

Social Monitoring Report

LARP Implementation Progress Report
28 January 2015
Loans 2560/2843-GEO

Georgia: Road Corridor Investment Program— Tranches 1 and 3

Prepared by the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia for the Asian Development Bank.

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ზოგადი დეპარტამენტი



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To: Mr. Prianka Nalin Senevirante
Principal Transport Specialist
Transport and Communication Division
Central and West Asia Department

Dear Mr. Prianka

The Roads Department of Georgia provides you LARP III Implementation Progress Report showing current progress of the LARP implementation

Best Regards,

Irakli Litanishvili
Deputy Chairman

A handwritten signature in blue ink, appearing to read 'Irakli Litanishvili'.

LARP Implementation Progress Report

January 28,2015

1. Introduction

The Government of Georgia (GOG) has received a Loan (USD 500 million) from the Asian Development Bank (ADB) through a Multitranches Financing Facility (MFF) for implementing the Road Corridor Investment Program (the Program) to rehabilitate, improve or construct several roads in various regions of Georgia. The program includes construction of 34-km length Kobuleti Bypass road (the Road) which will be financed under tranche 1 and 3 (Additional financing to Tranche 1).

Initial LARP III was prepared by the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMDRI) In accordance with the requirements of ADB's Safeguard Policy Statement (SPS) of 2009. This LARP III covers Land Acquisition and Resettlement (LAR) impacts caused by the Program Road (km 12.4 to km 31.259) in 2012 In 2014 LARP – update become necessary due to redesign of the last 2.5 km road section. Which caused change of the alignment

2. Impact Summary:

Initial LARP - III

Land impacts include: i) the acquisition of 158 private plots measuring **216,336**Sq m (82 plots amounting to **140,224** sq. m are fully legal, while 76 plots amounting to **76,112**are private legalizable) In addition to the private plots also **713** public plots measuring **957,511** sq. m will have to be taken by the project. Of these **182** plots (**367,319** sq. m) are legitimately used by private users and will be compensated. The remaining **531**public plots (**590,192**sq m) are unused and will not require compensation. Out of the **340** plots to be compensated, **313** plots amounting to **558,745** sq. m of land are agricultural land used for cultivation purposes and 27 plots amounting to **24,910** sq. m used for residential purposes. Non-land impacts include 31 buildings (19 residential and 12 non-residential) and several minor structures. The total crops area affected is **266048** sq. m and the number of trees affected is **10,269**. Additionally **37,138** sq. m. tea plant is affected. The project will affect in all **340** HHs with total **1751** people. The resettlement cost estimate under this LARP is **14,377,475 GEL (8,673,146 USD)**

Revised LARP – III

Impacts Summary: Land impacts include: i) the acquisition of 212 private plots measuring 352,503 Sq m (126 plots amounting to 264,438Sq m are fully legal, while 86 plots amounting to 88,065 are private legalizable) In addition to the private plots also 698 public plots measuring 800,812Sq m will have to be taken by the project. Of these 254 plots (493,974sq. m) are legitimately used by private users and will be compensated. The remaining 444 public plots (306,838sq m) are unused and will not require compensation. Out of the 466 plots to be compensated, 408plots amounting to 784,769 Sq m of land are agricultural land used for cultivation purposes and 58 plots amounting to 61,707 Sq m used for residential purposes. Non-land impacts include 49 buildings (35 residential and 14 non-residential) and several minor structures. The total crops area affected is 245,186 Sq m and the number of trees affected are 12,329. Additionally,37,147 Sq m tea plant is affected. The project will affect in all 333HHs with total 1,698people.

The table No 2.1 reflects differences between initial and revised LARP **Table 2.1**

		REVISED LARP	INITIAL LARP	Difference
No.	Item	Cost (GEL)	Cost (GEL)	(revised – initial)
A	Compensation			
1	Compensation for Land	12,917,745	8,559,564	4,358,181
2	Compensation for Structures/Buildings	2,572,601	2,733,268	(160,667)
4	Compensation of crop	32,361	46,942	(14,581)
5	Compensation for trees	1,511,763	1,380,030	131,733
	Sub Total A	17,034,470	12,719,804	4,314,666
B	Allowances			
1	Relocation Allowance	35,123	21,527	13,596
2	Severely Affected Allowance	217,389	266,838	(49,449)
3	Vulnerable Allowance	8,397	10,263	(1,866)
	Sub Total B	260,909	298,628	(37,719)
C	Support Cost for RP Implementation			
1	Cost for EMA	20,000	20,000	0
2	Miscellaneous Administrative Cost	32,000	32,000	0
	Sub Total C	52,000	52,000	0
	Total LAR Cost (A+B+C)	17,347,379	13,070,432	4,276,947
	Contingency @ 10 % of the Total LAR Cost	1,734,738	1,307,043	427,695
	Grand Total	19,082,117	14,377,475	4,704,642

3. Implementation of the LARP

In order to implement LARP successfully Roads Department of Georgia engaged three independent consultants: Resettlement Specialists - Mr. Mamuka Gelekva, Merab Tsivtsivadze and External Monitoring Consultant Ms. Lela Shatirishvili.

The resettlement process has completed for the first two sub sections, with the exception of the temporarily suspended Land Plots, described in Compliance Reports:

(a) Sub Section 1: km 12+400 – km 18+900 and includes the following villages: Gvara, Khutsubani and Kvirike. (Section A)

(b) Sub Section 2: km 18+900 – km 24+900 and includes the following villages: Bobokvati, Tsikhisdziri and Sachino (Section B).

The tables below show comparison of planned and implemented figures for each section

Table 1. Scope of impact Vs Actual Implementation (km 12+400 – Km 18+900)

Item	Planned under LARP-III				Implementation tallies			
	No of plots	No of AHs	Sq.m.	GEL	No of plots	No of AHs	Sq.m.	GEL
Land Sales	31	17 ¹	89 423	906 548	26 ²	15 ³	60 922	621 538
Cash compensation for land without title	30	26 ⁴	78 684	786 124	38 ⁵	33 ⁶	96 223	962 234
Total	61	43	168 107	1 692 672	64	48	157 145	1 583 772

Table 2. Scope of impact Vs Actual Implementation (km 18+900 – Km 24+900)

Item	Planned under LARP-III				Implementation tallies			
	No of plots	No of AHs	Sq.m.	GEL	No of plots	No of AHs	Sq.m.	GEL
Land Sales	25	22	22 105	301 004	19 ⁷	16	19 169	268 145
Cash compensation for land without title	141	106	230 040	3 297 507	141	106	230 040	3 297 507
Total	166	128	252 145	3 598 511	160	122	249 209	3 565 652

Upon approval of LARP in June 2014 by ADB, land acquisition and resettlement procedures have been renewed. Under updated LARP 162 land plots are remaining to be compensated with the total area of 306,246 m² and a total cost of GEL 8,341,298.

(i) From the start of the implementation process till January 23, 2015, 113 Land Acquisition and 381 Compensation Contracts have been signed with the total cost of Gel 13,110,283. (ii) For processing are remaining 37 land plots, among out of which 26 Plots are located in Section C (see Table 3 below).

From Section A:

Plot #144.2 is registered as Adjare AR property (as the former owner Torsan Lorenzo Ltd had tax debt to the Revenue Service) and issue is solved.

¹ Legal Entities owned more than one (1) land parcel: a) Millennium Trans Ltd owned eleven (11) land parcels; b) TORSANLORENZO Georgia Ltd owned four (4) land parcels; and c) V & P Ltd owned one (1) land parcels.

² As a result of specifying the ROW precise boundaries five (5) land parcels registered at the NAPR were released from the project impact. Therefore the initial number of land sales reduced by five (5) sales transactions.

³ The legal entity Millennium Trans Ltd. owned eleven (11) land parcels. Revaz Kaikatsishvili (AP) owned two (2) registered land parcels that similar to the other cases also were acquired through the Sales Agreements.

⁴ Four individuals (AFs) had under possession two land parcels each.

⁵ The initially reported number of project affected land parcels without NARP title registration has also reduced as a result of specifying the project ROW precise boundaries. Initially one (1) land parcel located in village Kvirike (under possession of physical person, Dato Ghaghaisvili was eliminated from the list of project affected land parcels. However, as mentioned above the additional privately owned nine (9) land parcels located in village Khutsubani turned under project impact as result of justifying ROW precise boundaries. Correspondingly, these nine (9) land parcels were added to the list of project affected land parcels whose possessors were eligible to cash compensation without title registration.

⁶ Please see the reference 2.

⁷ six land parcels located along the 500 m road section (km 19+500 – km 20+000) is temporary suspended, the compensation issue is considered under the revised LARP

From Section B:

Owners of 5 Plots (#246 Temur Surmanidze, #246.1 Emine Surmanidze, #253 Lamara Shainidze, #256 Lamara Shainidze, #276 Omar Gorgiladze) refused to sign the proposed contracts and demanded to increase the amount. Negotiations ended unsuccessfully. Considering the possibility of engineering solutions, RD decided to examine possibility of constructing a retaining wall. The contractor prepares Design of the retaining wall, which will reduce the width of the slope of the embankment. In consequence of this, acquisition of 4 plots will be avoided and the affected area of Plot #246 will be significantly reduced. According to preliminary calculations, the construction of the wall would cost about the same as the price of the land acquisition.

From Section C:

Owner of the Plot #482 Shaqro Namervadze is Deceased. To identify the heir, an announcement in the local newspaper is made but heir of the property did not appear. If heir will appear in the future, compensation will be paid from the deposited amount in the State Budget allocated for the Project.

Owner of the Plot #560 Avtandil Chagalidze is Deceased. Heir is Paata Chagalidze. Property is seized at the request of a citizen of Turkey. The trial is ongoing. According the trial decision, compensation will be paid from the deposited amount in the State Budget allocated for the Project.

Owner of the Plot #571 Nina Karpasidi is Deceased. To identify the heir, an announcement in the local newspaper is made, Evgenios Karpasidi had complained to the Commission of Property Recognition with the Claim of plot ownership, but sufficient documents were not been submitted. If heir will appier in the future, compensation will be paid from the deposited amount in the State Budget allocated for the Project.

Table 3. Remaining Land plots – LARP III

#	Segment	Plot #	Status	Cadastral Number	Owner/User	Comments	
Section A							
1		145	R	203904060	Temuri	Qamashidze	Contract rejected. Requires larger amount
2		146	R	203904162	Beglari	Qamashidze	Contract rejected. Requires larger amount
3		146.1	NR		Beglari	Qamashidze	Contract rejected. Requires larger amount
4		146.2	NR		Beglari	Qamashidze	Contract rejected. Requires larger amount
5		146.3	R	203904161	Beglari	Qamashidze	Contract rejected. Requires larger amount
6		160	R	203904168	Iosebi	Qamashidze	Contract rejected. Calls construction of house, equal land and compensation for plants.
7		160.1	R	203904167	Iosebi	Qamashidze	Contract rejected. Requires larger amount.
8		215.1	NR		Indira	Mxsaladze	Dispute over property with neighbors.
9		215.2	NR		Khatuna	Makhadze	Dispute over property with neighbors.
Section B							
10		246	R	204401188	Temur	Surmanidze	Contracts rejected. Require larger amount. Negotiations failed. Construction of wall is decided. Contractor is preparing Retaining Wall Design to change embankment slope shape and the affected area of Plot #246 will be significantly reduced. Based on this final negotiations are ongoing.
11		346a.1	R	204603059	Tamaz	Bolqvadze	Commission of Property Recognition has made the decision and forwarded it to Ministry of Economy of Adjara AR for approval.
Section C							
12	I	461.1	R	204701226	Shota	Kakabadze	Agreement has been reached. The contract will be signed within next 10 days.
13		476	NR		Meri	Turmanidze	Contract rejected. Requires acquisition of near standing house together with the land plot.
14		478	R	204701100	Meri	Turmanidze	
15		491	R	204701095	Fati	Gogitidze	Contract rejected. Requires larger amount (300,000Gel instead of 140,000Gel)
16		492	R	204701078	Vardo	Gogitidze	Deceased. Heir Amiran Gogitidze. The holder of a power of attorney Levan Gogitidze rejects Contract. Hypothec holder Goche Miqeladze could not reach an agreement with heir and will be able to act solely in February 2015. Contract will be signed in near future.
17		513	R	204704084	Meri	Surmanidze	Contract rejected. Requires larger amount
18		510	R	204704086	Eteri	Surmanidze	Contract rejected. Requires acquisition of the entire Plot#510. Submitted written request to RD Commission. RD Commission has rejected the request.
19		516.1	R	204704085	Eteri	Surmanidze	
20		516.2	R	204704089	Eteri	Surmanidze	
21		518	R	204704082	Temur	Kontselidze	Contract rejected. Requires larger amount
22	519	NR		Ismaili	Kontselidze	Contract rejected. Requires larger amount	

23		520.1	R	204704087	Temur	Kontselidze	Contract rejected. Requires larger amount
24		520.2	R	204704083	Temur	Kontselidze	Contract rejected. Requires larger amount
25		521	R	204704015	Bichiko	Kontselidze	Contract rejected. Requires larger amount
26		522	R	204704001	Vaxtangi	Gorgadze	Contract rejected. Requires acquisition of the entire Plots#522 and 522a. Submitted written request to RD Commission. RD Commission has rejected the request.
27		522a	R	204805528	Vaxtangi	Gorgadze	
28		522b	NR		Vaxtangi	Gorgadze	
29		531.2	NR		Suliko	Mzhavanadze	Dispute over property with neighbors.
30		538.1	NR		Natela	Mzhavanadze	Dispute over property with neighbors.
31	III	564	NR		Giorgi	Apkhazava	Initially contract was rejected. Found fathers documents but was not able to legalize additional plot. Claimed that some structures and fence were not registered. At the request of the owner, the working group on the remeasurement and revaluation of the property visited the site. Revised data will be submitted in the near future.
32	V	612	R	204806026	Irakli	Jayelidze	Correction of drawing is needed. Part of house is on public land. Commission of Property Recognition has made the decision and forwarded it to Ministry of Economy of Ajara AR for approval.
33		707	R	204806308	Marine	Qartsivadze	Commission of property recognition is Correcting drawing. Pending in connection with Plot#708 Case. The contract will be signed in the near future in conjunction with Plot#708
34	VII	708	R	204806087	Amirani	Darchidze	Commission of property recognition is Correcting drawing. In addition it turned out that the Plot owner has an outstanding loan of the Bank of Georgia(Gel82000) and property is seized. Bank of Georgia sells Plot by auction. The contract will be signed in the near future either with new owner or with the Bank of Georgia.
35		716	R	204806002		Ltd. „Agrometi"	trial with the locals
36	VIII	724	R	204806363		Ltd. „Agrometi"	trial with the locals
37		725	R	204806363		Ltd. „Agrometi"	trial with the locals



For Plots marked in RED: the expropriation procedures are started.



For Plots marked in GREEN: acquisition process is ongoing.



For Plots marked in BROWN: correction of Drawings are ongoing. Shall be approved by Municipality Commission of Property Recognition and RD Commission.



For Plots marked in BLUE: disputes/trials are ongoing.

The most critical and important issue at this stage is the acquisition of Plots on the Segment I of Section C, which opens the access road to the Bridge #9. This will allow, immediately after the approval of the Compliance Report, start Construction Works.