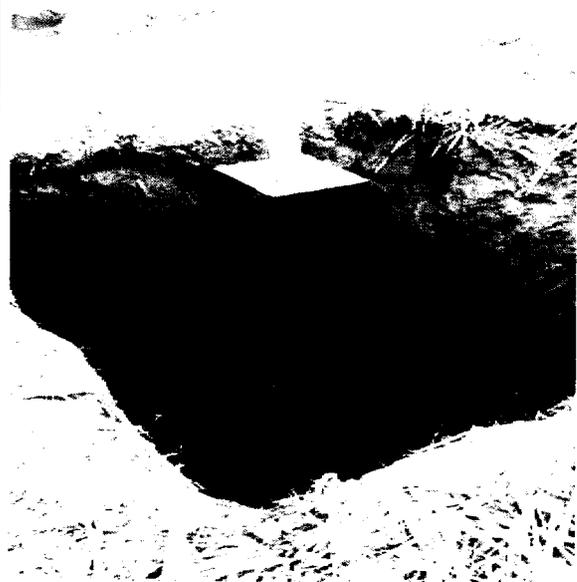


Figure-3: Concreted Foundation at GM Raja – Ahmad Pur Sial TL

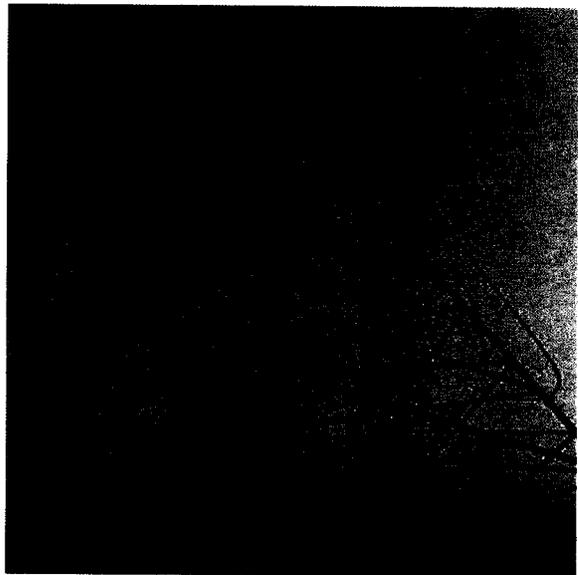


Figure-4: Conductor has been stolen at Tower no. 201 at 220 TTS – HB Shah TL

**Gujranwala Electric Supply Company (GEPCO)**

Figure-1: Meeting with contractor and inspection of First Aid box at Malakwal Grid Station

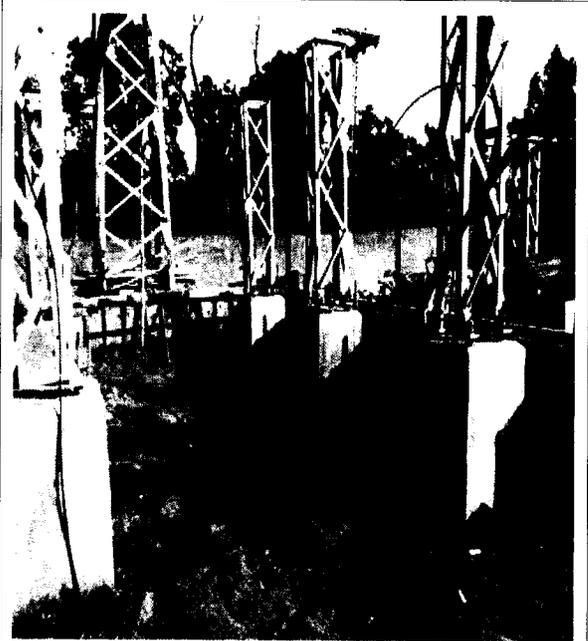


Figure-2: Civil work is in progress in switch yard at Head Marala Grid Station

## Hyderabad Electric Supply Company (HESCO)



Figure-1: Site visit along with PMU HESCO staff to New Matli Grid Station



Figure-2: No proper PPEs are being used by labor at Tando Ghulam Ali - Matli TL .



Figure-3: Record is being Reviewed at Tando Ghulam Ali Grid Station



Figure-4: First Aid Box is being checked at New Matli Grid Station

## Islamabad Electric Supply Company (IESCO)



Figure-1: Civil work of control house building in progress at Chakri Road Grid Station .



Figure-2: Proposed site for New Bara Kahu Grid Station



Figure-1: Visit to the site of New Sangjani II Grid Station

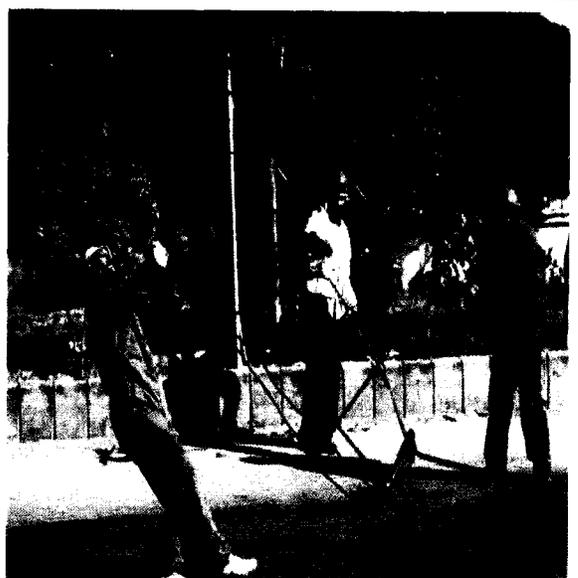


Figure-1: Stringing work is in progress at Zero Point - Sangjani TL .

## Lahore Electric Supply Company (LESCO)

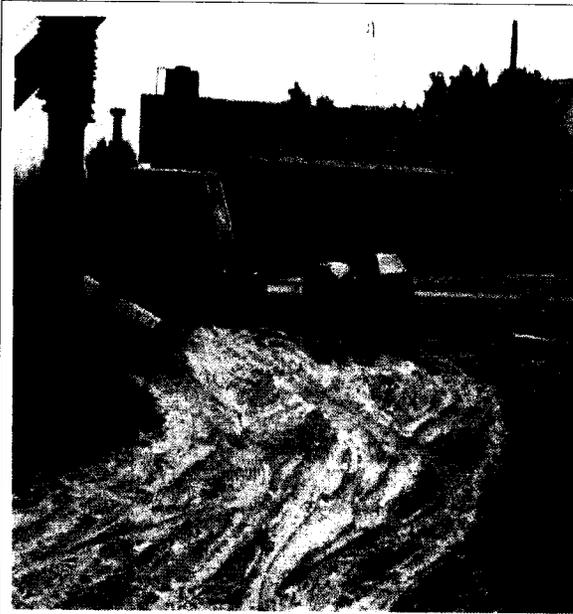


Figure-1: Terminal Tower is being erected at Press Club Grid Station



Figure-2: Civil work of control house building in progress at Dera Chahal Grid Station

## Multan Electric Power Company (MEPCO)



Figure-1: Issue regarding improper drainage is being discussed with contractor at Chonawala GS

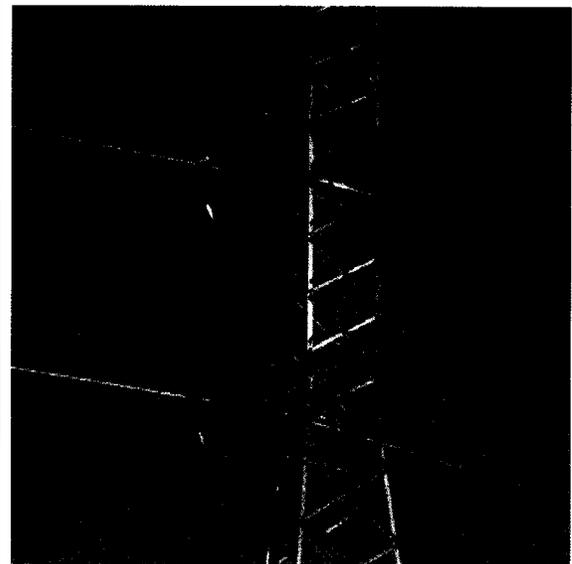


Figure-2: Stringing work in progress without proper PPEs at Hasilpur – Chonawala TL

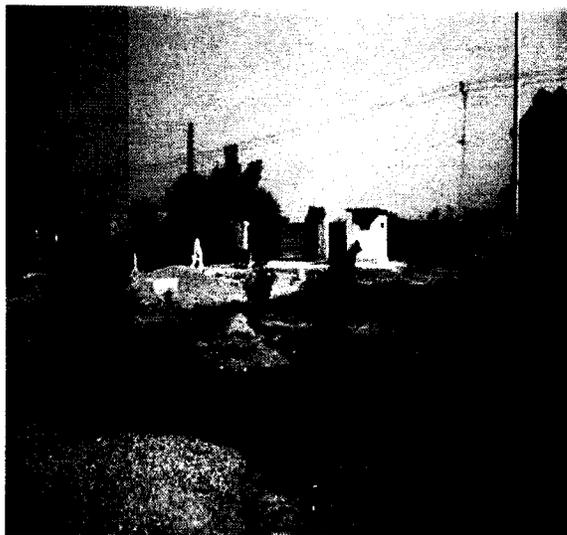


Figure-3: Tree Plantation is done at Shah Sadar Din Grid Station



Figure-4: Visit of Punjab Housing Grid Station site in Tranche 4 savings

## Peshawar Electric Supply Company (PESCO)



Figure-1: Consultation with contractors regarding safeguards compliance at Sakhi Chashma Grid Station



Figure-2: Discussion regarding use of PPEs with labor at Daraban Grid Station

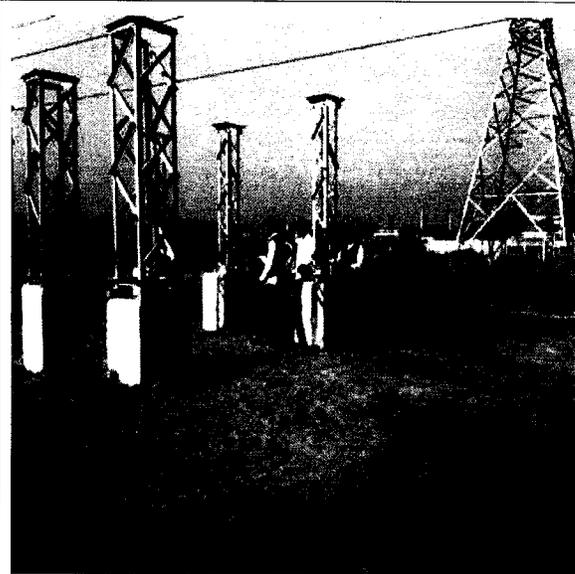


Figure-1: Labor working in switchyard at Taru Jabba Grid Station

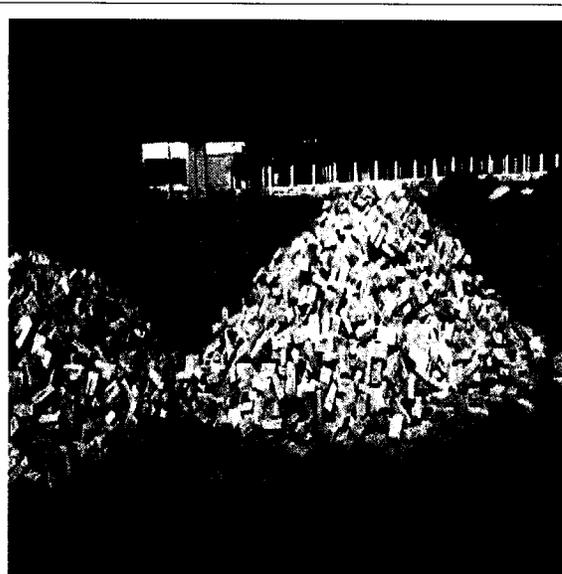


Figure-1: Excavation for foundations of switchyard at Kulachi Grid Station

## Quetta Electric Supply Company (QESCO)

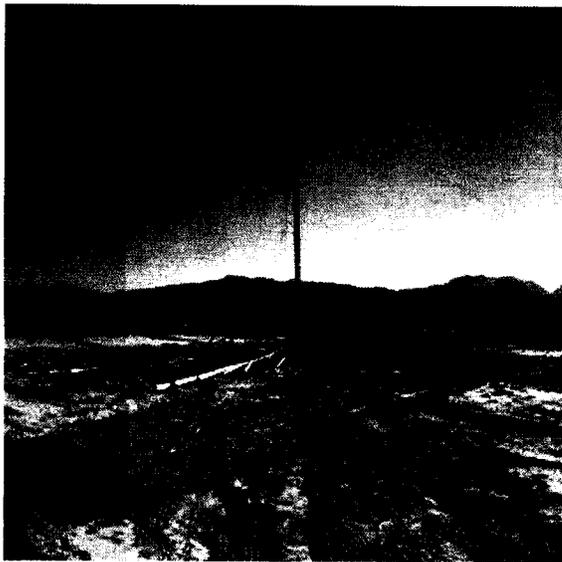


Figure-1: Erection of tower in progress at Loralai – Quetta TL

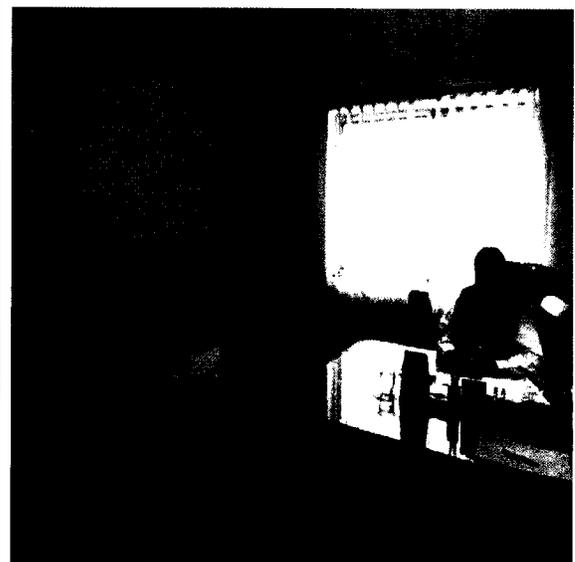


Figure-2: Meeting with Chief Engineer (Development) regarding updates for ongoing ADB projects



Figure-3: discussion with labor regarding use of PPEs and HSE issues at Loralai – Quetta TL



Figure-4: Erected towers of Loralai – Quetta TL near Baraili

## ANNEX-VII: Minutes of Meeting GRC at HESCO

### ❖ **BRIEF ABOUT THE SUB-PROJECT**

HESCO is providing electricity to Digri taluka and has an old 66 kV Grid Station but due to increase in activities and extraordinary growth of commercial projects, plazas etc. the existing capacity is not sufficient and therefore in order to provide adequate facilities for reliable and stable supply of electrical power in line with the growing demand of domestic, commercial, industrial and agricultural customers, HESCO has planned to construct a new 25.7 Km transmission line from Tando Ghulam Ali Grid Station to Digri Grid Station and also to convert the Digri grid station from 66 kV to 132 kV level for which funding has been arranged from Asian Development Bank (ADB) through Government of Pakistan.

This subproject comprises of two components, namely, the conversion of 66 kV grid station and the feeding transmission line. The grid station is being constructed just inside the existing 66 kV Grid station of Digri, therefore there is no land acquisition involved in the conversion of the grid station, and therefore there will be neither voluntarily nor involuntarily resettlement involved in this component of the subproject. However the construction of new 132 kV transmission line involves crop compensation only.

### ❖ **BRIEF ABOUT THE COMPLAINT**

As per complaint lodged by Mr. Mumtaz Riyar (**Annexure-A**), the brief of his complaint is reproduced as below:

- (i) As the existing 66 kV transmission line is passing in front of Digri Sugar Mill then why newly constructed line has been given U-turn i.e. diversion?"for which he has taken it as favoritism to Digri Sugar Mill".
- (ii) Changing in the route, this transmission line could be harmful, as this is passing close to boiler and bagasse area of the Digri Sugar Mill.

(iii) The compensation of losses during foundation work is not justified where losses are shown in the shape of cotton crop but payment has been made on different rates, also demanded that rates of crop to be fixed by Revenue Officer.

❖ **PROCEEDINGS**

(i) HESCO constituted GRC vide office order No. CEO/HESCO/PMU/E&SS/501-07 dated 03-08-2015.

(ii) GRC meeting called vide letter No. CEO /HESCO/PMU/CE(Dev)/E&SS/1110-17 dated 06-09-2016.

(iii) Meeting held on 21-09-2016 in which all members participated along-with complainant & minutes of meeting issued vide No. CEO/HESCO/PMU/CE(Dev)/E&SS/1765-67 dated 10-10-2016.

(iv) Detailed site visit was carried out by committee members on 22-09-2016

(v) A questionnaire was given to the complainant containing some questions regarding his complaint, he submitted the replies vide letter dated 27-09-2016

(vi) Statement was obtained from concerned Surveyor who surveyed the transmission line.

(vii) Statement was obtained from concerned Patwari who prepared the compensation claims **(Annexure-G)**.

❖ **FINDINGS**

1) The complainant had already approached to the Wafaqi Mohtasib (Ombudsman); the Ombudsman's finding including grounds for closure as reproduced as below:

*(i) "Hearing attended by both parties. The complainant did not agree to the view point of the agency. Since the facts of the case are disputed by the parties and to establish the correct position requires a detailed examination of*

*both documentary and oral evidence, and its assessment for which the proper forum is a court of competent jurisdiction and not this office”.*

- 2) The route of the transmission line was prepared and approved on 09-06-2015 which is much earlier than the start of work and no any change / diversion has been made later on.
- 3) The land coming across the area behind Digri Sugar Mill does not belong to the complainant or any of his relative.
- 4) The land coming across the towers behind Digri Sugar Mill belongs to Mr. Abdul Khaliq, Mr. Akhter Ali and Mr. Samar Raza who during visit of the committee members on 22-09-2016 shown their consent and satisfaction for the crop compensation received.
- 5) The old 66 kV transmission line was constructed in year 1979-80 and much before the existence of Digri Sugar Mill which was constructed in 1994.
- 6) The Govt. rules / WAPDA Act does not permit to enter inside in private constructed premises as such while preparing route of the transmission line such constructed areas are generally avoided.
- 7) The complainant was shown the similar diversion existed around Hari Sugar Mill which is lying abandoned from the last so many years.
- 8) The compensation claims prepared for the towers situated in the land belongs to the complainant and his relatives are duly signed and payment received which shows his / their acceptance to the crop compensation.
- 9) While preparing compensation claims the rates of the crop are obtained from the concerned Revenue Officer and same was applied in this case as well.

(ii)

❖ **CONCLUSION**

(iii) After going through the above facts, findings and statement of concerned Patwari, Surveyor , site visit and

meeting with other landowners coming across the alleged U-turn/Diversion , this committee concludes as follows;

- (i) The complainant Mr. Mumtaz Riyar is not affected by the alleged U-turn/Diversion and he has failed to provide any evidence of favoring the Sugar Mill.
- (ii) No change in the route has been made and the construction of the transmission line is being carried out on the approved design of the route.
- (iii) There are no any safety concerns, which may arise due to passing of the transmission line near to the bagasse area or boiler; it is being constructed as per approved design and the near most tower is approximately 150 m away from bagasse and boilers etc.
- (iv) As regard to losses, compensation claims prepared having signatures on damage sheet shows that he has been fully compensated for crop damages occurred during foundation construction.

### **RECOMMENDATIONS**

In the light of the facts narrated above, committee recommends to dispose off the complaint being baseless and having malafide intentions.

**ANNEX-VIII: EXTERNAL ENVIRONMENTAL & SOCIAL MONITORING VISIT SCHEDULE**

<b>Date</b>	<b>Days</b>	<b>DISCO</b>	<b>Itinerary</b>	<b>Sub-Projects/Visits</b>	<b>Team Members</b>
<b>PESCO</b>	13/11/2016 To 18/11/2016	Sunday To Friday	Lahore-Peshawar-Noshehra-Shangla-Lahore Travel Days (14/11/2016 and 18/11/2016)	<b>Tranche-2:</b> Overview of all completed Subprojects <b>Tranche-3:</b> Sakhi Chashma, Taro Jabba. Meeting with DISCO's E&S Cell and Contractors of awarded subprojects	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Umul Baneen Zafar</b> (Environmentalist)
<b>HESCO</b>	20/11/2016 To 26/11/2016	Sunday To Saturday	Lahore-Khi-Hyd-Dadu-Digri-Khi-Lhr Travel Days (20/11/2016 and 26/11/2016)	<b>Tranche-2:</b> Mehar-Dadu-Larkana TL <b>Tranche-3:</b> Tando Ghulam Ali-Digri TL Digri-Tando Jan Muhammad TL	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Umul Baneen Zafar</b> (Environmentalist) <b>Mr. Sharful Amin</b> (Project Engineer)
<b>MEPCO</b>	28/11/2016 To 03/12/2016	Monday To Saturday	Lahore-Multan-Bahawalpur-Chonawala-Chak 83-Lahore	<b>Tranche-2:</b> Ali Pur <b>Tranche-3:</b> Chak 83/12-L, Shah Sadar Din, Chunawala, Mubarakpur, Fortabbas Faqirwali, Dahranwala	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Baneen Zafar</b> (Environmentalist)
<b>QESCO</b>	05/12/2016 To 09/12/2016	Monday To Friday	Lahore – Quetta – Lahore Travel Days (05/12/2016 and 09/12/2016)	<b>Tranche-2:</b> Overview of all completed Subprojects <b>Tranche-3:</b> Site visit and Meeting with DISCO's E&S Cell and Contractors of Tranche-3 subprojects	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Mr. Zeeshan Jan</b> (Junior Engineer) <b>Mr. Nazir Mengal</b> (Project Engineer)
<b>GEPCO</b>	19/12/2016 To 23/12/2016	Monday To Friday	Lahore-Gujranwala-Daska-Malakwal –Head Marala-Lahore	<b>Tranche-2:</b> All on-going Subprojects <b>Tranche-3:</b> Siranwali, Head Marala, Daska Old, Malikwal GS	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Umul Baneen Zafar</b> (Environmentalist)
<b>FESCO</b>	26/12/2016 To 03/01/2017	Monday To Tuesday	Lahore-Faisalabad-Bhakar-Kala Bagh-18 Hazari-Lahore	<b>Tranche-2:</b> Overview of all completed Subprojects <b>Tranche-3:</b> Kala Bagh GS & TL, Rakh Dargan GS & TL, 18 Hazari-GM Raja TL, T T Singh - H B Shah TL	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Umul Baneen Zafar</b> (Environmentalist)

Date	Days	DISCO	Itinerary	Sub-Projects/Visits	Team Members
LESCO	05/01/2017 To 06/01/2017	Thursday And Friday	Lahore City and nearby Sub-Projects	<u>Tranche-2:</u> Central Park <u>Tranche-3:</u> Dera Chehel, Meeting with DISCO's E&S Cell and Contractors of awarded subprojects	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Umul Baneen Zafar</b> (Environmentalist)
IESCO	09/01/2017 To 13/01/2017	Monday To Friday	Lahore-Islamabad-Mangla-Wah-Islamabad Travel Day (09/01/2017)	<u>Tranche-2:</u> Mangla-Rajjar TL, Bagh-Hattian TL <u>Tranche-3:</u> Bahara Kahu GS, Sangjani GS, 05 Transmission Lines	<b>Mr. Muazzam Mukhtar</b> (Sociologist) <b>Ms. Baneen Zafar</b> (Environmentalist)
<b>Note:</b> <ul style="list-style-type: none"> <li>↓ Concerned Chief Engineers Development/General Managers are requested to inform the officers of Environment and Social Cells to be available according to the Schedule for subprojects site visits and to provide required information/records.</li> <li>↓ Selected project sites will be visited and inspected for EMP and LARP implementation according to ADB Policy's requirement.</li> <li>↓ The Contractor's Environmental and Social staff and records regarding EMP and LARP implementation may also be required.</li> <li>↓ An Occupational Health and Safety inspection survey will also be done by SMEC's Project Engineers in consultation with DISCOs.</li> <li>↓ Moreover, the site visits will also cover a general overview regarding the preparedness for the implementation of EMPs/LARPs at Initial/Pre-Construction Stages of Tranche-III.</li> </ul>					