

Social Monitoring Report

Final Compliance Report
Land Acquisition and Resettlement Plan for the
Segment B (from km 18+900 to –km 24+900) of the
Section 2: Kobuleti Bypass Road (km 12+400 ~ km 31+259)
September 2013

Georgia: Road Corridor Investment Program– Tranche 1 and Tranche 3 (Additional Financing)

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

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Final Compliance Report

On
Land Acquisition and Resettlement Plan
for the Segment B (from km 18+900 to km 24+900) of the
Section 2: Kobuleti Bypass Road (km 12+400 ~ km 31+259)

LARP-III

Prepared for
Road Department of the Ministry of the Regional Development and
Infrastructure of Georgia

on the
Road Corridor Investment Program
Kobuleti Bypass, Kobuleti-Batumi Section and Batumi Bypass Design Project

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ABBREVIATIONS

ADB	Asian Development Bank
AH	Project Affected Household
AP	Project Affected Person
CSC	Construction Supervision Consultant
DMS	Detailed measurement survey
EMC	External Monitoring Consultant
GEL	Georgian Lari
GOG	Government of Georgia
GRC	Grievance Redress Committee
IA	Implementing Agency
EMA	External Monitoring Agency
Km	Kilometer
LAR	Land acquisition and resettlement
LARC	Land acquisition and resettlement commission
LARF	Land acquisition and resettlement framework
LARP	Land acquisition and resettlement plan
LARP-III	Land Acquisition and Resettlement Plan – III
LFCR	LARP Final Compliance Report
M&E	Monitoring and Evaluation
MFF	Multitranches Financing Facility
MOF	Ministry of Finance of Georgia
MRDI	Ministry of Regional Development and Infrastructure
NAPR	National Agency of Public Registry
PPTA	Project Preparation Technical Assistance
RD	Roads Department of Georgia
RDMRDI	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
R&R	Resettlement and Rehabilitation
RD	Roads Department
RDRD	Road Development and Resettlement Division
ROW	Right of Way
RU	Resettlement Unit
SES	Socio-economic survey
SPS	Safeguard policy statement

EXECUTIVE SUMMARY

1. This Final Compliance Report (LFRC) is prepared by Lela Shatirishvili, External Monitoring Consultant (EMC) hired by the Road Department of Georgia to conduct monitoring and evaluation of the results of LARP III implementation impact. The consultant was requested to prepare a Final Compliance Report to be presented to the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia and submitted to ADB for consideration and review.
2. Approval of the final LARP-III by ADB is a condition for the award of relevant civil works contracts. Likewise, implementation of the LARP-III is a condition for the commencement of civil works with respect to the given road Segment. The completion of LARP-III implementation in accordance with the stipulations of LARF and LARP, is verified and confirmed in a LARP Final Compliance Report (LFRC) prepared by the External Monitoring Consultant (EMC).
3. The Final LARP III was prepared by the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMRDI) and the Program Implementing Agency (IA) to satisfy the requirements of ADB's Safeguard Policy Statement (SPS) of 2009. This LARP III covers Land Acquisition and Resettlement (LAR) impacts caused by Contract-2 of the Program Road (km 12+400 to km 31+259) which was previously to be financed under Tranche 1 of the Program but is now financed through a supplementary loan under a new Tranche 3.
4. During preparing of LARP-III, the RDMRDI in agreement with the ADB, decided to implement a phased-approach in undertaking land acquisition and resettlement to minimize delays in commencement of construction activities. The road corridor was split into two project segments: Segment A – road section of 6 km length comprising from km 12+400 to km 18+900; and Segment B – road section comprising from km 18+900 to km 31+259. At a later stage Segment B was divided into two portions and Segment B was identified from km 18+900 to 24+900 and the rest of the road chainage was identified as Segment C comprising Km 24+900 to Km 31+259.
5. The LARP III implementation was accomplished and relevant Compliance Report was prepared by the EMC in May 2013. ADB accepted the report and awarded permit for the commencement of civil works along Segment A.¹ The EMC's current assignment was focused solely on Segment B, to assess and prepare relevant Compliance Report.
6. The scope of the project impact along Segment B (km 18+900 to km 24+900) extended over 166 project affected land parcels under possession/ownership of 128 AHs. The size of land take made up 252,145 m². These 166 land parcels are located within the territories of the following villages: 1) Bobokvati, 2) Tsikisdziri, 3) Sachino, 4) Qveda Achkva, 5) Chakvi, 6) Khutsubani and 6) Kvirike.
7. During the LARP implementation along Segment B, the owners of six (6) project affected land parcels lodged claims with requests to re-examine the project impact and the amount of offered compensation. RDMRDI made a decision to temporarily suspend land acquisition of these land parcels and to first conduct additional onsite visit to re-survey the project impact and to re-consider any required upgrade or changes to the compensation package.

¹ There were four (4) project affected land parcels temporarily suspended along the Segment A as well.

8. Therefore, the RDMRDI exercised the proven phased approach and sub-divided Segment B into two sub-segment B1 (km 18+900 to km 19+500) and B2 (km 20+000 to km 24+900) and separated these six (6) land parcels located along the 500 meter long road section (km 19+500 to km 20+000) under a temporarily suspended sub-section. Along the full Segment B, the process of land acquisition and resettlement was undertaken in a phased approach and covered 160 project affected land parcels under private possession of 123 AHs with the total area of land take comprising 249,209 m².

9. The EMC was involved in conducting monitoring and assessment of LAR implementation status and issuance of the Final Compliance Report (LFCR) for Segment B of LARP-III. The document shares the methodology and actions the EMC conducted during the assignment to assess LARP implementation results, the level of affected persons' satisfaction, and the quality of compensation delivery. The LFCR provides detailed description of the monitoring process and comparison analyses of the actual results of LARP implementation versus the entitlements stipulated under the LARP-III and LARF as prepared by the RDMRDI and approved by the GOG and ADB.

10. The approved LARP-III project impact extended over 166 land parcels located on this road section. The land acquisition and resettlement has been successfully implemented with respect to one hundred and sixty² (160) land parcels located along this road section. Cash compensation has been fully paid per each type of loss and due rehabilitation measures were fully provided as stipulated under the approved LARP-III.

11. The Land acquisition and resettlement process with regard to the six (6) project affected land parcels located along the sub-segment – Temporarily Suspended still requires additional efforts. Once all required studies, assessments, inventory and cost calculations are done, relevant sales and compensation agreements will be processed. The AHs – owners and possessors of these land parcels are in agreement with this initiative to be undertaken by RDMRDI. Immediately following these activities being fully accomplished, an accordingly updated Final Compliance Report will be issued.

12. To Summarize, the undertaken activities and the results achieved during the land acquisition and resettlement process, which permitted determination of the LARP-III implementation results along Segment B of the Road Section 2 (km 18+900–24+900) with the exception of the temporarily suspended sub-segment, were assessed positively.

² Including the two pending cases to be resolved by the end of month September as a result of additional technical assistance kindly rendered by RDMRDI Implementing Agency.

I. INTRODUCTION

13. According to the final LARP-III, the entire impact along the road sections entails the acquisition of 158 private plots measuring in area 216,336 sq. m, (82 plots measuring 140,224 sq. m are fully legal, while 76 plots measuring 76,112 sq. m are private legalizable). In addition to the private plots, also there are 713 public plots measuring 957,511 sq. m which will need to be acquired 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. Of the 340 plots to be compensated, 313 plots measuring 558,745 sq. m of land are agricultural lands used for cultivation purposes, and 27 plots measuring 24,910 sq. m are used for residential purposes. Thirty-one structured buildings including residential and supplementary structures are subject to project impact. Total crop areas affected is 266,048 sq. m and the number of trees affected is 10,269. Additionally, 37,138 sq. m of tea plantations are affected. In all, the project will affect 340 HHs with a total of 1,751 inhabitants.

14. As the Executive Summary outlines, during the preparing of LARP-III, RDMRDI in agreement with the ADB, decided to implement a phased approach in undertaking land acquisition and resettlement to minimize delays in commencement of construction activities. The road corridor was split into two project segments: Segment A – road section of 6 km length comprising from km 12+400 to km 18+900; and Segment B – road section comprising from km 18+900 to km 31+259. At a later stage Segment B was divided into two further portions and re-assigned with Segment B being identified from km 18+900 to km 24+900, and the balance of the road chainage being identified as Segment C comprising from km 24+900 to km 31+259.

15. Table 1 provides the summary of LARP III figures reflecting project affected land parcels located along Sections A, B and C. These land parcels are under private ownership and/or possession of AHs eligible for cash compensation for the entire road chainage. The table below does not reflect the 531 State owned land parcels (making-up 590,195 sq. m of land acquisition) since these land parcels are not under private ownership, therefore they are not subject to cash compensation.

Table 1: Comparison of the LARP III Project Impact Disaggregated according to Sections A, B, and C

Road Sections	Number of APs		No of AHs		Land acquisition (sq. m)	
	LARP-III	Implementation	LARP-III	Implementation	LARP-III	Implementation
Segment A km 12+400–18+900	61	64	42	48	168,107	157,145
Segment B km 18+900–24+900	166	160 ³	128 ⁴	123 ⁵	252,145	249,209 ⁶
Segment C ⁷ km 24+900–31+250	113	N/A	113	N/A	163,400	N/A
TOTAL	340	N/A	321	N/A	583,652	N/A

³ Except the 500 meters long sub-segment: km 19+500 – km 20+000, where acquisition of six (6) project affected land parcels is temporarily suspended. Details are described below, see Chapter IV. Important Finding and Solution Suggested by RDMRDI.

⁴ The difference between the number of affected land parcels and their owners/possessors is caused due to the fact that several land parcels are owned/used by one affected person/household.

⁵ One of the AHs owns two (2) land parcels under temporary suspension, therefore 128 minus five equals to 123 AHs, suspension.

⁶ This figure does not include six land plots under temporary suspension with total size of land take comprising 2,936 sq. m.

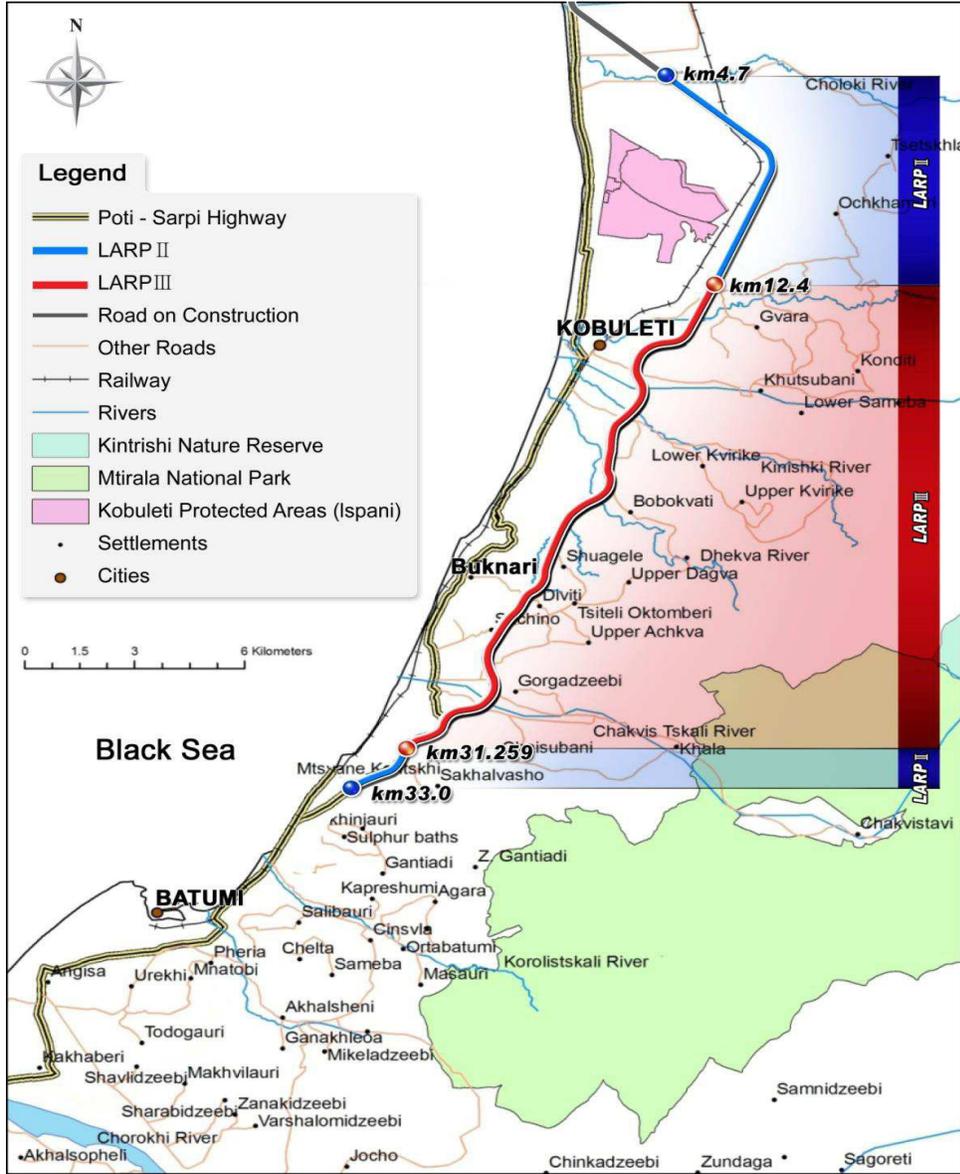
⁷ The definition – Segment C – is used for this report to identify the remaining portion of the Road Section 2.

16. The LARP implementation was accomplished with respect to Segment A⁸ and relevant Compliance Report accepted by ADB. With regard to segment B, the LARP implementation is being accomplished to 160 project affected land parcels with the exception of six (6) land parcels under temporary suspension. These six parcels will be acquired during the upgrade of the village road. However, prior to land acquisition RDMRDI will conduct additional site visit to examine the project impact and re-evaluate the compensation package. In the interim, an amount of cash compensation for the owners of these six land parcels is deposited to the relevant accounts of the State Treasury of Georgia.

17. The LAR Team and IA of the RDMRDI will separately undertake land acquisition and resettlement for Segment C – road section from km 24+900 to km 31+259. In addition, due measures will be taken to accomplish land acquisition and resettlement for those land parcels being under temporary suspension. Immediately following the finalization of land acquisition and resettlement along the remaining segments, accordingly updated Final Compliance Report will be issued to demonstrate the overall results of the LAR activities undertaken along the entire Road Section 2: Kobuleti Bypass Road (km 12+400 to km 31+259).

⁸ Except the 300 meters long sub-segment, where acquisition of four (4) project affected land parcels was temporarily suspended.

II. PROJECT LOCATION



III. ABOUT THE EXTERNAL MONITORING

18. The Road Department of Georgia hired Lela Shatirishvili, independent expert, as the External Monitoring Consultant (EMC) to conduct monitoring and evaluation of the land acquisition, results of the resettlement plan and impacts, and to prepare a Final Compliance Report (LFCR) with respect to the LARP-III.

19. The external monitoring of the given Road Section was based on:

- a. the procedures and guidelines of ADB as set out in the Handbook on Resettlement (Manila, 1998); ADB's Safeguards Policy Statement of 2009 (SPS);
- b. relevant laws, policies, and regulations of Georgia;
- c. LARF and LARP-III of the Project; and
- d. the general principle that AP's livelihood should improve or at least remain at the prevailing level following completion of the Project.

20. The Final Compliance Report on land acquisition and resettlement along Segment B of the entire road chainage (km 18+900 to km 24+900) is presented to the Roads Department of the Ministry of Regional Development and Infrastructure and submitted to ADB for review.

21. Approval of the final LARP-III by ADB is a condition for approval of the award of relevant civil works contracts. Likewise, implementation of the LARP-III is a condition for the commencement of civil works with respect to the given Segment. The completion of LARP-III implementation of the Segment B, in accordance with the stipulations of LARF and LARP, is verified and confirmed in a LARP Final Compliance Report (LFCR) prepared by the External Monitoring Consultant (EMC).

IV. TEMPORARY SUSPENSION AND SOLUTIONS SUGGESTED BY RDMRDI

22. In the process of monitoring and assessment the EMC revealed that LAR activities were accomplished with regard to 160 land parcels out of 166 project affected land parcels located along the Segment B (km 18+900-24+900). The acquisition of the remaining six (6) project affected land parcels has been temporarily suspended. In fact, the owners of these six parcels lodged a claim with request to re-examine the value of affected assets and review the compensation package.

23. The RDMRDI made a decision to conduct additional onsite safeguard study research, including inventory of perennials and affected structure-buildings and to review, then if required, update the compensation package to be re-offered to the AHs.

24. These six land parcels⁹ are located in village Bobokhvati and localized along the 500 meter road section (km 19+500–km 20+000) of the proposed access road and technically allow the planning and commencement of civil works along the rest of the Segment B. Although highway construction activities will not need to use the private land of these six parcels until the upgrade of the village road, the RDMRDI made a decision to temporarily suspend civil works along these plots to avoid any disturbance of private possession prior to additional onsite study to be followed with successful negotiation, processing relevant agreements and issuance of cash compensations.

25. The suggested approach is to determine this 500 meter length road section with special notice boards and "No Trespassing!" signs to prevent entrance incursions during the civil works that can be commenced along the rest of Segment B road section. During construction activities these land parcels will have undisturbed access. No civil works will be undertaken within this suspended area until the RDMRDI has prepared updated inventory data completed with calculated construction cost and assets loss in accordance with the methodology as described in the approved LARP III. The updated compensation packages will be submitted to ABD and RDMRDI for review and approval, to be followed with processing relevant Agreements between the AHs and RDMRDI and issuance of due cash compensation.

26. Following undertaking of all activities, the EMC will conduct an additional survey to assess the status of completion of land acquisition and cash compensation with regard to these six land parcels and prepare a relevant report, to become an addendum to the given Final Compliance Report.

27. Exercising this approach will permit avoidance of delays in commencement of civil works along the rest of Segment B, simultaneously guaranteeing that these six AHs are provided fair treatment as stipulated in the Entitlement Matrix of the approved LARP III.

⁹ The relevant design map showing these land parcels (with corresponding map numbers) located along the road is attached Annex 1 of this report. These six land parcels are given the following map numbers:

- a. land parcel with map number # 239 registered at the NAPR under the ownership of Darejan Mgeladze.
- b. land parcel with map number # 253 and 256, both parcels registered at the NAPR under the ownership of Lamara Shainidze.
- c. land parcel with map number # 243 registered at the NAPR under the ownership of Davit Ananidze.
- d. land parcel with map number # 246 registered at the NAPR under the ownership Temur Surmanidze.
- e. land parcel with map number # 246.1 registered at the NAPR under the ownership Emine Surmanidze.

28. Therefore the total number of land parcels acquired for road project needs totals one hundred and sixty-six (166) minus six (6) land parcels. And, the data and tables reflecting the status of land acquisitions, resettlement and issuance of relevant cash compensation and allowances are provided in this report with relevant references.

29. For more specificity, as stated above in section Introduction, the hereby Final Compliance Report reflects LARP implementation for Segment B (km 18+900 to km 24+900) of Road Section 2 with an exception of a 500 meter length subsection (km 19+500–km 20+000) comprising six (6) project affected land parcels, which require additional survey, inventory and re-evaluation of cash compensation package.

30. To summarize, this Final Compliance Report describes the results of successfully accomplishing land acquisition and resettlement on one hundred and sixty (160) project affected land parcels located along Segment B (km 18+900 to km 24+900) with the exception of the temporarily suspended subsection (km 19+500–km 20+000) where the above mentioned six (6) project affected land parcels are located.

Table 2: Distribution of project affected land parcels along the accomplished and temporarily suspended sub-segments within Segment B (km 18+900–km 24+900) of the Road Section 2

Sub-segments	Start	Finish	Length	Status
	Km	Km	Meters	
Sub-segment B1	18+900	19+500	600	Accomplished
Sub-segment B2	20+000	24+900	4900	Accomplished
Temporarily Suspended	19+500	20+000	500	Accomplishment pending

Finding: The total length of the Segment B makes up 6 km, from which the land acquisition and issuance of cash compensation is successfully undertaken with regard to land parcels located along 5.5 km long road within both sub-segments (B1 and B2) are accomplished. The six land parcels located within the sub-segment ("Temporarily Suspended") occupy 500 meters of road length. RDMRDI believes that land acquisition and issuance of updated cash compensation to the owners of these six (6) land parcels will be accomplished no later than October 31, 2013. Therefore, the Construction Company, if allowed the commencement of civil works, can easily avoid additional time-delays.

V. DESCRIPTION OF THE ENTIRE PROJECT

Scope

31. An advanced draft of this LARP III does not yet reflect a full or final design, although it was prepared in November 2011, and was the basis for the ADB approval of the Program Tranche. Tranche approval was given on the condition that to sign the contract award the LARP had to be fully updated so as to reflect:

- (i) the final design;
- (ii) a full review of all impacts and AP census data;
- (iii) a review (and if needed revision) of the Detailed Measurement Survey (DMS), and
- (iv) an updated valuation of lost assets and costs.

32. The Final LARP III reflects the required updates and fully satisfies the requirements of ADB's Safeguard Policy Statement of 2009 (SPS).

33. Pursuant to the approved LARP III the cash compensation for loss of land, the report was reconsidered and determined the division of privately owned/used project affected land parcels into three types according to the land tenure type and status of ownership registration, including:

Type 1: Private land that is compensable because it is titled or legalizable according to the law. Legalizable land is land occupied by a house or close to a house that is currently untitled but is occupied by users who were legitimate land leasers under the old Soviet land administration system.

Type 2: Public land that is compensable because it was used continuously by users who were legitimate land leasers under the old Soviet land administration system but is not legalizable according to current law because it is not occupied by houses or bordering houses.

Type 3: Land that is not compensable because not being regularly used or used extemporaneously by users who were not legitimate leasers under the old Soviet land administration system. This land is also non-legalizable as it is not occupied by houses or close to houses.

34. All project affected land parcels along the Segment B belong to Type 1 and 2 and were identified as sub-type Agricultural (A1 and A2) and Residential (R1 and R2). There are no affected land parcels categorized as non-agricultural (commercial and /or industrial).

35. The LARP-III across the given Segment B comprises a total of 166 project affected land parcels being owned used by 128 AHs. The total area of land take equaled 252,145 sq. m. These 166 land parcels are located within the territories of the following villages: Bobkvati, Tsikisdziri, Sachino, Qveda Achkva, Chakvi, Khutsubani, and Kvirike.

36. According to the LARP-III from the 166 land parcels: twenty-five (25) project affected land parcels were privately owned and registered at the NAPR under the names of 22¹⁰ AHs. The remaining one hundred and forty-one (141) land parcels not registered at the NAPR were under possession of 106 individual persons. The owners and possessors of all 166 project affected land parcels were eligible for cash compensation in accordance with the LARP-III stipulations.

37. Under the Entitlement Matrix of the approved LARP III all affected individuals without land title registration were identified eligible to cash compensation for land without title registration.

Status of the Project

38. The LARP-III has been fully accomplished with regard to the one hundred and sixty (160) affected land parcels within the sub-segments B1 and B2 of the Segment B (km 18+900–24+900) of the Road Section 2.

39. The LARP-III has been fully accomplished with regard to the one hundred and sixty (160) affected land parcels within the sub-segments B1 and B2 of the Segment B (km 18+900–24+900) of the Road Section 2.

40. The six project affected land parcels located within the sub-segment – Temporarily Suspended, are to undergo the additional inventory and expectantly to be followed by the upgrade of the final cash compensation package. These land parcels are identified on the map¹¹ under map numbers: 239; 253; 256; 243; 246 and 246.1

41. During the site visit, the EMS revealed that IA of the RMDRDI provided with additional technical assistance to the two APs¹² prior to processing land acquisition agreements. These persons are fully informed about the required steps and timing and appreciate the rendered assistance. Both of them have been informed ahead of time regarding the offered compensation package and time required to accomplish actions being underway for accomplishment of valid land acquisition and issuance of cash compensation.

¹⁰ Givi (Lamara) Sainidze, Suleiman Romanadze and Revaz Surmanidze own 2 affected land parcels each.

¹¹ Please see the design map attached in Annex 1.

¹² Gorgiladze Omar, owner of land parcel (map number #276) found out that due to nonpayment of mortgage loan all his property was under the Borrowers Register. Meaning that if cash compensation is paid without releasing the portion of land required for project needs, the AP will have restricted access to the wire transferred cash compensation. Therefore, the LAR Team made ad-hoc decision to hold on with processing the agreement and assist Omar to resolve that issue. The RMDRDI applied to the Ministry of Revenues, explained the given circumstances and requested to release the portion (out of the 2 155 m2 of the total size of land the road project needs to acquire 153 m2) of land parcel required for project purposes. As soon as official decision of the Ministry of Revenues is affective, the acquisition of affected portion of land will be released for acquisition and the AP will be given full access to the wired cash compensation.

Another project affected land parcel being under possession of Nodar Beridze was erroneously recorded on Nodar Jabnidze's name (map number # 314). The LAR Team is processing the correction of the error. The official confirmation on this factual detail is pending from the Commission operating in Kobuleti Municipality. RMDRDI made a decision to process relevant agreement immediately after the commission officially releases the Statement, to ensure that cash compensation is paid straight to the right person and any misunderstanding is prevented.

Compensation amounts allocated for these APs are saved under a separate category at the State Treasury and shall be wire transferred to the personal accounts of the legitimate AP in accordance with the procedures defined pursuant to the Law of Georgia on State Budget financial resources designated for project impact compensation. Thus, allocating assigned amount of cash compensations to the special account of the State Treasury to some extent carry the function similar to escrow accounts, however in these scheme the participation of commercial bank is not necessarily required.

VI. REQUEST FOR COMPLIANCE REPORT

Requester

42. The Project Implementation Unit (PIU) was tasked to engage an independent consultant, acceptable to ADB and the Government of Georgia, to conduct monitoring and evaluation of the resettlement process and impacts.

Request

43. For the LARP-III that involves land acquisition/resettlement, the EMC was requested to closely monitor the implementation of the LARP-III and engage in the following tasks:

- ✓ Review of LARP and Information pamphlet disclosure;
- ✓ Review of action taken by the PIU to compensate the APs with particular attention to the way this action fits the stipulation of the LARP;
- ✓ Review all compensation tallies;
- ✓ Verify whether the compensation is provided thoroughly to all APs and in the amounts defined in the LARP and in the AP contracts;
- ✓ Assess the satisfaction of the APs through an information campaign and with the compensation/rehabilitation package offered to them;
- ✓ Review the legalization process and assess its effectiveness;
- ✓ Review complaints & grievances cases;
- ✓ Carry out an AP satisfaction survey with a 20% sample of the APs, and
- ✓ Submission of the Final Compliance Report.

VII. CONDUCT OF MONITORING AND PREPARATION OF THE COMPLIANCE REPORT

Scope of Assignment

44. The EMC was tasked to undertake monitoring and evaluation of the resettlement process and impacts of the LARP-III and present a Final Compliance Report. During the monitoring process, EMC revealed that the land acquisition and resettlement process was accomplished with respect to the 160¹³ land parcels located along the Segment B (km 18+900 to km 24+900) of Road Section 2. Therefore, the EMC prepared the Final Compliance Report specifically for road Segment B.

Methodology

45. While conducting the assigned task, EMC studied the LARP-III and carefully reviewed the activities undertaken by Implementing Unit during the land acquisition and resettlement process and the level of compliance of the stipulations under the ADB Handbook on Resettlement (Manila 1998) and ADB SPS (2009).

46. EMC reviewed the status of ownership title of privately owned project affected land parcels and the validity of sales transaction registrations at the NAPR. The EMC assessed the institutional arrangements and the level of efforts of local governance to encouraging participatory involvement of APs/AHs in the LARP-III implementation, in particular, participation in orientation meetings with local population, and relevant Public Disclosure.

47. Aiming to determine the satisfaction level of Aps, EMC met with the local population and affected persons and households and interviewed more than 20%¹⁴ of the APs, residents of villages: Bobokvati, Tsikisdziri, and Sachino. The EMC conducted focus group meetings in a dialogue manner and elicited more information about the activities conducted by the resettlement Implementing Unit with reference to adherence to the terms and conditions determined under the LARP-III, and assessed the level of Aps satisfaction¹⁵ with the process.

48. Aiming to determine satisfaction levels of Aps, EMC met with the local population and affected persons and households and interviewed more than 20%¹⁶ of the APs, residing in the villages: Bobokvati, Tsikisdziri and Sachino. The EMC reviewed¹⁷ the activities conducted by the resettlement

¹³ These one hundred and sixty (160) land parcels include the above described two cases where the APs are rendered technical assistance in support of pending smooth land acquisition.

¹⁴ Total number of affected households is one hundred and twenty-eight (128). The EMC personally interviewed the total of fifty-two (52) project affected persons. In particular, twenty-one (21) APs residents of village Tsikisdziri; thirteen (13) residents of village Bobokhvati; and eighteen (18) residents of village Sachino.

¹⁵ The EMC interviewed affected person in regard with the fairness of the amount of cash compensation and received their positive feedback. Although several APs expressed their concerns in regard with varying range of land unit rates, in their understanding quite similar to another land parcels valued a bit higher. Overall, most AHs confirmed that the approach used for valuation of lost assets and the amount of compensation was fair and fully acceptable to them.

¹⁶ Total number of affected households is one hundred and twenty-eight (128). The EMC personally interviewed the total of fifty-two (52) project affected persons. In particular, twenty-one (21) APs residents of village Tsikisdziri; thirteen (13) residents of village Bobokhvati; and eighteen (18) residents of village Sachino.

¹⁷ The EMC interviewed affected person in regard with the fairness of the amount of cash compensation and received their positive feedback. Although several APs expressed their concerns in regard with varying range of land unit rates. All AHs confirmed that the approach used for valuation of lost assets and the amount of compensation was fair and fully acceptable to them.

Implementing Unit in the process of issuance of compensations to the Aps, and with reference to relevant adherence to the terms and conditions determined under the LARP-III.

49. Some written complaints¹⁸ were submitted to the Grievance Redress Commission (GRC). The local population was informed that they were eligible to submit written (or oral) complaint/claims to seek fair resolutions. Notifications advising who to visit and where to apply in case of questions or to lodge a complaint were displayed in the lobbies of the Municipality buildings in each project affected village.

¹⁸ These complaints were lodged by the APs holding the six temporarily suspended land plots located within the above described 500 meter long sub-segment. As stated above these land parcels will be re-examined, inventory records double checked and cash compensation packages upgraded to include affected assets, if revealed any. The AHs are fully informed and in agreement with the planned initiative.

VIII. EMC FINDINGS AND ASSESSMENTS

Assessment of the LARP-III Implementation Modalities

Policy and Operational Procedures

50. Based on the ADB Safeguards Policy Statement (2009), this Project was classified a Category A. As a Category A, the project required development and implementation of the full LARP-III.

Determination of the Actual Scope of Project Impact

51. The project impacts were determined, and identified individual cases of loss of land, structures¹⁹ and other assets (crops, perennials) resulting from construction needs along the road section km 18+900 to km 24+900, i.e. Segment B. Compensation and rehabilitation measures have been reviewed and assessed based on the identified impacts.

52. As per the approved LARP-III the final scope of project impact along Road Section Km 18+900 to Km 24+900 entailed 166 land parcels with a total land size of 720,491 sq. m., from which the size of land take for project needs made up 252,145 sq. m. During the specification of actual boundaries of the project ROW no changes were made to the number of affected land plots. The final data presented in this report is similar to the data identified at the LARP III approval phase. Therefore the summary tables do not reflect the difference between the data of Planned and Implemented LARP III.

53. Table 3 provided below identifies comparison of project impacts as planned under the approved LARP III and the results of the LARP III implementation.

Table 3: The scope of impacts in the LARP III versus final results for the Segment B.

Item	Planned under LARP-III			Implementation tallies		
	No of plots	No of AHs	Sq.m.	No of plots	No of AHs	Sq.m.
Summary Figures	166	128	252,145	160 ²⁰	123 ²¹	249,209

54. The final number of project affected land parcels along the given Segment B totals 128 AHs having under possession/ownership one hundred and sixty-six (166) project affected land parcels; the total size of land take making up 252,145 sq. m.

55. From these 166 land parcels, only twenty-five (25) were subject to land sales as they are privately owned by 22 AHs and their land ownership title was registered at the NAPR.

56. The users of one hundred forty-one (141) land parcels were eligible for cash compensation without registration of ownership title in compliance with the Decree of the GOG (dated March 1, 2011) based on this the LARP-III²² prepared and approved by the GOG and ADB. Under LARP III all AHs are eligible for cash compensation for land as these land parcels were determined Type 1 and 2.

¹⁹ The project impact within the Segment B is extended over eleven (11) land parcels attached with structures; among them there are three (3) residential houses and eight (8) supplementary structures to be demolished.

²⁰ Please see footnote No. 1.

²¹ Please see footnote No.3.

²² Paragraph 4.2.4 Resettlement Policy Commitments for the Project; Land Acquisition and Resettlement Plan for Section 2: Kobuleti Bypass Road (km 12+400–km 31+259) LARP-III (FINAL).

57. All eligible AHs were cash compensated for perennials and annual crops according to the type of crops cultivated. Perennials to be cut down for road project needs were cash compensated according to the type, age and productivity at replacement cost of current market rates.

58. Across the given Segment B of the road section 2 there are three (3) land plots attached with residential houses subject to demolition for the project needs causing the necessity of permanent physical relocation of three²³ (3) AHs. In addition, eight (8) affected land plots attached with supplementary structures and fences are to be demolished for road project needs. It is worth noting that these eleven land plots include the above mentioned six land parcels located within the 500 meters long temporarily suspended sub-segment where RDMRDI will conduct additional studies.

59. All AHs losing more than 10% of their income generating land, were reported eligible for additional cash compensation for mitigation of the project related severe impacts. From the total of 128 AHs the one hundred and six (106) AHs experienced severe impact. Among these 106 AHs three (3) AHs are the owners of temporarily suspended land²⁴ parcels.

60. Along the entire Segment B (km 18+900 to km 24+900) of the Road Section 2, there are only two (2) vulnerable AHs reported in LARP-III. Both AHs receive social subsidy from the State. Both AHs were issued additional cash compensation for vulnerability determined under the LARP-III. There are no vulnerable female headed households reported within the given Section. However, twenty-four (24) project affected land plots are under private ownership and/or possession of females. They are well off, have families and do not qualify as vulnerable female headed households.

61. No project impact is to be extended over tenants, sharecroppers, shops owners or paid staff as a result of termination of any commercial activity due to road project construction activities.

62. There were NO illegal users and encroaches identified within the project ROW.

Assessment of Compensation Delivery

63. As a result of 100 % inventory of project affected assets, LARP-III determined the types of assets and income loss subject to cash compensation and entitlements. The approved LARP-III clearly determined the types of income and assets loss due to the project impact, such as:

- Land
- Structure-building
- Annual crops
- Fruit-bearing perennials
- Rehabilitation measures (cash compensation for vulnerable families and for land plots under severe impact).

²³ These three affected residential houses are each owned by: 1) Meri Surmanidze, resident of village Bobokhvati (map number: 235); 2) Givi (Lamara) Shainidze resident of village Bobokhvati (map number: 253); and 3) Suleiman Romanadze, resident of village Kveda Achkva (map number: 449). All three land parcels attached with residential houses are registered at the NAPR.

²⁴ These three owners are: Darejan Mgeladze (#239), Givi (Lamara) Shainidze (# 256) and Temuri Surmanidze (#246).

Compensation Eligibility

64. The approved LARP-III clearly determined the types of income and assets lost. Below the report describes the accomplishment with respect to the cash compensation for lost crops, assets (perennials, structures) including the additional rehabilitation measures for severe impact, vulnerability, relocation and NAPR registration costs.

Compensation for Permanent Loss of Land

65. The LARP-III determined replacement cost of land based on existing market rates to the extent possible. Market rates were defined taking into account the type of land, its potential best use and location. In addition, compensation for agricultural land has been valued based on feedback from the affected people and evaluated by the independent audit.

66. Under the LARP III the affected private land is categorized as agricultural and residential. The unit rates of land replacement cost per 1 square meter were determined according to the kilometer signs, that mainly identifies the location of affected land parcels and vicinity to developed infrastructure. The table below shows the land unit rates per square meter varying according to KMs along the given road Section, including the Segment B.

Table 4: The compensation unit rates for affected land provided in the LARP III

Type	Sub-type	Sub-type definition		Unit rate GEL/m
		Designation of a land plot	Location within ROW according to Km	
Type 1	A1	Agricultural	km 12+400–km 20+400	10
	A2	Agricultural	km 20+400–km 26+400	15
	A3	Agricultural	km 26+400–km 31+400	23
	R1	Residential	km 12+400–km 20+400	13
	R2	Residential	km 20+400–km 26+400	18
	R3	Residential	km 26+400–km 31+400	26
Type 2	A1	Agricultural	km 12+400–km 20+400	10
	A2	Agricultural	km 20+400–km 26+400	15
	A3	Agricultural	km 26+400–km 31+400	23

67. Along the given Segment B, four (4) types of unit rates were identified as land replacement cost at current market value, to cash compensate for loss of land. Land used for agricultural purposes was evaluated at unit rates: 10 GEL and 15 GEL per 1 square meter; Land parcels matching residential designation or already attached with residential houses were valued as high as 13 GEL and 18 GEL per 1 square meter. Aside designation and potential best use the location of the subject of appraisal was taken into close consideration as well.

68. The table below reflects the number of land parcels cash compensated according to the specific unit rate of land replacement cost.

Table 5: Land compensation unit rates and number of acquired land parcels along the Segment B (including the data on land plots under temporary suspension)

Item Land Designation	Planned under the LARP III				Implementation Tallies			
	APs ²⁵	Gel/sq.m.	sq.m.	GEL	APs	Gel/sq.m.	sq.m.	GEL
A1	23	10	38,736	387,365	20	10	36,964	369,640
R 1	10	13	4,524	58,814	7	13	3,360	43,680
A 2	129	15	202,530	3,037,948	129	15	202,530	3,037,948
R 2	4	18	6,355	114,384	4	18	6,355	114,384
Total	166		252,145	3,598,511	160		252,145	3,565,652

69. The EMC reviewed the list describing the project affected land parcels and the allocated budget provided by the RDMRDI. The Consultant examined Sales and Compensation agreements signed between the Road Department and project affected persons to be assured that compensations were paid in accordance with the approved budget. Majority of APs the EMC interviewed during the site visit confirmed the receipt of full cash compensation amounts, however some mentioned that wire transfer took longer than they expected.

Table 6: Comparison of planned and implemented land takes across the Segment B of the Road Section 2 (km 18+900–24+900)

Item	Planned under LARP-III				Implementation tallies			
	No of plots	No of AHs	m2	GEL	No of plots	No of AHs	m2	GEL
Land Sales	25	22	22,105	301,004	19	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

Finding: At the time of monitoring and assessment, 19 land Sales Agreements were entered between RDMRDI and sixteen (16) AHs. Six (6) registered affected land parcels are located within the temporarily suspended sub-segment with map numbers: # 239, # 243, # 253, # 256, # 246 and # 246.1. Besides, 141 project affected land parcels without registered title were acquired through Cash Compensation Agreements, as stipulated under the Entitlement Matrix of the LARP III.

Assistance to APs in the Process of Legalization

70. According to the approved LARP-III within the Segment B there were one hundred and forty-one (141) land parcels under private possession without title registration at the NARP. The Implementing Agency and LAR Team provided to the AHs free of charge new survey cadastral maps carrying all necessary data. However, these land plots were under possession of the APs/AHs who were not registered at the NAPR but legitimately used agricultural land not adjacent to residential plots. Pursuant to the stipulations of the approved LARP III supported by **Decree # 494 of the Government of Georgia, dated 01.03.2011 these APs were eligible for cash compensation at full replacement cost without prior legalization and title registration at the NARP.** Thus, in accordance with the Decree # 494, all 106 AHs holding non-title affected land parcels located within Segment B of road section 2 were eligible for cash compensation for land without registered title.

²⁵ In this table the abbreviation AP stand for the Affected Plots.

71. From twenty - five (25) land parcels registered at the NAPR twenty (21) were traversed by road corridor requiring division of parcels into three divisions. The APs were provided due amount of cash compensation to fully cover land parcel subdivision and sales transaction registration costs.

Table 7: Summary table of Registration costs required for sub-division and registration of project affected land plots along the Segment B of the Road Section 2 (Km 18+900–24+900)

Item	Planned under LARP-III			Implementation Tallies		
	Unit rate (GEL)	No of Registration Acts	Total (GEL)	Unit rate (GEL)	No of Registration Acts	Total (GEL)
NAPR registration cost	50	46	2,300	50	35 ²⁶	1,750
TOTAL			2,300			1,750

Finding: All title holders, except the owners of land parcels under "temporary suspension", received reimbursement for subdivision and registrations fees. The acquired land parcels were registered at the NAPR in legally valid manner prior to issuance of due cash compensation according to the approved LARP-III.

Cash Compensation for Structures

72. There is a total of eleven (11) land plots with structures to be affected by road project:

- In total there are three (3) land plots attached with two-storied residential houses: two (2) of them are located in village Bobokhvati (map numbers # 235 and # 253²⁷) and the third land plot (map number # 449) also attached with two-storied residential house is located in village Qveda Achkhva. These residential houses are to be demolished due to road project needs. All three families subject to physically relocation.
- Among the remaining eighth (8) project affected land plots, seven (7) are located in village Tsikhisdziri and one (1) in village Sachino are attached with fences that will be demolished for project needs. The owners are eligible for cash compensations for the loss of structures at construction cost as determined in the LARP-III approved budget.

73. These structures are subject to complete demolition. Therefore, road project affected structures have been inventoried and valued at replacement cost considering direct and indirect costs at current market value necessary for the construction of similar buildings. Valuation process considered determination of current market rates for construction materials, transportation, land preparation, labor and other construction costs. Cash compensation was calculated at construction cost at current market rates without any depreciation. The amount of compensation was determined under

²⁶ The total number of registration acts planned under LARP III was 46. However, the actual number of conducted registration acts is only 35. The difference is caused by postponed acquisition of temporarily suspended land parcels. Five (5) out of the six temporarily suspended land parcels will require subdivision and registration of subdivided portions at the NAPR prior to processing land sales. However, the RDMRDI will need to first conduct additional on site studies, survey and re-assessment.

²⁷ This land parcel with map number #253 is located along the temporarily suspended sib-section where the RDMRDI will additionally review the compensation entitlements and examine the accuracy of inventory and evaluation that will probably end up with upgrading the cash compensation package. However, due to the location of this land parcel this suspension will not limit the access of construction company and neither intervenes with the commencement of civil works on the entire ROW except the temporarily suspended sub-segment discussed in detail above.

the construction cost calculations prepared by professional Audit specifically for these affected structures: residential houses, supplementary structures and fences. The supporting material to LARP-III contains the inventory table and cost construction report per each affected structure unit.

74. Cash compensation is paid based on the Sales Agreement that required preliminary division and registration of land and real property at the NAPR. Since the structures are immovable property attached to the land parcel amount of cash compensation for structures was included into one Sales Agreement together with the land acquired for road project needs.

Table 8: Cash compensation amounts for loss of structure-buildings located along the Segment B of the Road Section 2 (km 18+900–24+900)

Item:	Planned under LARP-III			Implementation tallies		
	Map #	No of AP/AH	Cost (GEL)	Map #	No of AP/AH	Cost (GEL)
Residential Houses						
No 1	235	1	112,607	235	1	112,607
No 2	253	1	99,513	253	–	–
No 3	449	1	110,675	449	1	110,675
Sub-total		3	318,795		2	223,282
Supplementary Structures						
No 1	384	1	23,100	384	1	23,100
No 2	398	1	7,821	398	1	7,821
No 3	404	1	17,672	404	1	17,672
No 4	406	1	4,043	406	1	4,043
No 5	411	1	6,930	411	1	6,930
No 6	415	1	2,252	415	1	2,252
No 7	418	1	17,325	418	1	17,325
No 8	424	1	2,252	424	1	2,252
Sub-total		8	81,393		8	81,393
TOTAL		11	400,188		10	204,675

Finding: In total project impact is identified on eight (8) land plots attached with supplementary structures and three (3) land plots attached with residential houses to be demolished for project purposes.

Allowances – Transition/Relocations Costs

75. The road project impact on the three (3) residential houses caused the necessity of physical resettlement of three (3) AHs. The EMC interviewed two families.²⁸ Suleiman Romanadze (map number # 449) was fully content with the approach and assessment of his assets and thankful to the additionally allocated cash to cover their shifting and relocation costs. The other interviewed AP, Lamara Shainidze, wife of the deceased Givi Shainidze, the heir and her family is the owner of the temporarily suspended land parcel (map number # 253) has requested additional review and re-assessment of affected assets and compensation package. This land parcel together with the rest of the land parcels located along the 500 meter long temporarily suspended sub-segment.

²⁸ Givi Shainidze, who is deceased and the heir is his wife Lamara and her family, residents of village Bobokhvati (map number # 253) and Suleiman Romanadze, resident of village Qveda Achkhva (map number # 449).

Table 9: Additional allowances covering transition and shifting costs for AFs located along the Segment B of the Road Section 2 (km 18+900–km 24+900)

Item	Planned under LARP-III			Implementation tallies		
	Unit rate (GEL)	No of Ahs	Total (GEL)	No of structures	No of AHs	Cost (GEL)
Relocation, transition and shifting costs	1,133	3	3,399	1,133	2	2,266
TOTAL			3,399			2,266

Finding: The amount under Implementation Tallies does not include due allowances to cover relocation, transition and shifting costs in addition to cash compensation for the loss of shelter allocated for the land parcel (# 253) being temporarily suspended.

Compensation for Standing Crops and Perennials

76. Cash compensation for annual crops has been fully paid to all affected AFs according to the unit rate and amounts determined according the LARP-III. The approved LARP-III identified the size of project affected land. The amount of crop compensation was calculated according to the type of crops being cultivated by AFs. Additionally, there were some standing perennials including tea plantations to be logged down due to project needs. Cash compensation was paid at full replacement cost at the current market rate for annual crops and standing perennials.

77. As per LARP-III, the methodology for calculation of cash compensation for perennials, fruit bearing trees and tea plantations was determined based on different methods for wood and productive perennials. Wood trees were valued based on growth category and value of wood of the tree at the age the tree was cut. Compensation for trees depended on their productivity or non productivity. Productive trees were compensated based on the future income lost for the years needed to re-grow a tree at the same age/production potential in which it was cut. Non productive trees were compensated based on the value of the investment made to grow the tree to the age in which the tree was cut.

78. According to the LARP-III Entitlement Matrix all APs regardless of legal status (registered title holders and AHs possessing land parcels without valid title) were eligible to cash compensation at market rate on the basis of type, age and productive value of the trees. All affected timber trees as State owned were not included in the inventory list. The unit rates were determined per specific species of standing perennials. The cumulative figures are provided in the table below showing the similarity of the amount of cash compensation indentified under the approved LARP III and the results of LARP III actual implementation.

Table 10: Cash Compensation for annual crops along the Segment B of the Road Section 2 (km 18+900–km 24+900)

Type of Impact/Item	Planned under LARP-III			Implementation tallies		
	No of plots	No of AHs	GEL	No of plots	No of AHs	GEL
Annual crops	89	68	16,536	89	68	16,536
Total	89	68	16,536	89	68	16,536

Table 11: Cash Compensation for perennials along the Segment B of the Road Section 2 (Km 18+900–km 24+900)

Type of Impact/Item	Planned under LARP-III			Implementation tallies		
	No of plots	No of AHs	GEL	No of plots	No of AHs	GEL
Perennials	87	68	434,191	87	68	434,191
Total	87	68	434,191	87	68	434,191

Finding: The number of AHs eligible to cash compensation for annual crops and perennials did not change from the planned to the actual implementation. However in case the results of additional inventory conducted to the land plots²⁹ show an increasing volume of assets loss, the amount of cash compensation will be accordingly adjusted and approved to be issued to the AHs following processing relevant compensation agreements. Correspondingly, when the actual implementation is accomplished the final results will be reflected in the Addendum to this Final Compliance Report.

Compensation Entitlements for Vulnerable Groups

79. Under the entire LARP-III, according to the results of the socio-economic survey, two (2) families were classified as vulnerable specifically along the Segment B (km 18+900–24+900) of the Road Section 2. These are the families of Omar Gorgiladze (map number # 276) and Tariel Revazishvili (map number # 284) both residents of village Bobokhvati. They receive State subsidy for being below the poverty line. The LARP-III provides entitlement measures for vulnerable groups in the form of one-time allowance equivalent to 3 months of minimum salary i.e. 311 GEL X 3 months, which equal 933 GEL per AH, as stipulated in the LARP-III Entitlement Matrix.

80. During the LARP-III implementation process along the Segment B of the road Section 2 no more vulnerable families were revealed. Thus, a total of two (2) AHs along the given segment are eligible to additional cash compensation for vulnerability under the LARP-III.

Table 12: Comparison of cash compensation for vulnerable families located along the Segment B of the Road Section 2 (km 18+900–24+900)

Type of Impact/Item	Planned under LARP-III			Implementation tallies		
	No of AHs	Unit rate (GEL)	GEL	No of AHs	Unit rate (GEL)	GEL
Vulnerability	2	933	1,866	2	933	1,866
Total	2	933	1,866	2	933	1,866

Finding: During the LARP-III implementation along the Segment B (km 18+900–24+900) of the road Section 2 the number of vulnerable AHs has not changed.

Entitlements for the Cases of Severe Impact

81. Pursuant to the approved LARP-III, a total of 106 AHs faced road project severe impact (loss of more than 10% of income generating agricultural land), along the Segment B of the Road Section 2 (km 18+900–24+900). In accordance with the Entitlement Matrix the owners/users of the land parcel under severe impact were eligible to the additional one-time cash allowances in the amount of 3 months minimum salary (311 GEL X 3 months = 933 GEL), as stipulated under the Entitlement Matrix of the approved LARP III.

²⁹ These are the six land parcels located within the sub-segment Temporarily Suspended.

82. The table below summarizes the final figures and provides a comparison of LARP-III planned budget and the actual implementation results along the Segment B of the Road Section 2 (km 18+900–24+900).

Table 13: Cash compensation for Severe Impact along the Segment B of the Road Section 2 (km 18+900–24+900)

Item:	Planned under LARP-III			Implementation tallies		
	No of AHs	Unit rate (GEL)	GEL	No of AHs	Unit rate (GEL)	GEL
Severe Impact	106	933	98,898	103	933	96,099

Finding: Presently the total of 103 AHs has received cash compensation for severe impact in accordance to the stipulations under the LARP III. Three (3) AHs that have not received due cash compensation for severe impact are those possessing land plots located within temporarily suspended sub-segment.

83. The table below summarizes the final figures and provides a comparison of LARP-III planned budget and the actual implementation results along the Segment B of the Road Section 2 (km 18+900–24+900).

Table 14: Comparison of LARP-III planned budget versus the actual implementation results along the Segment B of the Road Section 2 (km 18+900–24+900)

Item	Planned under LARP-III	Implementation Tallies	Difference
No of AP land parcels	166	160	Yes
Total size of land takes (m2)	252,145	249,209	Yes
Total of land compensation (GEL)	3,598,511	3,565,652	Yes
Cash Compensation of structures (GEL)	400,188	304,675	Yes
Cash compensation for annual crops &	16,536	16,536	No
Cash compensation for Perennials (GEL)	434,191	434,191	No
Severe Impact (GEL)	98,898	96,099	Yes
Vulnerable (GEL)	1,866	1,866	No
Registration fee (GEL)	2,300	1,750	Yes
Relocation/shifting (GEL)	3,399	2,266	Yes

Note 1: The actual process of land acquisition and cash compensation along the Segment B (Km 18+900–24+900) applied to 166 affected land parcels. The project ROW precise boundaries did not experience any amendment or changes. However, at the moment land acquisition of six land parcels have been suspended for some period of time. In fact the location of these land parcels do not intervene the construction company commencement of civil works on project site, as the land take in regard with these land parcels will be required on a later stage during the upgrade of the secondary /village road.

Note 2: The column "difference" marked with YES identifies the Implementation Data that are not the same as planned according to the LARP III. All the differences in data are caused as a result of temporary suspension to the six (6) land parcels.

Note 3: It is worth mentioning that the cash compensation for all APs along the given Segment is reallocated according to the specific expenses, such as expenses for land acquisition and cash compensation for other assets. Correspondingly, compensation amounts allocated for APs are saved

under a separate category at the State Treasury and shall be wire transferred to the personal accounts of the legitimate AP in accordance with the defined procedures. Thus, pursuant to the Law of Georgia on State Budget financial resources designated for compensation project impact is allocated at the special account of the State Treasury, that to some extent carry the function similar to escrow account.

IX. ASSESSMENT OF PUBLIC SATISFACTION

Public Meetings and Raising Public Awareness on Project Goals and Objectives

84. While reviewing the documents related to LARP-III implementation procedures, the EMC took into close consideration the cut-off-date. No encroachers were revealed during the monitoring process. The local community was informed about the APs rights and responsibilities, as well as the cut-off-date limitations. Most of the APs confirmed that attended the Public meeting in the facilities of village Gamgeoba, when they were introduced to the project information and had the opportunity to review the project design and ask project related questions.

85. During monitoring, the EMC observed positive attitude and expectations of local population, particularly considering the potential for employment during the road construction activities and possibility for further economic growth in the region.

86. As a result of in-field interviews, the EMC revealed that the representatives of local community, government bodies, local population and specifically APs were provided with consultations, public meetings, formal and informal discussions as considered appropriate under the LARP-III.

87. The EMC revealed that people were consulted through individual contact during the census, survey under the feasibility study for identification of the owners and/or possessors of the project affected land parcels and inventory of the project affected assets. During the LARP-III preparation on detail design stage, all likely affected persons were consulted through community level meetings, individual contacts at the time of census, socioeconomic survey and detail measurement survey.

88. The APs were informed and encouraged to attend Public Disclosure meeting. The Public meeting provided all important and necessary information to APs on the goals and objectives of the Road Project and about the eligibility to fair compensation for losses incurred as a result of Road Project impacts.

The Results of Social Survey

89. The EMC conducted a field survey in three villages: Bobokvati, Tsikisdziri and Sachino. The APs were randomly selected according to the Type of land compensation: land owners and users. Based on the previous experience, this time the EMC encouraged the APs to get involved into the open discussion and ask any project related question. The friendly environment made APs feel welcome and they discussed a number of topics they considered important.

90. The EMC conducted a field survey in three villages: Bobokvati, Tsikisdziri and Sachino. The APs were randomly selected according to the Type of land compensation: land owners and users. Based on the previous experience, this time the EMC encouraged the APs to get involved into the open discussion and ask any project related question. The friendly environment made APs feel welcome and they discussed a number of topics they considered important.

91. The EMC interviewed 52 Aps.³⁰ 44 male and 8 female.³¹

³⁰ The total number of affected persons is 128.

³¹ There are only 24 affected female APs within the given Segment B. None of the females are reported vulnerable.

92. Based on answers received the overall response reflected rather positive attitude of APs towards the Road Project results.

93. In particular, among the 52 interviewed APs:

- All stated that they were content with the amount of compensation and considered that the approach was reasonable and fair;
- 2 APs reported as vulnerable were informed about the additional one-time assistance for vulnerability;
- All 52 APs stated that they were informed about the Road Project from local government representatives;
- Most APs confirmed they attended Public Meeting and received more information about the road project;
- All interviewed APs were aware of their rights, responsibilities and compensation entitlements and voluntarily signed Sales and/or Compensation Agreements.
- Several APs stated that they found a bit vague to understand the difference between unit rates for land replacement cost.

Finding: The EMC explained that the unit rates are identified in the LARP III, under the Valuation Methodology. This method is based on the land market value assessment according to International Valuation Standards (IVS). The valuation and assessment of unit rates were undertaken by professional appraisers in accordance to IVS considers Sales Comparison Analyses approach and is widely used in best proven practice worldwide and in Georgia. In general the APs were satisfied with the provided cash compensation and considered the measures undertaken by IA were fair and reasonable. In general, the local population holds a rather positive approach to the Road project and foresees future perspectives of the development of the region.

Gender and Resettlement Impacts

94. The gender analysis was conducted during the LARP-III development process and was revealed that along the Segment B in total there are only 24 female APs. Notably, out of these 24 female APs two (2) Meri Surmanidze (map number # 235) and Givi (Lamara) Shainidze (map number # 253) are losing residential houses and will have to physically relocate to a new place of residence. The EMC during monitoring process interviewed Lamara Shainidze. Her land parcel is located within the temporarily suspended sub-segment and land acquisition and issuance of cash compensation will be implemented on a later phase after RDMRDI undertakes additional on site survey and review of compensation package.

95. The EMC interviewed the representatives of both vulnerable AHs (Omar Gorgiladze and Tariel Revazishvili, residents of village Bobokvati. During monitoring and assessment process the EMC interviewed 20% of female APs and over 40% of road project affected persons along the given Segment B. Thus, 100% of vulnerable APs have been interviewed.

96. The LARP-III considers positive impact on gender and the civil works contracts to include provisions to encourage employment of women during implementation. Additionally, women headed households have been considered as the vulnerable group and special additional assistance was provided in accordance to the entitlements specified in the LARP-III. Special attention was given to the APs experiencing severe impact during monitoring and evaluation of the LARP-III.

Finding: Out of the 2 vulnerable families, that received additional cash compensation as rehabilitation measures both were male APs. Out of 24 female APs two (2) were the owners of the project affected land parcels attached with residential house to be demolished for project purposes. From 24 females, seven (7) land title holders were assisted in processing transaction registration procedures at the NAPR. From 24 female APs, sixteen (16) received additional cash compensation for the severe impact caused as a result of loss over 10% of income generating land, as defined under the LARP-III Entitlement Matrix.

Complaints & Grievance Redress Mechanism

97. During the monitoring process the EMC assessed the level of knowledge of local population on how to utilize the GRM. The Grievance Redress Commission is comprised qualified experts in the field of rehabilitation projects, title registration and safeguard monitoring during construction activities, and the Municipality Heads of project affected villages.

98. All interviewed APs confirmed to know that in case of any question, claim or complaint they are welcome to submit written complaints or even verbal claims that would be immediately processed and effective treatment would be provided by specialists to ensure delivery of fair and timely solutions aimed at providing satisfaction to the APs. Notifications advising who and where to apply in case of questions or to lodge a complaint was displayed in the lobbies of the Municipality buildings in each project affected village.

X. CONCLUSIONS

99. The successful accomplishments of the Implementing Agency and LAR Team across the Segment B of the Road Section (km 18+900 - 24+900) are revealed through the analyses of the results achieved during the monitoring process.

100. Land acquisition and resettlement within the scope of LARP-III implementation process was undertaken in compliance with the ADB Safeguard Policy Statement (2009) and guidelines on involuntary resettlement (Manila 1998) and pursuant to the active legislation of Georgia.

101. The hereby Final Compliance Report (LFCR) provides detailed descriptions of the monitoring results of land acquisition and resettlement implemented along the Segment B of the Road Section 2 (km 18+900–24+900) with the exception related to temporarily Suspended sub-segment, and assessment of the level of compliance of the LARP-III implementation procedures with the stipulations determined in the Land Acquisition and Resettlement Policy Framework (LARF) and LARP-III.

102. The undertaken activities and the results achieved during the land acquisition and resettlement process, which permitted determination of the LARP-III implementation results along Segment B of the Road Section 2 (km 18+900–24+900) with the exception of the temporarily Suspended sub-segment, were assessed positively.

103. The approved LARP-III project impact extended over 166 land parcels located on this road section. The land acquisition and resettlement has been successfully implemented with respect to one hundred and sixty³² (160) land parcels located along this road section. Cash compensation has been fully paid per each type of loss and due rehabilitation measures were fully provided as stipulated under the approved LARP-III.

104. The Land acquisition and resettlement process with regard to the six (6) project affected land parcels located along the sub-segment - Temporarily Suspended still requires additional efforts. Once all required studies, assessments, inventory and cost calculations are done, relevant sales and compensation agreements will be processed. The Ahs-owners and possessors of these land parcels are in agreement with this initiative to be undertaken by RDMRDI. Immediately following these activities being fully accomplished, an accordingly updated Final Compliance Report will be issued.

³² Including the two pending cases to be resolved by the end of month September as a result of additional technical assistance kindly rendered by RDMRDI Implementing Agency.

XI. THE STATEMENT OF THE EXTERNAL MONITORING CONSULTANT

- 1. Based on the findings of the desk and field studies undertaken by EMC during and after LARP-III implementation process has been verified that the LARP-III implementation along the Segment B of the Road Section 2 (km 18+900–24+900) considering the case of Temporary Suspension was undertaken in accordance with the stipulations of the LARF and LARP III and in adherence of the SPS and ADB guidelines stipulated in the Handbook on Resettlement (Manila 1998).**
- 2. Considering the Status of up to-date accomplishments along the Segment B of the Road Section 2 (km 18+900–24+900) and the specificity of given project the phased approach may be exercised for commencement of civil works for construction along the given Road Section as specified in the approved³³ LARP-III.**

³³ LARP III, VIII Implementation Schedule, 8.5 LARP Implementation Time Schedule.

ANNEXES

Annex 1: Design Map of Temporarily Suspended Sub-segment

The design map showing the six land parcels located along the 500 meters (km 19+500–km 20+000) long sub-segment–Temporarily Suspended.

