

# Social Monitoring Report

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Semiannual Report  
January 2018  
July-December 2017

## ARM: North-South Road Corridor Investment Program

Loan 2993-ARM: Tranche 3 (Talin-Lanjik), Yerevan-Artashat Section

Prepared by “Transport Projects Implementation Organization” State Non-Commercial Organization for the Ministry of Transport, Communication and Information Technologies of the Republic of Armenia and the Asian Development Bank. This social monitoring report is a document of the borrower.

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Prepared by “North South Road Corridor Investment Project Management Unit” State Non-Commercial Organization for the Ministry of Transport and Communications of the Republic of Armenia for the Asian Development Bank.

## CURRENCY EQUIVALENTS

(As of 30 June 2017)

Currency unit	–	AMD
AMD 1.00	=	\$ 0.0020656
\$1.00	=	AMD 484.10

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## ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected Households
AMD	Armenian Dram
AP	Affected Person
EA	Executing Agency
EM	Entitlement Matrix
GoA	Government of Armenia
GRM/GRG/ GHP	Grievance Redress Mechanism/ Grievance Redress Group/ Grievance Focal Person
IMA/EMA	Independent Monitoring Agency/External Monitoring Agency
IC/IT	Implementation Consultant/Implementation Team
LAR	Land Acquisition & Resettlement
LARF	Land Acquisition & Resettlement Framework
LARP	Land Acquisition & Resettlement Plan
LGBs	Local Self- Governing Bodies
MFF	Multi-Tranche Financing Facility
MOTC	Ministry of Transport and Communications
NGO	Non-Government Organization
NSRCP	North South Road Corridor Project
PGC	Project Governing Council
PMC	Project Management Consultant
PMU	Project Management Unit
RA	Republic of Armenia
SCREC	State Committee of Real Estate Cadaster
SEU	Social and Environmental Unit
SPS	Safeguard Policy Statement
TPIO	Transport Projects implementation Organization SNCO
T1/T3	Tranche 1 and T3 of the North South Corridor Road Project

## GLOSSARY

<b>Affected Household (AH)</b>	The affected household as a whole. This unit operates as a single economic and domestic unit and may consist of an individual, a single nuclear family or an extended family. This is the significant unit receiving compensation/rehabilitation.
<b>Affected Person /People (AP)</b>	Any person (individual) affected by Project-related changes in use of land, water, natural resources, or income losses.
<b>Compensation</b>	Payment in cash or in kind of the replacement cost of the acquired assets.
<b>Eminent Domain</b>	A regulatory measure by government to obtain land.
<b>Entitlement</b>	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.
<b>Expropriation</b>	Government's action in taking or modifying property rights in the exercise of the right of Eminent Domain.
<b>Informal Tenants</b>	An Affected Person who uses affected land or asset based on an informal agreement with an absent owner or the community as confirmed by a statement from a Community Leader.
<b>Land Acquisition</b>	The process whereby a person is compelled by a government agency to alienate all or part of the land a person owns or possesses to the ownership and possession of the government agency for public purpose in return for compensation.
<b>Relocation</b>	The physical relocation of an AP/AH from her/his pre-Project place of residence requiring the rebuilding of housing or assets, in another location.
<b>Resettlement</b>	All measures taken to mitigate any and all adverse impacts of the Project on AP's property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.
<b>Resettlement Plan</b>	A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation.
<b>Vulnerable Affected Households (AH)</b>	Vulnerable households are: (i) Registered in the evaluation system of vulnerability of families (ESVF) and receive a family allowance, (ii) headed by a breadwinning women and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age, (iii) households headed by persons entitled to old age pension and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three

	years of age.
<b>Legalizable AP</b>	APS who have no registered ownership or other property rights toward the affected land and/or adjacent building/asset but are legally eligible thereto based on actual possession and usage of property or law, or the possibility of obtainment of property rights of latters are directly resulting of or are disposed by RA legal acts.
<b>Non - legalizable AP</b>	APS who though actually possess and use affected land and adjacent asset but do not have legal possibility eligibility to obtain ownership or other property rights toward the affected land according to restrictive provisions and regulations of legislation

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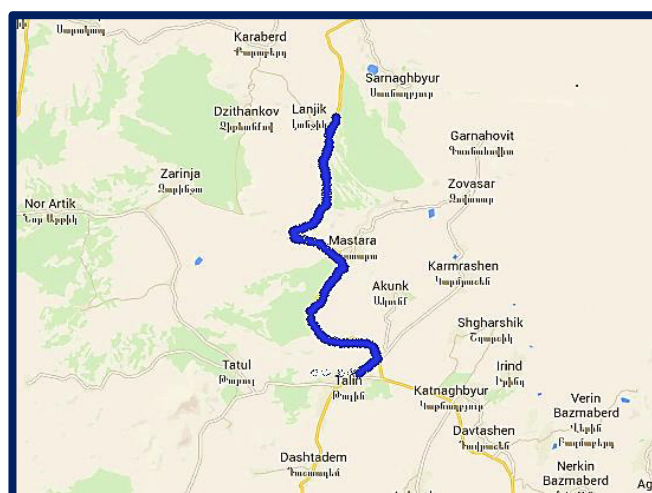
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## A. LARP IMPLEMENTATION STATUS IN TALIN-LANJIK SECTION

### 1. PROJECT BACKGROUND

2. The Asian Development Bank (ADB) has agreed to provide the Government of Armenia (GoA) with a US\$ 500 million Multi-Tranche Financing Facility (MFF) to finance the North-South Corridor Road Investment Program (the Project). The subject of T3 (Talin-Lanjik) Land Acquisition and Resettlement Plan (LARP) is the 18.7 km road section between Talin and Lanjik (km 71.500-90.200) to be upgraded under Tranche 3 of the North South Corridor Road Corridor Investment Project (the Project). The LARP has been prepared by the Ministry of Transport and Communications (MOTC) of Armenia<sup>1</sup>, the Project's Executing Agency (EA) based on the requirements of the ADB Safeguards Policy Statement of 2009 (SPS 2009) and the Land Acquisition and Resettlement Framework (LARF) of the Project approved by the Government<sup>2</sup>.
3. This Final LARP was preceded by a Draft LARP prepared in 2012 and covering a longer road section of 46.1 km linking Talin to Gyumri which was the scope of the original ADB project at that time. Following a parallel co-financing agreement with the European Investment Bank (EIB) in late 2013, the original ADB project has been reduced and re-scoped to the current Talin-Lanjik section (km 71+500 - km 90+200) with total length of 18.7 km financed by the Asian Development Bank (ADB), while Lanjik-Gyumri section (km 90+200 - km 117+670) with total length of 27.4 km – by the European Investment Bank (EIB). As a consequence, the GoA approved two different LARPs which, nevertheless, are based on the same principles and policy provisions. Accountability for safeguards compliance for the EIB project rests solely with the EIB.
4. The Project is classified as category A for the involuntary resettlement safeguard in accordance with ADB guidelines<sup>3</sup> as, 200 or more persons (individuals) will experience major impacts, including loss of 10% or more of their cultivated land or income and relocation of residences and businesses.

**Figure 1: The Project area and alignment**



<sup>1</sup> Currently: Ministry of Transport, Communications and Information Technologies (MOTCIT).

<sup>2</sup> The LARF was adopted in 2010, then revised in 2012, and the final revised version adopted by the government in September, 2015, Government decision N 1092-N.

<sup>3</sup> As per the ADB Operation Manual (OM) F1/OP (2010, revised in 2013) a project is classified as Category "A" if  $\geq 200$  Affected Persons suffer significant impacts (relocation or loss of  $\geq 10\%$  of productive assets). A project will instead be classified as Category "B" when less than 200 persons suffer significant impacts. Category "C" projects have no LAR impacts.



5. The Government Decree on Eminent Domain for the affected lands in T3 Talin - Lanjik (18.7 km) section was approved by the GoA decree number 1244-N adopted on 19.11.2014 and entered into force on 29.11.2014<sup>4</sup>, in frame of which the field works under the preparation of final LARP have been implemented.
6. Based on the final detailed design, the ADB's Consultant (Appraisal Society LLC) under T3 LARP carried out the DMS, Census and SES works, as well as valuation and signing of property description protocols with APs.
7. The LARP for Talin-Lanjik was approved by the GoA by government decree number 1196-N adopted on 17 September 2015, which came into force on 5 November 2015<sup>5</sup>. The summary of LAR impacts defined by T3 LARPs are presented below in table 1.

**Table 1. Impact of the Tranch 3 (Talin-Lanjik and Lanjik-Gjumri sections)**

N	Section	Communities, N	Total size of land takes (sq.m.)	Plots, N	AHs, N	Severely AHs, N	APs, N
1	Talin-Lanjik (ADB)	5	785,546.8	348	332	155	1,544
2	Lanjik-Gyumri (EIB)	9	1,243,054.6	666	530	274	2,677

## **2. OBJECTIVE AND SCOPE OF INTERNAL AND EXTERNAL MONITORING OF LARP IMPLEMENTATION**

8. LARP implementation is subject to both internal and external monitoring. Internal monitoring is carried out by the TPIO's Resettlement Coordination Team (RCT) consists of TPIO specialists and consultants. Internal monitoring results for Talin-Lanjik section are summarized in Semi-annual Social Monitoring Reports (SSMR) and Quarterly Progress Reports (QPR) submitted to the ADB.
9. External monitoring is carried out by an External Monitoring Agency (EMA)<sup>6</sup>. EMA is responsible for the compliance review, preparation and submission of Compliance Reports for each subsection to be acceptable to ADB as a condition to the start of civil works. The EMA will also carry out a post-implementation evaluation of the LARP program about a year after the completion of LARP implementation.

## **3. PROGRESS OF LARP IMPLEMENTATION**

10. The LARP is implemented by an Implementation Consultant (IC)<sup>7</sup> hired by TPIO in close coordination and consultation with TPIO's RCT team.

<sup>4</sup> [http://northsouth.am/uploads/2\\_soc\\_i\\_r/1244-n.pdf](http://northsouth.am/uploads/2_soc_i_r/1244-n.pdf)

<sup>5</sup> [http://northsouth.am/uploads/2\\_soc\\_i\\_r/GD\\_9-N-ARM\\_T3\\_LARP\\_for\\_%20Lanjik-Gyumri-14.01.16.pdf](http://northsouth.am/uploads/2_soc_i_r/GD_9-N-ARM_T3_LARP_for_%20Lanjik-Gyumri-14.01.16.pdf)

<sup>6</sup> The "Economic Development and Research Center" (EDRC), which is an independent research institution specializing on public policy monitoring and evaluation<sup>6</sup>, serves as an EMA for the T3 Project. The EMA was selected and mobilized in April 2016.

<sup>7</sup> The IC was hired and mobilized on 01 December 2015.

11. The LARP implementation is divided into 6 subsections. LARP implementation subsections were defined based on several factors such as: number of affected lands/AHs in community; legalization cases in the affected communities; preliminary defined schedule of works for relocation of public utilities; as well as the preliminary defined priorities of archeological works. Each defined subsection has minimum 3 km length according to the signed Contract of the Talin-Lanjik section's Contractor. The subsections can be revised during the LARP implementation process based on the progress and emerging issues (if any).
12. During the reporting period, LARP implementation has been completed in all 5 subsections, respective Compliance Reports prepared by EMA have been reviewed and approved by ADB and the sites have been handed over to the Contractor (excluding the current court cases). The details on defined subsections with LARP implementation status are presented in the table 2 below (see also the Annex 1).

**Table 2. T3 LARP Implementation status per subsections**

		Under construction	Under construction	Under construction	Under construction	
N	Community	Section	Road PK by km		LARP Subsection	Length, m
1	Talin	Talin-Lanjik (ADB)	km 71+500 – km 74+020		5 <sup>th</sup>	4900
2	Akunk		km 74+020 – km 74+900			
			km 74+900 – km 76+400			
3	Mastara		km 76+400 – km 77+400		4 <sup>th</sup>	1000
			km 77+400 – km 78+500		3 <sup>rd</sup>	1100
			km 78+500 – km 86+300		2 <sup>nd</sup>	7800
4	Sarnaghbyur	Talin-Lanjik (ADB)	km 89+000 – km 90+200		1 <sup>st</sup>	ADB-3900 EIB-5030
		Lanjik-Gyumri (EIB)	km 90+200 – km 91+440			
5	Lanjik	Talin-Lanjik (ADB)	km 86+300 – km 90+200			
		Lanjik-Gyumri (EIB)	km 90+200 – km 92+030			
6	Dzorakap	Lanjik-Gyumri (EIB)	km 92+030 – km 95+230			

13. During the reporting period, the EMA has completed the external monitoring and preparation of Compliance Reports for 4<sup>rd</sup> (1000m, Mastara community) and 5<sup>th</sup> (4900, Mastara, Akunk, Talin communities) subsections. The CRs have been submitted to ADB's review in Aug 2017. However, the review and revision process has taken longer than usual. The CR have been revised several times and the final revised versions were submitted for ADB's final approval at the beginning of November 2017 and have been approved accordingly. The LAR-free sites have been handed over to the Contractor in Mid-Nov 2017 (excluding expropriation cases).
14. As of the reporting date (Dec 30, 2017), all the expropriation cases have been completed and the total Talin-Lanjik road section is free from 3<sup>rd</sup> party's rights, except of 1 land plot which is still under the expropriation process (60 linear meter). The overall progress of LARP implementation per subsections presented in table below.

**Table 3. LARP implementation status per acquired lands and expropriation cases**

N	LARP subsection <sup>8</sup>	Road PKs/KM	Length, m	No of affected lands	No of acquired lands	No of affected lands in acquisition process	No of lands under expropriation
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<sup>8</sup> The 6<sup>th</sup> subsection of LARP includes only land plots from EIB financed section.

N	LARP subsection <sup>8</sup>	Road PKs/KM	Length, m	No of affected lands	No of acquired lands	No of affected lands in acquisition process	No of lands under expropriation
1	1st	km 86+300 – km 90+200	3900	71	71	0	0
2	2nd	km 78+500 – km 86+300	7800	58	58	0	0
3	3rd	km 77+400 – km 78+500	1100	60	60	0	1
4	4rd	km 76+400 – km 77+400	1000	99	99	0	0
5	5th	km 71+500 – km 76+400	4900	60	60	0	0
<b>Total</b>			<b>18.700</b>	<b>348</b>	<b>347</b>	<b>0</b>	<b>1</b>
<b>LARP implementation actual performance: 99.71%</b>							
<b>Expropriation current percentage: 0.29%</b>							

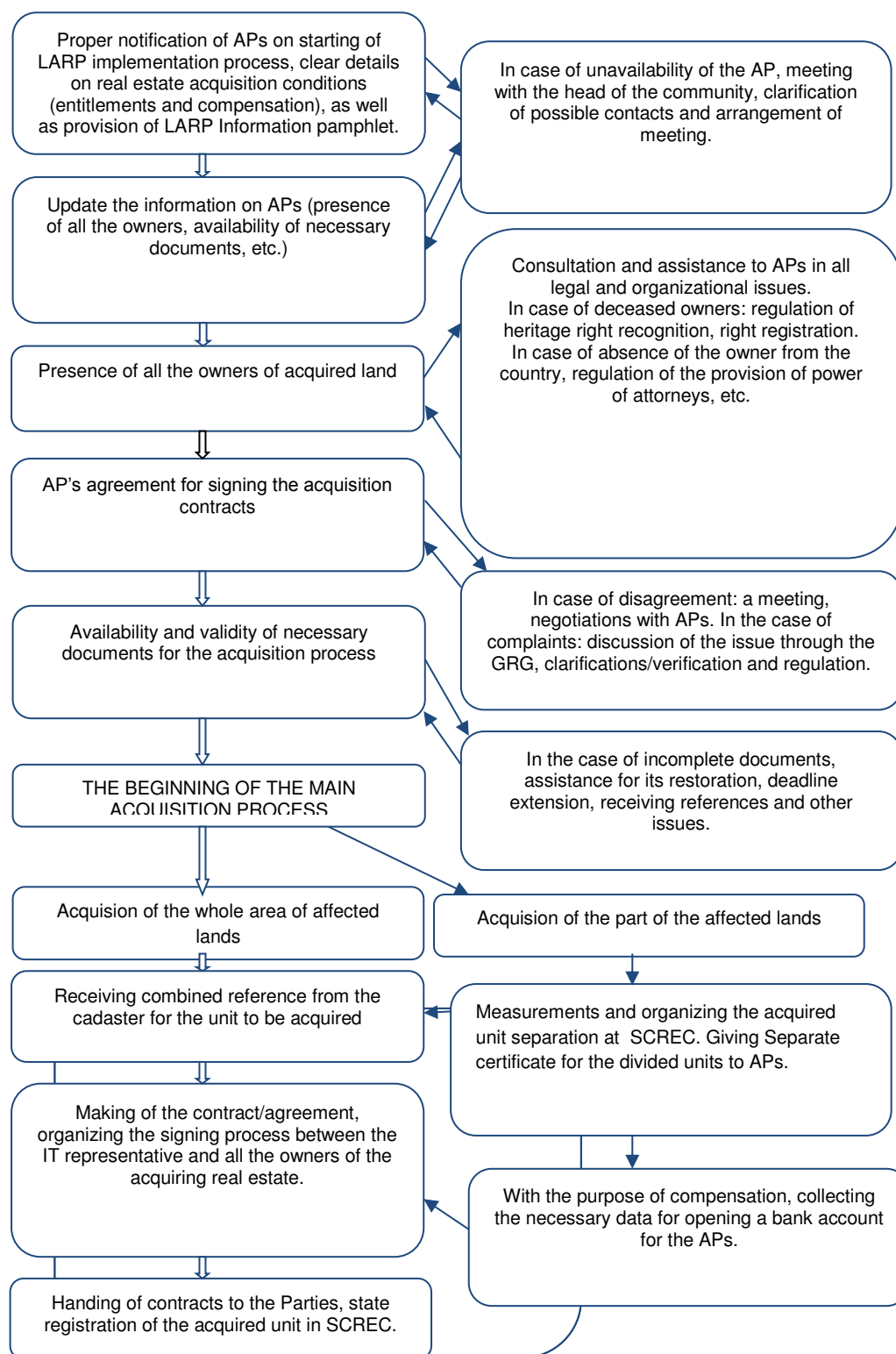
15. The logical structure of implemented acquisition process is presented in the Figure 2.

16. According to the logistic structure of acquisition process, an action plan and a schedule were developed for each community and subsection, in the frame of which IC implemented the following main steps:

- 1) Preparation of acquisition contracts and agreements, cover letters, the arrangement and implementation of each AP notification procedure in accordance with the terms and requirements of Law and RA legislation,
- 2) Meetings with the APs of the affected communities (owners/co-owners, leaseholders, not registered tenants/land users), discussions of concerning issues of APs, provision APs with legal advice and assistance,
- 3) Checking, correcting, updating of the necessary documents for acquisition contract signing, including also the assistance to APs towards the correction, update and restoration of their incomplete or incorrect documents,
- 4) Organization and implementation of the measures approved by LARP's "Legalization plan" for the legalization cases, including the rights registration process for APs possessing the heritage rights of real estate; receiving power of attorneys for APs out of the RA etc.,
- 5) Assistance to owners of partly acquired lands for splitting real estate units and for receiving new ownership certificates, as well as for receiving combined references on the restrictions of the real estate to be acquired<sup>9</sup>,
- 6) Provision of the documents package required for the conclusion of acquisition contracts/agreements to the regional notarial office in order to implement notarial operations for ratification of contracts/agreements.
- 7) Organization of the acquisition contract/agreement conclusion itself with APs (in the notarial offices or out of them).
- 8) Provision of state registration application for the signed contracts to regional SCREC office and receipt of real estate ownership certificate registered to the Republic of Armenia.

<sup>9</sup> In the territories, which are subject to AP within the framework of LARP, mainly one part of the property is subject to acquisition, which according to the law on "State registration on Property rights" of the RA is a subject to separation then to acquisition.

**Figure 2. The logistic structure of land acquisition process via contract signing**



#### 4. STATUS OF EXPROPRIATION CASES

17. For all those cases when, due to disagreement of APs or any other objective circumstances (absent APs, heritage issues etc.), the acquisition contract has not been signed within 3

months of notification on the draft acquisition contract, the TPIO initiated acquisition through court decision (expropriation) processes in accordance with the RA Law on Alienation of Property for Public and State Needs. In particular:

- (i) compensation amount per each AP was deposited at the court's account,
- (ii) thereafter, if the contract is not signed within 7 days, the TPIO applied to the court with the objective to acquire the property within a month's period.
- (iii) Once the decision of the court on compensation amount for the acquired property is effective, the property is considered acquired with the amount of compensation as defined by the court. In cases of acquisition through court proceeding, the rights of the previous owner towards the property are terminated.

18. As of the reporting date only one land plot (Mastara, km 77+970-km78+030 (60 linear meter), land code: 02-069-0345-0014) is in the process of expropriation. The reason for the expropriation of this case is an unidentified AP(s). It is expected, that this court case will be completed by the end of January 2018.

19. In total 75 court cases has been solved during the reporting period. The details on solved cases are shown in table 4 below.

**Table 4. Number of expropriation cases solved during the reporting period**

<b>Reason for expropriation</b>	<b>Number of cases (land plots)</b>	<b>Result of expropriation (court resolution process)</b>
Property under arrest	13	Only for one of the cases the arrest has been removed, for the others-no. The lands have been acquired via court decision based on LARP provisions.
Inheritance issue	10	The inheritance issue couldn't be solved and lands have been acquired via court decision based on LARP provisions.
Inheritance issue with mistake of heir's name	1	The mistake has been solved and the land has been acquired via court decision based on LARP provisions.
Cadastral mistake/discrepancy/ registration	9	The affected land and the compensation amount were small; therefore, the owners haven't cooperated with TPIO to corrected the cadastral issue, thus the cadastral issue has not been solved (corrected) and the land has been acquired via court decision based on LARP provisions.
Disagreement with the amount of compensation	31	The affected part was very small, that's why the owner was disagreeing with the compensation amount, however, the land has been acquired via court decision based on LARP provisions.

Request to acquire the not affected part of the land	2	The request of additional acquisition hasn't been satisfied and the land has been acquired via court decision based on LARP provisions.
Cadastral mistake/discrepancy/ registration (345 block)	4	The cadastral correction couldn't be done, as the whole cadastral block is deviated. The lands have been acquired via court decision based on LARP provisions.
Absent AP(s), who cannot provide power of attorney	4	The absent owners were not communicating with TPIO and hadn't provide power of attorenies, thus the land plots have been acquired via court decision based on LARP provisions.
Request for access	1	The alternative acces has been presented to the AP, however he hasn't been satisfied. The land plot has been acquired via court decision based on LARP provisions.
<b>Total</b>	<b>75</b>	

## 5. DESIGN CHANGES AND RELATED LAR IMPACTS

20. There were no any design changes during the reporting period.

## 6. UTILITY RELOCATION AND RELATED LAR IMPACTS

21. During the previous reporting periods it was noted that relocation of some public utilities (potable water pipelines, gas pipelines, telecommunication cables, electricity poles, and irrigation water channels) may cause additional land acquisition and resettlement (LAR) impacts and require preparation of Due Diligence Reports/Supplementary Land Acquisition and Resettlement Plans (LARPs). It was agreed that Land acquisition due diligence is required to be conducted on all utilities relocated to date, as well as CAPs shall be prepared and approved by ADB in cases when LAR impacts are identified. Taking into account that the capacity within the TPIO is overloaded, ADB has proposed to involve national resettlement specialist (Consultant) under the ADB's Technical Assistance, who was hired and mobilized in September 2017.

22. During the reporting period, the TPIO has submitted to ADB the Progress Report on Utility relocation social due diligence (Oct, 2017) prepared by TPIO with assistance of ADB Consultant. During the reporting period, the following main actions have been carried out by the Consultant with coordination of TPIO:

- (i) Methodology of Social due diligence on utility relocation has been prepared by the Consultant in assistance of TPIO specialists which is currently in process of revision based on comments provided by ADB. The revised Methodology will be submitted for ADB's review and approval as soon as finalized.
- (ii) Desk review of available data and documentation (detailed design/working drawings of utilities for all types as well as for the irrigation infrastructures superimposed on cadastral map, as well as design changes, if any).
- (iii) Review and analysis of legal framework and regulations for utility relocation

23. Based on the available data, the identification of sections required DDRs and CAPs shall be determined, however, as of the reporting date, this couldn't be carried out, as the LAR boundary for all utilities hasn't been finalized yet. The implementation of relocation of utilities by T3 has been completed. According to the engineer's provisional estimation, the construction works have been implemented in correspondence with detailed design which can serve as a basis for obtaining due diligence data. Preparation of final LAR boundary (superimposed on Cadastral map) based on the detailed design is required for this task. It should be noted, that additional +1m from the edge of road embankment/slope have not included in the RoW, so the impact size caused by relocation of utilities will be more that in case of T2. As soon as the LAR boundary is finalized for all utilities (including the irrigation infrastructure), the Consultant, with assistance of survey team, will classify the cases/sections of the road where:
- the relocation of utilities is within the RoW of T3 and/or doesn't cause LAR impacts and prepare DDRs accordingly.
  - the relocation of utilities is out of RoW of T3 and cause LAR impacts (permanent and/or temporary), consequently the final list of affected land plots will be sorted out. and prepare CAPs accordingly based on a survey of affected people, assets inventory and valuation of the project affected persons in line with the ADB SPS 2009, Project's LARF, T3 LARP and relevant RA Law and Regulations.
24. The main part of social due diligence task, particularly the identification of affected land plots and related desk work, as well as the further implementation of DMS, census and other surveys shall be done by the survey team, which hasn't been involved yet. This survey task for utility relocation was included in the ToRs for LARP preparation and implementation as Task 2 prepared for the other main Task 1 for Tranche 2 new bypass alignment. The ToRs has been reviewed and approved by ADB. It is expected to initiate the tendering process at the beginning of Jan 2018.

## **7. SOCIAL SAFEGAURDS CAPACITY FOR THE PROJECT**

25. The TPIO is adequately staffed to ensure the social safeguards compliance of the project implementation. Particularly, the TPIO has a Social Impact Management Service, as well as a Legal unit consists of the following specialists:
- (i) Head of Social Impact Management Service
  - (ii) Social Development and Resettlement Specialist,
  - (iii) Leading Lawyer (responsible for claim and dispute management)
26. The Contractor has a social safeguards specialist on board, who is actively involved in implementation of activities required to ensure the compliance of construction process in terms of social safeguards, including the public consultations and grievance redress.
27. Meantime, the Supervision Engineer is not currently staffed in terms of social safeguards specialist on board: the consultant applied to TPIO to replace the initially appointed specialist, which is not done yet confirmed, therefore, currently the TPIO is directly work with the social safeguards specialist of the Contractor.

## **8. PUBLIC CONSULTATION AND GRIEVANCE REDRESS MECHANISM**

### **8.1 Public Consultation and Information Disclosure**

28. No public consultations have been organized during the reporting period under the LARP implementation, while the individual consultations are provided to each AP during the

acquisition process via written notifications and verbal clarifications (the IC specialist are available on a daily manner). Consultation and assistance were given to APs in all legal and organizational issues on day to day basis during whole Implementation process. In case of deceased owners: the issue of heritage right recognition and right registration was regulated. In case of absence of the owner from the country, the provision of power of attorneys was regulated, etc.

29. Actions taken as part of dissemination of information included the followings:

- Notification of APs in accordance with the legislation: (i) provision of notification on recognizing the prevailing public interest, (ii) land plot layout, (iii) Description Protocol, (iv) draft Acquisition Contract, (v) provision of notification on depositing the amount of payment,
- Development and dissemination of information leaflets (includes information of the rights and responsibilities of parties, compensation calculation principles, process of signing the contract and receiving compensation, acquisition process thought depositing the compensation amount, as well as grievance redress mechanism),
- Publication and dissemination of Project Information Brochure

30. Meantime, after the commencement of civil works in each subsection, the Contractor initiates pre-construction public consultation (PC) in each community. During the PCs all social and environment related issues (including the GRM), as well as details on construction process are presented to the community members. The grievance logbook is prepared and established in community administrative office and project construction site, which checked regularly by Contractor's social specialist and reported accordingly. During the reporting period no PCs have been carried out.

## 8.2 Grievance Redress

31. During the reporting period 3 complaints have been received by TPIO (some of them have been received twice by the same AP), of which 2 were resolved in favor of AP, while the other was not satisfied. The summary of grievances with respective details is provided in table 5 below. Besides, another ongoing complaint received during the previous reporting period is also presented in the table 5.

**Table 5. Grievance/request redress cases registered and addressed**

Total (no.)	Ongoing (no.)	Resolved in favour of AP (no.)	Resolved /AP is not satisfied (no.)	Description	Comments
4	-	-	1	The request was received from AP (Mastara, lot code: 02-069-0317-0123, -0124) with the statement that compensation amount for the land plot with lot code 02-009-0317-0183 was provided to the other owner, as there are cadastral inconsistencies. The request was studied and was responded that the compensation amount was provided to the actual owner based on legal documents, while the compensation for the crops has been paid to the actual user of the land based on the reference of the community leader in accordance with LARP.	The same request has been received twice.



Total (no.)	Ongoing (no.)	Resolved in favour of AP (no.)	Resolved /AP is not satisfied (no.)	Description	Comments
	-	1	-	The request was received from AP (Mastara, lot code: 02-069-0317-0174, -0123, - 0124, - 0164, -0172) with the statement that not acquired part of the land plot was damaged by the Contractor during the construction works and not acquired part of the land plot is less than is needed for the road construction. Field visit was conducted with participation of all parties (Contractor, AP, Engineer, TPIO) and protocol of site visit has been prepared during of which the demarcation of right of way showed that the land acquisition was made correctly and the owner stated himself that the Contractor didn't damaged the land plot. Protocol of site visit has been prepared and shared with the AP.	Requests have been received from the AP for each land plot separately.
	-	1	-	The request was received from AP (Mastara, lot code: 02-069-0317-0158, - 0122) with the statement that not acquired part of the land plot was damaged by the Contractor during the construction works. Field visit was conducted during of which the owner stated himself that the Contractor didn't damage his land plot. Protocol of site visit has been prepared and shared with the AP.	
	1	-	-	The request was received from the owner (Mastara, lot code: 02-069-0052-0002) to acquire the incomplete structure for security reasons, as the constructed road passes too close to it (3 meters). The compliant was sent to the design consultant for investigation and clarification. <u>The joint site visit has been held on 18.07.2017 with participation of applicant, as well as the representatives of TPIO and supervision engineer. The supervision engineer provided its conclusion on 20.11.2017. The recommendation of the Supervision Engineer is to acquire this property and include it in the LARP.</u> Considering that the supervision engineer's obligations and eligibility in this situation, it is noted that the decision to acquire the property cannot be made on basis of engineer's conclusion. Thus, in the light of above, as well as considering the unavailability of the designer to provide a relevant and eligible conclusion on the case, it was decided by TPIO to request an independent expertise on this case which can be serve as a ground on future actions needed. Besides, it iwas decided to request the ADB's position regarding the case. The mid-term written response has been sent	The compliant has been received during the previous reporting period. The complainant is not an AP under the LARP

Total (no.)	Ongoing (no.)	Resolved in favour of AP (no.)	Resolved /AP is not satisfied (no.)	Description	Comments
				to the owner regarding the progress.	
<b>Total</b>	<b>1</b>	<b>2</b>	<b>1</b>		

32. As shown above in table 5, in majority of the compliant cases people complained that contractor damaged their property, but it was not confirmed as a result of field visits. It is assumed that this situation is related to the fact, that people are not familiar with the actual location of their land plots due to no separation of their land plots by fences and no usage of lands for a long time.

## 7 PLANNED WORKS FOR THE NEXT REPORTING PERIOD

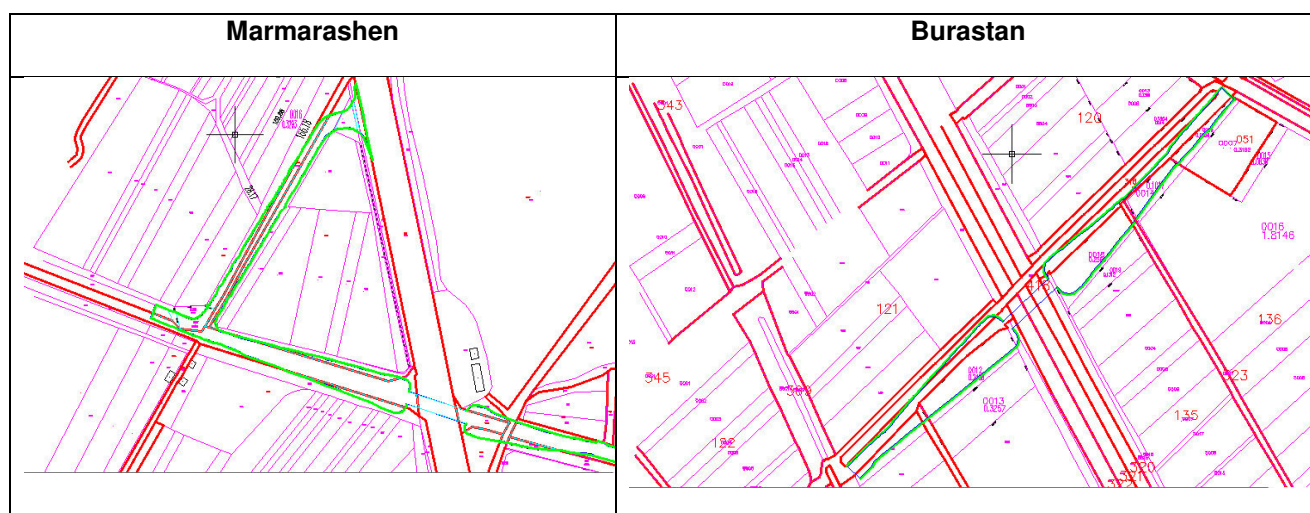
33. During the next reporting period the full Talin-Lanjik site will be handed over as soon as the 60m under the expropriation will be completed at the end of Jan 2018.

## B. YEREVAN-ARTASHAT SECTION: SOCIAL DUE DILIGENCE ON VOLUNTARY DONATION OF LANDS FOR THE CONSTRUCTION OF TWO NEW OVERPASSES<sup>10</sup>

### 1. Project background

34. The necessity of construction of two new overpasses has been emerged in Marmarashen community at KM 15+439 and in Burastan community at KM 24+147, which are located in Yerevan-Artashat section of the NS Project (Ararat marz). This section of the road has been initially donated as Tranche 1 under the MFF. According to the Loan Agreement of Tranche 1 (Loan Number: 2561 -ARM (SF) from Oct 12, 2009) the Project wasn't envisaged LAR impacts, it was categorized as Category C for the Involuntary resettlement taking into account that the civil works would entail the improvement of an existing four-lane highway and would take place within the existing right-of-way or on unused state-owned land. No relocation of households or acquisition of productive land was expected. Thus, no relevant budget was planned/ available for LAR-related issues. However, as the necessity of the construction of new overpasses has been emerged after the approval of the Tranche 1 project, it was decided that the new overpasses will be constructed under the Tranche 3 loan budget.
35. As a result of design, it was identified that the construction of new overpasses may impact private and community land plots causing land acquisition and resettlement issues. Hence, the community leaders have been informed that in this case the land acquisition and resettlement plan should be prepared and losses of APs/AHs will be subject for acquisition and compensation.
36. At the same time, a decision was made to avoid the impacts of the Project on privately owned lands and avoid any impact on APs/AHs. The original Project was revised, the design was changed and now the re-scoped Project has impacts only on community-owned land plots. The maps of final revised designs of overpasses are presented below in Figure 1.

**Figure 1: The location of new overpass in Marmarashen and Burastan communities of T1**



<sup>10</sup> The overpasses are located in the Tranche 1 section; however, they have been financed from Tranche 3 loan

## **2. Social due diligence and status of voluntary donation**

3. There is no land acquisition and resettlement issues envisaged for the Project due to the readiness of the communities to voluntarily donate the community-owned land plots for the construction of overpasses, as the communities are the direct beneficiaries. The respective communities' administrations expressed willingness to donate the community-owned land plots impacted by the design of new overpasses in Marmarashen and Burastan to the Republic of Armenia for the purpose of construction of overpasses.
4. The Due Diligence Report (DDR) on Voluntary donation of lands was prepared by the MOTCIT for the Project. The DDR was reviewed and approved by ADB's during the previous reporting period (July, 2016). At the same time, the government decree (GD) on donation of community owned lands for the construction of two overpasses in Marmarashen and Burastan communities has been adopted by GoA decree N 708-A from 07.07.2016. The TPIO has completed the implementation of DDR during the previous reporting periods (November 2016 and October 2016).

## **37. External monitoring**

5. At present, the negotiations are in process with T3 External Monitoring Agency (EMA) to sign a VO and include the monitoring and preparation of compliance report for implementation of DDR in T3 EMA's scope. The final VO has been negotiated with the EMA in December 2017, it is expected to be signed by Mid-January 2018. As soon as the VO is signed and approved by ADB, the EMA will start the monitoring and preparation of compliance report to be submitted to ADB for review and approval. According to the planned schedule, the external monitoring and preparation of compliance report will be carried out in Q1 2018.

### Annex 1. Tranche 3 LARP Implementation status and handover schedule

LARP Subsection <sup>11</sup>	Length, m	LARP Implementation status	Expected LARP Implementation Completion deadline	Number of initiated/ongoing court cases <sup>12</sup>	Expected Completion of (i) External Monitoring, (ii) ADB/EIB review and approval	Subsection handover to the Contractor
1 <sup>st</sup> subsection	ADB- 3900 EIB- 5030	<b>Completed</b>	-	-	<b>Completed</b>	Handed over (Construction commencement date is 22.07.2016)
2 <sup>nd</sup> subsection	ADB- 7800 EIB- 4070	<b>Completed</b>	-	-	<b>Completed</b>	Handed over (Construction commencement date is 20.03.2017)
3 <sup>rd</sup> subsection	ADB- 1100 EIB- 5370	<b>Completed</b>	-	ADB-1	<b>Completed</b>	Handed over (Construction commencement date is 26.05.2017)
4 <sup>th</sup> subsection	ADB- 1000 EIB- 3970	<b>Completed</b>	-	EIB- 1	<b>Completed</b>	Handed over (Construction commencement date is 14.11.2017)
5 <sup>th</sup> subsection	ADB- 4900 EIB- 1980	<b>Completed</b>	-	-	<b>Completed</b>	Handed over (Construction commencement date is 14.11.2017)
6 <sup>th</sup> subsection	EIB- 7070	<b>Not-yet started</b> <sup>13</sup>	Not-identified due to design changes	-	Not-identified due to design changes	-

<sup>11</sup> Each subsection includes both ADB and EIB financed sections as per presented KMs in Table 1.

<sup>12</sup> The sections with ongoing expropriation court cases cannot be handed over to the Contractor.

<sup>13</sup> The subsection hasn't started because of design changes in Beniamin-Azanat communities due to identified archeological values to be bypassed.