

Social Monitoring Report

Internal Monitoring Report
Land Acquisition and Resettlement Plan
Implementation for Alat–Masalli Section
Project 1 (Km 112.9–Km 142.9)
March 2013

AZE: Second Road Network Development Program– Tranche 1

Prepared by AzerRoadService for the Ministry of Transport, Republic of Azerbaijan and the Asian Development Bank.

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**REPUBLIC OF AZERBAIJAN
MINISTRY OF TRANSPORT
AZERROADSERVICE OJSC**



**INTERNAL MONITORING REPORT
of
Land Acquisition and
Resettlement Plan Implementation
for Alat - Masalli Section
Project 1 (Km 112.9 – Km 142.9)**

**AZE: Multitranche Financing Facility
Second Road Network Development Program**

March 2013

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EXECUTIVE SUMMARY

1. This Internal Monitoring report is prepared for the implementation of Land Acquisition and Resettlement Plan that was prepared for the construction of a new 30-km four-lane highway section of the Alat-Masalli road between Jalilabad to Masalli (referred to as Project 1) following the Land Acquisition and Resettlement Framework (LARF) agreed between the Government of Azerbaijan and the Asian Development Bank within ADB-financed Second Road Network Investment Program.
2. In total, Project 1 required the acquisition of approximately 218.71 ha in 20 villages within the districts of Jalilabad, and Masalli - including 119.08 ha of private land, 58.4 ha of municipality-owned land and 41.33 ha of State reserve land. Impact to structures is limited to a restaurant complex and a fence for a residential plot in Masalli. Most of the affected trees are oak trees located on State land. Only 25 trees are located on 1 privately owned plot. A total of 687 households were affected. Most of whom lose a portion of their privately-owned agricultural land.
3. ARS has almost completed implementation of RAP which was prepared under Highway 2 Project financed by the World Bank. The due diligence assessment conducted by the PPTA consultant confirmed that compensation payments and consultation processes followed the provisions indicated in the approved Highway 2 Project RAP. Compensation payments were made as per the provisions in the RAP and no deductions/charges were made for depreciation, transaction and registration expenses.
4. However, there were several pending issues which were identified by the PPTA Consultant hired by ADB. Therefore, a new Land Acquisition and Resettlement Plan was prepared in July 2012 which consists of a few pending issues, including compensation of 15 privately-owned plots and municipality lands, as well as additional rehabilitation assistance for severely affected and vulnerable households.
5. To ensure that LAR-related activities for the project are implemented in compliance with the provisions of the LARP, internal monitoring was carried out by ARS/PIU.
6. As a result of internal monitoring it was revealed that there are not any incomplete land acquisition or transaction except 14 private lands and municipal lands. Moreover, for acquisition of 14 privately owned land parcels ARS has already applied to the appropriate court.
7. For affected municipality areas MoT requested the Cabinet of Ministers (CabMin) to solve the issue. Then CabMin asked MoT to prepare clear action plan with agreement of Ministry of Justice, Ministry of Finance and State Committee on Property Issues. MoT is in process of agreement of the prepared action plan with the mentioned agencies.
8. In addition, special activities are being done by ARS in order to provide additional rehabilitation assistance for severely affected and vulnerable households in terms of prioritization of able household members in job opportunities in civil works from the Project. Thus, ARS listed all of those family members who intend to work in civil works. These people will be given priority in job opportunities during and after the construction.

1. INTRODUCTION

9. AzerRoadService (ARS) is implementing the Masalli-Astara Motorway project under Tranche 1 of Network Development Program with the ADB loan. The Investment Program is proposed to be divided into two tranches (projects). The first tranche (Project 1 - No: 45389) will involve the construction of the 30-km four-lane highway of the Alat-Masalli road between Jalilabad to Masalli connecting to section A of the Masalli–Astara Motorway being financed under Project 1 of the ADB-financed Road Network Investment Program. Tranche 2 (Project 2) will cover another 33-km of the same road section connecting to Section 2 of the World Bank financed Second Highway Project. This Internal Monitoring Report comprises monitoring of implementation of Land Acquisition and Resettlement Plan (LARP) for Project 1.

10. Project 1 alignment will run parallel with the railway track at Uzuntapa until the proposed Goytapa interchange where it will begin to veer away from it to finally end at the proposed interchange south of Masalli which is the beginning of the ADB-financed portion of the Highway. The road will have 3 interchanges (Jalilabad, over Masalli Railway Station, and a road overpass within the town of Masalli itself), bridges over the existing highway and rivers, underpasses and a railway crossing. Installation of rest areas, road furniture, signs and markings for traffic safety and control devices and others as well as drainage culverts and canals will also be undertaken. Road furniture (e.g. crash barriers, reflective road markers, traffic signs, fencing, lighting and markings will be according to the national standards for a Category I road.

2. INSTITUTIONAL ARRANGEMENT

11. AzerRoadService (ARS) under the Ministry of Transport (MoT) is the Executing Agency and has overall responsibility for the Project including the preparation, implementation and financing of all land acquisition and resettlement (LAR) related tasks and cross-agency coordination. The Project Implementation Unit (PIU) of ARS is responsible for implementation of the Project.

12. The LAR tasks are being carried out by ARS's Land Acquisition Department (LAD), which has organized and internally monitored the LARP preparation and implementation (including surveys, asset valuation, community consultation), LAR related cross-agency coordination, and LARP approval.

3. BUDGET AND TIMEFRAME

13. ARS is responsible for all land acquisition costs associated with Project 1, including LAR administration and monitoring.

14. Total compensation budget was AZN 978,270.81 according to the RAP (that was prepared within Highway II Project financed by the World Bank). However, the LARP prepared within Project 1 comprised only compensation for 15 pending issues with privately owned lands and municipality lands. Total amount of compensation for pending private lands was AZN 9,711.76; for municipal lands was AZN 36,728.07.

15. Local Bank accounts were opened in local branches of Kapital Bank on June 2010 for the pending 14 APs and calculated compensations were deposited to the mentioned accounts

by ARS. Legal Department of ARS applied to the appropriate court in order to solve the pending issues.¹

16. Since the mentioned 14 issues are with the court, there is nothing to be done from ARS side at the moment for privately owned lands. However, any of the pending issues can be solved directly upon returning of the DPs from Russia. In this case, the AP sign an agreement and can withdraw money from their local bank accounts.

17. For municipality lands, the Cabinet of Ministers instructed MOT to coordinate with four other ministries to develop an action plan for the compensation of affected municipality land in September, 2012. A draft decree designating MOT as the acquiring agency has been prepared for consideration by the Cabinet of Ministers. Afterwards, transfer of funds from MOF to the concerned municipalities will be done. However, ARS-LAD will obtain agreement from the concerned municipalities to allow civil works on municipal land while the documentation, approvals and transfer of funds from the Central Government to the municipalities are being completed

4. DELIVERY OF ENTITLEMENTS OF DISPLACED PERSONS

Land Compensation

18. The LARP considered compensations for the 15 privately-owned plots whose owners have migrated to Russia, deceased or refusing the compensation payment. However, during internal monitoring it was revealed that one of them has already got his money after making order of required documentation. The solved issue is situated in Seybatin village of Masalli district. Currently, there are 14 pending cases for private lands. 2 of them is in Soyudlu village of Jalilabad rayon, while 12 of them is situated in 6 villages of Masalli rayon. ARS has applied to the court for appropriate decision.

19. The following table shows detailed information on the status of pending issues with private lands:

Table 1: Pending issues with privately owned lands

No	DP Initials	Village	Affected land portion (ha)	Calculated compensation amount (AZN)	Reason for Pending Compensation Payment
MASALLI					
1	MI	Mollahasanli	0.130	933.84	Lives in Russia.
2	AL	Musakucha	0.050	352.80	Lives in Russia
3	AX	Goyachol	0.097	698.80	With inheritance issue. One of family members is living in Russia
4	TA	Khil	0.062	447.84	With inheritance issue.
5	JF	Dadva	0.014	97.92	Lives in Russia
6	MV	Dadva	0.150	1,080.00	Lives in Russia
7	SN	Dadva	0.004	30.24	With inheritance issue
8	GS	Dadva	0.190	1,368.00	With inheritance issue
9	ME	Dadva	0.060	527.76	Lives in Russia
10	MO	Dadva	0.050	354.24	Lives in Russia
11	BK	Seybatin	0.097	697.68	Lives in Russia
12	IA	Seybatin	0.085	610.56	With inheritance issue
Subtotal for Masalli			1.041	7199.68	

¹ Application was sent to the court in June 2012, but after the Court's additional requests the documents were again updated and sent to the court on 26 January 2013.

JALILABAD					
13	IG	Soyudlu	0.930	2,008.80	Refuses to interact with district and project staff. Being processed for expropriation
14	IA	Soyudlu	0.060	129.60	Lives in Russia
Subtotal for Jalilabad			0.990	2,138.40	
Total (pending compensation for affected private land)			2.031	9,338.08	

20. For affected municipality areas MoT requested the Cabinet of Ministers (CabMin) to solve the issue. Then CabMin asked MoT to prepare clear action plan with agreement of Ministry of Justice, Ministry of Finance and State Committee on Property Issues. MoT is in process of agreement of the prepared action plan with the mentioned agencies.

Table 2: Status of compensation payment in general

Cate gory	District	Land Classi fication	Area	Unit Cost (including 20% premium)	Calculated Amount of Compen sation (AZN)	Actual Amount Paid (as of February 2013)	Unpaid Amount	% Com plete
Pri vate	Jalilabad	Agricultural	10.60	2,160	22,896.00	20,757.60	2,138.40	90.7
		Homestead	0.84	6,000	5,040.00	5,040.00	-	
	Masalli	Agricultural	107.21	7,200	771,912.00	764,712.32	7,199.68	99.1
		Homestead	0.43	8,400	3,621.00	3,621.00	-	
	Subtotal		119.08		803,469.00	794,130.92	9,338.08	98.8
Muni ci Pality	Jalilabad	Agricultural	2.40	1,500	3,600.00	-	3,600.00	
		Non-agri.	3.00	166.96	500.88	-	500.88	
		Pasture	15.14	263.18	3,984.00	-	3,984.00	
	Masalli	Agricultural	10.82	2,160	23,371.20	-	23,371.20	
		Non-agri.	15.81	166.96	2,640.31	-	2,640.31	
		Pasture	11.11	236.96	2,631.68	-	2,631.68	
	Subtotal		58.28		36,728.07	-	36,728.07	0.0
	Total		177.36		840,197.07	793,757.24	46,066.15	94.5

Compensation for Structure and Tree Losses

21. Both the restaurant complex in Mallahasanli village and the fence of a residential plot in Samidkhan village in Masalli had been compensated as per the provisions in the approved Highway 2 Project RAP prior to LARP preparation within ADB financed MFF. Total amount of compensation paid is AZN 35,222.53 (33,906.00 for the restaurant complex and 1,316.53 for the fence).

22. Compensation for affected trees (25 in private areas, 3833 in state lands) had already been transferred to appropriate bank accounts of affected parties (total amount is AZN 95,806.70).

Issuance of new land certificates for remaining land to DPs

23. All DPs who have received their compensation have also received new land registration certificates for their remaining plots. Costs related to land re-registration and documentation were paid by the ARS.

Additional rehabilitation assistance for severely affected and vulnerable households in terms of prioritization of able household members in job opportunities in civil works from the Project

24. Special survey² was conducted in 2011 by ARS in order to identify needs of severely affected and vulnerable households in terms of job opportunities. As a result of the survey unemployed family members of those families were listed. The list also shows occupations of those people. ARS will give the list to the Contractor to provide job opportunities.

5. CONSULTATION, PARTICIPATION AND GRIEVANCE RESOLUTION

25. During different stages of LARP implementation, consultations were held according to procedures and rules considered in Resettlement Plan. Thus, 4 public consultations were held in each of the Project rayons. In addition. LAD and PIU specialist always have been working in cooperation with local Municipalities.

26. Information brochures were prepared and disseminated in the Project area. In addition, a new brochure comprising construction schedule and relevant information will be prepared and disseminated prior to the construction starts.

27. Currently, there is not any active complaint in the area. But, if there will be any grievance in the Project area it will be solved according to procedures reflected in LARP. Complaints will be filed by the Consultant Engineer together with the Contractor and will submit to PIU periodically.

² Summary of survey results is attached to the report as an annex

Annex 1: Summary of the survey for identification of needs of severely affected households in terms of job opportunities

A special survey was carried out within the Alat-Masalli Road project in order to identify employment needs of severely affected people. The survey was conducted by means of questionnaires and interviews and covered all HHs considered as a severely affected. An independent consultant in assistance with the Land Acquisition Division was responsible for the survey.

In total 342 households were considered as a severely affected within the area of Project 1 (Uzuntapa-Masalli). Skills and level of educations of those are interested in working in road construction or maintenance were also listed.

Table showing summary of results:

C/c	Rayon and villages	Severely affected or vulnerable HHs	Number of HHs willing to work	Number of persons willing to work
1	Jalilabad, Soyudlu	5	3	5
	sub-total:	5	3	5
	Masalli			
2	Такла	3	0	0
3	Моллащясянли	60	17	19
4	Сыдынъаг	11	8	8
5	Эейяшол	55	6	6
6	Мусакуше	70	1	1
7	Шакхырлы	13	4	4
8	Онъегала	9	5	7
9	Хыл	18	6	7
10	Агакишибейли	32	12	12
11	Дадва	34	2	2
12	Sharafa	3	0	0
13	Бала Такла	2	0	0
14	Сейбетин	27	0	0
	Sub-total:	337	61	66
	Grand Total:	342	64	71