

Resettlement Plan

December 2020

Armenia: Sustainable Urban Development Investment Program – Tranche 1

Corrective Action Plan (CAP) to LARP3

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CORRECTIVE ACTION PLAN UNDER LARP3 (S.G and Kh.S)

Armenia: Sustainable Urban Development Investment Program Tranche 1

Project Number: 42417

Loan Number: L2752

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Prepared by the Yerevan Municipality, Yerevan Project Implementation Unit

ABBREVIATIONS

SUDIP	Sustainable Urban Development Investment Program
MFF	Multi Tranche Financial Facility
PIU	Project Implementation Unit
ADB	Asian Development Bank
EMA	External Monitoring Agency
SESF	Social Evaluation System of Families
AP	Affected Person
AH	Affected Household
LARP	Land Acquisition and Resettlement Plan
AMD	Armenian Dram
USD	United States Dollar

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1. INTRODUCTION

1.1. Project Status

1. The Sustainable Urban Development Investment Program (SUDIP) is financed by the Asian Development Bank (ADB) under a Multi Tranche Financial Facility (MFF) and entails so far two Tranches. Tranche 1: covering the improvement of Shirak Street and Artashat Highway, the widening of Arshakunyats Avenue and North South Corridor Interchange (Category A for Involuntary Resettlement (IR)). Tranche 2: covering the improvement of Argavand-Shirak Road Link, Davtashen-Ashtarak Road Link and Babajanyan-Ashtarak Road Link (Category A for IR).

2. The Project under Tranche 1 is divided into 2 subprojects, out of which Subproject 2 with 3.7 km alignment includes the widening of Arshakunyats Avenue, new connection from Artashat Highway to Shirak Street and the widening of the Artashat Highway to Noragavit 1st Street. LARP 3 under Tranche 1 covers the area of Subproject 2. The LARP 3 was approved by ADB on May 12, 2014 and by the RA Government on September 11, 2014. The LARP implementation has started in 2014 and was finalized in July 2015. The Compliance Report on Implementation of LARP 3 was approved by ADB on August 28, 2015. The commencement of construction works for subproject 2 was granted on September 2015. The road has been put into operation in December 2016.

1.2. Scope and Objectives

3. The owners of properties out of Project RoW and located on Artashat highway, complained to the PIU and ADB several times during and after the construction works, in September 2016 and July 2017. The APs submitted their complaints separately but on the same dates. The APs' main concern was the possible negative impact of construction works on the residential house at Artashat highway. An independent expert was hired by ADB and investigation of geotechnical and structural condition of the properties was conducted in February-April 2020, with the objective of determining to what extent, if any, the project construction activities may have contributed to the structural deterioration of the two residential houses. Conclusions of the Report on the technical state and seismic resistance of the residential dwelling at Artashat highway as follows.

- i. Cracks in the constructive elements of the residential house, which have been formed before the beginning of the construction works of that part of the road settling in their nature, caused by the uneven settling of the soil under the foundation. The formation of the cracks is also contributed by the fact that construction works of the house have been implemented with numerous mistakes and defects.
- ii. Most of existing cracks have been formed before the beginning of the construction works of the road.
- iii. During the road construction works already existing cracks are developed, the aperture width of the cracks increased.
- iv. During the road construction works several new cracks appeared in the walls of building.
- v. During the road construction works, the development of the existing cracks, and also formation of the new cracks on the walls are related to the both continuous settling of the soil under the foundation and significant tremors transmitted to the building through soil caused by the vibration of the heavy equipment during the road construction works.

4. Based on the results of the survey this CAP has been prepared to compensate for damages caused to the residential house.

5. The residential house is inhabited by 2 households who use 2 separate entrances. For clarity the parts used by the 2 AHs are conditionally defined as House N1 and House N2

Figure 1 Location of the residential house in regard to the Project

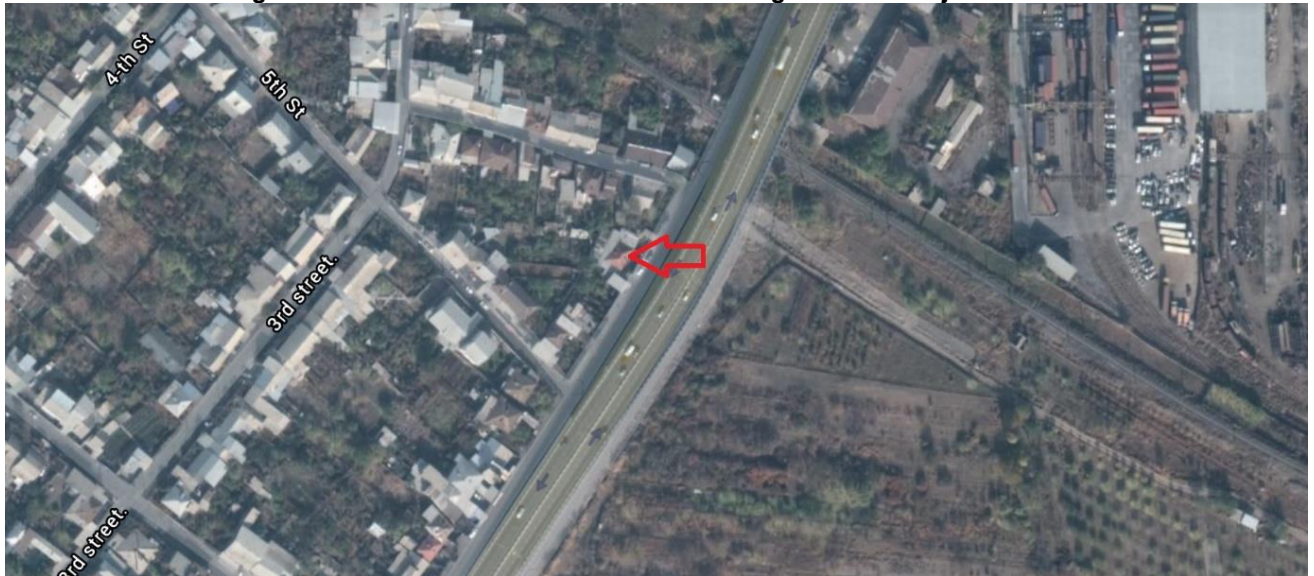


Figure 2 Photos of the House N1 from inside and outside

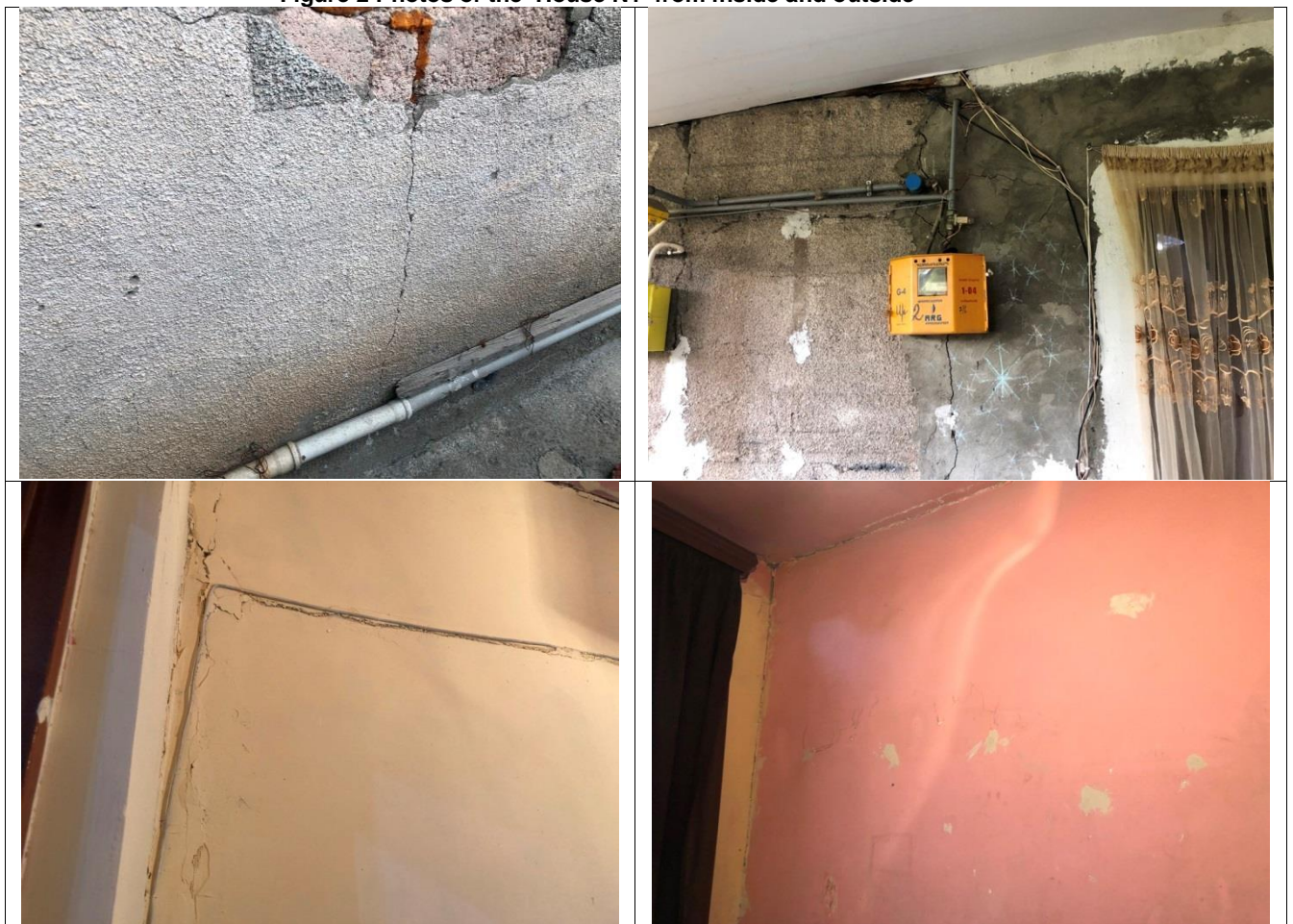


Figure 3 Photos of the House N2 from inside and outside



2. IMPACT ASSESSMENT AND CENSUS OF AFFECTED HOUSEHOLD

2.1 Survey Methodology

6. For this document, the data was collected in June-July 2020. In order to accurately assess the extent of the impacts the following surveys were undertaken:

- (i) Detailed Measurement Survey (DMS) - to measure the affected area of the house.
- (ii) Calculation of the Cost of the works for Restoration of damage of the residential house - to identify the amount of compensation for the damage of the residential house.
- (iii) Census - to identify the socio-demographic profile of APs and determinate vulnerability status of AH.

2.2 Impact Assessment

7. The Report on the technical state and seismic resistance of the residential houses concludes that the “Restoration” of the damaged building should be done by implementation of the following construction works and measures:

- (i) All the existing cracks which aperture width is more than 1mm, free from plaster, clean from dust with the air pressure method and in all in depth and in length of the cracks inject cement-polymer mortar.
- (ii) Inside the building, in the direction of all cracks, stucco the walls with plaster, and from the outside - cement-sand mortar,
- (iii) Restore the interior finish of the building.

8. According to the detailed measurement survey and census there are two AHs living in affected residential building with separate entries and utilities. According to the information provided by APs the building was built in 1950-1960. Type and volumes of works to be implemented are provided for each AH in Table 1 below.

Table 1 Types and Volumes of Works for Houses N1 and N2

Type of Works	House N1	House N2	Total
Removal of plaster from the walls and the ceilings (m ²)	483	557	1,040
Removal of ceramic tiles from the walls and the floor (m ²)	9	13	22
Removal of construction waste for a distance of 12km (t.)	14	15	29
Plastering, floating and painting of the walls and ceilings (m ²)	483	557	1,040
Plastering of external walls with sand-cement mortar (m ²)	403	213	616
Paving of floors and walls with ceramic tiles (m ²)	9	13	22

2.3 Census of Affected Household

9. According to the Census conducted during the preparation of the CAP (3 Dec 2020) the household N 1 consists of 5 members (3 female and 2 male). The 63 years old pensioner mother is living with 41 and 38 years old son and daughter-in-law and 19 and 16 years old grandson and granddaughter. The young members of the AH are students. In total, the AH monthly income amounts to 230,000 AMD. All APs are Armenian.

10. The household N 2 consists of 7 members (4 female and 3 male). The spouses are 70 and 69 years old. Their son and daughter-in-law are 44 years old. The grandson and granddaughters of the spouses are 22, 20 and 14 years old. 1 out of 6 adult members of the household is employed and receives salary; meantime two of them are pensioners. Two adult members of the AH are unemployed, one of which receives remittances from abroad. Two young members of the AH are students. In total, the AH monthly income amounts to 178,000 AMD. All APs are Armenian.

11. The AHs are not considered as vulnerable per definition of SUDIP LARF addendum¹. The AHs are not registered in the Social Evaluation System of Families which has been checked with the data published in website of Ministry of Labor and Social Affairs.

¹ Persons registered in the Social Evaluation System of Families (SESF) and receive a family allowance. Socially vulnerable persons are households who are headed by breadwinning women or by person entitled to the 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

3. CAP BUDGET

3.1 Compensation for affected structures

12. The compensation cost is calculated based on the type and volume of works to be implemented. The cost of works to be implemented as well as the cost of materials is included in the unit price². Total calculated compensation cost for the restoration works of House N1 and House N2 amounts to 6,477,914 AMD which is equivalent to 12,410 USD³ as shown in Tables 2 and 3 below.

Table 2 Total Calculated Cost for Restoration Works of Houses N1 and N2

Type of Works	Area(M ²)/ Weight(T.)	Unit Price (AMD)	Total (AMD)
Removal of plaster from the walls and the ceilings	1,040	796	828,040
Removal of ceramic tiles from the walls and the floor	22	543	11,850
Removal of construction waste for a distance of 12km	29	2,365	67,880
Plastering, floating and painting of the walls and ceilings	1,040	3,814	3,966,264
Plastering of external walls with sand-cement mortar	616	2,363	1,455,850
Paving of floors and walls with ceramic tiles	22	6,784	148,030
Total			6,477,914

Table 3 Compensation for the Damages of the Affected Houses

Type	Total Compensation	
	AMD	USD
Residential house N1	3,279,510	6,283
Residential house N2	3,198,404	6,127
Total	6,477,914	12,410
521.97 AMD, Exchange rate on December 23, 2020, Central Bank of the Republic of Armenia		

13. The compensation amount will be financed from ADB loan and covered by the contingency of the LARP3 under Tranche 1.

4. CONSULTATION AND INFORMATION DISCLOSURE

14. ADB representatives met with the APs on site on February 10, 2020. Meetings have been conducted with the APs on site during DMS. Due to COVID 2019 restrictions meaningful consultations with the APs were conducted via phone calls in December 2020. The APs were informed on the entitlement for compensation of the damage of the affected residential houses. The information about the results of the Report on the technical state and seismic resistance of the residential dwelling conducted by an independent expert hired by ADB as well as project GRM were provided to the APs. The APs were also informed on the type of restoration works for which they have to spend the

² The cost of works is calculated based on the average salary (210,000AMD) of workers engaged in construction and the cost of materials is calculated based on information on cost of materials published by Urban Development Committee of the RA in August, 2020.

³ 1USD=521.97 AMD, Exchange rate on December 23, 2020, Central Bank of the Republic of Armenia

compensation amount and expressed their agreement with the remediation approach.

5. IMPLEMENTATION ARRANGEMENT

15. The CAP will be implemented immediately after its approval by ADB. PIU will sign an agreement with the APs on compensation for the restoration works of damages caused to residential houses and the compensation amount will be transferred to the APs bank account in 15 days after signature of the agreement. PIU will open a bank account for the AP in the case if the APs have no bank accounts. It will take approximately a month for the APs to implement the envisaged restoration works. The restoration works can be implemented without relocation of the APs.

6. CAP MONITORING

16. The implementation of the CAP will be monitored by the External Monitoring Agency and reflected in the addendum to the Compliance report of the LARP 3.