

Resettlement Plan

July 2018

KGZ: Proposed Loan and Grant for Additional Financing Kyrgyz Republic: CAREC Corridors 1 and 3 Connector Road Project, Phase 2 (Section 1 and Section 2A)

Prepared by the Ministry of Transport and Roads of the Kyrgyz Republic for the Asian Development Bank.
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**Mr. Narendra Singru
Head of Project Administration Unit
CWTC Asian Development Bank**

Subject: CAREC Corridors 1 and 3 Connector Road Project, Phase 2 (Bishkek–Osh and Bishkek-Naryn-Torugart Road. Land acquisition and resettlement plan (LARP).

Dear Mr. Singru,

The Ministry of Transport and Roads approves the LARP for Section 1: from Balykchy to post 43 (km0 - km43) and Section 2A: from Kochkor to Epkin (km62 – km89), prepared under the CAREC Corridors 1 and 3 Connector Road Project, Phase 2, and submits it to ADB for no-objection and disclosure on ADB web-site.

Yours faithfully,

Deputy minister

A. Zhusubaliev

CURRENCY EQUIVALENTS

(as of 18 July 2018)

| | | |
|---------------|---|------------|
| Currency unit | – | Som (SOM) |
| Som1.00 | = | \$0.01465 |
| \$1.00 | = | Som68.2440 |

ABBREVIATIONS

| | |
|-------|--|
| ADB | Asian Development Bank |
| AH | Affected Household |
| APs | Affected Persons |
| C&P | Consultation and Participation |
| AVH | Affected vulnerable household |
| AVP | Affected vulnerable person |
| CAREC | Central Asia Regional Economic Cooperation |
| COI | Corridor of Impact |
| DD | Detailed Engineering Design |
| CSC | Construction Supervision Consultant |
| EA | Executing Agency |
| GRG | Grievance Redress Group |
| GRM | Grievance Redress Mechanism |
| IA | Implementing Agency |
| IPIG | Investment Project Implementation Group |
| JOC | Japan Overseas Consultants |
| KR | Kyrgyz Republic |
| KGS | Kyrgyz Som (currency unit) |
| LAR | Land Acquisition and Resettlement |
| LARC | Land Acquisition and Resettlement Commission |
| LARP | Land Acquisition and Resettlement Plan |
| LFP | Local Focal Point |
| MOTR | Ministry of Transport and Roads |
| NGO | Non-Governmental Organization |
| NOL | No Objection Letter |
| PD | Preliminary Engineering Design |
| PPTA | Project Preparatory Technical Assistance |
| RIB | Resettlement Information Brochure |
| RMD | Road Maintenance Department |
| ROW | Right of Way |
| RPIR | Resettlement Planning Information Brochure |
| SAH | Severely affected household |
| SAP | Severely affected person |
| SES | Socioeconomic Survey |
| SPS | Safeguard Policy Statement |
| US\$ | United States Dollar |

NOTE

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

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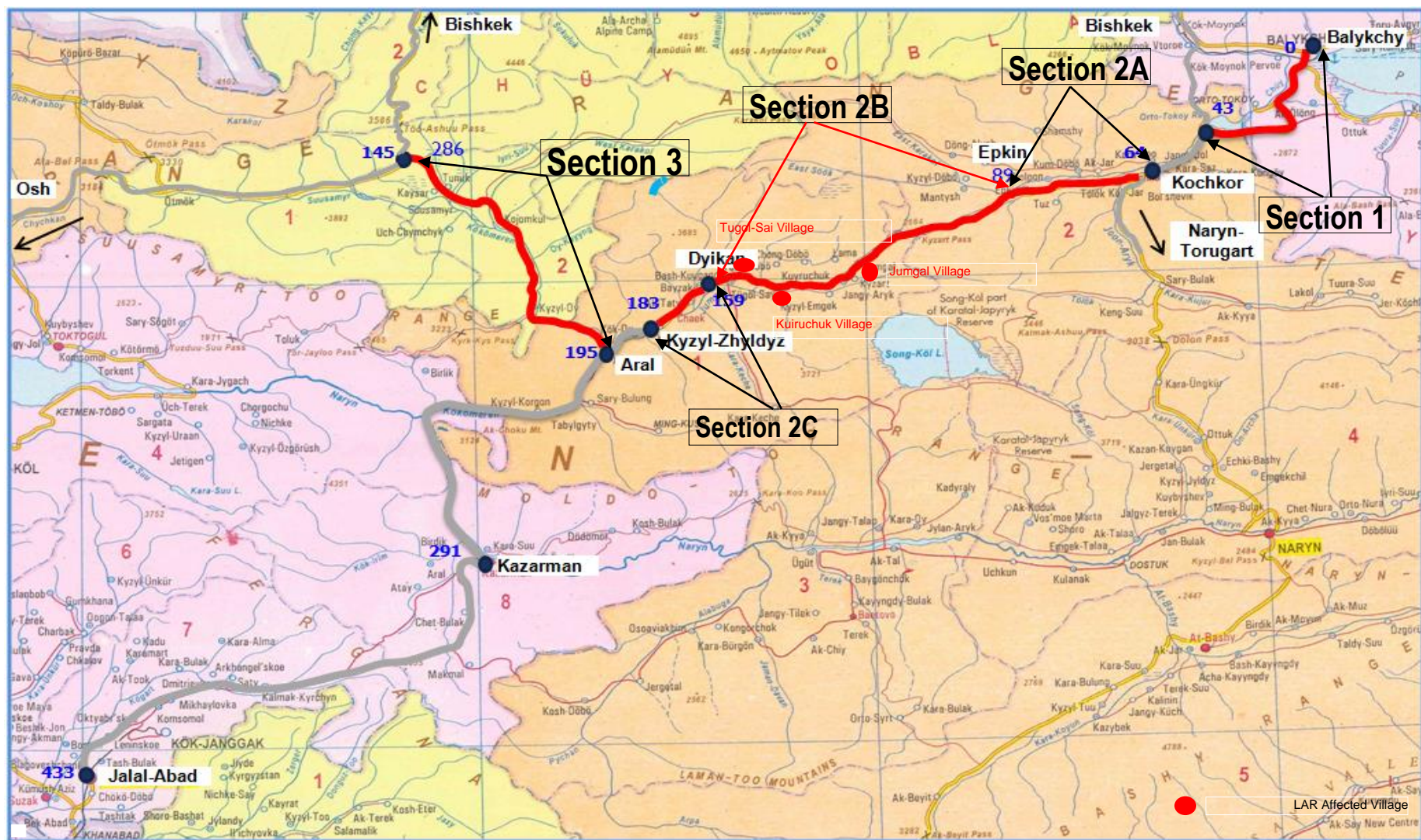


Figure 1: Project Road Sections



Figure 2: Typical Landscapes of Section 1



Figure 3: Landscape and Affected Assets (Section 2A)

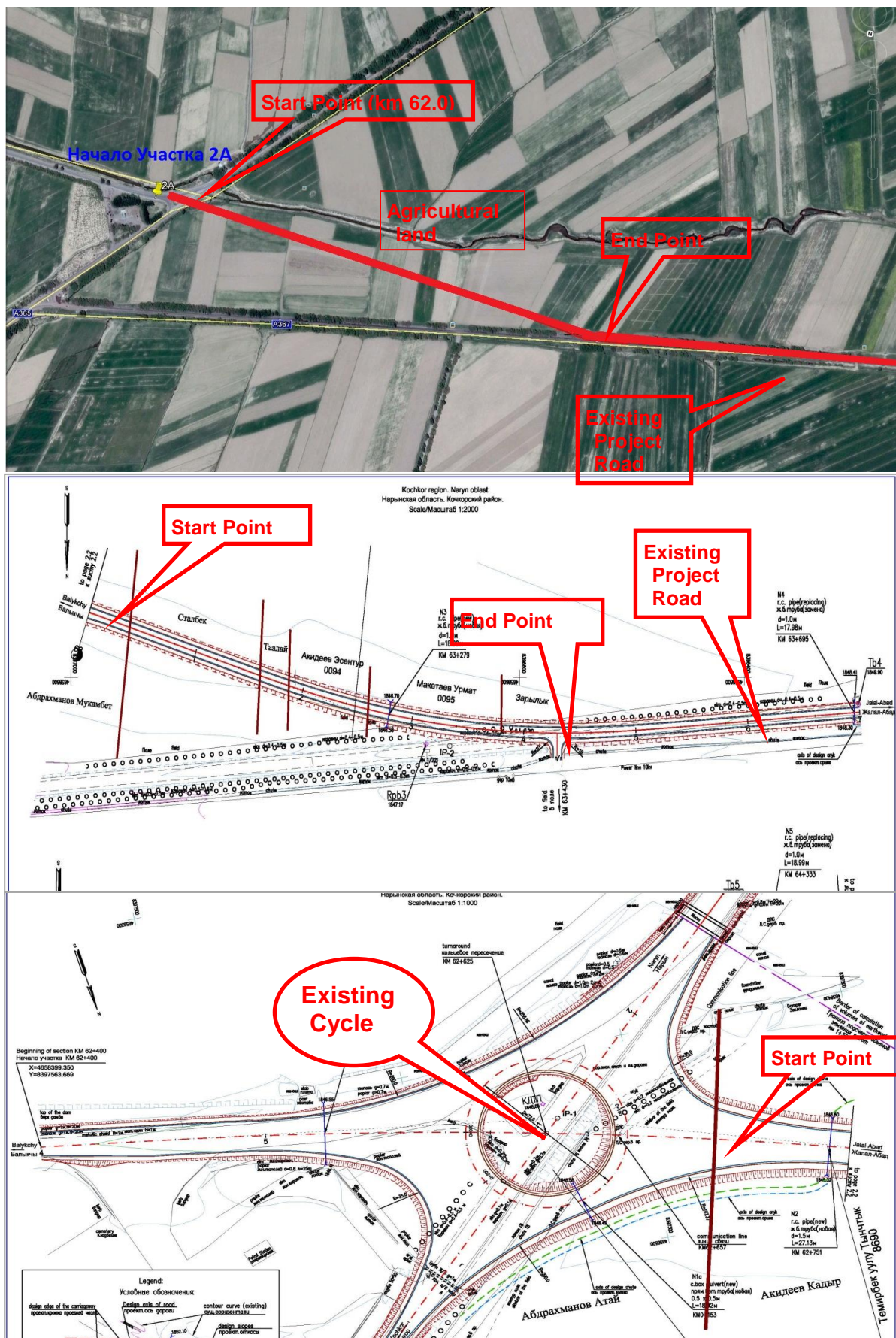


Figure 4: Design and Current Status of the New Alignment Segment (2A)

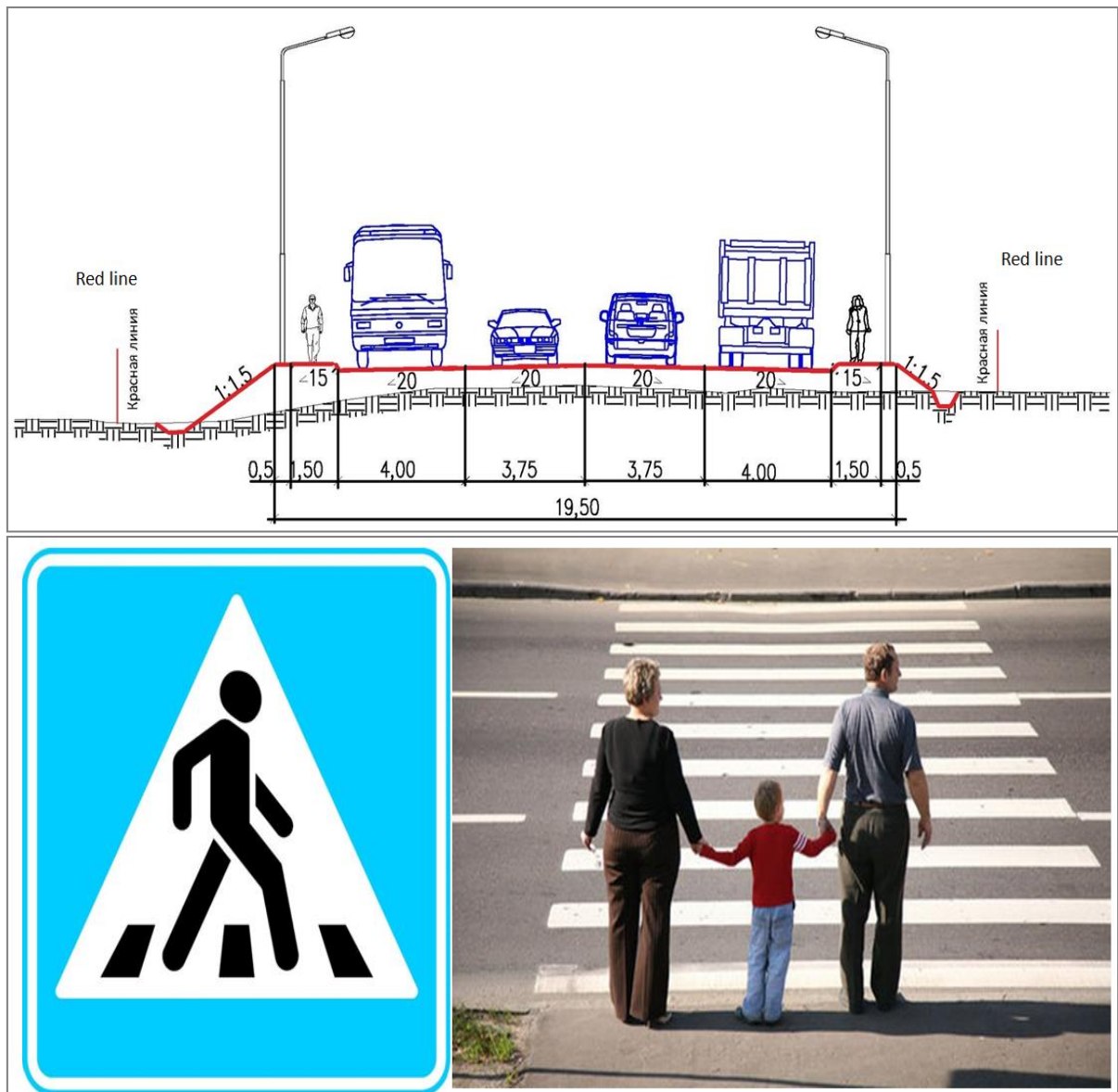


Figure 5: Road Design at Settlements

EXECUTIVE SUMMARY

A. Introduction

The Government of Kyrgyz Republic, through its Ministry of Transport and Roads (MOTR), is going to implement the Central Asia Regional Economic Cooperation Corridors 1 and 3 Connector Road Project for improving national and regional connectivity. To facilitate project design and financing from international banking institutes, the project road is divided into five road sections: (i) Section 1: from Balykchy to post 43 (km0 - km43); (ii) Section 2A: from Kochkor to Epkin (km62 – km89); (iii) Section 2B: from Epkin to Bashkuugandy (km89.5 - km159.2); (iv) Section 2C: from Bashkuugandy to Kyzyl-Zhyldyz (km159.2 - km183); and (v) Section 3: from Aral to Too Ashuu (km195 - km286).

The first three sections are prioritized for ADB financing. The project will have some limited land acquisition and resettlement (LAR) impact and it was classified as Category B on involuntary resettlement by ADB. Per ADB's safeguard policy requirement, a land acquisition and resettlement plan (LARP) shall be prepared for section(s) with separate loan agreement.

This LARP is prepared for Sections 1 and 2A. It is based on detailed engineering design, detailed measurement survey, public consultations, independent valuation of affected land and non-land assets, and socioeconomic surveys. This LARP fits the ADB's Safeguard Policy Statement (SPS 2009) and Kyrgyz Republic law and regulations and policies related to LAR.

This LARP is prepared in consideration of all the potential adverse impacts identified in the latest IEE (Initial Environmental Examination), such as noise, vibration and archeological sites etc., which was approved and disclosed in 28 June 2018.

B. LAR Impact

Section 1, traversing Balykchy City and Ton Rayon in Issyk-Kul Oblast and Kochkor Rayon in Naryn Oblast, has no LAR impact. Section 2A is within Kochkor Rayon of Naryn Oblast and it traverses four villages where there are LAR impacts. Table ES1 and Table ES2 summarize the main LAR impacts and affected households respectively. Rehabilitation of Section 2A will need to acquisition 24,959.4M² of titled agricultural and residential land from 39 households in four affected villages. In addition, 46.0M² of municipal land will be taken back by the authority for project use, affecting 1 household that will lose some non-productive trees (see Figure 3). Along with land acquisition: (i) 1 household will lose an abandoned structure of 63.6M² (see also Figure 3) (ii) 26 households will need to relocate or reestablish 1603,85M of various fences; (iii) 21 households will lose 313 trees; and (vi) 10 households will lose standing crops of 21,453M².

Overall, LAR will affect 39 households (248 persons). There are 12 severely affected households, including 7 and 5 households losing more than 10% of their titled

agricultural or residential land respectively. Among the affected households, there are 16 vulnerable households who are either poor or female headed or having disabled members.

Table ES1: Main LAR Impact

| Impact | | Unit | Tendik Village | Kok-Jar Village | Chekildek Village | Epkin Village | Total |
|---------------------|----------------|----------------|----------------|-----------------|-------------------|---------------|----------|
| Loss of titled land | Agri. land | m ² | 21,453.0 | - | - | - | 21,453.0 |
| | Non-agri. land | m ² | - | 1,519.2 | 533.6 | 1,453.7 | 3,506.4 |
| | Subtotal | m ² | 21,453.0 | 1,519.2 | 533.6 | 1,453.7 | 24,959.4 |
| Affected building | | m ² | - | - | - | 63.6 | 63.6 |

Source: DMS; HH = household

Table ES2: Affected Households and Persons

| AHs & APs | | Tendik Village | Kok-Jar Village | Chekildek Village | Epkin Village | Total |
|-------------|-------------------------------|----------------|-----------------|-------------------|---------------|-------|
| AHs | By land acquisition | 10 | 5 | 5 | 19 | 39 |
| | By affected municipal land | | 1 | | | 1 |
| | Total without double counting | 10 | 6 | 6 | 19 | 40 |
| APs | By land acquisition | 61 | 28 | 23 | 136 | 248 |
| | By affected municipal land | | 1 | | | 1 |
| | Total without double counting | 61 | 29 | 23 | 136 | 249 |
| <i>SAHs</i> | | 7 | 4 | 0 | 1 | 12 |
| <i>SAPs</i> | | 38 | 22 | 0 | 7 | 67 |
| <i>AVHs</i> | | 6 | 1 | 1 | 8 | 16 |
| <i>AVPs</i> | | 42 | 8 | 5 | 62 | 117 |

Source: DMS and socioeconomic surveys. AHs = affected households; AVHs = affected vulnerable households; AVPs = affected vulnerable persons; APs = affected persons; SAHs = severely affected households; SAPs = severely affected persons

C. Legal Framework and Entitlements

The LARP is in line with not only the relevant laws and legislations of the Kyrgyz Republic, but also with ADB's policy requirements stated in the Safeguard Policy Statement (2009). The objectives of LAR planning and implementation are to avoid and/or minimize involuntary land acquisition and resettlement wherever possible; and to enhance, or at least restore the livelihoods of all affected households in real terms relative to pre-project levels.

The cut-off date was set as 26 May 2014 when the Government of Kyrgyz Republic issued the Decree No. 183-p on suspension of land acquisition related activities in the project road corridor. All affected households identified during DMS are eligible for compensation for affected land and non-land assets. Actual compensations are

valuated market values and/or costs by an independent valuator. Moreover, special assistances will be available to severely affected and vulnerable households. An entitlement matrix is prepared and included in the LARP.

D. Information Disclosure, Consultations and Participation

Information disclosure and public consultations with the affected persons were carried out in the process of preparing this LARP. Formal public consultation meetings were held in February 2017, when 69 people (33% females) from four affected villages and the Kochkor Rayon Administration participated. The public consultations included information on the project design especially designs in the resettlement subsections (see Figure 4 and Figure 5), LAR planning process, valuation methodology, grievance redress mechanism (GRM), methodology and procedure of DMS. Prior to the consultation meeting, resettlement planning information brochure (RPIB) were distributed among all households who will likely be affected. The concerns of affected persons were timely responded during the consultations and their concerns regarding LAR were reflected in this LARP.

Upon approval by the Kyrgyz Republic Government and ADB, the final LARP in Kyrgyz and Russian languages will be distributed among affected villages, government agencies of Kochkor Rayon and Naryn Oblast. Prior to LARP implementation, a final land acquisition and resettlement information brochure (RIB) will be distributed among all affected households, and public consultations will also be organized in the affected villages. The LARP includes a meaningful public consultation and participation plan.

E. Budget and Fund Flow

The tentative budget is KGS 5,312,087 or US\$ 77,036 equivalent, including: (i) KGS 4,249,670 (80.0% of total) of direct costs; (ii) KGS 212,483 (4.0% of total) of administration expenses; and (iii) KGS 849,934 (16.0% of total) of contingency. The direct costs include KGS 2,073,368 for compensation of land acquisition and KGS 2,176,302 for other expenses.

MOTR, with budget allocation from the Government Kyrgyz Republic, will finance the land acquisition cost of KGS 2,073,368 or US\$ 30,068 (39.0% of total LAR budget); while ADB will finance the remaining of KGS 3,238,719 or US\$ 46,968 (61.0% of total budget).

F. Implementation Arrangements

MOTR is the Executing Agency which has the overall responsibility for implementation of the Project, including the implementation of this LARP. The Investment Projects Implementation Group (IPIG)¹ within MOTR is the

¹ Since 26 May 2017, IPIG was further divided into IPIG (ADB) and IPIG (WB) with the issuance of MOTR Order No.182. In this LARP, IPIG refers IPIG (ADB).

Implementing Agency which is responsible for daily administration of the project implementation, as well as the LARP implementation and financing.

IPIG, with its Social Safeguard and other specialists designated in the LARP implementation and with support from LARC and construction supervision consultant (CSC), will: (i) disclose of the LARP on the MOTR website; (ii) disclose this LARP to local government offices and affected villages; (iii) disclose the resettlement information brochure to all affected households; (iv) organize and document pre-implementation consultations; (v) establish a LAR database and update it on monthly basis; (vi) carry out internal monitoring and reporting; (vii) prepare LARP implementation report; (viii) ensure that working GRM is in place and participate in resolving grievances through GRM; and (ix) facilitate land surface clearance after LARP being implemented.

This LARP will be implemented before April 2020, but monitoring will last over whole project implementation period. Table ES3 presents LARP implementation schedule.

Table ES3: LARP Implementation Schedule

| | Tasks | Responsibility | Tentative date/period | Note (The timeframe for the activities listed below will be updated and included after the signing of the Additional Financing Agreement) |
|----------|---|-----------------------|------------------------------|--|
| 1 | Preparations | | | |
| 1.1 | MOTR's approval of LARP | IPIG | | |
| 1.2 | ADB's approval of LARP | IPIG | | |
| 1.3 | Review and approval of LARP by Ministry of Finance, Ministry of Justice, and others | MOTR | | 3 months after ADB's approval |
| 1.4 | Approval and endorsement of LARP by Government of Kyrgyz Republic | MOTR | | 4 months after approval of relevant ministries. ² |
| 1.5 | MOTR orders to approve GRM and establish GRGs | IPIG | | Done on 12 July 2017 |
| 1.6 | Distribution of LARPs among affected villages, Kochkor Rayon, and Naryn Oblast | IPIG | | After approval and endorsement of LARP by Government of Kyrgyz Republic |
| 1.7 | Distribution of RIBs among AHs | IPIG | | Include GRG members' contact information in the RIBs |
| 2 | LARP Implementation | | | |
| 2.1 | Develop LARP implementation action plan and send to ADB | IPIG | | |
| 2.2 | Negotiations between the Ministry of Finance and the Bank about the issue of commission | IPIG | | 2 weeks |
| 2.3 | Order of the Minister of MOTR about compensations | IPIG | | 1-2 weeks after issuance of the Gov. Ordinance endorsing LARP |
| 2.4 | Choosing the Bank and agreement about the disbursement of compensation to APs. | IPIG | | |
| 2.5 | Update the order of GRM | IPIG | | 1 week |

² Same deadline planned for Section 2B.

| | Tasks | Responsibility | Tentative date/period | Note (The timeframe for the activities listed below will be updated and included after the signing of the Additional Financing Agreement) |
|----------|--|-----------------------------|------------------------------|--|
| 2.6 | Update information about GRM for local contact persons | IPIG, CSC | | 1-2 weeks after issuance of the Gov. Ordinance endorsing LARP |
| 2.7 | Training on GRM for the GRGs and key stakeholders | IPIG, CSC | | 1 day |
| 2.8 | Clarification of objects and APs | IPIG, LARC, CSC | | 1-2 weeks after the issuance of Gov. Ordinance endorsing LARP |
| 2.9 | Preparation and approval of agreements on the land acquisition for all Project APs | IPIG | | 1 month |
| 2.10 | Allocation of locations for relocation of affected business containers | IPIG, LARC | | 2 weeks |
| 2.11 | Consultation meetings in affected villages | IPIG, LARC | | Same as above |
| 2.12 | Processing LAR agreements between MOTR & AHs | LARC, IPIG | | 4 months after mobilization of LARP implementation |
| 2.13 | Payment of compensations to AHs | Bank, MOTR | | 2 weeks after signing final agreements |
| 2.14 | Relocation of temporarily affected businesses | IPIG, LARC, LFP, contractor | | 2 months after payments of final compensations |
| 2.15 | Land clearance | IPIG, LARC, contractor | | 4 months after payment of final compensations |
| 3 | Monitoring and Reporting | | | |
| 3.1 | Establishing and updating LAR database | IPIG, CSC | | Database establishment based on DMS and valuation results |
| 3.2 | Submission of monthly, quarterly, semi-annual and annual progress report | IPIG | | |
| 3.3 | Submission of LARP implementation report | IPIG | | |
| 3.4 | Approval of LARP implementation report and issuance of a NOL to start civil works | ADB | | 1 week after receiving LARP implementation report |
| 3.5 | LAR completion report | IPIG | | To be attached to the project completion report |
| 4 | Commencement of Civil Works in LAR Impacted Segments | | | |
| 4.1 | Notice to contractor to start civil works | MOTR | | 1 week after ADB's approval |
| 4.2 | Handing over cleared subsections to contractor | MOTR | | 1 month after issuing the notice |
| 4.3 | Civil works | Contractor | | |

ADB= Asian Development Bank; CSC = construction supervision consultant; IPIG = Investment Project Implementation Group; GRG = Grievance Redress Group; LAR = land acquisition and resettlement; LARC = land acquisition and resettlement commission; LFP = local focal point; MOTR = Ministry of Transport and Roads; NOL = no objection letter; RIB = land acquisition and resettlement information brochure.

G. Monitoring Arrangement

The implementation of the LARP is subjected to internal monitoring. Internal monitoring will focus on LARP implementation progress and will be conducted by IPIG with assistance from the LARC and the project construction supervision consultant. The LARP has specified mentoring and reporting requirements.

1. INTRODUCTION

1.1 Project Overview

1. The proposed CAREC Corridors 1 and 3 Connector Road (the project) will improve national and regional connectivity by rehabilitating an estimated 253 kilometers (km) of road sections connecting the CAREC Corridors 1 (Bishkek–Naryn–Torugart) and 3 (Bishkek–Osh–Batken) in the center of the Kyrgyz Republic. The proposed project is consistent with the government's priority of providing alternate access in national and regional connectivity, and aligned with the ADBs Country Partnership Strategy (2013–2017), Midterm Review of Strategy 2020 and Country Operations Business Plan (2015–2017). The CAREC Corridors 1 and 3 connector road will help link the southern regions of Osh, Batken and Jalal-Abad with the northern regions of Naryn, Issyk-Kul, Chui and Talas. The rehabilitation road will: (i) reduce the cost of passenger and cargo transportation between southern and northern regions, (ii) provide a more direct transit route between Kazakhstan and Tajikistan, and (iii) help stimulate trade.

2. The Ministry of Transport and Roads (MOTR) is the “Executing Agency” while the daily administration of the project will fall to the Investment Project Implementation Group (IPIG) of MOTR.

3. To facilitate project preparation, feasibility study, design and financing, the project road is divided into the following 5 sections (see also Figure 1):

- (i) Section 1 (for ADB financing): Balykchy to post 43 (km0 - km43), approximately 43km;
- (ii) Section 2A (for ADB financing): Kochkor town to Epkin village,³ (km62 - km89.5km) approximately 27km;
- (iii) Section 2B (for ADB financing): Epkin village to Bashkuugandy village,⁴ (km89.5 - km159.2) approximately 70 km;
- (iv) Section 2C: Bashkuugandy to Kyzyl-Zhyldyz (km159.2 - km183), approximately 24km; and
- (v) Section 3: Aral to Too Ashuu (km195 - km286) approximately 70km.

4. ADB had implemented a PPTA that included feasibility study, preliminary engineering design (PD), as well as draft preliminary land acquisition and resettlement (LAR) planning for Sections 2B, 2C and 3.

5. The government of the Kyrgyz Republic through its Ministry of Transport and Roads (MOTR) has engaged the firm Japan Overseas Consultants Co. Ltd (JOC) to provide comprehensive consultancy services for the detailed engineering design (DD) for the three sections prioritized for ADB financing (i.e., Section 1, Section 2A and Section 2B). Detailed engineering design also includes the preparation of

³ It is Ak-Uchuk village now.

⁴ It was Dyikan village before.

implementation ready land acquisition and resettlement plans (LARPs) for the three sections.

6. The ADB sections are scheduled to start construction in 2018 and to complete construction in 3 years.

1.2 Involuntary Resettlement Categorization

7. The project's land acquisition and resettlement (LAR) was considered insignificant as it is basically to rehabilitate existing road sections, therefore ADB had classified the project as Category B on involuntary resettlement. Under Category B, the preparation of a land acquisition and resettlement plan (LARP) for section(s) with separate loan agreement is required.

1.3 Sections 1 and 2A

8. This LARP is prepared for Sections 1 and 2A of the project.

1.3.1 Section 1

9. Section 1, 43km in length, traverses the Balykchy City and Ton Rayon in Issyk-Kul oblast and Kochkor Rayon in Naryn Oblast. Rehabilitation of Section 1 will be on existing right of way (ROW) and there will be no LAR. Section 1 consists of three distinct subsections with typical landscapes (see Figure 2):

- (i) Urban subsection (km0-km3). This subsection is within the Balykchy City. Rehabilitation of this subsection will not affect any private land and non-land asset except some public facilities of the railway sector at km 1.2. The affected public facilities will be restored by the contractor with costs under civil works.
- (ii) Rural subsection (km3-km14). This subsection traverses two rural settlements with no LAR impact. As indicated in Figure 2, existing structures, trees and crops along this subsection are at safety distance from the ROW.
- (iii) Uninhabited/arid subsection (km14-km43). There are neither settlements nor private assets next to the ROW of this subsection.

1.3.2 Section 2A

10. Section 2A, 27km in length, is within Kochkor Basin of Naryn Oblast with flat land terrain. This section traverses 3 settlements where 30 households will lose residential land or use of municipal land; while a 700m new alignment at the beginning of this section will need to acquire agricultural land plots from 10 households of Tendik village. Figure 3 presents some of the affected land plots and non-land assets; while Figure 4 shows the current status and schematic design for the new alignment subsection and Figure 5 presents road design for the three settlements.

1.4 This LARP

11. The objective of this LARP is to ensure that people who inevitably lose their land and/or non-land assets will remain the same or even better living standard as that of the without project situation.

12. This LARP fits the ADB's Safeguard Policy Statement (SPS 2009) and Kyrgyz Republic law and regulations and policies related to LAR. Details of the legal framework for LAR are presented in Chapter 5. In case there are any differences between requirements set by the legislation of the Kyrgyz Republic and ADB Policy, the latter should take precedence.⁵

13. The preparation of this LARP is based on:

- (iv) Detailed measurement survey (DMS) of affected land and non-land assets, including ownership/title status. The survey follows the principles and entitlements set in the legal framework. Process and results of the DMS are summarized in Chapter 2.
- (v) Valuation survey and valuation of DMS identified land and non-land assets for budgeting. The valuation itself also follows the principles and entitlements set in the legal framework. Process and valuation results are presented in Chapter 7.
- (vi) Public consultation and participation. Meaningful consultation and participation (C&P) is a basic policy requirement of ADB for involuntary resettlement planning. In the process of preparing this LARP, informal and formal public consultation and participation (C&P) were carried out in each of the affected villages. C&P results are summarized in Chapter 4.
- (vii) Socioeconomic survey of affected people during PPTA and DMS. The survey results are summarized in Chapter 3.

14. The objective will be achieved and secured through:

- (i) proper compensation and resettlement arrangements that are summarized in the entitlement matrix in Chapter 5;
- (ii) implementation of follow-up consultation and participation plan (C&P plan), as outlined in Chapter 4;
- (iii) established and functioning of an effective institutional setup as specified in Chapter 6;
- (iv) establishment and functioning of a grievance redress mechanism also specified in Chapter 6;
- (v) provision of sufficient budget and contingencies as indicated in Chapter 7; and
- (vi) effective monitoring and reporting of LARP implementation as planned in Chapter 8.

⁵ If an international agreement ratified by the Jogorku Kenesh (National Parliament) of the Kyrgyz Republic establishes rules other than those envisaged by civil legislation, the rules of the international agreement shall be applied (Article 6, Civil Code 2017).

15. This LARP also includes budget provisions to assist affected households to re-register and/or formalize their land and non-land titles during LARP implementation.

2. LAR IMPACT

16. This chapter refers LAR impact of Section 2A given that there is no such impact in Section 1.

2.1 Measures Minimizing LAR Impact

17. The project is to rehabilitate existing road sections and constructions will be mostly within the existing right of way (ROW). As a consequence, LAR impact is basically limited.

18. Considering the long time period between project preparation and commencement of project construction, MOTR at the earlier stage of project preparation initiated the process for obtaining an official document, a government Decree No. 183-p dated 26 May 2014 (see Appendix 1) for the sake of preserving the right of way (ROW) from new encroachers and squatters. This government decree imposed temporary limitations on Municipality land, and within specific areas, suspended land sales through auctions or allocation under lease agreements. In particular allocation of land being under ownership of the Municipality, State or any other party, will be suspended during the entire road preparation and construction period. The decree was effective from the date of its issuance (26 May 2014). In short, the degree suspended all land acquisition and issuance of permits for construction, reconstruction, conversion and re-development of structures, and also light type of structures, including advertisement constructions in the corridor of 32 meters on both sides.

19. The decree was notified to local authorities in May 2014 and was further notified among local residents during public consultations and DMS in the process of preparing this LARP during January-July 2017.

20. As a result of implementing this decree, no encroachers and squatters in case of Sections 1 and 2A.

21. At the detailed design stage, the principle of minimizing land acquisition and resettlement was well adopted. As a result, impact on a warehouse in Epkin village was avoided.

2.2 Detailed Measurement Survey

22. Following the completion of detailed design, detailed measurement survey (DMS) was carried out for Section 2A by the Kochkor Rayon during Jan-July 2017. Highway engineers and resettlement specialists from the DD team involved in the whole DMS process for precisely staking the corridor of impact (COI) and technical assistances.

23. The DMS involves five fundamental steps:

- (i) identification of affected households;
- (ii) inventory of actual land and non-land losses;
- (iii) verification of land and non-land ownership or title status through collection of legal documents, tax payment records, construction permissions, etc;
- (iv) sorting out legalizable land plots used by affected households, if any; and
- (v) documentation of affected land and non-land assets household by household.

24. The DMS identified and targeted 40 land use units. A complete DMS file for each unit, consists of the following documents:

- (i) photocopy of owner's or users' identification;
- (ii) official document of residential (or house plot) and/or agricultural land title or authority's written document for allocation/provision of land;
- (iii) government permit for construction (in case of affected houses);
- (iv) tax payment record (in case of affected business operation);
- (v) records of affected assets, including assets on illegally used municipal land;
- (vi) location drawings of affected land and buildings; and
- (vii) photos of affected land and non-land assets.

25. The DMS was followed by a valuation survey carried out by an independent valuator. The valuation survey and its follow-up valuation determine LAR compensations per Kyrgyz and ADB's policy requirements.

2.3 LAR Impact

2.3.1 LAR Impacted Subsections

26. Table 1 summarizes the 4 subsections with LAR impacts. As indicated, LAR impacts at these four subsections last for about 4.1km, accounting for 15% of the whole Section 2A of 27km. LAR impact at the four subsections are as follows:

- (i) New alignment subsection of 1,100m from the beginning point of km62.4 to km63.5 (see Figure 4 for design and current status). The new alignment of 700m will need to acquire 24,453m² of agricultural land from 10 households of Tendik village.
- (ii) Settlement area of Kok-Zhar village of 1,200m in length (km65.5 to km66.7). The project will cause 5 households to lose residential land and associated fences and trees.
- (iii) Settlement area of Chekildek village of 700m in length (km70.7 to km71.4). Similarly, the project will cause 5 households to lose residential land and associated fences and trees.
- (iv) Settlement area of Epkin (now Ak-Uchuk) village of 1,100m in length (km86.7 to km87.8). The project will cause 19 households to lose

residential land and associated non-land assets, including an abandoned and yet in-completed building (see Figure 3).

Table 1: LAR Impacted Subsections

| Segment | From | To | Length (m) | Main LAR impacts |
|----------------------|----------|----------|------------|---|
| New alignment | Km62+400 | Km63+500 | 1,100 | 10 HH losing farmland from Tendik natural village of Kochkor village |
| Kok-Zhar Settlement | Km65+500 | Km66+700 | 1,200 | 5 HHs house plots (garden), together with associated non-land assets (fences) |
| Chekildek Settlement | Km70+700 | Km71+400 | 700 | 5 HHs house plots (garden), together with associated non-land assets (fences) |
| Epkin Settlement | Km86+700 | Km87+800 | 1,100 | 19 HHs losing house plots (garden) and associated non-land assets |
| Total | | | 4,100 | 39 HHs |

Source: DMS

27. A LAR impacted subsection actually consists of a LAR segment and 1-2 buffer segments.⁶ Construction will not be allowed in LAR impacted subsections (i.e., construction restriction subsections) until ADB approves the LARP implementation report and MOTR issues notice to start civil works.

2.3.2 Land Acquisition

28. Acquisition of titled land, including both agricultural and residential land, will occur in the villages of Tnedik, Kok-Jar, Chekildek and Epkin. Overall, 24,959.4m² and 21,453.0 m² of agricultural and 3,506.4 m² residential land will be acquisitioned respectively (Table 2 gives details). Land acquisition will affect 39 owner households.

29. Land acquisition will incur significant impact on 12 affected households, including 7 HHs and 5 HHs losing more than 10% of their agricultural and residential land respectively.

Table 2: Permanent Land Acquisition by Village

| Impact | | Tendik | Kok-Jar | Chekildek | Epkin | Total |
|-------------------------------|-------------------|----------|---------|-----------|---------|----------|
| Acquisition (m ²) | Agricultural land | 21,453.0 | - | - | - | 21,453.0 |
| | Residential land | - | 1,519.2 | 533.6 | 1,453.7 | 3,506.4 |
| | Total | 21,453.0 | 1,519.2 | 533.6 | 1,453.7 | 24,959.4 |
| Affected HHs | Agricultural land | 10 | | | | 10 |
| | Residential land | - | 5 | 5 | 19 | 29 |
| | Total | 10 | 5 | 5 | 19 | 39 |

Source: DMS.

2.3.3 Affected Municipal Land

30. Area of affected municipal land is 46.0m² and it was used as a part of the land plot belongs to the building of the office of Kok-Jar ayil aimak. Government will take back the encroached municipal land for project use without any compensation for affected land, established fences and trees.

⁶ The new alignment subsection consists of a new alignment segment of 700m and an assoiatdd buffer segment of 400m.

2.3.4 Affected Houses and Structures

30. Table 3 presents the affected buildings and main structures attached to affected residential land and municipal land. As indicated in the table:

- (i) 1 household will lose 63.6m² of non-residential building;
- (ii) 25 HHs and 1 entity will need to move or re-establish 1,168.40m of various fences.

Table 3: Affected Houses and Main Structures

| No. | Assets | | Kok-Jar | Chekildek | Epkin | Total |
|-----|---------------------------|------------------------------|---------|-----------|--------|----------|
| 1 | Non-residential Buildings | Floor area (m ²) | - | - | 63.6 | 63.6 |
| | | Owner HHs | - | - | 1 | 1 |
| 2 | Fences | Total (m) | 379.3 | 247.0 | 977.6 | 1,603.85 |
| | | Adobe | 10.0 | - | - | 10.0 |
| | | Metal | 324.30 | - | - | 324.30 |
| | | Wood | 33.00 | - | 68.15 | 101.15 |
| | | Others | 12 | 247.0 | 909.40 | 1,168.40 |
| | | Owner HHs | 5 | 3 | 18 | 26 |

Source: DMS; HHs = households

2.3.5 Affected Trees and Crops

31. Table 4 presents the affected trees and standing crops, as indicated:

- (i) 21 households will lose 313 non-productive trees of various sizes;
- (ii) 4 households will lose 7,849m² annual crop; and
- (iii) 6 households will lose 13,604m² of perennial crops.

Table 4: Affected Trees and Standing Crops

| No. | Trees and Crops | | Tendik | Kok-Jar | Chekildek | Epkin | Total |
|-----|----------------------|------------------------|--------|---------|-----------|-------|----------|
| 1 | Non-productive trees | Total (No) | - | 88 | 25 | 200 | 390 |
| | | Owner HHs | - | 6 | 1 | 14 | 21 |
| | | Owner HHs | - | - | - | - | - |
| 2 | Annual crops | Area (m ²) | 7,849 | - | - | - | 10,034.0 |
| | | User HHs | 4 | - | - | - | 3 |
| 3 | Perennial crops | Area (m ²) | 13,604 | - | - | - | 15,277.2 |
| | | User HHs | 7 | - | - | - | 7 |

Source: DMS

2.4 Affected Households and Persons

2.4.1 Affected Households and Persons

32. Land acquisition and resettlement will affect 248 persons from 39 households without double counting (see Table 5 for details), including 12 severely affected households (67 persons). Among the 39 affected households, 16 are vulnerable.

Table 5: Affected Households and Persons

| AHs & APs | | Tendik | Kok-Jar | Chekildek | Epkin | Total |
|-----------|-------------------------------|--------|---------|-----------|-------|-------|
| AHs | By land acquisition | 10 | 5 | 5 | 19 | 39 |
| | By affected municipal land | | 1 | | | 1 |
| | Total without double counting | 10 | 5 | 5 | 19 | 40 |
| APs | By land acquisition | 61 | 29 | 23 | 136 | 248 |
| | By affected municipal land | | 41 | | | 1 |
| | Total without double counting | 61 | 29 | 23 | 136 | 249 |
| SAHs | | 7 | 4 | 0 | 1 | 12 |
| SAPs | | 38 | 22 | 0 | 7 | 67 |
| AVHs | | 6 | 1 | 1 | 8 | 16 |
| AVPs | | 42 | 8 | 5 | 62 | 117 |

Source: DMS; AHs = affected households; AVHs = affected vulnerable households; AVPs = affected vulnerable persons; APs = affected persons; SAHs = severely affected households; SAPs = severely affected persons

2.4.2 Severely Affected Households

33. Per ADB's standard, severely affected households for Section 2A are those losing more than 10% of their agricultural or residential land. Severely affected households are eligible for rehabilitation assistance. In this LARP, 12 households (67 persons) will be severely affected, including:

- (i) Seven households from Tendik village losing 12.7-39.9% of their documented agricultural land.
- (ii) Five households, including four from Kok-Jar, one from the Chekildek and one from Epkin, losing 16.8-42.0% of their residential land.

2.4.3 Vulnerable Households

34. Vulnerable households affected by the project are eligible for additional assistances in this LARP. Among the 39 affected households, 16 households are identified as vulnerable by their village councils, including:

- (i) three households (with 24 persons) living below poverty line;
- (ii) six households (49 persons) with disabled members; and
- (iii) seven households (56 persons) headed by women.

3. SOCIOECONOMIC STATUS

3.1 Kyrgyz Republic

35. Kyrgyz Republic, one of the 10 CAREC counties, consists of seven oblasts (province) and one city (Bishkek City). Kyrgyz Republic is still an underdeveloped county with wide spread of poverty:

- (i) the human development index ranks 120 out of 188 economies in 2014;⁷
- (ii) the per capita gross national income is \$1,250 in 2014, one of the least 10 among the 45 developing member economies of ADB; and
- (iii) 32.1% of population lives below the national poverty line in 2015.⁸

36. Kyrgyz Republic has over 80 ethnic groups. Of the total population of 5.9 million in 2015, Kyrgyz, Uzbeks, Russians and other 80 ethnic groups account for 72.6%, 14.4%, 6.4% and 6.6% respectively.

37. Poor transport condition is one of the key factors that caused widespread poverty. Rehabilitating strategic road corridors is therefore on the Government's priority list, given their importance in providing access to international markets and basic public services. There are six CAREC transport corridors that are building a truly global future for the region. Three of the six corridors traverse Kyrgyz Republic, and the proposed project is to promote linkage between Corridors 1 and 3.

3.2 Naryn and Issyk-Kul Oblasts

38. This LARP targeted Sections 1 and 2A are located in both Naryn and Issyk-Kul Oblasts.

39. Naryn Oblast which has land area of 43,800km² or 22% of the country total. Naryn Oblast has a total population of 0.27 million by 2015, of which 99.2% are Kyrgyz. The oblast's economy is dominated by animal husbandry. Naryn Oblast is the poorest region in the country, with 38.0% of its population lived below the poverty line by 2015; in comparison, the overall poverty incidence of the country was 32.8% by 2015. Similarly, the average per capita monthly income of KGS 3,309 in Naryn is much lower than the national average of KGS 4,074 (see Table 6).

40. Issyk-Kul Oblast which has land area of 43,100km² or 21.5% of the country total. The oblast has a total population of 0.46 million by 2015, of which 86.2% are Kyrgyz. The oblast's economy is dominated by animal husbandry, cropping and tourism. The oblast's poverty incidence was 28.9% in 2015; lower than the national average of 32.8%. The average per capita monthly income of KGS 4,041 in Issyk-Kul in 2015 was at the same level of the national average of KGS 4,074 (see Table 6).

⁷ Source: <http://hdr.undp.org/en/countries/profiles/KGZ>.

⁸ Source: <http://data.worldbank.org/country/kyrgyz-republic>. The national poverty line is defined as minimum living wage of KGS 5,183 KGS per capita per month.

3.3 Impacted Rayons

41. Sections 1 and 2A traverse three city/rayons: the Kochkor Rayon in Naryn Oblast, Balykchy City and Ton Rayon in Issyk-Kul Oblast. Table 6 presents the general socioeconomic data of the two oblasts and impacted rayons. For comparison, data of Kyrgyz Republic is also presented in the table.

Table 6: Basic Socioeconomic Data (2015)

| | Kyrgyz Republic | Naryn Oblast | Kochkor Rayon | Issyk-Kul Oblast | Balykchy City & Ton Rayon |
|---------------------------------|------------------------|---------------------|----------------------|-------------------------|--------------------------------------|
| Population (million) | 5.90 | 0.27 | 0.06 | 0.46 | 0.05 |
| Rural population (%) | 66.3 | 86.2 | 100.0 | 71.7 | 10.2 |
| Female (%) | 50.5 | 49.5 | 49.14 | 50.32 | 50.17 |
| Ethnic minority (%) | 27.0 | 0.8 | 0 | 13.8 | 12.3 |
| Per capita income (KGS/month) | 4,074 | 3,309 | n.a. | 4,041 | n.a. |
| Land area (km ²) | 199,900 | 43,793 | 5,868 | 43,100 | 3,357 |
| Per capita GDP (KGS) | 78,700 | 43,500 | n.a. | 50,706 | n.a. |
| Poverty incidence (%) | 32.1 | 38.0 | n.a. | 28.9 | n.a. |
| Poverty line (KGS/month/capita) | 1,618 | 1,606 | n.a. | 1,566 | n.a. |

Source: official statistics, local authority; <https://www.adb.org/publications/basic-statistics-2016>; and <http://data.worldbank.org/country/kyrgyz-republic>. n.a. = not available.

3.3 Affected Villages

42.

Table 7 presents some general data of the LAR affected villages (Section 2A only), and the data were collected by social safeguards specialists from limited sources in the process of preparing this LARP. Each village consists of several settlements (natural villages or hamlets).

43. Cattle herding is the major source of livelihood of the villagers, and agricultural lands are mostly used for producing animal fodders. Over 75% of local households keep cattle, ranging from 5 to 70. Even those households with temporary or permanent non-farm jobs keep animals.

44. The agricultural land holding is 1.2-2.0ha per household in the four project affected villages. The agricultural land was granted to individual households in 1990 during land reform. The agricultural land certificates issued during the land reform titled all family members, including spouses and their children (co-owners). The granted agricultural land area was based on household size; therefore it differs from household to household. For new households, established after 1990, if they want to be engaged in cropping, they have to rent agricultural land from their villages if there are agricultural land reserves or from those who have agricultural land.

Table 7: General Socioeconomic Data of Affected Villages (2017)

| | Unit | Kochkor (Tendik included) | Kok-Jar | Semiz-Bel | Cholpon (Epkin included) |
|------------------------------------|------------|---------------------------------|----------------------|----------------------|--------------------------------|
| Population | Person | 10,595 | 2,730 | 6,013 | 8,723 |
| Female | % | 49.9 | 51.3 | 49.0 | 49.3 |
| Ethnic minority | % | 4.9 | 0 | 2.0 | 0.08 |
| Agricultural land | ha/HH | 1.2 – 2.0 | 1.2 – 2.0 | 1.2 – 2.0 | 1.2 – 2.0 |
| Annual HH income in 2015 - 2016 | KGS/capita | 150,000 – 250,000 | 150,000 – 220,000 | 130,000 – 220,000 | 130,000 – 220,000 |
| School | No. | 4 | 1 | 4 | 7 |
| Clinic | No | 1 | 1 | 4 | 7 |
| Bazaar | No | 1 | 0 | 1 | 0 |
| Vehicular ownership | HH% | 38 | 40 | 35 | 32.6 |

Source: local self-governments

45. Auto-irrigation is available to most of the agricultural lands next to the project road. Potable water taps available and were installed along the existing road or within the villages.

46. There is a school in each village that offers education up to grade 9 or 11 grades; and there are also 1-7 clinics in each village (ayil aimotu) that provide basic healthcare service to villagers. In Kochkor town there is a bazaar that operates every day, and it is the major marketing place for people from Kochkor Rayon, including the LAR affected villages.

47. People from neighboring villages go to the bazaar, as well as to other places like the rayon center, mostly by own vehicles. The vehicular ownership rate, 33-43% in the affected villages, is quite high, but mostly overused secondhand cars.

3.4 Affected Households

48. This subsection is based on PPTA socioeconomic survey (SES) results of 36 sample households for Section 2A, but re-structured.

3.4.1 Demography

49. The 36 sample households have 192 people with an average household size of 5.33 (ranging from 2 to 9).

3.4.2 Employment

50. Table 8 presents the employment status of labors. Although only 13.0% of the labors are listed as farmers, actually others in the list like housewives, pensioners, civil servants are also engaged in animal husbandry and cropping, as agriculture is their major means of living. As a matter of fact, most people (both men and women) are pre-occupied with cattle raising; while men herd their cattle during grazing season on rotation basis.

Table 8: Employment Status of Adults

| Occupation* | Male | | Female | | Total | |
|---|------|-----|--------|-----|-------|-----|
| | No. | % | No. | % | No. | % |
| Farmer | 14 | 13 | 0 | 0 | 14 | 7 |
| Housewife | 0 | 0 | 26 | 30 | 26 | 14 |
| Pensioner | 13 | 12 | 19 | 22 | 32 | 17 |
| Civil Servant | 6 | 6 | 6 | 7 | 12 | 6 |
| Between jobs | 6 | 6 | 0 | 0 | 6 | 3 |
| School student | 22 | 21 | 26 | 30 | 48 | 25 |
| University student | 5 | 5 | 0 | 0 | 5 | 3 |
| Kindergarten | 2 | 2 | 0 | 0 | 2 | 1 |
| Toddlers not attending kindergarten | 18 | 17 | 5 | 6 | 23 | 12 |
| Economic activity/ business | 1 | 1 | 0 | 0 | 1 | 1 |
| Hired labor | 16 | 15 | 2 | 2 | 18 | 9 |
| Working in other region of the republic | 1 | 1 | 1 | 1 | 2 | 1 |
| Working abroad/out of region | 0 | 0 | 1 | 1 | 1 | 1 |
| Other | 2 | 2 | 0 | 0 | 2 | 1 |
| Total | 106 | 100 | 86 | 100 | 192 | 100 |

Source: PPTA SES; *: students below 18 are excluded.

3.4.3 Housing Conditions

51. Residential houses were mostly built of clay bricks of one-floor with 3 to 4 rooms, and attic in the roof. Supplementary structures attached to the stone walls are used as storage facilities, summer kitchens, cattle barns, and bathrooms.

3.4.4 Living and Production Assets

52. Table 9 presents the ownership of main production and living assets/facilities of sample households. As indicated, majority households have color TVs and mobile phones. Ownership of cars is at a relatively high level of 53.0% owing to availability of cheap secondhand cars from Japan, Korea and Europe. However, local people rarely have such modern facilities like computers and internet.

Table 9: Possession of Main Assets

| Assets | No. of Households | % |
|--------------------------|-------------------|-----|
| Automobile | 19 | 53 |
| Water heater | 4 | 11 |
| Internet | 1 | 3 |
| Personal computer/Laptop | 2 | 6 |
| Mobile phone | 36 | 100 |
| Washing machine | 27 | 75 |
| Tractor /Combine | 0 | 0 |
| Latrine | 36 | 100 |
| WC inside the house | 3 | 8 |
| Color TV | 36 | 100 |

Source: PPTA SES

3.4.5 Education and Literacy

53. The level of literacy of adults is 100%. As shown in Table 10, all adults are at least graduates of secondary schools, yet 22% of males and 24% of females are university graduates.

Table 10: Education Level of Adults

| Level | Male | | Female | | Total | |
|---------------------|------|-----|--------|-----|-------|-----|
| | No. | % | No. | % | No. | % |
| Primary | 0 | 0 | 0 | 0 | 0 | 0 |
| Secondary | 40 | 63 | 38 | 69 | 78 | 66 |
| Technical | 10 | 16 | 4 | 7 | 14 | 12 |
| Higher (university) | 14 | 22 | 13 | 24 | 27 | 23 |
| Total | 64 | 100 | 55 | 100 | 119 | 100 |

Source: PPTA SES

3.5 Women in Local Context

54. The majority of Affected Households are headed by men. As mentioned, the land certificates of 1990s titled to all family members, including both men and women (co-owners). Women are mainly involved in household activities such as horticulture at home garden, animal husbandry, and general household works. Several females help their family members to run a small shops or kiosks selling daily consumer goods. Among the sample HHs, there are three female teachers who work at their village schools. Women participate in household decision-making processes and organizing family matters. During socioeconomic survey and public consultations, female respondents were active. For the first round of public consultations organized during February 2017, 33% of the participants are females.

4. CONSULTATION & PARTICIPATION

55. According to ADB SPS (2009), the APs must be meaningfully consulted and provided with opportunities to participate in the planning and implementation of LAR. Under the same principles, the APs have to be informed in an appropriate and timely manner of the LAR planning process and outcomes, as well as the schedules and procedures for the preparation and implementation of the LAR activities, including entitlements, payment procedure, and relocation, if any.

56. The Constitution of the Kyrgyz Republic guarantees the right of the people to access information on activities of state and municipal authorities in the manner prescribed by the Constitution.⁹ In addition, it confers citizens the right to receive information on the disbursement of funds from the state budget, as prescribed. The Law of the Kyrgyz Republic on access to information held by state bodies and local self-government bodies requires maximum openness of information, publicity and transparency of the activities of the state and local authorities.

57. Following the above requirements, information disclosure, consultation and participation (C&P) activities were timely carried out during LAR planning at preliminary design (or PPTA) and detailed design stages. Yet a C&P plan is prepared and will be implemented during LARP and project implementations, further information disclosure is included in the C&P plan.

4.1 Information Disclosure

58. The following information were formally disclosed among affected households in the process of preparing this LARP:

- (i) Project and Resettlement Planning Information Brochure (see Appendix 2): a copy of Kyrgyz language was distributed to each of the affected household during February 2017. The information mainly briefs the affected people about the LARP preparation procedures and policy requirements.
- (ii) Government Decree No. 138-p (Suspension of Land Acquisition Related Activities in the Project Corridor (26 May 2014)): 30 copies of this decree in both Kyrgyz and Russian languages were disclosed in the affected villages.
- (iii) Project designs, especially designs at settlement areas. These were disclosed to affected people during formal public consultations through PPT presentations by highway engineer in February 2017.

59. Upon the approval of this LARP, as also be indicated in Table 12, the following information will further be disclosed among AHs and among the general public:

- (i) Resettlement information brochure (RIB): a copy of Kyrgyz language to each affected household, and the RIB is attached as Appendix 4.

⁹ Article 33, Chapter II of the Constitution of the Kyrgyz Republic.

- (ii) This LARP (in Kyrgyz and Russian languages): it will be uploaded on MOTR website once it is approved by the Government of Kyrgyz Republic
- (iii) This LARP (in Kyrgyz and Russian languages): hard copies will be distributed among affected villages, Naryn Oblast, Kochkor Rayon government agencies two weeks after its approval by the Government Kyrgyz Republic Government.

60. Besides the disclosure of the above mentioned information, ADB will also upload the approved LARP (English/Russian/Kyrgyz) on its website.

4.2 C&P Activities Carried Out

61. In the process of preparing this LARP, 2 public consultation meetings and large number of informal consultations were carried out at the affected villages. Table 11 summarizes the consultation activities; while Appendix 3 presents the minutes of the formal consultation meetings.

62. The concerns of affected people regarding traffic safety and LAR were well addressed during the consultations (see Appendix 3 for details). Regarding traffic safety, an important design modification was made after the consultation meeting in Epkin village.¹⁰ Regarding concern on LAR, necessary actions are included in this LARP and will be taken during project construction:

- (i) Minimizing resettlement impacts at settlement areas. The design has avoided affecting a warehouse in Epkin village, and pedestrian walk will be combined with water pipelines wherever manageable.
- (ii) Functioning of irrigation canals during and after project construction. Contractors, as a usual practice in Kyrgyz's road development projects, will keep good communication with affected people and their villages to keep good function of irrigation and drainage canals. This will be a focal area for monitoring during LARP implementation and project construction.
- (iii) Continuation of trailer café/shops operation at Kyzart Pass by owners from Epkin village. Owners were informed that continuation will be allowed and it was addressed in the LARP for Section 2B.

¹⁰ An underpass was included in front of the Epkin village school.

Table 11: Summary of Consultation Activities Undertaken

| Date | Location | Activities | Agencies/ villagers involved | No. of Participants | Major concerns relevant to LAR |
|---------------|---|-------------------------------------|---|---------------------|---|
| 16/02/2017 | Kochkor Town (for Kochkor, Kok-Jar and Semiz-bel villages, APs) | Formal public consultation meeting | MOTR, Kochkor Rayon, village councils, DD consultants | 25 | <ul style="list-style-type: none"> ● Minimizing agricultural land acquisition ● Cropping in 2017? ● Functioning and rehabilitation of irrigation canals during project construction? |
| 16/02/2017 | Cholpon (Epkin) village | Formal public consultation meetings | IPIG, Gosregister, village council, schoolmaster | 42 | <ul style="list-style-type: none"> ● Acquisition of agricultural land? ● Continuation of trailer café/shop operation at Kyzart Pass after project construction? |
| Jan-July 2017 | Affected villages | Informal consultations | Consultant, Gosregister, engineers | 120 | <ul style="list-style-type: none"> ● Project construction information ● Compensation entitlements and GRM |
| Total | | | | 189 | |

Source: DD consultant.

4.3 C&P Plan

63. Consultation and participation, as well as information disclosure will continue during LARP and project implementation, and Table 12 outlines the C&P plan.

Table 12: Information Disclosure, C&P Plan

| No. | Activity | Purpose | Participants | Note |
|----------|---|--|--|---|
| 1 | Information disclosure | | | |
| 1.1 | Distribution of RIBs among AHs | Information disclosure | | Shortly after the approval of LARP by Republican Government |
| 1.2 | Disclosure of final LARP to affected villages and rayon government agencies | Information disclosure | | Same as above |
| 2 | Consultation and participation | | | |
| 2.1 | Pre-LARP implementation public consultations | Consultation, mobilization of LARP implementation | AHs and villagers, LARC, IPIG, local GRG, consultant | Once in each village |
| 2.2 | Formal or informal consultations | Notice of project construction and relevant social and environmental impacts | AHs and villagers, contractors, GRGs, consultants | Per actual needs |
| 2.3 | Monitoring | APs' participation, monitoring, | APs, consultant, LAR commission, GRGs, etc. | |

5. LEGAL FRAMEWORK AND ENTITLEMENT

64. The legal framework for land acquisition and resettlement (LAR) of the project is based on ADB Safeguard Policy Statement (2009) and the legislation of the Kyrgyz Republic. In case there are any differences between requirements set by the legislation of the Kyrgyz Republic and ADB Policy, the latter should take precedence.¹¹

5.1 Country Legislation

65. The following laws and Normative Acts regulate land/real property ownership rights and rules and procedures for obtaining state ownership right to privately owned land parcels based on the necessary public needs caused due to constructions activities:

- (i) Constitution of the Kyrgyz Republic (28 December 2016)
- (ii) Civil Code (08 May 1996, No. 16; last amended on 08 June 2017)
- (iii) Land Code (02 June 1999, No. 45; last amended on 01 June 2017)
- (iv) Law on Automobile Roads (No. 72 dated 02 June 1998, as amended on 03 August 2015)
- (v) Law on State Registration of Rights and Associated Transactions (22 December 1998, No. 153, last amended on 10 February 2017 ,)
- (vi) Law on Grievances (dated 04 May 2007, last amended on 27 July 2016)
- (vii) Valuation Standards for the Valuers (Government Resolution No.217, 03 April 2006, last amended on 15 November 2016)
- (viii) Decree No.: 62-b, on Formation of LARC for Section 2A,¹² issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 March 2016.
- (ix) Decree No. 183-p of the Government of the Kyrgyz Republic on Suspension of Land Acquisition Related Activities in the Project Road Corridor (32m from either side), (26 May 2014).

5.1.1 Constitution

66. Constitution of the Kyrgyz Republic is the principal and supreme law to which all other Kyrgyz laws must conform. According to the Constitution, international agreements to which the Kyrgyz Republic is a party that have entered into force under the established legal procedure shall be the constituent part of the legal system of the Kyrgyz Republic. Enforcement of an international agreement may be done through its signing, exchange of notes and letters, ratification, approval, accession to an international agreement, or other way agreed by the parties of such international agreement. If an international agreement ratified by the Jogorku Kenesh (National

¹¹ If an international agreement ratified by the Jogorku Kenesh (National Parliament) of the Kyrgyz Republic establishes rules other than those envisaged by civil legislation, the rules of the international agreement shall be applied (Article 6, Civil Code 2015).

¹² It is an annex to Decree No. 361-b, on Formation of LARC for the Project, which was issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 December 2015.

Parliament) of the Kyrgyz Republic establishes rules other than those envisaged by civil legislation, the rules of the international agreement shall be applied (Article 6, Civil Code 2017).

67. The Constitution of the Kyrgyz Republic (28 December 2016), Article 12 also provides that:

- The Kyrgyz Republic recognizes diversity of ownership forms and guarantees the equal legal protection to private, state, municipal and other types of ownership (Clause 1).
- Ownership is inviolable and no one can be dispossessed of its property arbitrarily. The property can be acquired by the state against the person's (party's) will only based on the court's ruling (Clause 2)
- Land can be in private, municipal and other types of ownership with an exception of pasturelands that cannot be held in private ownership (Clause 5).
- Acquisition of property for the public purposes, as defined in the national laws, can be carried out only through the court's ruling and with the fair and prior payment of the compensation for the affected property as well as other costs (Clause 2).

5.1.2 Civil Code

68. The Civil Code (08 May 1996, No. 16; last amended on 08 June 2017, No. 100) provides that: a party whose rights are violated can claim full loss reimbursement (full compensation for losses incurred), unless the national legislation or the agreements (contracts) prepared in line with the national legislation indicate the contrary. The relevant provisions include articles 14 and 15.

69. *Article 14: Loss Reimbursement.* Clause 1 of Article 14 defines the losses that subject to reimbursement (compensation):

- (i) A person, whose right is violated, may claim full compensation for losses incurred, unless the law and/or terms and conditions of agreement entered by the parties in compliance with the law provides the contrary.
- (ii) The losses are defined as follows:
 - a) A person, whose right was violated and who incurred or will have to incur costs to restore violated rights, losses or damage to his property (actual loss), and also
 - b) Un-received income, which a person would have received under normal conditions of civil turnover, if his right had not been violated (income loss),
 - c) If a person earned income through violating a law, a person whose rights were thus violated can claim loss reimbursement along with other costs, actual loss in the amount no less than income earned by a violator.

70. *Article 15: Compensation for Losses Caused by the State Agencies and Local self-government.* Losses incurred on a citizen or legal entity as a consequence of illegal actions (or inactivity) of state agencies, bodies of local self-government or officials of these bodies, including issuance by a state body of an act that does not comply with legislation, are subject to compensation by the state, as well as local self-government authorities in the cases foreseen under the law.

5.1.3 Land Code

71. Article 68 of the Land Code (02 June 1999, No. 45, last amended on 01 June 2017, No. 95) defines withdrawal of land plot for state and public needs.

72. *Article 68: Withdrawal (Redemption) of the Land for State and Public Needs:*

- Acquisition (purchase) of a land plot for state and public needs may be exercised on the grounds of an agreement between the authorized agency and landowner or land-user. If no agreement is achieved with the land owner/land-user, the authorized agency has the right to apply to the court within two months from the date of official denial of landowner/land-user.
- During price calculation, the purchase (redemption) price of a given land plot, shall include market value of the land and buildings and structures attached to the given land plot, as well as losses incurred to landowner/land-user as a result of termination of rights to a land plot, including the damages /losses related to the earlier termination of liabilities with third parties.
- In the event of withdrawal of the land plot for the state or public needs another land plot may be allocated to a land owner/user, subject to his consent and the value of the right to it shall be credited to the redemption price.

73. The Land Code specifies that the right to the land and associated structures can be terminated, among others, when land is needed for state or public purposes. A court decision is required to officially terminate the rights to land and associated structures. The acquisition of the land can be effected only after compensating the costs of the rights termination and associated costs (Article 49).

74. According to Article 49, unless the legislation, land title or lease contract indicates the contrary, the land owners or user can have the right to:

- Use land based on owner's/user's own discretion and in accordance with the targeted purpose of the land;
- Build structures on the land, according to its targeted purpose, following established procedures and meeting architectural, construction, environmental, sanitary, fire safety and other requirements;
- Claim compensation for losses suffered, as specified by the Kyrgyz Republic legislation.

75. Finally, the Land Code (Article 78) specifies the use regime with regards to the lands of common use. It particularly indicates that lands of common use in settlements/towns/villages (e.g. roads, streets, squares, sidewalks, driveways, park bands, boulevards, mini parks, water bodies, etc.) cannot be in private ownership, and only in exceptional instances can be rented by the authorized state body to legal entities and individuals for maximum of 5 years. The authorized state body may permit construction of light (not capital) structures on lands of common use.

5.1.4 Law on Automobile Roads

76. According to the Article 4 of the Law on Automobile Roads (02 June 1998, No. 72, last amended on 03 August 2015), roads of common use can only be in state ownership and cannot be sold or held in private ownership. The same Law (Article 27) provides that unless prior permit is given by the State Traffic Inspection and the Ministry of Transportation and Communication, the following activities are prohibited on the right-of-way of common use road:

- roadside trading;
- placement of kiosks, pavilions, and similar structures.

77. The arbitrary use of the lands within right-of-ways can be discontinued without compensating the illegal user(s) for the costs incurred for the duration of the unauthorized use of these lands (Article 23).

5.1.5 Provisions on Registration of Rights

78. The Law on State Registration of Rights of Immovable Properties and Associated Transactions (hereinafter - state registration of rights) is a legal act of recognition and confirmation of rights to immovable properties and their encumbrances (restrictions), as well as real estate transactions, providing protection for the rights and encumbrances (restrictions), except as provided in this Law (Article 1).

79. Any other document or entitlements and their limitations, are subject to mandatory registration in accordance with Article 4 of this Law, submitted to the registration authority not later than thirty days from the date of the (drafting) of the above document (Article 7).

80. The property rights, which are not subject to the registration, but are recognized and protected by the State include (Chapter 1, Article 6):

- Access rights to the communication lines, pipelines, geodesic localities, and other pieces of infrastructure meant for public use;
- Rights of spouses, children, and other individuals;
- Temporary rights, lease or sub-lease for a period of under 3 years;
- Actual use rights for the primary or preferential use of the property;
- Rights arising from the taxation requirements;

- Encumbrances arising from the common rules on healthcare, public safety, environmental protection etc.

5.1.6 Law on Grievances

81. The Law on Grievances (23 March 2007, last amended on 27 July 2016, No. 151) provides that the grievance from the Kyrgyz Republic citizens should be registered, given due consideration, and addressed in an equitable, timely and accountable manner (Article 2 and 4). The grievance registered with the state agency or the local government should be processed within no more than 30 days (Article 8). For the grievance to be given due consideration, it should be filed in written, showcasing the substance of the complaint and, if necessary, supported by the relevant documentation (Article 4 and 5). The grievance submitted should be processed and resolved strictly following the relevant national laws and regulations (Article 11).

5.1.7 Provisions on Asset Valuation

82. The valuation of assets is based on the Interim Rules of activities of appraisers and appraisal organizations in the Kyrgyz Republic (Government Resolution No. 537 of 21 August 2003, as amended on 03 December 2012, No. 807) as well as property valuation standards, mandatory for all the subjects of valuation activity in the Kyrgyz Republic (Government Resolution No. 217, dated 03 April 2006, last amended on 15 November 2016, No. 593) and other provisions of national legislation

5.1.8 Government Decrees on LAR of the Project

83. The government of Kyrgyz Republic issues two decrees regarding land acquisition and resettlement (LAR) of Section 2A, as well as the project:

- Decree No. 62-b, on Formation of LARC for Section 2A,¹³ issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 March 2016.
- Decree No. 183-p of the Government of the Kyrgyz Republic (26 May 2014) on suspension of land acquisition related activities in the project road corridor (32m from either side). Appendix 1 presents this decree.

84. For implementation of the LARPs for the various sections of the project, MOTR had issued two orders on 12 July 2017 for approving GRM (Order No.234) and establishing GRGs (Order No. 235). Details are given in Chapter 6.

5.2 Safeguard Policy Statement of ADB

¹³ It is an annex to Decree No. 361-b, on Formation of LARC for the Project (as a whole), issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 December 2015.

85. For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle. The Safeguard Policy Statement (SPS 2009)¹⁴ of ADB sets guidance and requirements for resettlement planning, as well as the follow-up implementation.

86. The objectives of ADB's safeguard policy on involuntary resettlement are: to avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.

87. The three important elements of ADB's involuntary resettlement policy are: (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it.

88. The policy principles for involuntary resettlement are:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with displaced persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (a) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (b)

¹⁴ SPS (English) available at: <https://www.adb.org/documents/safeguard-policy-statement>; and SPS (Russian): <https://www.adb.org/ru/documents/safeguard-policy-statement>

prompt replacement of assets with access to assets of equal or higher value, (c) prompt compensation at full replacement cost for assets that cannot be restored, and (d) additional revenues and services through benefit sharing schemes where possible.

- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (a) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (vii) Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders.
- (x) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of

the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

89. The ADB SPS 2009 distinguishes three categories of affected persons (APs) or displaced persons, with variable compensation needs:

- (i) APs with formal rights: APs with formal legal rights to land lost in its entirety or in part;
- (ii) APs with semi-formal rights: APs without formal legal rights to land lost in its entirety or in part but who have claims to such lands that are recognized or are recognizable under national law, and; ☐
- (iii) APs with non-formal rights: APs who have neither formal legal rights nor recognized/recognizable claims to land lost in its entirety or in part.

90. For categories (i) and (ii) above, borrowers are expected to provide compensation at full replacement cost for lost land, structures, land improvements and relocation assistance. For APs in category (iii) (informal settlers), the borrower/client is expected to compensate all assets other than land (i.e. buildings, trees, cops, businesses) at full replacement cost. The risk of opportunistic encroachment on land designated for acquisition by the project is managed through a cut-off date.

91. Compensation for lost land may be in the form of replacement land (preferable if feasible) or in cash. When “land for land” compensation is not feasible cash compensation can be valued based on market rates or, in absence of land markets, through other methods (i.e. land productivity or reproduction costs). Independently from the valuation method used, compensation is to be provided at “full replacement cost” including: (i) transaction costs; (ii) interest accrued; (iii) transitional and restoration costs; and (iv) other applicable payments, if any. Compensation for all other assets is to be provided in cash at replacement cost without deductions for amortization, salvaged materials and transaction costs.

92. The implementation of the LARP will be subjected to internal monitoring.

5.3 Gaps and Reconciliations

93. Table 13 presents the gaps between the policy requirements of the ADB SPS (2009) and of the Kyrgyz laws and regulations, as well as practices of ADB financed projects and the reconciliation measures of the project. Table 13 highlights that:

- (i) there exist some gaps but reconciliation measures were taken in practice for ADB financed projects since 2011, including projects in the road transport sector;¹⁵ and
- (ii) this LARP includes various reconciliation measures to bridge the gaps.

¹⁵ ADB financed projects in road transport sector, with LARPs prepared and reconciliation measures, include: (i) CAREC Corridor 3 (Bishkek–Osh Road) Improvement Project; (ii) CAREC Corridor 1 (Bishkek-Torugart Road) Project 3 - Additional Financing; and (iii) Bishkek-Naryn-Torugart Road Rehabilitation Project.

5.4 Eligibility, Entitlements and Assistances

94. The implementation of LAR activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary LAR measures specified in this LARP are in place.

95. As stipulated in SPS 2009 and described in this LARP all project related LAR impacts identified during DMS should be addressed accordingly, meaning that all project affected persons identified during DMS will be provided with relevant compensations and/or assistances prior to displacement. In particular, taking of land and attached assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons.

5.4.1 Eligibility

96. Compensation eligibility is determined by a cut-off date, which was set as 26 May 2014 for when the Government of Kyrgyz Republic issued the Decree No. 183-p on suspension of land acquisition related activities in the project road corridor (Appendix 1 presents the decree).

97. APs eligible for LAR compensations and assistances under the project are those identified during DMS, including:

- (i) APs losing both agricultural and residential land with legal titles, together with attached non-land assets, if any. Non-land assets include buildings, structures, trees, berry bushes, standing crops, and etc.
- (ii) APs losing non-land assets including associated business on current right of way (ROW) of the project road and/or on illegally used municipal land.

Table 13: Gaps and Reconciliation Measures

| Area/Impact/Issue | ADB SPS (2009) | Kyrgyz Legislation and Practice with ADB Financed Projects | Comments on Gaps | Reconciliation Measures |
|--------------------------------|--|--|------------------|--|
| LAR planning and documentation | When an ADB financed project causes LAR impacts, a LARP is to be prepared. The LARP shall be based on DMS, SES, consultations and valuations, etc. | Appropriate documentation on impact and valuation is to be prepared but such a documentation does not have the format of a LARP | Gap exists. | This LARP is prepared and it is based on DMS, SES, C&P, and independent valuation |
| Title status and compensations | APs with formal titles: compensation for lost land and non-land assets at full replacement costs or market values | Land loss: compensation at replacement costs or replacement land or market values | No difference | |
| | | Structures: compensation but depreciation counted | Minor difference | Compensations at full replacement costs are included in the LARP |
| | | Crops & trees: mandated but selectively applied | Minor difference | Compensations at valuated prices, are included in the LARP |
| | APs with formalizable title: compensation for lost land and non-land assets at full replacement costs or market values, yet EA shall help them in legalizing their assets. | APs with formalizable titles: legalization is not distinguished and considered. | Gap exists | Legalization of formalizable titles by the Gosregister of Kochkor Rayon during this LARP implementation, if any. ¹⁶ |
| | APs with no legal title: to be compensated for lost non-land assets | Non-legal APs have no right to be compensated for land and non-land assets. | Gap exists | Lost assets, other than land were valuated Compensations & assistances are included in the LARP |
| Loss of business | Reimbursement of actual losses plus business reestablishment costs. For application based on tax declared income for period of business interruption. In absence of tax declaration based on maximum non-taxable salary. | Cash compensation at market value for all damages/opportunity costs incurred. Burden of proving opportunity costs rest on the AP based on recognized/documented evidence but no clear methodology. | Minor difference | Valuation of losses carried out by independent valuator; Compensation for business interruption; rehabilitation assistances are included in the LARP |
| Information disclosure | Resettlement-related documents to be timely disclosed in the APs' language. | No disclosure requirement exists. | Gap exists | RPIB of Kyrgyz and Russian languages were distributed among APs. And RIBs will be distributed once this LARP is finalized The LARP, in Kyrgyz and Russian languages, was to be disclosed in affected villages and various |

¹⁶ None is eligible.

| Area/Impact/Issue | ADB SPS (2009) | Kyrgyz Legislation and Practice with ADB Financed Projects | Comments on Gaps | Reconciliation Measures |
|---|--|---|------------------|--|
| | | | | government agencies The LARP, in English, Russian and Kyrgyz languages will be uploaded on ADB and MOTR's websites |
| Consultation | Meaningful public consultations are to be held with the APs. APs should be informed about their entitlements and options, as well as resettlement alternatives | Matters of local importance to be publicly discussed with local authorities. But no requirement to consult directly the APs | Gap exists | Two formal public consultations carried out in the process of preparing this LARP during February 2017. Large number of informal consultations carried. |
| Grievance | A GRM is to be established for each project. Information on GRM is to be communicated to the APs | Each state agency/ministry should define a process for registering and reviewing the concerns and claims from citizens | Minor difference | A well structured GRM established and it is included in the LARP The GRGs were established on 12 July 2017. |
| Monitoring | Implementation of LARP is subject to monitoring, and monitoring reports shall be disclosed. | Not required | Gap exists | Monitoring is planned in the LARP |
| Asset acquisition conditions | Property can be acquired only after full compensation is paid to the APs | Property can be acquired only after full compensation is paid to APs | No difference | Notice to contractors to proceed construction works in LAR impacted subsection cannot be given until ADB has approved the LARP implementation report |
| Assistances to vulnerable and severely affected APs | These APs are to be identified and special assistances shall be provided to restore/improve their pre-project level of livelihoods | No special consideration is given to these APs. | Gap exists | Assistances are included in the LARP |

ADB = Asian Development Bank; DMS = detailed measurement survey; APs = affected persons; C&P = consultation and participation; GRM = grievance redress mechanism; LAR = land acquisition and resettlement; LARP = land acquisition and resettlement plan; MOTR = Ministry of Transport and Roads; RIB= resettlement information brochure; RPIB = resettlement planning information brochure; SES = socioeconomic survey; SPS = safeguard policy statement

98. Severely affected households¹⁷ are also eligible for rehabilitation assistances in this LARP. The severely affected households in this LARP are those losing more than 10% of their tiled agricultural or residential land.

99. Vulnerable households are eligible for special assistances in this LARP. Vulnerable households are those who might suffer disproportionately or face the risk of being marginalized from the impacts of LAR. Vulnerable households include those: (i) female-headed households with dependents; (ii) having disabled household members; (iii) living below poverty line; (iv) having only elder members or receiving government social benefits; (v) having 5 or more than 5 children of below 16 years old; and (vi) ethnic minorities.

100. APs not identified during DMS but recognized by the LAR commission in the process of implementing this LARP or during project construction are also eligible for LAR compensations and assistances.

5.4.2 Compensation Entitlements

101. Entitlement provisions for affected households losing land and non-land assets, relevant to the LAR impacts of Section 2A of the project, are as follows:

- (i) *Loss of titled agricultural and residential land*: cash compensations to owners at local market values, including costs for re-registration of the remaining land plots together with attached buildings (where applicable). The re-registration costs covers a) registration of owner's rights, b) technical passport; c) title deed; and d) title deed for acquisition.
- (ii) *Loss of buildings and structures (fixed assets)*: cash compensations to owners at full replacement costs without any deductions for depreciation, salvaged materials, or transaction costs irrespective of the registration status.
- (iii) *Loss of timber tress*: cash compensations to owners based on wood volume and local market prices free of deduction for the value of the wood left to the owners.
- (iv) *Loss of crops*: cash compensations to crop owners (i.e., land users) equivalent to one year's local average harvest regardless of the land use titles.

102. All compensations will be based on independent valuation results, while the valuation itself followed the LAR principles and the above mentioned entitlements. Affected public facilities will be restored by project through contractors per Kyrgyz practice.

¹⁷ Per ADB's standard, severely affected households include those: (i) suffering physical displacement (i.e., losing residential house); and (ii) losing 10% of production assets or income source.

5.4.3 Assistances

103. Special assistances set this LARP include:

- (i) Special assistance for vulnerable households: they will be provided with a one-time vulnerability allowance equivalent to six times of the minimum monthly salary in Kyrgyz Republic.
- (ii) Assistance to severely affected households: a) an allowance equivalent to an additional harvest if losing more than 10% of agricultural land; and b) additional one time rehabilitation allowance, for other types of severe impacts, also equivalent to 6 times of the minimum monthly salary in Kyrgyz Republic.

5.5 Entitlement Matrix

104. Table 14 presents the entitlement matrix which has specified the Section 2A specific LAR impacts and entitlement, and it is based the MOTR approved generic matrix (see Appendix 5) that covers all potential LAR impacts for road projects.

Table 14: Entitlement Matrix

| Type of Loss | Application | AHs | Compensation Entitlements (Note: all compensations are based on independent valuations) |
|--|--|-------------------|--|
| 1. Agricultural Land Loss | 21,453.0m ² of titled agricultural land | 10 owner HHs | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| 2. Non-agricultural Land Loss | 3,506.4m ² titled residential land | 14 owner HHs | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| | 46.0m ² of illegally used municipal land | 1 user HH | Compensation will be paid only for the loss of attached non-land assets, without compensation for land. |
| 3. Buildings/ Assets | 63.6m ² of non-residential building | 1 owner HH | Compensation in the amount of the full replacement cost without accruing depreciation, transaction costs and the cost of salvaged materials. |
| | 1,603.85 m of various types of fences | 26 owner HH | Compensation in the amount of the full replacement cost without accruing depreciation and the cost of salvaged materials. |
| 4. Loss of Green Plantations and Crops | 313 non-productive trees | 21 owner HHs | Compensation for the loss of unproductive trees based on the value of the wood volume |
| | 21,453.0m ² of annual and perennial crops | 10 owner/user HHs | Compensation based on the harvest value for one year. |
| 5. Allowances for Severe Impacts | Losing 12.7-39.9% of agricultural land | 7 owner HHs | One additional crop compensation covering 1 year's yield |
| | Losing 16.8-42.0% of residential land | 5 owner HHs | A rehabilitation allowance of 6 months at minimum national salary |
| 6. Vulnerable People Allowances | Identified among AHs by village authorities | 16 AHs | An allowance equivalent to 6 months of a minimum salary |
| 7. Unforeseen LAR Impacts, if any | LARC makes decisions on an individual basis | All AHs | Rehabilitation will be based on the above provisions and in compliance with ADB SPS (2009) and applicable laws of the Kyrgyz Republic |

ADB = Asian Development Bank; AH = affected household; HH = household; LAR = land acquisition and resettlement; LARC = Land acquisition and resettlement commission.

6. IMPLEMENTATION ARRANGEMENTS

105. The planning, preparation and implementation of the LARP involves distinct processes and different parties, including ADB, MOTR, Ministry of Finance, LARC, etc... This chapter details the institutional setup, including core agencies and organizations involved as well as their roles and responsibilities during LARP implementation.

6.1 Institutional Setup

106. The entire institutional arrangement for the LARP implementation is presented in the following figure, while roles and tasks of the various parties in the institutional setup are specified in the following subsections.

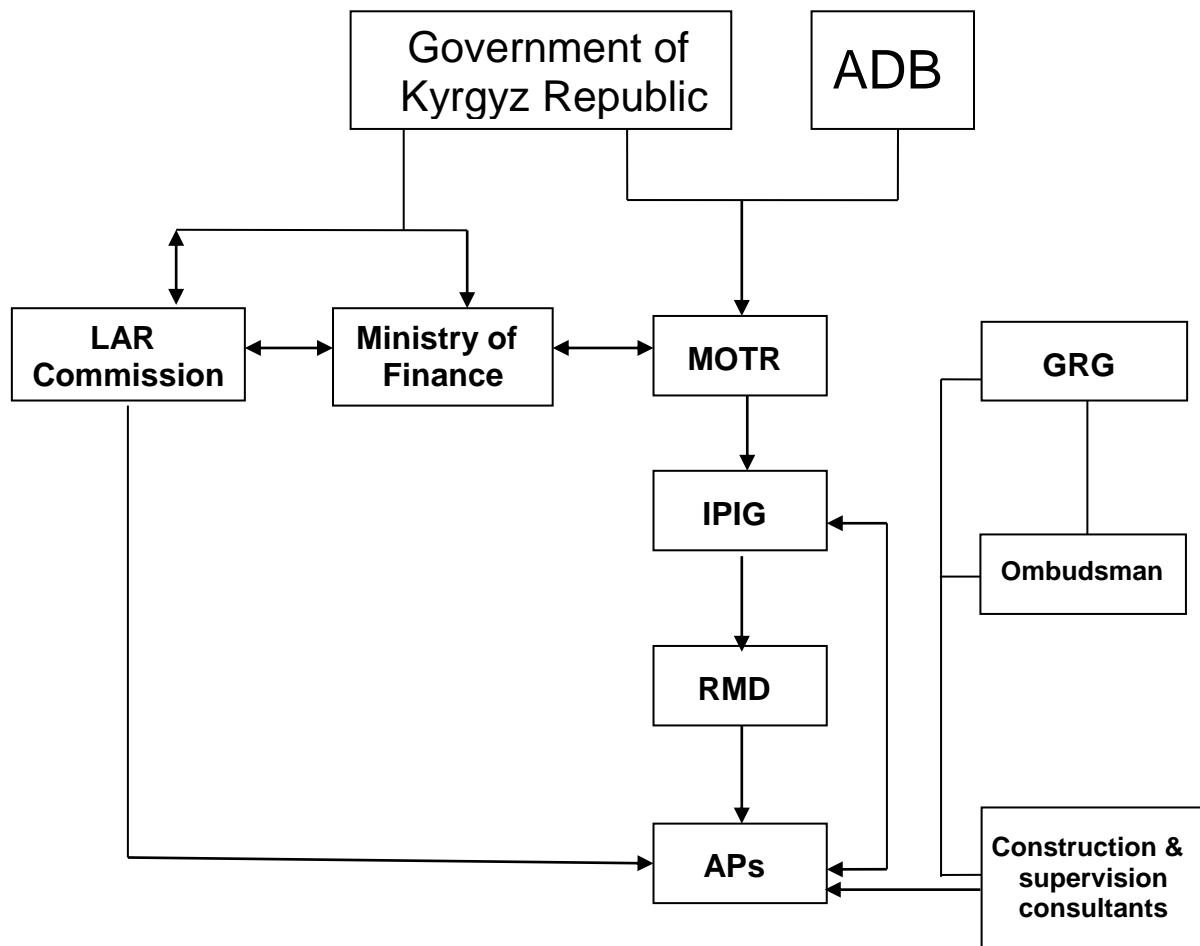


Figure 6: Organizational Framework

6.1.1 ADB

107. ADB will be the funding agency of the project, including LAR activities except land acquisition costs. In addition to funding, the ADB will periodically review the project and LARP implementation status as well as provide clearance for contract awards and the signing/initiation of civil works on the project.

108. Main responsibilities of ADB at loan implementation stage are:

- (i) Selection and mobilization of a design consultant with approved national and international resettlement specialists and inclusion of costs and requirements for resettlement related activities in the tender/contract documents;
- (ii) Approval of the Action Plan of LARP processes;
- (iii) LARP submission, approval and endorsement;
- (iv) Disclosure of LARP;
- (v) ADB reviews and approves Compliance report; ADB issues No objection to construction.

6.1.2 MOTR/IPIG

109. The Ministry of Transport and Road (MOTR) is the Executing Agency (EA). As the EA, MOTR has the overall responsibility for project implementation, as well as the LARP implementation. By the Order of the MOTC,¹⁸ dated on 01.02.2010 No.10-k/1, with the concurrence of the Ministry of Finance of the Kyrgyz Republic, the Investment Projects Implementation Group (IPIG)¹⁹ was established within MOTC (it is MOTR now). The IPIG will act as the project implementing agency (IA).

110. Main responsibilities of MOTR/IPIG at loan processing stage are:

- (i) Inclusion of social safeguard requirements into the bidding documents for the procurement of the Consultant;
- (ii) Inclusion of text of the safeguard related provisions in the loan agreements;
- (iii) Preparation and implementation of the work plan for enforcing the cut-off date, announced during the PPTA stage.

111. Main responsibilities of MOTR/IPIG at loan implementation stage are:

- (i) Selection and mobilization of a design consultant with approved national and international resettlement specialists and inclusion of costs and requirements for resettlement related activities in the tender/contract documents;
- (ii) Approval of the Action Plan of LARP processes;

¹⁸ MOTR was named as MOTC before 2016.

¹⁹ IPIG was further divided into IPIG (ADB) and IPIG (WB) since 26 May 2017 per MOTR Order No. 182. However, this LARP still uses IPIG for IPIG (ADB).

- (iii) Agreeing on key implementing mechanisms for the final LARP;
- (iv) Engaging LARC;
- (v) Selection of the Consultant for DMS, Census, SES and Valuation; Training LARC on ADB SPS (2009) and LAR;
- (vi) Community Consultations;
- (vii) Re-activate GRM. Establish GRCs and appoint Focal Persons;
- (viii) Approval of the Valuation Report by the relevant authority;
- (ix) Assisting in legalization processes;
- (x) Disclosure of compensation amounts to APs;
- (xi) LARP submission, approval and endorsement;
- (xii) Disclosure of LARP;
- (xiii) Implementation of LARP;
- (xiv) Monitoring and reporting on LARP implementation;
- (xv) Preparation of LARP Compliance Report for ADB revision and approval;
- (xvi) Handing over LAR impacted subsection for construction.

6.1.3 Consultants

112. As part of the Technical Assistance provided by ADB to prepare the feasibility study, ADB had engaged international consulting company of Kocks Consult GmbH. This company has prepared a preliminary estimate for the Resettlement and Land Acquisition, which was included in the grant component of the Financing Agreement.

113. MOTR then engaged the consulting company "Japan Overseas Consultants Co.LTD" ("JOC") to carry out detailed design. JOC has prepared the final LARP based on a comprehensive DMS and valuation survey, taking into account of changes in the road designs.

114. Tasks and responsibilities of Kocks Consult GmbH during PPTA include:

- (i) Engagement of Valuator – developing of a project-related valuation methodology
- (ii) Development/Approval of Action Plan of LARP processes to be included in the Inception Report;
- (iii) Agreeing on key implementation mechanism;
- (iv) Collection of relevant documents:
 - a. Social allowances for unemployed, single mothers, disabled, aged, war veterans, and other groups of vulnerable APs;
 - b. Statistical data on the income of specific groups of APs, such as entrepreneurs, for cases where income cannot be established through paid taxes.

- c. List of documents provided in the TOR for DMS.
- (v) Field work (DMS, SES, Valuation);
- (vi) Community Consultations;
- (vii) Preparation of the draft LARP.

115. Tasks and responsibilities of JOC at detailed design stage include:

- (i) Selection and mobilization of a design consultant with approved national and international resettlement specialists and inclusion of costs and requirements for resettlement related activities in the tender/contract documents;
- (ii) Development of Action Plan for LARP preparation;
- (iii) Agreeing on key implementing mechanisms for the final LARP;
- (iv) Selection of the Consultant for DMS and Valuation;
- (v) Training LARC on ADB SPS (2009) and LAR;
- (vi) Community Consultations;
- (vii) Appoint Focal Persons for GRG;
- (viii) Preparation of Implementation Ready LARP and its submission for approval to MOTR/ADB.

116. At project implementation, a construction supervision consultant (CSC) will be engaged to assist IPIG/MOTR to implement the LARP and to carry out monitoring and reporting.

6.1.4 Ministry of Finance

117. The Ministry of Finance has the overall financial responsibility for the Project. Compensations to AHs will be paid through the Ministry.

6.1.5 LAR Commission

118. In accordance with of Decree No. 62-b of the Plenipotentiary of the Government of the Kyrgyz Republic in Naryn Oblast,²⁰ LARC for Section 2A was officially established on 15 February 2016. The LARC consists of the following members:

- (i) Chairman: Duyshonaliev Almazbek, Chief Specialist of the regional development department of the Plenipotentiary in Naryn Oblast.
- (ii) Secretary: Kerimkulov Nurlan, First Deputy of the Kochkor Rayon State Administration.
- (iii) Member: Satybaldiev Ruslan, Regional Coordinator of IPIG/MOTR (by agreement)

²⁰ The decree is actually an annex or amendment to Decree No. 361-b on Formation of the LAR Commission for the Project (as a whole) that was issued by the Plenipotentiary of the Kyrgyz Republic in Naryn Oblast on 15 February 2015.

- (iv) Member: Aliev Mirmuhanbek, Expert in land management architectural solutions IPIG MOTR (by agreement)
- (v) Member: Kartanbaeva Nurzada, Safeguards Specialist IPIG MOTR (by agreement)
- (vi) Member: Beishenaliev Kubanychbek, Head of RMD No.955
- (vii) Member: Abdykasymov Misir, Head of Kochkor Architecture and Urban planning Management
- (viii) Member: Nurmambetov Joldosh, Head of Regional Department for ecological and technical safety inspection.
- (ix) Member: Azarkulov Joldoshbek, Head of Kochkor State Registry of the rights for estates
- (x) Member: Kadyrakunov Kanat, Head of Kochkor Electrical Department
- (xi) Member: Sabyrjanov Jyldyzbek, Head of Kok-Jar ayil aimak
- (xii) Member: Bukarov Kanatbek, Head of Cholpon ayil aimak
- (xiii) Member: Monkoev Emilbek, Head of Semiz-bel ayil aimak

119. Main responsibility of the LAR commission is to assist MOTR/IPIG to implement the LAR. Others roles of the LAR commission include:

- (i) Participation in public consultations
- (ii) Assisting IPIG to carry out internal monitoring
- (iii) Participation in GRM, facilitating resolution
- (iv) Facilitating land surface clearance of ROW after land acquisition and resettlement being implemented.

6.1.6 GRGs

120. Any complaints during LARP implementation and construction period will be registered and addressed by the GRGs. Functioning of GRGs are detailed in the following subsection.

6.2 Grievance Redress Mechanism

6.2.1 Objectives

121. The Grievance Redress Mechanism (GRM) is a process and forum through which the affected people need a trusted way to voice and resolve concerns about LAR and the project also finds an effective way to address affected people's concerns. For this project, A GRM was established and it was notified in written form to affected people during public consultations during January-July 2017. The GRM was approved by Minister MOTR through the issuance of MOTR Order No.234 dated 12 July 2017 (Appendix 6).

122. APs and local people have the right to file complaints and/or queries on any aspect of the project, including LAR, environmental and other safeguard issues. Under the GRM, people may appeal any decision, practice or activity related to the

project. All possible avenues will be made available to the affected persons and others to voice their grievances. The IPIG will ensure that grievances and complaints on any aspect of the project are addressed in a timely and effective manner.

123. Objectives of the GRM are:

- To reach mutually agreed solutions satisfactory to both the project and the APs, and to resolve any grievances locally, in consultation with the aggrieved party;
- To facilitate the smooth implementation of the LARP, particularly to cut down on lengthy litigation processes and prevent delays in project implementation; and
- To facilitate the development process at the local level, while maintaining transparency as well as to establish accountability to the affected people.

124. The mechanism consists of grievance resolution of two levels, the local and central levels. At each level, a grievance redress group (GRG) was established. The role and responsibility of the GRGs is to accept claim and complaints, assess its validity, determine the scope of eventual impacts, and timely resolve the issue, including the claims regarding the compensation and maintain GRM as flexible and efficient to address and resolve the claims as raised during LARP and project implementation.

125. The GRM covers issues related to social, environmental and other safeguard issues under the ADB safeguard covenants and Kyrgyz laws.

6.2.2 Grievance Redress Groups

126. The Grievance Redress Groups (GRGs) were established at both local and central levels on 12 July 2017, upon the issuance of Order No. 235 by MOTR (Appendix 7). The GRGs will function for the duration of both LARP and project implementation. The local GRGs include one in each affected Ayil-Okmotu (village) and the central GRG is set at MOTR in Bishkek.

127. The local GRG in each Ayil-Okmotu consists of up to 12 members, together with one or more observers (Table 15). Duties of main members are presented in Appendix 8.

Table 15: Local GRG Composition

| No. | Member | Position held |
|------------|--|----------------------|
| 1 | Assistant to resident engineer of CSC | Chairman |
| 2 | Head of Ayil Okmotu (also as LFP by agreement) | Member |
| 3 | Head of RMD#24 | Member |
| 4 | Resettlement Specialist of CSC | Member |
| 5 | Environmental Specialist of CSC | Member |
| 6 | Representative AH | Member |

| No. | Member | Position held |
|-----|--|---------------|
| 7 | Representative AH | Member |
| 8 | Representative AH | Member |
| 9 | Representative from NGOs (by agreement) | Member |
| 10 | Representative of Ombudsman of Naryn Oblast (by agreement) | Member |
| 11 | Representative from Public Supervision Board for MOTR (by agreement) | Member |
| 12 | Safeguard Specialist, IPIG of MOTR | Member |
| | Locals | Observers |

Source: MOTR order No. 234, 2017 (Appendix 6)

128. The central level GRG consists of 8 members (Table 16), together with one or more observers. Again, duties of each member are presented in Appendix 8.

Table 16: Central GRG Composition

| No. | Member | Position held |
|-----|---|---------------|
| 1 | Director, IPIG of MOTR | Chairman |
| 2 | Environmental Specialist, IPIG of MOTR | Member |
| 3 | Head of RMD#9 | Member |
| 4 | Safeguards Specialist/Sociologist, IPIG of MOTR | Member |
| 5 | Representative of Ombudsman of Naryn Oblast (by agreement) | Member |
| 6 | Representative from Public Supervision Board for MOTR (by agreement); | Member |
| 7 | Representative from NGOs (by agreement) | Member |
| 8 | Local Focal Point | Member |
| | Representatives of AHs (Male & Female) | Observers |

Source: MOTR order No. 235, 2017 (Appendix 7)

129. The contact information of GRGs will be included in the RIB that will be distributed among affected households prior to LARP implementation (the draft RIB is given in Appendix 4).

130. At each level of appeal, the GRG will be assisted as needed by the professional capacity to solve specific case. They include:

- (i) Representatives of State Rayon Administration
- (ii) Representatives of the Rayon Branch of the State Agency for Architecture and Construction
- (iii) State Registration Services of the Rayon
- (iv) Ministry of Agriculture
- (v) State Agency for Environment and Forestry
- (vi) Ministry of State Property
- (vii) Ministry of Emergency
- (viii) Technical expertise from professional engineers, and consultants with relevant experience in social safeguards and resettlement.

6.2.3 Grievance Resolution Process

131. The complaints and grievances from the AHs will be addressed through the procedure described in Table 17 and Figure 6 further illustrates it.

Table 17: Grievance Redress Procedure

| Step | Action Level | Process | Timeline |
|-------------|-----------------------------|--|-----------------|
| 1 | Resolution by LFP | At initial stage, the LFP will give hearing to the aggrieved person and try to give acceptable solutions. If an aggrieved person is not satisfied with the solutions, then she/he will lodge grievances in written to the local GRG within 3 days. | 3 days |
| 2 | Resolution at local level | After receiving written complaint, the LFP will review and prepare a Case File (see Appendix 8) for GRG hearing and resolution. A formal hearing will be held with the GRG on a date fixed by the LFP in consultation with the aggrieved person. On the date of hearing, the aggrieved person will appear before the GRG and present proofs in support of his/her claim. The LFP will note down the statements of the complainant and document all proofs. The decision from majority of the members will be considered final from the GRG and will be issued by the LFP and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the aggrieved person by the LFP within 10 days. If aggrieved person is not satisfied with the solution, the LFP will lodge grievance in written to the central GRG at MOTR with conclusion and supporting documents prepared at local level. | 10 days |
| 3 | Resolution at central level | After receiving written complaint, the central GRG Chairperson will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held on a date fixed by the GRG Chairperson and the aggrieved person. GRG members will contact the complainant and visit his/her village. The safeguard specialist/sociologist of IPIG will note down the statements of the complainant and document all proofs. The decisions from majority of the members will be considered final from the central GRG and will be issued by the Chairperson and signed by other members. The case record will be updated and the decision will be communicated to the aggrieved person by the safeguard specialist/sociologist of IPIG within 7 days of submission. | 7 days |

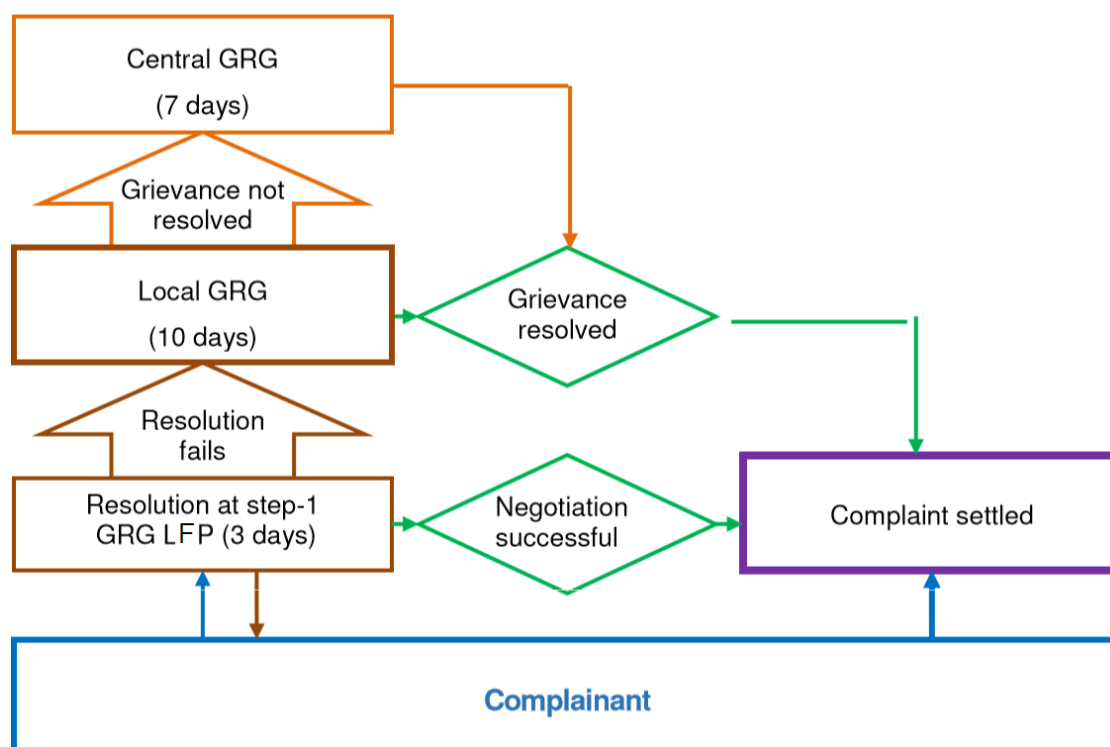


Figure 6: Grievance Redress Procedure

6.2.4 Additional Mechanisms

132. Any physical and legal person, any appellant can communicate his/her concern to the court at any stage of grievance redress. The GRGs will not restrict or influence the AP from applying to court for legal remedies. If the complaint is found invalid, the GRG will formulate a response and send a written letter to the complainant, explaining the reasons of rejection.

133. In addition, ADB has its Accountability Mechanism Policy (2012)²¹ that is to be accountable to people for ADB-assisted projects as a last resort mechanism. The accountability mechanism provides a forum where people adversely affected by ADB-assisted projects can voice and seek solutions to their problems and report alleged noncompliance of ADB's operational policies and procedures.

134. The complainant, if not satisfied with GRG's decision or even the court's decision, can appeal the case to Office of the Special Office Facilitator of ADB²². The GRGs will not in any way impede APs' access to the ADB Accountability Mechanism.

6.2.5 Complaint Documentation

135. The IPIG of the MOTR will document all grievances (basic form is given in Appendix 8) in both written and electronic forms.

²¹ <https://www.adb.org/site/accountability-mechanism/main>.

²² www.adb.org/site/accountability-mechanism/contacts

6.3 LARP Implementation Schedule

6.3.1 LARP Preparation and Implementation Process

136. Figure 7 illustrates the LARP preparation and implementation process at various project preparation and implementation stages.

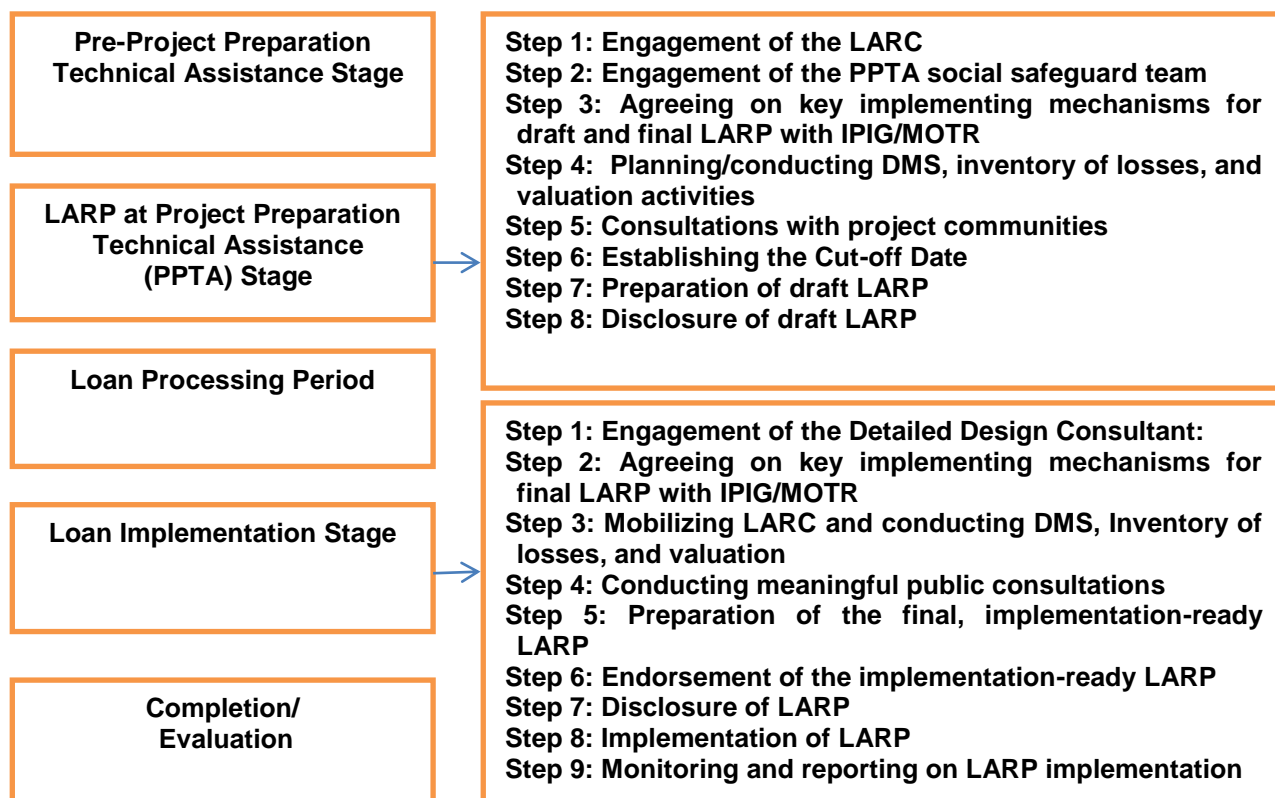


Figure 7: LARP Preparation and Implementation Process

6.3.2 Subsectional Handing Over Plan

137. Table 18 presents the sectional and subsectional handing over plan for civil works. To facilitate effective implementation of project construction, Section 1 is consist of one whole free section and Section 2A is divided into 4 free subsections and 4 LAR impacted subsections respectively (Table 18). The free section for Section 1 of 43.0km and free subsections for Section 2A of 23.0km do not have LAR impacts and are not included in the LARP implementation schedule. The free subsections will be handed over to contractor to start civil works

138. The LAR impacted subsections of 4.1km affect 40 households (see Table 1 for details) and are included in the LARP implementation schedule. Civil works in LAR impacted subsections cannot be started until ADB approves the LARP implementation report. The handing over period for LAR impacted subsections will be determined.

Table 18: Subsectional Handing Over Plan

| Subsection | Mileage | | Length (km) | LAR impact | Handing over period |
|------------|-----------|-----------|----------------|-------------------------------------|--|
| | Start | End | | | |
| Section 1 | | | | | |
| 1 | km 0+000 | km 43+000 | 43.0 | Free section (43.0km) | After signing an additional agreement on project financing, contractor selection, etc. |
| Total | | | 43.0 | | |
| Section 2A | | | | | |
| 1 | km 62+400 | km63+500 | 1.1 | LAR impacted subsections (4.1km) | After signing an additional agreement on project financing, contractor selection, etc. |
| 3 | km65+500 | km66+700 | 1.2 | | |
| 5 | km70+700 | km71+400 | 0.7 | | |
| 7 | km86+700 | km87+800 | 1.1 | | |
| 2 | km63+500 | km65+500 | 2.0 | Free subsections (23.0km) | After signing an additional agreement on project financing, contractor selection, etc. |
| 4 | km66+700 | Km70+700 | 4.0 | | |
| 6 | km71+400 | km86+700 | 15.3 | | |
| 8 | km87+800 | km89+500 | 1.7 | | |
| Total | | | 27.1 | | |

6.3.3 LARP Implementation Schedule

139. Extensive preparatory activities and tasks are planned and will be taken to ensure a successful implementation of the LARP. MOTR/IPIG, with strong assistances from LARC and CSC, will implement the LARP. MOTR/IPIG is also responsible for the internal monitoring and reporting.

140. The LARP implementation schedule is illustrated in Table 19. LAR impacted subsections are scheduled to hand over to contractor for civil works after the compensation will be paid to AH's.

6.3.4 Notice to Start Civil Works

141. Upon ADB's approval of LARP implementation report,²³ MOTR will issue notice to contractor to start civil works in the LAR impacted segments. The notice will state that:

- (i) Payment has been fully disbursed to AHs and rehabilitation/assistance measures are in place;
- (ii) Already-compensated/assisted AHs have cleared the area (surface clearance) in a timely manner; and
- (iii) The area is free from any encumbrances (surface clearance done).

²³ Upon completion of LAR, IPIG will timely submit LARP implementation report to ADB for review and approval. ADB will then approve it if all the necessary actions in the LARP are properly implemented.

Table 19: LARP Implementation Schedule

| | Tasks | Responsibility | Tentative date/period | Note (The timeframe for the activities listed below will be updated and included after the signing of the Additional Financing Agreement) |
|----------|---|-----------------------------|------------------------------|---|
| 1 | Preparations | | | |
| 1.1 | MOTR's approval of LARP | IPIG | | |
| 1.2 | ADB's approval of LARP | IPIG | | |
| 1.3 | Review and approval of LARP by Ministry of Finance, Ministry of Justice, and others | MOTR | | 3 months after ADB's approval |
| 1.4 | Approval and endorsement of LARP by Government of Kyrgyz Republic | MOTR | | 4 months after approval of relevant ministries. ²⁴ |
| 1.5 | MOTR orders to approve GRM and establish GRGs | IPIG | | Done on 12 July 2017 |
| 1.6 | Distribution of LARPs among affected villages, Kochkor Rayon, and Naryn Oblast | IPIG | | After approval and endorsement of LARP by Government of Kyrgyz Republic |
| 1.7 | Distribution of RIBs among AHs | IPIG | | Include GRG members' contact information in the RIBs |
| 2 | LARP Implementation | | | |
| 2.1 | Develop LARP implementation action plan and send to ADB | IPIG | | |
| 2.2 | Negotiations between the Ministry of Finance and the Bank about the issue of commission | IPIG | | 2 weeks |
| 2.3 | Order of the Minister of MOTR about compensations | IPIG | | 1-2 weeks after issuance of the Gov. Ordinance endorsing LARP |
| 2.4 | Choosing the Bank and agreement about the disbursement of compensation to APs. | IPIG | | |
| 2.5 | Update the order of GRM | IPIG | | 1 week |
| 2.6 | Update information about GRM for local contact persons | IPIG, CSC | | 1-2 weeks after issuance of the Gov. Ordinance endorsing LARP |
| 2.7 | Training on GRM for the GRGs and key stakeholders | IPIG, CSC | | 1 day |
| 2.8 | Clarification of objects and APs | IPIG, LARC, CSC | | 1-2 weeks after the issuance of Gov. Ordinance endorsing LARP |
| 2.9 | Preparation and approval of agreements on the land acquisition for all Project APs | IPIG | | 1 month |
| 2.10 | Allocation of locations for relocation of affected business containers | IPIG, LARC | | 2 weeks |
| 2.11 | Consultation meetings in affected villages | IPIG, LARC | | Same as above |
| 2.12 | Processing LAR agreements between MOTR & AHs | LARC, IPIG | | 4 months after mobilization of LARP implementation |
| 2.13 | Payment of compensations to AHs | Bank, MOTR | | 2 weeks after signing final agreements |
| 2.14 | Relocation of temporarily affected businesses | IPIG, LARC, LFP, contractor | | 2 months after payments of final compensations |
| 2.15 | Land clearance | IPIG, LARC, contractor | | 4 months after payment of final compensations |
| 3 | Monitoring and Reporting | | | |

²⁴ Same deadline planned for Section 2B.

| | Tasks | Responsibility | Tentative date/period | Note (The timeframe for the activities listed below will be updated and included after the signing of the Additional Financing Agreement) |
|----------|---|-----------------------|------------------------------|---|
| 3.1 | Establishing and updating LAR database | IPIG, CSC | | Database establishment based on DMS and valuation results |
| 3.2 | Submission of monthly, quarterly, semi-annual and annual progress report | IPIG | | 0[|
| 3.3 | Submission of LARP implementation report | IPIG | | |
| 3.4 | Approval of LARP implementation report and issuance of a NOL to start civil works | ADB | | 1 week after receiving LARP implementation report |
| 3.5 | LAR completion report | IPIG | | To be attached to the project completion report |
| 4 | Commencement of Civil Works in LAR Impacted Segments | | | |
| 4.1 | Notice to contractor to start civil works | MOTR | | 1 week after ADB's approval |
| 4.2 | Handing over cleared subsections to contractor | MOTR | | 1 month after issuing the notice |
| 4.3 | Civil works | Contractor | | |

ADB= Asian Development Bank; CSC = construction supervision consultant; IPIG = Investment Project Implementation Group; GRG = Grievance Redress Group; LAR = land acquisition and resettlement; LARC = land acquisition and resettlement commission; LFP = local focal point; MOTR = Ministry of Transport and Roads; NOL = no objection letter; RIB = land acquisition and resettlement information brochure.

7. BUDGET

142. LAR budget includes:

- (i) Direct costs that are all direct compensations and assistances for AHs.
- (ii) Administration expense, which is set as 5% of direct costs.
- (iii) Contingency for unforeseen impacts, which is set as 20% of direct costs.

143. All compensations are based independent valuation. The valuation was regulated and guided by the entitlement matrix of this LARP and the following documents:

- (i) Property Valuation Standards, compulsory for all parties carrying out appraisal activity in the Kyrgyz Republic, ratified by the Kyrgyz Republic Government Decree No. 217 dated 03 April 2006, and last amended on 15 November 2016.
- (ii) The Interim Regulations for Valuers and Valuation Organizations Acting in the Kyrgyz Republic, ratified by the Kyrgyz Republic Government Decree No. 527 dated 21 August 2003, last amended on 03 Dec 2012, No. 807)
- (iii) International Valuation Standards (IVS), 2011

7.1 Valuation of Land and Non-land Assets

7.1.1 Land

144. The affected lands include residential land within the three villages and agricultural land in one village. Affected land plots are to be compensated at market values. Market value is an estimated amount for which a property should be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion.

145. The market value of the land was assessed by using a correlation valuation method. The price for each land plot is determined separately as many factors influence the differences in land price even for the adjoined land plots.

7.1.2 Buildings and Structures

146. Buildings and non-movable structures attached to titled/legalizable land will be compensated at full replacement costs. The replacement costs were determined by calculating the construction cost of a similar new building/structure, for the same use and materials, based on market prices as of the assessment date. All necessary taxes, fees and costs for obtaining the documents for registration of land, design of a new building, cost of technical passports and other related documents to establish the ownership, are included in the replacement cost.

7.1.3 Trees and Crops

147. Non-productive trees were valued as current local market values based on wood volumes. Standing crops were valued as the market values of one year's local average harvests.

7.2 Special Assistances

148. In addition to compensations to affected people based on valuation results, as also indicated in the entitlement matrix (Table 14), this LARP sets the following provisions:

- (i) Vulnerability allowance: a lump sum allowance equals to 6 times of the minimum monthly salary of KGS 1,060 per household.
- (ii) Rehabilitation allowance for severely affected households: same as that for the vulnerable households.

7.3 Budget and Financing

149. The tentative budget, based on preliminary valuation results, is given in the table below. As indicated, the total budget estimate is KGS 5,312,087 or US\$ 77,036 equivalent, including: (i) KGS 4,249,670 (80.0% of total) of basic or direct costs; (ii) KGS 212,483 (4.0% of total) of administration expenses; and (iii) KGS 849,934 (16.0% of total) of contingency. The direct costs include KGS 2,073,368 for compensation of land acquisition and KGS 2,176,302 for other expenses.

150. MOTR, with budget allocation from the Government Kyrgyz Republic, will finance the land acquisition cost of KGS 2,073,368 or US\$ 30,068 (39.0% of total LAR budget). ADB will finance the remaining KGS 3,238,719 or US\$ 46,968 (61.0% of total budget).

Table 20: Budget Estimate

| Item | Impact | | Cost | |
|--|----------------|-----------|------------------|---------------|
| | Unit | Qty | KGS | US\$ |
| I. Direct Costs | | | | |
| 1. Compensation for agricultural land | m ² | 21,453 | 600,684 | 8,711 |
| 2. Compensation for residential and other type of land | m ² | 3,506.39 | 1,472,684 | 21,357 |
| 3. Compensation for non-residential building | m ² | 63.6 | 171,481 | 2,487 |
| 4. Compensation for affected fences | m | 1,603.85 | 892,771 | 12,947 |
| 5. Compensation for trees | No. | 313 | 246,610 | 3,576 |
| 6. Compensation for standing crops | 10 | 21,453.00 | 229,442 | 3,327 |
| 7. Cost for re-registration of land plots | HH | 25 | 290,500 | 4,213 |
| 8. Allowance for severely affected HHs | HH | 12 | 236,058 | 3,423 |
| 9. Allowance for affected vulnerable HHs | HH | 16 | 109,440 | 1,587 |
| Sub-total | | | 4,249,670 | 61,629 |
| II. Administration expense (5% of direct costs) | | | 212,483.5 | 3,081 |
| III. Contingency (20% of direct costs) | | | 849,934 | 12,326 |
| Grand Total | | | 5,312,087 | 77,036 |

Source: preliminary valuation report.

8. MONITORING

151. The implementation of the LARP will be subjected to internal monitoring. Internal monitoring will focus on LARP implementation progress and will be conducted by IPIG with assistance from LARC and CSC.

152. The objectives of the monitoring are to:

- (i) monitor LARP implementation progress and check whether or not the time lines are being met;
- (ii) assess if compensation, rehabilitation measures and social development support are sufficient;
- (iii) identify problems or potential problems;
- (iv) identify immediate/rapid response methods to mitigate problems or potential problems;
- (v) ensure that the GRM is functioning and grievances, if any, are being addressed timely and effectively; and
- (vi) ensure that the standard of living of AHs is restored or improved.

153. IPIG's social safeguard specialist will be in charge of internal monitoring. The scope of internal monitoring includes, but not limited to:

- (i) information disclosure and consultation with affected persons;
- (ii) progress of signing LAR agreements between MOTR and AHs
- (iii) progress of payment of compensations and allowances
- (iv) progress of land surface clearance
- (v) grievance cases and their resolution status; and
- (vi) issues, clarifications and/or counteractions and suggestions.

154. Data for the above tasks will be collected by IPIG with assistances from CSC and LARC. Along with LARP implementation, IPIG will establish a LAR database based on the DMS and valuation results. The data collected during monitoring will then be used for updating the database on monthly basis.

155. The internal monitoring report will be submitted to MOTR and ADB through the monthly and quarterly project implementation progress reports. In addition, semi-annual and annual monitoring reports, as standalone appendix to the corresponding overall project implementation reports, will also be prepared. In such reports, the LAR activities of the past month will be tabulated to reflect progress through analyzing the LAR database and comparing actual and planned implementation timelines, etc.

156. Upon completion of land acquisition and resettlement, IPIG will prepare a LARP implementation report for ADB's review and approval. MOTR will only send notice to contractor to start civil works in LAR impacted subsections till ADB approves the LARP implementation report. Upon construction completion, IPIG will

also prepare a final LAR completion report that will be attached to the project completion report.

157. The reporting schedule is given in the table below.

Table 21: Reporting Schedule for Monitoring

| Report | Duration | Date | Note |
|-----------------------------|----------|---------------------------------------|--|
| Monthly report | | Middle of each month | The timeframe for the activities listed below will be updated and included after the signing of the Additional Financing Agreement |
| Quarterly report | | Middle of each month of each quarter. | |
| Semi-annual & annual report | | | |
| LAR implementation report | | | |
| LAR completion report | | | |

Appendixes

Appendix 1: Government Decree No. 183-p

The Government of the Kyrgyz Republic

DECREE

May 26, 2014 REF No.:183-p

For effective use of the financial resources, allocated for the construction North-South Alternative Route:

1. Official representatives of the Government (Governors) in Jalal-Abad, Naryn and Issyk-Kul oblasts have to ensure the land acquisition in accordance with the design documents for construction of the North-South Alternative Route.
2. Suspend all land acquisition and issuance of permits for construction, reconstruction, conversion and re-development of structures, and also light type of structures, including advertisement constructions in the corridor of 32 meters on both sides from designed center line of the North-South Alternative route until its full completion of construction.
3. Recommend to all local authorities of Ton rayon of Issy-Kul Oblast, Jumgal and Kochkor rayons of Naryn Oblast, Toguz-Toroo and Suzak rayons of Jalal-Abad Oblast to extend their full support to the Offices of Governors in Naryn, Issyk-Kul and Jalal-Abad oblasts in land acquisition for construction of North-South Alternative Route and enforce the execution of the Item 2 of this Decree.
4. Control of the execution of this Decree is entrusted to Ministry of the Transport and Communications of the Kyrgyz Republic.

Prime Minister Dj. K. Otorbaev

РЕСПУБЛИКАСЫНЫН
Ө МӨ Т У

КЫРГЫЗСКОЙ
РЕСПУБЛИКИ

БУЙРУК РАСПОРЯЖЕНИЕ

от 26 мая 2014 года № 183-р

В целях эффективного освоения финансовых средств, выделенных для реализации проекта строительства альтернативной дороги Север-Юг:

1. Полномочным представителям Правительства Кыргызской Республики в Джалал-Абадской, Нарынской и Иссык-Кульской областях обеспечить в соответствии с проектно-сметной документацией отвод земель под строительство альтернативной автомобильной дороги Север-Юг.
2. Приостановить отвод земельных участков и выдачу разрешительной документации на строительство, реконструкцию, перепрофилирование и перепланировку капитальных объектов, а также объектов облегченного типа, в том числе и рекламных конструкций, в полосе шириной 32 метра с каждой стороны от оси проектируемой альтернативной автомобильной дороги Север-Юг до полного завершения строительства данного объекта.
3. Рекомендовать органам местного самоуправления Тонкого района Иссык-Кульской области, Джумгалского и Кочкорского районов Нарынской области, Тогуз-Тороуского и Сузакского районов Джалал-Абадской области оказать содействие аппаратам полномочных представителей Правительства Кыргызской Республики в Джалал-Абадской, Нарынской и Иссык-Кульской областях при отводе земель для строительства альтернативной автомобильной дороги Север-Юг и принять к исполнению пункт 2 настоящего распоряжения.
4. Контроль за исполнением настоящего распоряжения возложить на Министерство транспорта и коммуникаций Кыргызской Республики.

Премьер-министр Дж.К. Оторбаев

Кыргыз Республикасынын
транспорт жана коммуникация министрлиги
" 27 " 05 2014 ж.ж.
Кыргыз Республикасынын
Премьер-министр

Appendix 2: Project and Resettlement Planning Information Brochure

Project and Resettlement Planning Information Brochure

CAREC Corridors 1 and 3 Connector Road

Prepared by MOTR

Sept 2016

A. The Project

The CAREC Corridors 1 and 3 Connector Road (the project) will improve national and regional connectivity by rehabilitating an estimated 253 kilometers (km) of road sections connecting the CAREC Corridors 1 (Bishkek–Naryn–Torugart) and 3 (Bishkek–Osh–Batken). The project is consistent with the government's priority of providing alternate access in national and regional connectivity. The project will help link the southern regions of Osh, Batken and Jalal-Abad with the northern regions of Naryn, Issyk-Kul, Chui and Talas. The rehabilitated road will: (i) reduce the cost of passenger and cargo transportation between southern and northern regions, (ii) provide a more direct transit route between Kazakhstan and Tajikistan, and (iii) help stimulate trade.

The Ministry of Transport and Roads (MOTD) is the “Executing Agency” while the daily administration of the project will fall to the Investment Project Implementation Group (IPIG).

To facilitate preparation, feasibility study, design and financing, the project road is divided into 5 sections:

- (i) Section 1: Balykchy to post 43 (km 0 - km 43), approximately 27km;
- (ii) Section 2A: Kochkor to Epkin (km 62 - km 89.2), approximately 27km;
- (iii) Section 2B: Epkin to Bashkuugandy (km89.5 - km159.2) approximately 70km;
- (iv) Section 2C: Bashkuugandy to Kyzyl-Zhyldyz (km 159.2 - km183) approximately 24km; and
- (v) Section 3: Aral to Too Ashuu (km 195 - km 286) approximately 70km.

Specifically, the first three sections are prioritized for implementation with ADB financing. To facilitate construction of the three sections since 2017, MOTR (EA) had engaged the firm Japan Overseas Consultants Co. Ltd (JOC) to provide comprehensive consultancy services for the detailed design (DD) for the three sections proposed for ADB financing. The final designs were ready as of 31 Jan 2017.

B. Resettlement Planning

Rehabilitation of the three sections for ADB financing, especially Sections 2A and 2B, will inevitably have some limited land acquisition and resettlement impacts. As per ADB's policy requirement, land acquisition and resettlement plans (LARPs) must be prepared and approved before civil works of project construction. The LARPs must fit both ADB's Safeguard Policy (SPS 2009) and Kyrgyz Republic law and regulations and policies related to LAR.

A key task for the consultancy services for detailed design is the preparation of implementation-ready LARPs based PPTA findings and final engineering designs (PD). The LARP preparation procedures include: (i) detailed measurement survey (DMS) and collection of relevant documents regarding affected households' tenure or ownership status; (ii) independent valuation survey and valuation based on DMS results, (iii) public consultations; (iv) preparation of draft LARPs for ADB and MOTR's review; (v) finalization of LARPs; (vi) approval of final LARPs by MOTR and ADB; and (vii) disclosure of final LARPs among government agencies and affected villages and people.

C. Legal Framework

The LAR impacts caused by the project will be compensated based on the laws, regulations, and policies of the Kyrgyz Republic and the requirements of ADB's Safeguard Policy Statement (SPS 2009).

D. Compensation Eligibility

APs eligible to compensation or at least rehabilitation provisions under the project are:

- (i) Those losing land, whether covered by legal title/traditional land rights, legalizable, or without legal status;
- (ii) Tenants and sharecroppers whether registered or not;
- (iii) Owners of buildings, crops, plants, or other assets attached to the land; and
- (iv) APs losing business, income, and salaries.

The above conditions will be well followed by the authorized agency and valuator who will carry out DMS and valuation survey. In short, those who will be identified as APs during the DMS are eligible for compensation and/or rehabilitation assistances.

Compensation eligibility is limited by the cut-off date set by the Local Authority following the end of the undergoing DMS and valuation survey. Persons that settle in or otherwise make use of affected areas after the cut-off date notification will not be eligible for compensation.

E. Grievance Redress Mechanism

A grievance redress mechanism (GRM) will be established for the project so as to enable APs to voice and resolve their concerns in a trusted and effective way.

Key to the GRM is the establishment of local and central level grievance redress groups (GRG). The role and responsibility of the GRGs are to accept claims and complaints, assess their validity, determine the scope of eventual impacts, and timely resolve the claims and complaints during LARP planning and implementation

APs' requests, complaints, claims and issues are at first considered by the GRG at the local level. Based on this mechanism, an aggrieved person may access the GRM through the Local Points of Contact (LPC). If decision on requests, complaints, claims and issues of citizens is not made by the GRG at the local level or the GRG is not able to make a decision for reasons beyond its control, then the complaints, requests and questions from APs shall be given to the GRG at the central level.

If decision on requests, complaints, claims and issues of APs requires to be made by the donor - the Asian Development Bank, then it will be forwarded to ADB.

F. Contact Information

For additional information on the project and its LAR planning, please contact:

| | |
|---|---|
| (i) Mr. Ruslan Satybaldiev IPIG Regional Coordinator, MOTR 42, Isanova St., Bishkek 720017 Tel: (0553) 50-40-41 E-mail: rsatybaldiev@piumotc.kg | (ii) Ms. Nurzada Kartanbaeva IPIG Safeguard Specialist MOTR 42, Isanova St., Bishkek 720017 Tel: (312) 31-43-56 E-mail: nurzada@gmail.com |
| (iii) Mr. Aliev Mirmukanbek IPIG Land specialist, MOTR 42, Isanova St., Bishkek 720017 | (iv) Mr. Abdygulov Asylbek IPIG Environmental Specialist 42, Isanova St., Bishkek 720017 Tel: (312) 31-43-56 |

Appendix 3: Public Consultation Minutes

1. Introduction

Public consultations and meetings with representatives of the district administration, local governments, APs, the Ombudsman for Naryn region, the Asian Development Bank (ADB), the Ministry of Transport and Roads of the Kyrgyz Republic, the LARC and consultant for the detailed design (JOC) were scheduled for following dates:

Public Consultation Schedule

| Target | Date | Place |
|--|-------------|--|
| Kochkor, Kok-Jar and Semiz-bel village authorities & APs | 16/02/2017 | Conference room of Kochkor Rayon Administration |
| Cholpon village authority and APs | 16/02 /2017 | Conference room of Cholpon village administration (Epkín school) |

The public consultation agenda is as follow.

Public Consultation Agenda

| | | |
|-----------|---|--|
| | Kochkor, Kok-Jar and Semiz-bel village authorities | |
| Place | Conference room of Kochkor Rayon Administration | |
| Date | 16/02/2017 | |
| Moderator | Azamat Omorbekov – National Resettlement Specialist | |
| 1 | Registration | |
| 2 | Introduction | IPIG Representative |
| 3 | Project Information | JOC Representative |
| 4 | Process of preparation of LAR and GRG | National Resettlement Specialist, Valuator |
| 5 | Questions and answers | All participants |
| 6 | Closing | IPIG representatives |

2. Minutes for Kochkor, Kok-Jar and Semiz-bel Villages

The consultation meeting started at 11:30 on 16 Feb 2017, as planned

2.1 Attendees

Representatives of the district administration, local authorities, the Ministry of Transport and Roads of the Kyrgyz Republic, the Asian Development Bank (ADB), a consultant for the detailed design (JOC) and 14 representatives of DPA. The total number of participants are 25.

2.2 Opening Address and Introduction and Project Design

Aliiev Mirmukanbek (Specialist of Land Management and Architectural Solutions, IPIG MOTR) thanked the present for their participation in public consultations and outlined the upcoming project on the construction of roads, and said that MOTR is the implementing agency of the project.

Nurlan Kerimkulov (Head of Kochkor Rayon State Administration) welcomed the participants and addressed to local residents to participate actively in public consultations and noted that the projected road has strategic importance for the whole country.

Almaz Nurdinov (Highway Design Engineer, JOC, DD Consultant) gave information on the engineering and technical specifications of the project, the length of the proposed road, roadway design and transverse profiles in populated areas and outside villages. Information was also provided about the speed limit system, pedestrian crossings and lighting system in the villages. He also presented some of the areas that fall under the impact of the project.

Azamat Omorbekov (Resettlement Specialist, JOC) introduced the process of land acquisition and resettlement planning and informed the participants that DMS is undergoing. He also confirmed from the participants that each affected household had received a land acquisition and resettlement planning brochure prior to this meeting.

2.3 Discussion and Consultation Details

Nurlan Kerimkulov (Head of Kochkor Rayon State Administration): does the project consists of construction of underground or above-ground crossings near schools and public places? This is one of the main issues related to road safety in populated areas. After the construction of the road, a significant increase in the number of vehicles will be expected, causing concerns among local residents.

Almaz Nurdinov (Highway Design Engineer (JOC, DD Consultant): unfortunately due to the weather conditions and existing standards crossings were not included in the project design, but road signs and bumps will be installed to reduce the speed (speed bumps).

Stalbek Abdrahmanov (Tendik village resident): does the project consist rehabilitation of irrigation systems after the agricultural land acquisition? This area has little specificity due to unevenness of the ground and irrigation is done from different sources?

Almaz Nurdinov: rehabilitation of irrigation systems is included in the project design, and we have provided several culverts under the road.

Stalbek Abdrahmanov (Tendik village resident): you need to hold meetings with land owners and clarify how to carry out irrigation of the lands.

Almaz Nurdinov: there will be further surveys during construction, related to irrigation lands. All necessary pipes and canals will be installed.

Nurlan Kerimkulov (Head of Kochkor Rayon State Administration): during design of the road you need to take into account the wishes and concerns of land owners, as these land plots are one of the main sources of income. It is necessary to minimize the impact on local residents, and together with the owners of land, solve the problem with irrigation of the lands. In addition, on completion of construction it is necessary to keep the existing (old) road which is used by local people to get to their agricultural land.

Almaz Nurdinov: if to leave the existing road, the junction at the intersection with new road there would be a conflict point, which may cause accidents.

Nurlan Kerimkulov: in this case it is necessary to provide traffic lights on that section of the road.

Aliev Mirmukanbek (Specialist of Land Management and architectural solutions, IPIG MOTR): who will make further maintenance of the traffic lights if installed?

Nurlan Kerimkulov: Kok-Jar village authority is in an ability to provide further maintenance of the traffic lights at the site.

Akideev Esentur (Tendik village resident): how will the agricultural machinery access the lands after the construction of the road?

Almaz Nurdinov: this issue, we will consider this matter during design phase and also during construction, together with you, to create the necessary conditions for equipment free access.

Temirbek Ordokov (Tendik village resident): in case of acquisition of our lands and dividing them on both sides of the road, some plots are unsuitable for processing? What will happen to them?

Azamat Omorbekov (Resettlement Specialist, JOC): in each individual case, negotiations will be carried out with the land owners for land acquisition. If indeed, the rest of the land, unsuitable for cultivation, will be considered for the possibility of exchange for other equal land or for an adequate compensation.

Kumar Akideev: can we cultivate the land this year? And what crops to sow?

Azamat Omorbekov: you can cultivate your land and plant crops that fit for you. In case of land acquisition, you will also further be provided a compensation for the loss of crops. An independent valuator will be employed to count the amount of compensation. Also, as you know Kochkor Gosregister is conducting a detailed measurement survey of properties falling under the impact of the project and soon the results of their work will be provided to you.

Stalbek Abdrahmanov (Tendik village resident): it would have been good to provide a separate access for each land plot.

Almaz Nurdinov: we are currently considering two options: 1) provide individual access road for each land and 2) several exit roads and allocation of land for constructing the road for the equipment access to the lands. We will assess which option will be more convenient and profitable for you.

Rayimkul Abdrahmanov (Tendik village resident): near to our lands, there is a ditch and every year we repair that pipes and irrigation system, in order to prevent water and mud flow damage our lands and in the future, this also could have a negative impact on the road. Is it possible to include the repair works or maintenance of the pipes?

Almaz Nurdinov: no, because the issue is within the competence of the territorial water farms and they are responsible for the condition of the irrigation system.

Akideev Esentur (Tendik village resident): three years ago, during a meeting about the construction of the road, we were told to not plant perennials?

Azamat Omorbekov: as mentioned earlier, you can use your land as you like, and there are no restrictions at the

moment.

Kumar Akideev (Tendik village resident): what happens, if during the construction, our lands will be left without irrigation, and we will lose the crop and we will suffer material loss? And the beginning of the construction season will be in the spring?

Almaz Nurdinov: it should be noted that the construction works will start only after the compensation will be paid. Temporary structures will be established to ensure uninterrupted irrigation water flow.

2.4 Closure of Consultation Meeting

Azamat Omorbekov (Resettlement Specialist, JOC) thanked the participants of the public consultation on behalf of representatives of local authorities and affected parties for their interest. He noted that within the framework of the requirements of the Regulations of ADB policy on safeguard measures, 2009, the Ministry of Transport and Roads is developing a resettlement plan. The plan will include detailed rights for compensation, the principles and mechanisms for obtaining compensation. For information purposes, brochures have been prepared in Kyrgyz and Russian languages, which have been deliberately distributed three days prior to the start of the public consultation, and invitations were issued to participants.

In addition to public consultation, the participants were provided with detailed information about the process of conducting a detailed measurement survey (DMS), a mechanism to deal with complaints and group complaints.

Azamat Omorbekov further addressed the audience if it was clear whether the process of preparing the resettlement plan, the principles and mechanisms of compensation payments, and if they have any additional questions about the information provided.

Temirbek Ordokov (Tendik village resident): is it possible to exchange land plot to another land plot at the same value?

Azamat Omorbekov: at present, representatives of Kochkor village authority did not provide specific information about the presence of equivalent free land plots for exchange. This issue requires further discussion with the village authority. In addition, information was provided that for vulnerable APs an additional payment will be provided.

Aliev Mirmukanbek (Specialist of Land Management and architectural solutions, IPIG MOTR: finally asked audience, if there are any other questions? The participants noted that there are no more questions. Then the representative of the IPIG MOTR thanked everyone for attending and closed the public consultation.

3. Minutes for Cholpon village

The consultation meeting started at 13:30 on 16 Feb 2017, as planned

3.1 Attendants

Representatives of the district administration, local authorities, the Ministry of Transport and Roads of the Kyrgyz Republic, the Asian Development Bank (ADB), a consultant for the detailed design (JOC) and 20 representatives of DPA. The total number of participants are 42.

3.2 Opening Address and Introduction of Project Design:

Aliev Mirmukanbek (Specialist of Land Management and architectural solutions, IPIG MOTR) thanked the present for their participation in public consultations and outlined the upcoming project on the construction of roads, and said that MOTR is the implementing agency of the project.

Alaybek Karbozov (Head of Cholpon village authority) welcomed the participants and requested the local residents to participate actively in public consultations.

Almaz Nurdinov (Highway Design Engineer, JOC) provided information on the engineering and technical specifications of the project, the length of the proposed road, roadway design and transverse profiles in populated areas and outside villages. Information was also provided about the speed limit system, pedestrian crossings and lighting system in the villages. He also presented some of the areas that fall under the impact of the project.

Azamat Omorbekov (Resettlement Specialist, JOC) introduced the process of land acquisition and resettlement planning and informed the participants that DMS is undergoing. He also confirmed from the participants that each affected household had received a land acquisition and resettlement planning brochure prior to this meeting.

3.3 Discussion and Consultation Details

Damir Toktosunov (Gosregister representative): it turns out that the distances to the left and right from central line may be different and where is the boundary of the ROW?

Almaz Nurdinov (Highway Design Engineer, JOC): as stated in the presentation, the ROW is a certain width, depending on the section of road, plus one meter on each side to allow construction machinery could operate without interference.

Akjol Baltabaev (Epkin village resident): where would the sidewalks be located?

Almaz Nurdinov: as mentioned in my presentation the sidewalks in your village will be on the left side of the road and at a distance of 1.5 meters from the edge of the pavement. Sidewalk on the right side is not provided, as there are buildings.

Alaybek Karbozov (Head of Cholpon Village): it would be good to provide the construction of the underpass near to the school? We have prepared a formal letter requesting the construction of the underpass.

Almaz Nurdinov: construction of a underpass crossing is not possible in this area, as it is marshy land. As for the installation of traffic lights and the underpass, on arrival to Bishkek, I address this question for discussion. There are certain regulations on the number of pedestrians passing through the traffic light. Also it is very important the future maintenance of traffic lights and the underpass.

Alaybek Karbozov: we are ready to maintain them.

Adilet Niayzbek uulu (Head of Epkin Village): on an average, 1,000 people cross the road daily and it is a concern among the local population. Therefore the construction of the underpass is very important for us. We ask you to include this item in the project.

Almaz Nurdinov: we conducted a preliminary survey of the area, and found that the area is marshy.

Adilet Niayzbek uulu: around the corner at the beginning of the village ground level a little higher, and in this area, I think it would be possible to build an underpass. In addition, people going to Kochkor and Bishkek will have to cross the road and risking their lives. We do not need a traffic light, we need the underpass. We are ready to take the responsibility for the maintenance of the underpass.

Mirbek Busurmankulov (Epkin village resident): installed speed bumps will come into disrepair, as this is the area where heavy trucks are passing.

Almaz Nurdinov: we will take all your official request into consideration.

Ulan Ozubekov (Epkin school director): we previously addressed to the regional and district state administrations, because our village is located on one side of the road, and the school is on the other side of the road. Besides all the livestock graze out on the other side of the road. We need speed bumps and the underpass. Now we have prepared a request from the local residents about how to install the underpass near the school and at the end of a public consultation, we intend to pass it on to you. On the one hand the construction of the underpass - the request, and on the other - the requirement.

Baktybek Satygulov (Epkin village resident): on the stretch of road between Cholpon and Ak-Uchuk villages there is a place where part of the road is constantly flooded with water. Have you provided installation of special structures at the site?

Almaz Nurdinov: the district department of architecture provided the data, where it will be necessary to provide for the construction or installation of special structures: bridges and pipes. If the plan consists, then provided.

Duyshonkan Osmonova (Cholpon village resident): near to my shop at the turn to the village of Cholpon there are constant water and mudflows. We dug ditches ourselves. Whether it is envisaged in the project?

Almaz Nurdinov: let's visit this site together after the end of the public consultation.

Akjol Baltabaev (Epkin village resident): we have prepared and sent an appeal to the MOTR concerning the 4 trailers on the Kyzart pass. What decision was taken on this issue?

Almaz Nurdinov: together with the Commission, we conducted a field visit, and as a result, it was decided to return the trailers after the road construction to the same location.

Zamir Usenov (Epkin village resident): along the road there are ditches, which we use for water our land and orchards. What will happen to the ditches during construction of the road?

Almaz Nurdinov: all ditches, which are destroyed during construction will necessarily be restored to its former state. Irrigation ditches, which were dug by hand, will be cleared by excavator and the old concrete chutes would be replaced with new concrete chutes.

Baktybek Satygulov (Epkin village resident): my agricultural land is located along the road and is very close to the road. whether it falls under the impact of the project?

Almaz Nurdinov: currently Gosregister is carrying out detailed measurement survey at sites to define the properties falling under the impact of the project. If your site falls under the impact, then it will be added to the list.

Azamat Omorbekov (Resettlement Specialist, JOC): now your land is not included in the list of objects falling under the impact of the project.

Zamir Usonov (Epkin village resident) can we use old asphalt and pipe to improve the roads inside the village?

Almaz Nurdinov: all of the old concrete products and asphalt during the construction will be handed over to the RMD, and the issue could be resolved with contractors and representatives of the RMD during construction works. Prior to the start of construction, you can prepare a list of streets on which you plan to unload the old asphalt and formally submit on behalf of the Village authority.

Adilet Niyazbek uulu (Head of Epkin village): do you plan to repair roads and bridges in the village adjacent to the main road?

Almaz Nurdinov: large adjoining roads will be asphalted in length of 20 meters in those areas where they are adjacent to the main road.

Baktybek Satygulov (Epkin village resident): when contractors come and start construction works, could we use our trucks and provide them services?

Almaz Nurdinov: the Contractor determines who and how to employ. We have nothing to address these issues.

Mirbek Busurmankulov (Epkin village resident): whether it will be possible, during the construction of the road, to provide some means to cross the water line to the other side of the road?

Almaz Nurdinov: district department of architecture included in the plan three special covers (0.5 m x 0.5 m). During the construction covers can be slightly moved as agreed with village authority.

Baktybek Satygulov (Epkin village resident): would during construction contractors hire local people to work?

Aliev Mirmukanbek (Specialist of Land Management and architectural solutions, IPIG MOTR): the contract of the contractor will include the details of the employment, who and how many to hire. At the moment it is not clear who will build the road.

Kanat Joldoshev (Epkin village resident): will barriers be installed on the road like in the Boom valley?

Almaz Nurdinov: no, no barriers would be installed at this road section.

3.4 Closure of the Consultation Meeting

Azamat Omorbekov (Resettlement Specialist, JOC) thanked the participants of the public consultation on behalf of representatives of local authorities and affected parties for their interest. He noted that within the framework of the requirements of the Regulations of ADB policy on safeguard measures, 2009, the Ministry of Transport and Roads is developing a resettlement plan. The plan will include detailed rights for compensation, the principles and mechanisms for obtaining compensation. For information purposes, brochures have been prepared in Kyrgyz and Russian languages, which have been deliberately distributed three days prior to the start of the public consultation, and invitations were issued to participants.

In addition to public consultation, the participants were provided with detailed information about the process of conducting a detailed measurement survey (DMS), a mechanism to deal with complaints and group complaints.

Azamat Omorbekov also addressed the audience if it was clear whether the process of preparing the resettlement plan, the principles and mechanisms of compensation payments, and if they have any additional questions about the information provided.

Mirlan Kadyraliev (Epkin village resident: are there any compensations for trees and plants?

Azamat Omorbekov: if trees and plants are in your land plot, and were planted by yourself, then the compensation shall be considered.

Adilet Niyazbek uulu (Head of Epkin village) we have been given a preliminary list of APs and will there be extra people?

Azamat Omorbekov: this preliminary list was done by Gosregister along with JOC and DD engineers.

Almaz Nurdinov: all the villages would be provided by street lightings.

Alaybek Karbozov (Head of Cholpon village) asked if there were any other questions? The participants noted that there are no more questions. Then the head of Cholpon village thanked everyone for attending and closed the public consultation.

4. Attachments

Kochkor



Kochkor



Kochkor



Epkin



Epkin



Epkin



Appendix 4: Resettlement Information Brochure

ESETTLEMENT INFORMATION BROCHURE

CAREC Corridors 1 and 3 Connector Road (Sections 2A)

Prepared by MOTR

June 2018

A. The Project

The CAREC Corridors 1 and 3 Connector Road Project (the project) will improve national and regional connectivity by rehabilitating an estimated 253 kilometers (km) of road sections connecting the CAREC Corridors 1 (Bishkek–Naryn–Torugart) and 3 (Bishkek–Osh–Batken). The project is consistent with the government's priority of providing alternate access in national and regional connectivity. The project will help link the southern regions of Osh, Batken and Jalal-Abad with the northern regions of Naryn, Issyk-Kul, Chui and Talas. The rehabilitated road will: (i) reduce the cost of passenger and cargo transportation between southern and northern regions, (ii) provide a more direct transit route between Kazakhstan and Tajikistan, and (iii) help stimulate trade.

The Ministry of Transport and Roads (MOTR) is the “Executing Agency” while the daily administration of the project will fall to the Investment Project Implementation Group (IPIG).

To facilitate preparation, feasibility study, design and financing, the project road is divided into 5 sections:

- (i) Section 1: Balykchy to post km43 (km0 - km43), approximately 43km;
- (ii) Section 2A: Kochkor to Epkin (km62 - km89.2), approximately 27km;
- (iii) Section 2B: Epkin to Bashkuugandy (km89.5 - km159.2) approximately 70km;
- (iv) Section 2C: Bashkuugandy to Kyzyl-Zhyldyz (km159.2-km183) approximately 24km; and
- (v) Section 3: Aral to Too Ashuu (km195 - km286) approximately 70km.

Specifically, the first three sections are prioritized for implementation with ADB financing. The ADB sections are scheduled to start construction in 2017 and to complete by the end of 2019.

B. Resettlement Planning and Documentation

MOTR has prepared a land acquisition and resettlement plan (LARP) for Sections 2A and 1 based on: (i) detailed measurement survey (DMS) and collection of relevant documents regarding affected households title status; (ii) valuation based on DMS results, and (iii) public consultations.

This LARP of Kyrgyz and Russian languages is available at www.motr.kg. Hard copies of the LARP are also available at Kok-Jar, Chekildek and Epkin villages, as well at the government offices of Naryn Oblast and Kochkor Rayon.

C. Legal Framework

The legal framework for LAR of the Project is based on ADB Safeguard Policy Statement (2009) and the legislation of the Kyrgyz Republic. In case there are any differences between requirements set by the legislation of the Kyrgyz Republic and ADB Policy, the latter should take precedence.²⁵

The relevant laws and government decrees of the country legislation that regulate LAR related to the project include:

- (i) Constitution of the Kyrgyz Republic (28 December 2016)
- (ii) Civil Code (08 May 1996, No. 16; last amended on 01 June 2017)
- (iii) Land Code (02 June 1999, No. 45; last amended on 28 July 2015, No. 198)
- (iv) Law on Automobile Roads (No. 72 dated 02 June 1998, as amended on 03 August 2015, No. 211)
- (v) Law on State Registration of Rights and Associated Transactions (22 December 1988, No. 153, last amended on 10 February 2017)
- (vi) Law on Grievances (dated 04 May 2007, last amended on 27 July 2016)
- (vii) Property Valuation Standards, compulsory for all parties carrying out appraisal activity in the Kyrgyz Republic, ratified by the Kyrgyz Republic Government Decree No. 217 dated 03 April 2006, and last amended on 15 November 2016).

²⁵ If an international agreement ratified by the Jogorku Kenesh (National Parliament) of the Kyrgyz Republic establishes rules other than those envisaged by civil legislation, the rules of the international agreement shall be applied (Article 6, Civil Code 2015).

- (viii) Decree No. 62-b, on Formation of LARC for Section 2A,²⁶ issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 March 2016.
- (ix) Decree No. 183-p of the Government of the Kyrgyz Republic on Suspension of Land Acquisition Related Activities in the Project Road Corridor (32m from either side), (26 May 2014).

Key provisions of the above laws and decrees are cited in the LARP which is available at affected villages, rayons and oblasts.

D. Compensation Eligibility and Entitlements

APs eligible LAR compensations and assistances under Section 2A are those identified during DMS, including:

- (i) APs losing both titled residential and agricultural land, together with attached non-land assets, if any. Non-land assets include buildings, structures, trees, and etc.
- (ii) APs losing non-land assets on current right of way (ROW) of the project road and/or on illegally used municipal land.

APs not identified during DMS but recognized by the LARC in the process of implementing LAR and/or during project construction are also eligible for LAR compensations and assistances.

All compensations will be based on valuation results, detailed and officially endorsed valuation report is available (Russian and Kyrgyz versions) at MOTR (IPIG on behalf MOTR) and the Ministry of Finance. Entitlement provisions for APs losing land, non-land assets and associated business interruptions are presented in the entitlement matrix below.

Entitlement Matrix

| Type of Loss | Application | Affected Households | Compensation Entitlements (Note: all compensations are based on independent valuations) |
|--|--|---------------------------------------|--|
| 1. Agricultural Land Loss | Titled agricultural land | Owner HHs | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| 2. Non-agricultural Land Loss | Titled residential land | Owner HHs | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| | Illegally used municipal land | User HHs | Compensation will be paid only for the loss of attached non-land assets, without compensation for land. |
| 3. Buildings/Assets | Residential and non-residential buildings | Owner HHs | Compensation in the amount of the full replacement cost without accruing depreciation, transaction costs and the cost of salvaged materials. |
| | Various types of fences | Owner HHs | Compensation in the amount of the full replacement cost without accruing depreciation and the cost of salvaged materials. |
| 4. Public Assets Loss | Canals, water pipeline, bus stops, power lines, etc | Villages, and public sectors | Restoration of affected fences and various facilities by contractor with budget covered in civil works (Budget Item: Dayworks) |
| 5. Loss of Green Plantations and Crops | Non-productive trees | Owner HHs | Compensation loss of unproductive trees based on value of the wood volume |
| | Annual and perennial crops | user HHs | Compensation based on the harvest value for one year. |
| 6. Allowances for Severe Impacts | Loss of more than 10% of agricultural land | Owner HHs | One additional crop compensation covering 1 year's yield |
| | Loss of more than 10% of residential land | Owner HHs | A rehabilitation allowance of 6 months at minimum national salary |
| 7. Vulnerable People Allowances | AHs below poverty line/headed by women/elderly people or receiving the government social benefits. | AHs identified by village authorities | An allowance equivalent to 6 months of a minimum salary |
| 8. Unforeseen LAR Impacts, if any | LARC makes decisions on an individual basis | All AHs | Rehabilitation will be based on the above provisions and in compliance with ADB SPS (2009) and applicable laws of the Kyrgyz Republic |

E. Grievance Redress Mechanism

A grievance redress mechanism (GRM) was established for the project so as to enable APs to voice and resolve their concerns in a trusted and effective way. The complaints and grievances will be addressed by grievance redress groups

²⁶ It is an annex or amendment to Decree No. 361-b, on Formation of LARC for the Project (as a whole), issued by the Plenipotentiary of the Government of Kyrgyz Republic in Naryn Oblast on 15 December 2015.

at local and central levels through the procedure described below.

Grievance Redress Procedure

| Steps | Action Level | Process | Timeline |
|--------|-----------------------------|--|----------|
| Step 1 | Resolution by LFP | At initial stage, the Local Focal Point (LFP) will give hearing to the aggrieved person and try to give acceptable solutions. If an aggrieved person is not satisfied with the solutions, he/she will lodge grievances in written to the local GRG within 3 days. | 3 days |
| Step 2 | Resolution at local level | After receiving written complaint of a AP, the LFP will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held with the GRG on a date fixed by the LFP in consultation with the aggrieved person. On the date of hearing, the aggrieved person will appear before the GRG and produce proof in support of his/her claim. The LFP will note down the statements of the complainant and document all proof. The decision from majority of the members will be considered final from the GRG and will be issued by the LFP and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the complainant person by the LFP within 10 days of submission. If aggrieved person is still not satisfied with the solution, then the LFP will lodge grievance in written to the central GRG at MOTR with conclusion and supporting documents prepared at local level. | 10 days |
| Step 3 | Resolution at central level | After receiving written complaint, the central GRG Chairperson will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held on a date fixed by the GRG Chairperson and the aggrieved person. GRG members will contact the complainant and visit his or her village. The IPIG Project Coordinator will note down the statements of the complainant and document all proof. The decision from majority of the members will be considered final from the central GRG and will be issued by the Chairperson and signed by other members. The case record will be updated and the decision will be communicated to the complainant person by the IPIG Project Coordinator within 7 days of submission. | 7 days |

The composition of local and central GRGs are as follows.

GRG Composition

| | Member | Position held |
|-------------|--|-------------------------------------|
| Local GRG | Head of Ayil-Okmotu | Chairman |
| | Representative of RMD | Member |
| | Female and Male AHs | Members (2) |
| | Local Focal Point | Member |
| | Ombudsman of the Oblast | Observer |
| | Consultant | Invited Expert |
| Central GRG | Head of IPIG of MOTR | Chairman |
| | Project Coordinator at IPIG | Member |
| | IPIG safeguards unit representative | Member |
| | Representative of the RMD | Member |
| | Local Focal Point | Liaison between Local & Central GRG |
| | Ombudsman of the Oblast | Observer |
| | Representatives of AHs (Male & Female) | Additional Observers |

Affected person can appeal to the local court at any stage of grievance redress for a final resolution. Aggrieved APs, if not satisfied with the GRG's decision or even the court's decision, can appeal to the Office of the Special Office Facilitator²⁷ of ADB in accordance with its Accountability Mechanism (2012).

F. Contact Information

For additional information on the project and its LARP and EMP²⁸ implementations, please contact:

| | |
|---|--|
| (i) Mr. Ruslan Satybaldiev IPIG Regional Coordinator, MOTR 42, Isanova St., Bishkek 720017 Tel: (0553) 50-40-41 E-mail: rsatybaldiev@piumotc.kg | (ii) Ms. Nurzada Kartanbaeva IPIG Safeguard Specialist MOTR 42, Isanova St., Bishkek 720017 Tel: (312) 31-43-56 E-mail: nurzada@gmail.com |
| (iii) Mr. Aliev Mirmukanbek IPIG Land specialist, MOTR 42, Isanova St., Bishkek 720017 | (iv) Mr. Abdygulov Asylbek IPIG Environmental Specialist 42, Isanova St., Bishkek 720017 Tel: (312) 31-43-56 |

²⁷ www.adb.org/site/accountability-mechanism/contacts

²⁸ Environment Management Plan.

Appendix 5: Approved Generic Entitlement Matrix

Generic Entitlement Matrix

| Type of Loss | Application | AHs &/or APs (Affected Households & Affected Persons) | Compensation Entitlements |
|--|---|--|--|
| 1. Agricultural Land Loss | HHs that loss agricultural land not withstanding to the severity of impact | Owner | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| | | Owners, the rights of which can be legalized (some supporting documents are missing, but can be restored / gained) | Compensation at local market value, including the cost for re-registration or registration of the remaining land plots after the Executing Agencies help legalize their assets. |
| | | Land leaseholders (municipal / state) | Legitimate leaseholders - compensation for the loss of the right to use the land at market value or granting the right to lease an equivalent land plot. Leaseholders, whose rights can be legalized, will have to legalize their rights and receive compensation as Legitimate leaseholders. |
| | | Illegal users | Compensation will be paid only for the loss of structures, improvement of land, agricultural products, without compensation for land. |
| 2. Non-agricultural Land Loss | All AHs (Owners/leaseholders/users), that lose their land plots of commercial / residential purpose | Owner | Compensation at market value including cost for re-registration of the remaining land plot (where applicable). |
| | | Owners, the rights of which can be legalized (some supporting documents are missing, but can be restored / gained) | Compensation at local market value, including the cost for re-registration or registration of the remaining land plots after the Executing Agencies help legalize their assets. |
| | Public Land Plots (state/municipal) | Leaseholder (municipal/state) | Compensation for the loss of the right to use the land plot at market value or granting the right to lease an equivalent land plot. |
| | | Illegal users | Compensation will be paid only for the loss of structures, improvement of land, agricultural products, without compensation for land. |
| 3. Residential Buildings | All AHs regardless of their legal status | Owner | Compensation at full replacement cost free of depreciation and salvaged materials + transaction costs, including expenses for re-registration of the remaining land and buildings. |
| | | Relocated leaseholders | Relocation costs and for severe impact, as stated in items 9 and 10, below. |
| | | Non-legalizable AHs | Compensation will be paid for the loss of structures full replacement cost free of depreciation and salvaged materials + transaction costs. |
| 4. Non-Residential Buildings/ Assets | All AHs regardless of their legal status | AHs with valid registration | Compensation in the amount of the full replacement cost without accruing depreciation, transaction costs and the cost of salvaged materials. |
| | | AHs, the rights of which can be legalized for buildings and structures, built on legal land | |
| | | AHs of illegal buildings/structures, built on illegal land | Rehabilitation allowance in the amount of replacement cost without depreciation, transaction costs (transaction costs) and the cost of residual materials. |
| | | Relocated leaseholders | Relocation costs and for severe impact, as stated in items 9 and 10, below. |
| 5. Municipal/ State Assets Loss | Municipal/state assets | Municipal/State | Restoration / rehabilitation of lost structures / assets in coordination with the municipality / authorized state agency. |
| 6. Loss of Green Plantations and Crops (trees and crops) | Productive trees loss | All AHs irrespective of legal status of land use. | Compensation for the loss of productive trees on the basis of the value of the annual harvest from the tree (s) over a number of years necessary to replace the tree (s) to achieve an equivalent productivity + cost of the seedling. |
| | Unproductive trees loss | | Compensation loss of unproductive trees based on value of the wood volume. |
| | Decorative tree/bushes losses | | Compensation based on market value. |
| | Agricultural crops | | Compensation based on the harvest value for one year. |
| 7. Impacts to the Business | Business loss | All affected owners / business leaseholders / contracted workers and unofficial employees | (i) Legal entity (registered businesses) – for application based on tax declared income, 1 year of tax declared net income. (ii) Patent holders – Up to 1 year of verified/assessed net income. For the owner of illegal business - rehabilitation allowance based on the size of the subsistence minimum for the relevant region (district) for a period of not more than 3 months. |
| | Permanent loss of employment | | Indemnity for lost wages for 4 months of verified salary (formal employees) or 3 months of minimum national salary (informal employees.) Compensation directly disbursed to APs. |
| | Temporary affected | | Compensation of profits from legitimate business to 3 months on |
| | | | |

| Type of Loss | Application | AHs &/or APs (Affected Households & Affected Persons) | Compensation Entitlements |
|--|--|--|---|
| | business | | the basis of declared income / income estimates. |
| | Temporary loss of employment | | For officially registered employees - compensation for loss of employment (employment) in the amount of wages for 4 months, For unemployed employees - compensation for loss of employment (employment) in the amount of the minimum national salary for 3 months. Compensation is paid directly to persons who lost their jobs. |
| 8. Allowances for Severe Impacts | All severely affected HHs | All AHs including informal settlers and relocated renters. | (i) 1 additional crop compensation covering 1 year yield for AHs affected by severe agricultural income losses. (ii) A rehabilitation allowance of 6 months at minimum national salary for relocated AHs. |
| 9. Relocation Allowances | Transport costs for relocation | All relocated AHs including relocated renters and movable businesses. | Relocation under the Project arrangement or market-based cost of transport for self-relocation within the village/settlement. |
| 10. Vulnerable People Allowances | | AHs below poverty line/headed by women/elderly people or receiving the government social benefits. | In addition to any other entitlement, a cash allowance equivalent to 6 months of a minimum salary and employment priority in Project- related jobs. |
| 11. Unforeseen LAR Impacts, if any | GRM Committee makes decisions on an individual basis | All AHs | Rehabilitation will be based on the above provisions and in compliance with ADB SPS (2009) and applicable laws of the Republic of Kyrgyzstan. |

Appendix 6: MOTR's Order on GRM

КЫРГЫЗ РЕСПУБЛИКАСЫНЫН
ТРАНСПОРТ ЖАНА ЖОЛДОР
МИНИСТРЛИГИ



МИНИСТЕРСТВО
ТРАНСПОРТА И ДОРОГ
КЫРГЫЗСКОЙ РЕСПУБЛИКИ

Б У Й Р У К
№ 234

П Р И К А З
12/ 07/2017 г.

Order on GRM for CAREC 1 and 3 Connector Road Project

In accordance with the requirements Items 7 and 8 of the Appendix to the Financial Agreement (Special Operations) for CAREC 1 and 3 Connector Road Project between the Kyrgyz Republic and Asian Development Bank, signed on December 2, 2016 in Bishkek, I therefore:

1. Approve the attached GRM Manual on Environmental and Social Safeguards for the CAREC 1 and 3 Connector Road Project.
2. Order the Director of IPIG (ADB) to take actions on timely resolution of the appeals, claims and issues from the local people whose properties are affected by the CAREC 1 and 3 Connector Road Project.
3. Entrust the Deputy Minister of MOTR, Jusubaliev A.I., to control over the execution of this order.

Minister:

Kalilov J.K.

Appendix 7: MOTR's Order on GRGs

КЫРГЫЗ РЕСПУБЛИКАСЫНЫН
ТРАНСПОРТ ЖАНА ЖОЛДОР
МИНИСТРЛИГИ



МИНИСТЕРСТВО
ТРАНСПОРТА И ДОРОГ
КЫРГЫЗСКОЙ РЕСПУБЛИКИ

Б У Й Р У К
№ 235

П Р И К А З
12/ 07/2017 г.

Order on Establishment of GRGs

In order to ensure transparency and objectivity of decisions and interaction of MOTR with local authorities and civil society in the process of implementing CAREC 1 and 3 Connector Road Project, I order:

1. Establishment of GRGs:

1.1. Local GRGs for resolution of the claims, appeals and queries from locals, whose property and business directly or indirectly affected by above-mentioned project, consisting of:

- Chairman: assistant to resident engineer of construction consulting company «Japan Overseas Consultants Co.LTD»
- Group members:
 - Head of Ayil Okmotu, as local focal point (by agreement);
 - Head of RMD#24 Regional Department «2 Naryn Oblast, Employers Representative;
 - Resettlement Specialist, «Japan Overseas Consultants Co.LTD»;
 - Environmental Specialist, «Japan Overseas Consultants Co.LTD»;
 - Representative AH, whose property and business directly or indirectly affected by the project (by agreement);
 - Representative AH, whose property and business directly or indirectly affected by the project (by agreement);
 - Representative AH, whose property and business directly or indirectly affected by the project (by agreement);
 - Representative from NGOs (by agreement);
 - Local observers;
 - Representative of Ombudsman of Naryn Oblast (by agreement);
 - Representative from Public Supervision Board for MOTR (by agreement);
 - Safeguard Specialist. IPIG (ADB) of MOTR.

1.2. Central GRG (hereafter Group) for resolution of the claims, appeals and issues from locals, whose property and business directly or indirectly affected by above-mentioned project, consisting of:

- Chairman, Director of IPIG (ADB) of MOTR
- Group members:
 - Environmental Specialist, IPIG (ADB) of MOTR;
 - Head of RMU#9, Bishkek-Osh State Highway Road Department, Employer's representative;
 - Safeguards Specialist/Sociologist, IPIG/ADB of MOTR;
 - Observers
 - Representative of Ombudsman of Naryn Oblast (by agreement);
 - Representative from Public Supervision Board for MOTR (by agreement);
 - Representative from NGOs (by agreement).

1.3. To provide local focal point with the right to participate in the meetings of the central GRG to provide explanations on the issues that are under consideration.

2. All appeals, claims and issues of locals, whose property and business directly or indirectly affected by the project, are considered in the following sequence:

a) Appeals, claims, applications and issues from locals are firstly considered by Local GRG within 10 working days from the date that the claim was received, with the decision.

b) In case local GRG fails to make a decision of its decision being rejected, it will hand over the case to the central GRG;

c) Central GRG will make a decision within 7 working days;

d) In case if the appeals, claims, applications and issues should require the decision by financing donor – Asian Development Bank (hereafter ADB), then the case should be handed over to ADB;

e) Decisions of relevant GRGs should be documented.

3. Chairmen of GRGs should ensure appropriate decision making within the time limits established by this order.

4. Assign to the chairman of local GRG as local focal point, who ensures the interaction and contact between local residents, MOTR, «Japan Overseas Consultants Co.LTD», heads of local authorities and NGOs.

5. Assign the quality control engineer, representative of «Japan Overseas Consultants Co.LTD», as the assistant of local focal point.

6. Assign Alypsatarov M, head of Highway Road Department of MOTR, to control over the execution of this order.

Minister

Kalilov J. K.

Appendix 8: Duties of GRG Members and Grievance Form

A. Duties of GRG Members

Local Focal Point. Once AP files a complaint, the LFP is to undertake and complete the following tasks:

- (i) screen the complaint for eligibility and, if found eligible register it the above Grievance Form;
- (ii) draft a complaint memo to be signed by the complainant, indicating the name of complainant, date and place the case of complaint occurred, apply the date and place of complaint submission, and attach supporting documents, as necessary;
- (iii) send the complaint memo to all members of GRG , agree the date of GRG meeting;
- (iv) request the rural administration authorities to organize the meeting;
- (v) facilitate the GRG meeting by providing a storyline for the complaint and provide factual details and relevant documents obtained;
- (vi) communicate request and queries of the complaints to the members of GRG (on on central level to GRG/IPIG/ADB);
- (vii) maintain the records of the meetings and communications between GRG and complainants
- (viii) ensure administrative and organizational support to GRG members;
- (ix) raise awareness of project stakeholders, including CBOs, NGOs AHs and local authorities on the GRM, it functions and objectives.
- (x) Liaise between local and central GRGs to convey the information of the case of complaint that was not resolved on local level and became the case to be reviewed on a Central Level.

Chairman of local GRG / Head of Ayil-Okmotu. Once the GRG Chairman is informed about the meeting date and schedule he/she is responsible to:

- (i) review the complaint(s) and supporting materials if any ahead of the GRG meeting;
- (ii) manage to obtain any additional information prior to GRG meeting date;
- (iii) involve relevant task expert if such need is obvious after review of the complaint(s);
- (iv) ensure members attendance and chair GRG meeting;
- (v) ensure simple complaints (like notification of when construction starts or a copy of the entitlement brochure etc.) are handled /resolved at the local level during the meeting;
- (vi) ensure that records (of each meeting, communication between GRG and complainant(s)) is accurately recorder by assigned member (Meeting Secretary) and saved in the GRG files;
- (vii) convey requests and enquiries of the complainants to GRG members on Central Level if not resolved on Local Level.

RMD Representative. Once notified of a complaint and summoned by the LFP to a grievance meeting the RMD representative will:

- (i) Review all relevant recording of complaints and submitted documents of proof;
- (ii) participate to all grievance meetings, provide opinions and analysis, take minutes of the discussions (Secretary of the Meeting);
- (iii) accompany eventual assessment/valuation specialists in the field;
- (iv) ensure that claims from damages due to construction works are reviewed by the RMD and technical experts and assess the damages /losses incurred;
- (v) based on the position reports of GRG members and on his/her understanding of the case prepare the final grievance report and recommendations to be sent to complainant, other members of the GRG and if needed to IPIG as well. The summary report should determine, whether the case is:
- (vi) solved without further action; or
- (vii) solvable but requires compensation or other action; or
- (viii) not resolved and requires pending actions, such as forwarding the complaint for review on the higher-Central Level, to the Court, or to investigation to prosecutor's office.
- (ix) if the complaint is considered valid and the needed compensation/action is to be approved by IPIG the case is forwarded to GRG on Central Level with the request to proceed the review and ensure execution of the redress action; and
- (x) when the complaint remains unresolved by Local Level GRG, and a complainant offered to lodge claim on the Central Level agree to act so, RMD representative coordinates with LFP and GRG Chairman to assists the complainant in lodging the complaint at a higher appeal level;
- (xi) in parallel inform IPIG/MOTR and proceed with the organization of the central level appeal meeting.

Representatives of the AHs. Two representatives of the AHs, male and female persons from the affected community will participate in all GRG meetings to:

- (i) act as the full right member of GRG;
- (ii) provide relevant information related to the submitted complaints; and

- (iii) provide other GRG members as relevant with a position note to be reflected in the final meeting report.

Invited Consultant /Field expert. Once notified of Meeting time and location the Consultant will:

- (i) Review all relevant recording of complaints and submitted documents of proof;
- (ii) If feasible visit the place of complaint to visually observe the spot and be fully aware of important details to share with GRG members during the meeting;
- (iii) assist the GRG members to get into the insight of the complaint and assist them in finding feasible, reasonable, mutually agreeable and doable solutions.

IPIG Project Coordinator. Once notified that a complainant has lodged an appeal case at the Central level IPIG project coordinator will:

- (i) contact the complainant(s) and draft a note with his/her understanding of the complaint;
- (ii) participate to the appeal meeting, provide opinions and analysis, take minutes of the discussions;
- (iii) if needed summon again assessment/valuation specialists and accompany them in the field;
- (iv) request the chairperson to organize meetings, as necessary;
- (v) maintain communication between GRG and the complainants; and
- (vi) Complaint Register is kept with IPIG and a copy shared with the Consultant.

Representatives of IPIG Safeguards Unit. Once notified that a complainant has lodged at central:

- (i) participate to all grievance meetings, provide opinions and analysis;
- (ii) accompany eventual assessment/valuation specialists in the field, and
- (iii) provide other GRG members as relevant with a position note to be reflected in the final meeting report.

Ombudsman. Once notified of a complaint and a summoned by the LFP to a grievance meeting is submitted the Ombudsman will:

- (i) monitor complaint handling process and ensure that decisions made by the GRP are equitable and objective;
- (ii) provide independent opinions and recommendations related to the decision made on the case by the GRP team;
- (iii) advise the complainant(s) on their rights and entitlements, as necessary;
- (iv) participate to all GRG meetings and site visits;
- (v) participate in eventual assessment/valuation in the field; and
- (vi) prepare a position memo at the end of the meeting(s) and forward it to LFP/chairperson of the GRG.

Central GRG Chairperson/Head of IPIG of MOTR. Once notified that a complainant has lodged an appeal case at central level, the GRG chairperson will:

- (i) contact the complainant(s) and draft a note with his/her understanding of the complaint;
- (ii) trigger the GRG members through a letter of invitation;
- (iii) chair the GRG meetings and ensure that minutes of the meeting are shared with all relevant parties;
- (iv) review the content of each response prepared after deliberations to ensure accuracy as well as consistency of answers provided to the complainants;
- (v) ensure the administrative and organizational support for GRG members to work; and
- (vi) support the decision made by the GRG and ensure that the follow-up actions are taken.

IPIG Project Coordinator. Once notified that a complainant has lodged an appeal case at central level project coordinator will:

- (i) contact the complainant(s) and draft a note with his/her understanding of the complaint;
- (ii) participate to the appeal meeting, provide opinions and analysis, take minutes of the discussions;
- (iii) if needed summon again assessment/valuation specialists and accompany them in the field;
- (iv) request the chairperson to organize meetings, as necessary;
- (v) maintain communication between GRG and the complainants; and
- (vi) Complaint Register is kept with IPIG and a copy shared with the Consultant.

Representatives of IPIG Safeguards Unit. Once notified that a complainant has lodged at central level, the representatives of IPIG safeguard and technical unit will:

- (i) prepare the chronology of events to understand sequence of developments prompting the complaint;
- (ii) provide environmental and resettlement opinion on impacts claimed by the claimant;
- (iii) examine large claims over USD\$10,000 with financial expert at Ministry and involve a qualified valuator;
- (iv) request the chairperson to organize meetings, as necessary; and
- (v) maintain communication between GRG and the complainants.

Technical Experts. Once summoned to provide expert advice for the assessment or valuation of an impact claimed by a complainant the relevant technical expert will carry out the needed investigations and prepare a report to be handed to the complainant and the other members of the GRG. The tasks will include:

- (i) provision of relevant technical opinion for the case reviewed;
- (ii) carry out the needed investigations relevant to their expertise; and
- (iii) provide recommendation when the legal opinion from the relevant state agencies is necessary.

B. Grievance Form

| | |
|--|---|
| Section of Complainant: | |
| Full Name: | Mailing/Permanent Residence Address: |
| | Village: Rayon: Oblast: |
| Preferred option of communication: Mark with X | Contacts |
| Response mailed to: | Mobile: |
| Face-to-face meeting in GR Focal Point | Landline: |
| | E-mail: |
| Language for Communication (mark with X) | Kyrgyz Russian Other _____ (please specify) |
| Complain submission date: | Date of hearing: |
| Please, describe the reason of your discontent or claim in details. Use extra pages if needed. | |
| Present copies of the relevant documents, if available | |
| Results/decisions of complain after hearing: | |
| If complaints/grievance are not resolved, please write down the reasons: | |
| Signature: _____ | |
| Date: _____ | |