

Social Monitoring Report

Final External Monitoring Report
September 2017

AZE: Second Road Network Development Investment Program, Project 1

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REPUBLIC OF AZERBAIJAN



EXTERNAL MONITORING REPORT

ON IMPLEMENTATION OF RESETTLEMENT PLAN FOR PROJECT

**JALILABAD - MASALLI MOTORWAY
(km 110 +km 700 – km 141 +km 890) ADB Loan 2921- AZE**

UNDER THE SECOND ROAD NETWORK DEVELOPMENT PROGRAM

September 2017

ABBREVIATIONS

ADB	Asian Development Bank
DP	Displaced Person
AAY	Azeravtoyol OJSC
ARS	AserRoad Service OJSC
AZN	Azerbaijan Manat
DMS	Detailed Measurement Surve
DSC	Design Supervision Consultant
EM	External Monitoring
EMC	External Monitoring Consultant
LAD	Land Acquisition Department
LAR	Land Acquisition and Resettlement
LARP	Land Acquisition and Resettlement Plan
LARF	Land Acquisition and Resettlement Framework
MoF	Ministry of Finance
MoT	Ministry of Transport
NRS	National Resettlement Specialist
PIU	Project Implementation Unit
ROW	Right of Way
SCPI	State Committee for Property Issues
TOR	Terms of Reference

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1. INTRODUCTION

1. This external monitoring is carried out for the Project Tranche 1, Jalilabad to Masalli Intersection of Alat - Astara Highway (Km 110+700 - Km 142+890) financed under the Second Road Network Development Program by multi-tranche financing facility (MFF) and an agreement signed between the Republic of Azerbaijan and Asian Development Bank (ADB). Tranche 1, Jalilabad to Masalli Intersection of Alat - Astara Highway commences at the area of Uzuntepe village of Jalilabad and ends at the area of Sarcuvar village of Masalli district with a total length of 32.190 km.

2. The “AzerAvtoYol” OJSC (AAY) is an Implementing Agency and has an overall responsibility for the project and preparation and implementation of Land Acquisition and Resettlement Plans (LARP)¹. The AAY has a Land Acquisition Department (LAD) that designated two engineers who besides engineering tasks, assist with LAR activities in Jalilabad and Astara districts. A Project Implementation Unit (PIU) is set up under the Investment Unit of the AAY. The PIU is headed by Director who is in charge for project implementation. The PIU has a National Resettlement Specialist based in Baku who oversees social safeguards and LAR issues and visits the project sites frequently.

1.2. Monitoring objectives and methods

3. This external monitoring is undertaken for an independent assessment and validation of due delivery of resettlement safeguards in implementation of the project as per the policies and principles laid out in LARF and LARP and the Safeguard Policy Statement (SPS 2009) of ADB on involuntary resettlement, advise the AAY about safeguard issues if any, as well as to evaluate efficiency of resettlement activities and draw lessons for preparing and implementing future resettlement planning documents.

4. The external monitoring has been carried out by an independent consultant, Ms. Halimova Nargis, engaged by the AAY and with assistance from PIU, especially Mr. Quliev Arastun, the National Safeguard Specialist. The consultant has carried out the task from 17 August to 26 September 2017 and visited the project areas and had group discussions with respective parties and interviews with DPs. A set of methods and approaches are used for this external monitoring, including:

- Review and analysis of project related documents, including LARF, LARPs, internal monitoring reports, external monitoring reports and other documents,
- Review of Azerbaijan laws and regulations on land acquisition for the state needs,
- Groups discussions and interviews with displaced persons (DPs)², representatives of the AAY, contractors local communities and municipalities,
- Survey of the DPs and observations,
- Analysis of the key performance indicators, and
- Analysis of qualitative and quantitative data.

5. Interviews were held out with randomly selected DPs to understand their perceptions and satisfaction about the resettlement process and validate monitoring indicators on

¹Former Azeryolservis renamed into the “AzerAvtoYol” OJSC since 09 March 2016.

²As per definition in ADB SPS (2009), in the context of involuntary resettlement, displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

implementation of resettlement measures as per the project's LARP. Survey questionnaire was prepared and used in interviews with DPs to receive quantitative and qualitative information on impacts, validate monitoring indicators including on payments of compensations and entitlements, relocation assistance, and DPs satisfaction about LARP implementation. The survey questionnaire was translated into Azeri language and the interviews with DPs were held in Azeri (questionnaire in Attachment 1). Group discussions were held with DPs, the specialists of contractor, AAY, municipalities and executive representatives. As appropriate, English and Russian were also used (the list of people met in the Attachment 2).

1.3. Background

6. The LARP for Section km 110+700 - Km 142+890 of Alat -Astara Highway Project (Tranche 1) was prepared in 2012 and Addendum to LARP in August 2013. The Azeryolservis OJSC (since 09 March 2016 renamed into the Azeravtoyol OJSC) implemented LARP in 2013 and 2014. Initially the 30 km section of Shorsulu - Masalli Highway Project was included to the LARP. The starting point of this section was supposed to be km 112+900 and ending point was considered km 142+890. The commencement point was the place nearby Uzuntepe village of Jalilabad district. But later the Tranche 1 was extended to the Uzuntepe Interchange and a new starting point was accepted (Km 110+700).

7. Tranche 1, Jalilabad to Masalli Intersection (passes by alongside totally 21 villages (3 villages in Jalilabad and 18 villages in Masalli districts). Acquisition of private, municipal and state lands as per provisions of the project LARP was completed by the end of 2014.

8. In total 672 affected households (HHs) were defined in LARP for Tranche 1 (625 HHs in Masalli and 47 HHs in Jalilabad). Total land area occupied by the project was 253.35 hectare. Out of the total, 138 hectares were private land, 70.92 hectares were municipal lands, mainly pasture, and 44.43 hectares of state lands. A privately owned restaurant complex, two houses and fences were affected by the project. By the Addendum to LARP, the project affected 70 trees in private lands and 3,833 oak trees in state lands. No crops were affected in the ROW area as the harvest was allowed before construction.

9. But during the construction it was determined that acquisition of new land portions at 4 overpasses is needed. This was for construction of service road and drainage canal at approach to overpass at Km 126+121 and changing of overpass locations at other three places. According to the tender design the chainages of these overpasses were:

- Km 126+121 Chaxirli road intersection
- Km 132+360 Semedkhanli road intersection
- Km 135+250 Onjagala road intersection
- Km 139+350 Yeddioymag road intersection

10. Despite the construction of these overpasses was inserted into BOQ of the Project, after substantiating of necessity to change the locations of the above-mentioned overpasses as per the working drawings prepared by the Contractor the actual chainages are:

- Km 132+246 Semedkhanli road intersection
- Km 135+217 Onjagala road intersection
- Km 139+376 Yeddioymag road intersection

11. The places of overpasses were relocated by 114 m at Semedkhanli road intersection, by 33 m at Onjagala road intersection and by 26 m at Yeddioymag road intersection. The reason to change the places of overpasses by 114 m and 33 m respectively at Km 132+360

and Km 135+250 was the blocking of entrance roads to residential houses. At Km 139+350 the place of overpass was changed by 26 m because it would block the entrance to the asphalt plant which is the private property.

12. Though LARP for Masalli-Jalilabad Section of the Alat-Astara Motorway (M3) was completely implemented by December 2014, due to the above-said changes during constructions in 2016, Supplementary to LARP was prepared and disclosed in August 2016. The document covered totally 53 land owners from 6 villages of Masalli district. Of these, 12 were affected again and 41 were defined as new DPs.

13. Additional land required as per the Supplementary to LARP (2016) was in total 5.372 hectares. Of this, 5.336 hectares were agricultural and 0.0362 hectares were residential lands belonging to 53 land owners. Out of the land for agricultural purposes 1.2 hectare was sowed with wheat and the remained 4.136 hectares was pasture. A fence (131.2 m²) of one household was affected. As per the request of the AAY, the State Committee on Property Issues (SCPI) defined the remained parts of the affected land plots and prepared cadastral plans for each land plot.

14. As per Addendum to LARP (2013) and Supplementary to LARP (2016), 2 houses (with ancillary structures), a restaurant complex and a fence were affected (Table 2).

15. Total number of affected HHs including the Supplementary to LARP for the Project Jalilabad to Masalli (Km 110+700 - Km 142+890) reached 713.

Table 2: Compensation Budget for Structure Losses (amounts in AZN)

Category	Village/ District	Structure	Calculated Value	20% additional Compensation	Total Compensation Amount
LARP Addendum (Aug 2013)					
House	Uzunatapa Jalilabad	House with ancillary structures	25,000.00	5,000.00	30,000.00
House	Uzunatapa Jalilabad	Residential house	30,000.00	6,000.00	36,000.00
Restaurant	Mollahasanli/ Masalli	Main bldg + kitchen	24,196.00	4,839.20	29,035.20
		Kiosks (2)	4,631.00	926.20	5,557.20
		Toilet	1,285.00	257.00	1,542.00
		Water tank	779.00	155.80	934.80
		Sewage tank and others	3,015.00	603.00	3,618.00
Ancillary structure	Samudkhan 2/ Masalli	Fence	1,316.53	263.31	1,579.84
Supplementary LARP (2016)					
Fence		Fence 131.2 m ²		6,560	6,560
Total					114,827.04

16. Implementation of the Supplementary to LARP completed in October 2016. Final Summary Report about implementation of the Supplementary to LARP was submitted to ADB on 13 January 2017.

2. PAYMENTS OF COMPENSATIONS AND ENTITLEMENTS

17. AAY completed land acquisition and payments to 672 affected HHs for all types of properties, and for municipal and state lands by the end of 2014. Payment of all compensations and entitlements as per the Supplementary to LARP was completed by October 2016. No deductions and charges are made for depreciation, transaction and registration expenses from compensations paid to DPs. Compensations for lands were paid in cash as preferred by DPs.

2.1. Compensation for lands

18. In total, AZN 921,654.03 is paid for compensation of lands for 143.372 ha (138.00 hectares in LARP and Addendum of 2013 and 5.372 hectares in Supplementary to LARP of 2016). No transaction charges or fees are deducted from the compensations. Copies of the signed acquisition agreements are registered with the SCPI for updating registration and issuance of new land ownership certificates to all the DPs including for those affected before and after July 2012 and DPs included in the Addendum to LARP (2013) and Supplementary LARP (2016). Cost of registration and renewal of new ownership documents is covered by LAR budget.

19. According to legislation land acquisition process was carried out in a notary manner. Land acquisition contracts were signed on the basis of cadastral maps prepared by the SCPI that shows affected portion of each land parcel.

2.1.1. Renewal of ownership documents/certificates

20. The documents for the residual lands plots that after the LAR impact left for land owners (DPs) are renewed for all the DPs including for those affected after July 2012 and were included in the Addendum to LARP (2013) and Supplementary LARP (2016) and the costs covered by the resettlement budget. As per request of the AAY, the SCPI developed new cadaster maps and ownership documents/certificates for all the DPs including for those DPs affected after July 2012 and included in the Addendum to LARP (2013) and Supplementary LARP (2016)³.

2.2. Compensation for structures

21. All affected structures are compensated with total amount of AZN 114,827⁴.

2.3. Compensation for business loss

22. No compensation is paid for business loss. An arrangement was made with the owner of affected restaurant complex and the contractor to ensure the continuity of the restaurant operation until the replacement structures are constructed and ready for operation in order not to lose income. Cash compensation was paid to the restaurant owner for the structures in order to rebuild the restaurant complex in the adjacent state forest land (this compensation is included in the compensation for structures reported above in "2.2. Compensation for structures"). Only after that the contractor was allowed to demolish the existing restaurant complex. The state forestry office (regional office of the Ministry of Ecology and Natural Resources) offered a lease for an alternative plot to the restaurant owner to rebuild his structure. However, the restaurant owner preferred not to lease land anymore but look for other kinds of businesses with the received compensation. He opened a new grocery store in near

³ Confirmed by AzerAvtoYol during the meetings in September 2017 with the external minitor in preparation of this report. This information was also confirmed during the meetings with the heads of local administrations as well as during group discussions with DPs in 5-8 September 2017.

⁴ LARP, Addendum of 2013, Supplementary LARP (2016) and confirmation of payment provided by AAY during meetings on September 2017.

the village where he lives and the other businesses (gas and petrol filling stations and car washing) that he runs also, and reportedly, he operates well his businesses currently.

2.4. Compensation for trees

23. Addendum to LARP included 70 trees affected in total in private lands and 3833 oak trees in state lands. Further, 53 trees were defined in Supplementary to LARP (2016). In total, AZN 97,811.70 is paid for compensation of trees.

2.5. Compensation for crops

24. No crop was affected as its harvest was allowed before construction.

2.6. Assistance for Severely Affected and Vulnerable Households

25. In accordance with the project related reports a total of 342 HH's were identified as severely affected and vulnerable and are eligible for additional rehabilitation measures in the form of employment opportunities when the civil works commence along this section. For that purpose, ARS conducted a special survey between January-March 2012 to identify the needs of severely affected and vulnerable HH's in terms of employment provision. As a result of the survey, 71 persons from 64 households were identified who wanted to be employed in the project constructions. The AAY sent a list of these 71 persons to the contractor and asked to employ them in project works. They all were employed and most of them worked until the end of the project⁵.

2.7. Adequacy of land acquisition and resettlement budget

26. Payment of all compensation and entitlements is completed. The Ministry of Finance provided funds for LAR budget in adequate amount and in time and budget resettlement needs with due payment of all compensations and entitlements as provided in LARP. The LAR cost for compensations ended at AZN 1,134,292.77.

Table 5: Summary Resettlement Budget

Item	Estimated Cost (AZN)	Paid (AZN)
LARP + Addendum 2013		
Compensation for land	881,064.27	881,064.27
Compensation for structures	108,267.04	108,267.04
Compensation for oak trees in public lands	95,533.3	95,533.3
Compensation for trees in private lands	1,218.4	1,218.4
Subtotal:		1,086,083.01
Supplementary LARP 2016		
Compensation for lands	40,589.76	40,589.76
Fence	6,560	6,560
Trees on private land	1,060	1,060
<i>Subtotal</i>		<i>48,209.76</i>
Total:		1,134,292.77
LAR Administration and Monitoring	440,000	
Contingency (15% of base cost)	212,825	
Total	1,631,660	

2.8. Effectiveness of LARP

⁵ Social Audit report No 1 (November 2014); and information provided by the Supervision Consultant and the Contractor during the meetings held in September 2017.

27. LARP was prepared with due assessment of impacts, including social and economic baseline information about the affected households, conducted detail measurements surveys to identify the impacts to the lands, structures and livelihoods of the affected households. Valuation specialist was engaged for appropriate valuation and compensation of affected properties. Resources were allocated for presenting the project to the affected communities and DPs and have consultation with them about their compensation preferences, compensations amounts and entitlements.

28. Among others safeguards measures, LARP provided timeframe and finances for monitoring resettlement safeguards indicators during LARP implementation and project constructions. Resources, as Grievance focal persons were designated by Supervision Consultant and Social Safeguard Specialist was designated by the PIU for handling the complaints in appropriate and timely manner. With appearance of new impacts due to the changes made during constructions, and Addendum as well as Supplementary to LARP was prepared in 2013 and 2016 respectively.

29. LARP (as well as the Addendum to LARP and Supplementary to LARP) have provided adequate budget. The estimated budget in LARP that was allocated by the Ministry of Financed was sufficient and provided in timely manner to support implementation of LARP. The AAY put efforts to employ the able members of affected households and communities in project construction works. As result, all 71 interested members of severely affected and vulnerable households DPs were employed by the project and most worked until the end of the project. In addition, above 50% of the labor demands in project constructions were filled up by the interested local residents.

30. It has to be also noted that during LARP preparation, valuation of affected assets for compensation were carried out by professional valuation specialists. This ensured to calculate compensations of the affected properties based on the principles of the market value and replacement cost and form the budget for compensation of properties more accurately⁶. In additional 20% bonus of the defined market value is added to compensation amount to the owners of the affected properties as per the Decree of the President of the Republic of Azerbaijan from 2007.

31. However, it is assessed that resources and timeframe for consultations in LARP and design preparation was not sufficient. Based on experience from the project, many complaints and concerns of the complainants were related to underpasses (design did not provide underpasses in appropriate number and places as villagers need), lack of service roads in design, irrigation pipes and so on). Therefore, it is recommended:

- To allocate more time and resources for more meaningful consultations during design and LARP preparation,
- In addition, the content and methods of consultations during LARP preparation should be made more comprehensive. Along with information on LAR process and principles, compensations and entitlement matrix, the DPs and affected communities should be informed about the technical characteristics of the project, design details as well, which can be relevant and affect the living and working patters of the DPs and communities.

⁶Compensations for private lands in the LARP was defined based on the comparable market prices. The Law No.987 III-Q for Land Acquisition for State Needs (dated 20 April 2010) is effective in Azerbaijan that provides rules on acquisition of lands for the state needs including compensation for affected properties and obligations of the parties.

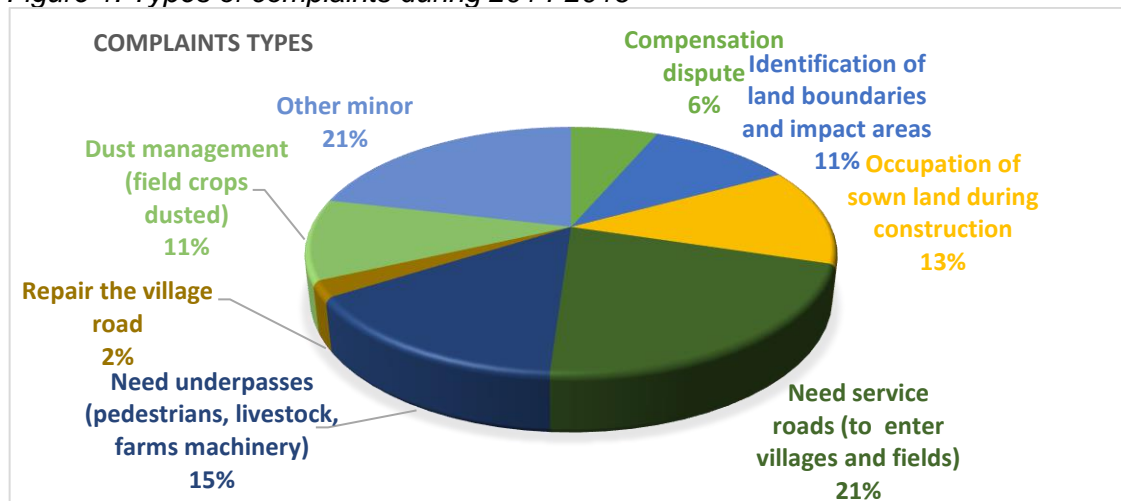
3. GRIEVANCE REDRESS

32. Records and interviews with DPs held during this external monitoring confirms that grievance redress process was well managed; all the complaints are registered and processed. The contractors had designated specialist as Grievance Focal Persons.

33. In Masalli-Jalilabad project, complaints and questions included compensation amount issues, identification of land boundaries and impact areas, however, in most cases, the complaints were related to constructions, in summary as followings:

- Compensation amounts dispute,
- Block of entry to the villagers and farms by the construction works,
- Lack of service roads to the villages and farming fields,
- Occupation of sown lands by constructions works,
- Deterioration of local roads,
- Lack of underpasses for pedestrians as well as for farms machinery and livestock
- Dusts from constructions,
- Construction noises

Figure 1. Types of complaints during 2014-2016



34. A Grievance Log Book is opened to document the complaints, track the actions taken and resolve them as quick as possible. The relevant authorities and the AAY have to address the complaints and provide responses to the complainant within 15 days from the date received. Minor issues were resolved quickly at the project sites and when necessary, complaints are forwarded to respective agencies for coordination and taking decision. Meanwhile, complainants are informed about the status periodically. Information about complaints processing have been updated in the Log Book. While many complaints were justified, there were also unjustified complaints, for example occupation of sown area by construction. These kinds of complaints were investigated in the sites together with complainants and claims were defined unjustified. The boundaries of complainant's land and ROW were explained.

35. The Grievance Log Book served as a good tool to track the status of complaints since they are received to the actions taken for resolving. For example, out of 47 complaints received during the 2014-2016, 37% were resolved within one week (issues that required clarifications or could be solved at the site) while other 40% were resolved within 15 days to 1 month (for example issues of service roads). The complaints that took about three months were related

to the design changes, for example construction of underpasses that required calculation of costs and variation in design.

Figure 2. Time of complaints resolution



36. According to the records, field observations and interviews with the DPs undertaken during this external monitoring, most of the complaints were resolved with satisfaction of DPs and communities. There were constructed:

- 2 additional underpasses for crossing livestock and farms machinery,
- 3 pedestrian crossings and
- 2.8 km service roads service roads to the villages and farmlands in two sides of the road behind the ROW to satisfy people's needs (see sample photos below).

Photos of additional service roads and underpasses built in response to the complaints



37. For resolving of the complaints, a good collaboration was established between the staff of the AAY, contractor, municipalities' chiefs as well as DPs. During constructions, weekly meetings were held by these stakeholders and communities. When the requests or complaints were found reasonable after investigations on the site, they were forwarded to the AAY for consideration (e.g. for service roads to the villages and farm fields, additional underpasses for crossings of pedestrians as well as livestock and farms machinery). After the AAY's conclusion, instructions for constructions of additional underpasses and service roads have been given to the contractor. All the received complaints were addressed and at present, there were not reported any complaint from the DPs or local population or other public or private parties in connection with the project LAR activities or construction works.

4. CONSULTATIONS

4.2. Consultations in LARP preparation and implementation

38. Discussions with DPs during this external monitoring confirmed that communities are well aware about resettlement process, their compensation and entitlements. Public consultations and individual meetings were held with DPs, communities and other stakeholders throughout all the project phases including during impact assessment and implementation of LARP. Information about the project, its impacts and the ways for DPs and communities to make complaints about LAR process or potential impacts during construction works were presented and discussed with the DPs and communities. Project Information Pamphlet in Azeri language was distributed to DPs and communities.

39. There were conducted series of public consultations and individual meetings, to discuss with DPs their entitlements, compensation preferences and amounts for affected properties, entitlements matrix and bases for assets evaluation. Individual meetings were conducted in each case when issues or concerns raised by DPs and were checked and verified on resettlement sites. Consultations helped DPs and communities to raise their concerns or get answers to their questions, and incorporate the communities needs in the project design, like building additional underpasses and overpasses in certain points as indicated by communities.

4.3. Group discussions during the external monitoring

40. Consultations were conducted during this external monitoring in the project areas in September 2017. As per feedback, more complaints and questions increased during construction works and were mainly engineering design and constructions related. The project staff including the contractor, DSC, AAY, municipality and representatives of the DPs and communities had weekly meetings, to discuss the raised issues and prevent possible problems or misinformation. This practice and on-going consultations and collaborations of the parties helped to resolve the complaints as quick as possible.

41. According to discussions and review of records, LARP was implemented with adequate involvement of DPs and communities and complaints of people are satisfied; number of underpasses both for crossing of pedestrians and farm machinery and livestock, and service roads to the villages and farm lands are constructed for people's convenience and road safety. The communities' members are positive about the construction of new roads and among other benefits, they expect the roads will diversify income –generating sources of the households and their social and economic living standards. They expect development of tourism industry, production and trade. The residents are interested in development of the parking and resting areas along the road in near future.

4.4. Interviews on DPs satisfactions

42. Interviews were conducted during this external monitoring in the project areas in September 2017 to evaluate perceptions and satisfactions of the DPs about resettlement process, valuation and compensations of properties and handling of complaints, as well as evaluate the changes in DPs incomes after the LAR. Discussions confirmed that DPs are well informed about the project, resettlement process, compensations and entitlements, grievance mechanisms and bases for valuation of affected properties and compensations.



43. Interviews were held with 71 or about 10% of DPs who were randomly selected with approach to include DPs with all impact categories, including the DPs experienced physical relocation, impacts on business and women. The results show the DPs perceptions on LAR are satisfactory. Summary analysis from the interviews is presented in the figures below.

Figure 3. DPs self-assessment : total 71 respondents

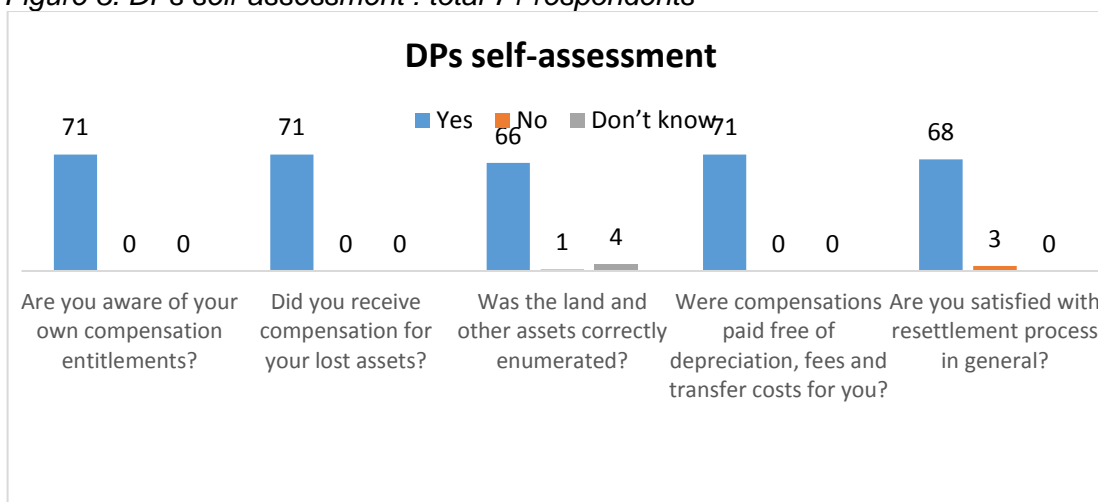


Figure 4. DPs self-assessment on impacts to agriculture lands and trees

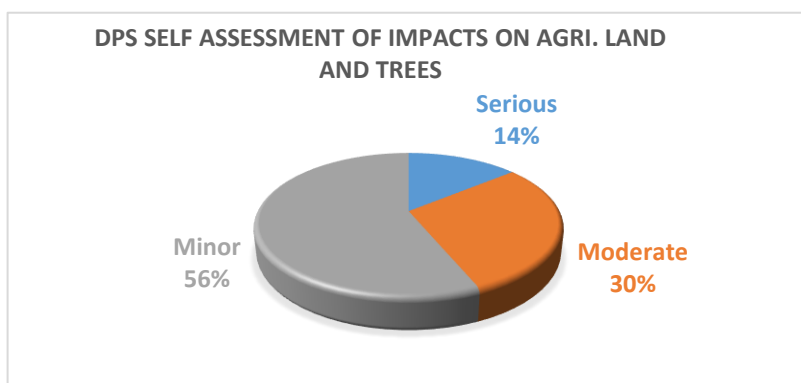
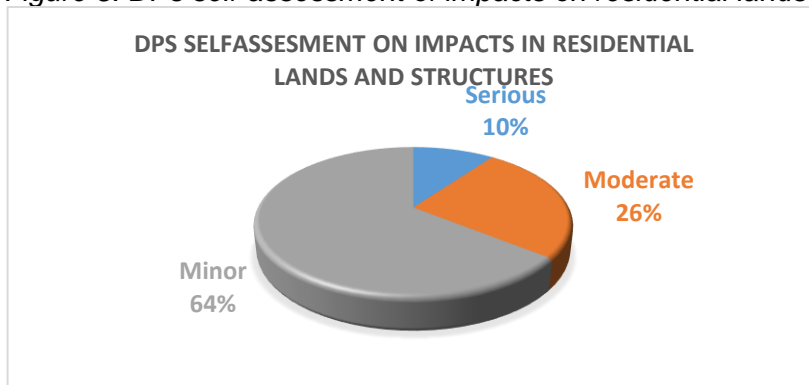


Figure 5. DPs self-assessment of impacts on residential lands and structures



44. The DPs were also asked about the changes that occurred in their income sources and overall living standards. According to the responses, there are some changes in incomes sources and living standards of DPs though at this stage of project and post LAR, it is relatively earlier to notice significant changes. In addition, the changes may be related to various factors including development of national economy and residents living standards in the country overall, besides the potential impacts of the project.

Figure 6. DPs self-assessment on types of income sources

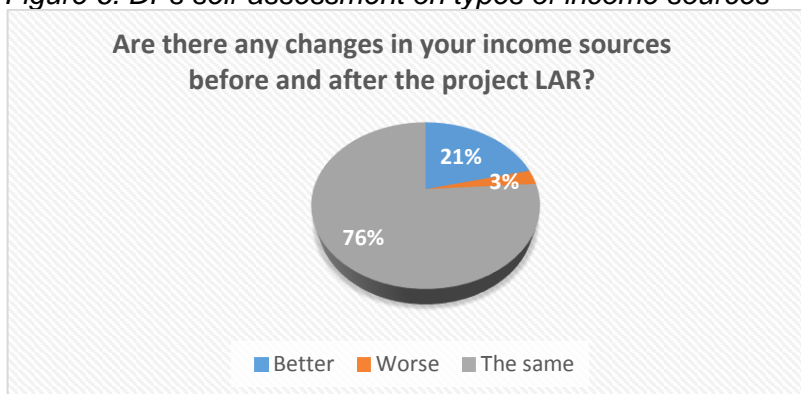
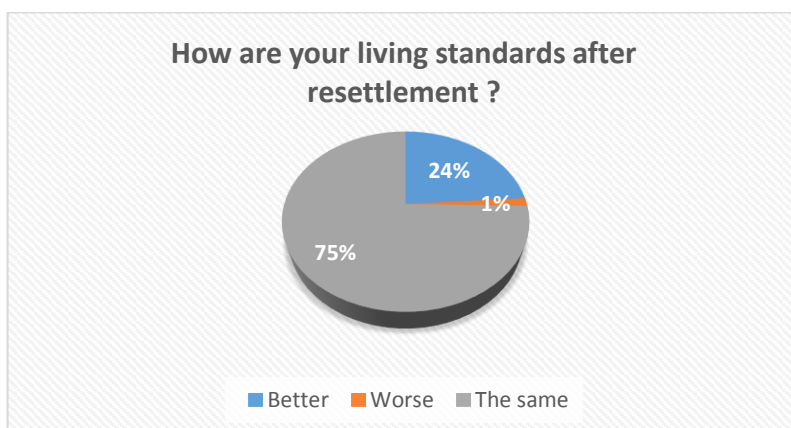


Figure 7. DPs self-assessment on living standards



45. More detail analysis of the DPs responses is given in the Table 5 below.

Table 5: DPs responses during individual interviews in Masalli-Jalilabad Road Project

		N	%
Total number of DPs		713	100
Number of DPs interviewed		71	10%
Are you aware of your own compensation entitlements?	Yes	71	100%
	No	0	0%
Did you receive compensation for your lost assets?	Yes	71	100%
	No	0	0%
Was the affected land or other lost assets correctly enumerated?	Yes	71	100%
	No	0	0%
Were your compensations paid free of depreciation, fees or transfer costs for you?	Yes	71	100%
	No	0	0%
Was there any other deduction from the approved payment?	Yes	0	0%
	No	71	100%
Were your compensations paid on time?	Yes	71	100%
	No	0	0%
Self-assessment of the impact on agriculture lands and fruit trees			
<i>Serious</i>		10	14%
<i>Moderate</i>		21	29.5%
<i>Minor</i>		40	56.3%
Self-assessment of the impact on residential lands and structures			
<i>Serious</i>		7	2.8%
<i>Moderate</i>		18	18.3%
<i>Minor</i>		46	78.9%
Were compensation payments sufficient to replace the lost assets?	Yes	71	100%
	No	0	0%
Are there any changes in your income sources before and after the project LAR?			
<i>Better</i>		15	21%
<i>Worse</i>		2	3%
<i>The same</i>		54	76%
Have you lost job due to the project land acquisition impact?	Yes	0	0%
	No	71	100%
How do you assess your living standards after the resettlement?			
<i>Better</i>		17	24%
<i>Worse</i>		1	1%
<i>The same</i>		53	75%
Has your access to cultural, public and social services (schools, medical care, cultural and social places) changed adversely?	Yes	0	0%
	No	71	100%
Do you think the land acquisition due to project had adverse impact on social adaptability and cohesion especially for children and elderly?	Yes	0	0%
	No	71	100%
Do you know about how to submit complaints if you have?	Yes	71	100%

	No	0	100%
Did you participate in public consultation meetings?	Yes	50	70.4%
	No	21	29.6%
If you had any concern, did you get enough information and were you agreeing with the arguments provided to you?	Yes	66	93%
	No	5	7%
Were there unintended (unexpected) environmental impacts?	Yes	0	0%
	No	63	88.7%
	Don't know	8	11.3%
Are you satisfied with the resettlement process in general?	Yes	68	100%
	No	3	0%

46. While most of the DPs responded satisfaction, there were few DPs who expressed they are not satisfied. The main reasons for their dissatisfactions are expressed as they would not like to be displaced or disturbed at all, the changes occurred due to the project and resettlement are not favorable for them (e.g. now their farmlands and/or houses are left in two sides of the road), and experienced inconveniences during road constructions.

5. CONCLUSIONS AND RECOMMENDATIONS

47. As a result of external monitoring, it is confirmed that LARP was duly implemented in accordance with ADB SPS (2009) and national laws and regulations. All compensations and benefits adopted in the entitlements matrix correspond to the benefits DPs received. As per discussion with the DPs they have received compensation payments for all kind of impacts accordingly.

48. The DPs received full compensation amounts for their losses as was defined (e.g. no deductions for any fees or other reasons were made from compensation amounts). In addition, bonus of 20% of the defined market value amount was added to compensation amount and paid to the affected property owners based on the Decree of the President of the Republic of Azerbaijan. No deductions made from compensations amounts or other entitlements such as for depreciation or transaction fees.

49. The able members of DPs households as well as local residents were employed in the project construction works. The project did not have adverse social impacts in terms of households or communities' social or cultural disruptions as the affected households have relocated and built new houses nearby in the same village (photos below).

Photos: sample photos of new houses built in the same village not far from the effected sites



50. In addition, the followings can be added based on observations made in the project areas and discussions with the DPs and communities, as well as other project stakeholder during this external monitoring:

- The project acquired mainly agriculture/pasture lands, including private, municipal and state reserve lands mainly but minimal amount of residential lands. The households physically relocated have bought lands and build new houses in the same village not far from the effected sites. Therefore, social adaptability and cohesion of the communities were not affected adversely. There were no social and cultural disrupters caused to the effected households and communities,
- The project builds a new road in the open agriculture and pasture lands not occupied by settlements. The road bypasses alongside the villages minimum in about 0.6km to 5 km that minimized potential adverse impacts to the communities. Also, installation of the metallic green net fences along the entire road is assessed positively by residents especially for avoiding road safety issues in the highway (especially preventing children and animal running into the highway),
- By design, there are reserved parking and resting areas alongside the road in the appropriate places from the both sides which is assessed positive by the villagers for road safety and travelers comfort, and growing business opportunities for the local residents (filling stations, shops, motels, etc.),
- Local residents expect the new road will help to develop tourism industry, production and trade. It will also improve access to the public services such as larger central hospitals, schools and other services located in the center part of the region and Baku,
- The villagers expect much social and economic benefits from the new road including increased income opportunity for women; among other benefits, women can be involved in businesses and services such as cafe and hotels which is expected to develop more, as well as selling their gardens fruit and vegetables.

51. At the same time, the following areas are recommended to look more thoroughly in future in preparation of project designs and land acquisition and resettlement planning documents:

- **More time and meaningful consultation in project design and LARP preparation stage:** More intensive consultations and time needed at the LARP and design preparation; municipalities and DPs should be more thoroughly involved in preparation of projects designs. In public consultations along with LAR compensation and entitlements issues, the proposed engineering design should be presented and discussed with affected communities and DPs since as per experience from the project shows, many complaints were design and constructions related; lack of underpasses and crossings both for pedestrians and farms machinery and livestock, as well as lack of service roads to the villages and farm lands alongside the new road in the design (e.g. the villages were left in one side and farm fields in the other side of the road and in some points, access were blocked a new road divided the villages and farm lands into two sides but service roads were not included in the design and the designed underpasses were not so adequate in terms on quantity and locations),
- **Capacity building for the municipalities:** In LARP preparation stage, provide capacity building workshops to the municipalities chiefs and local administration to increase their knowledge about ADB's resettlement safeguards policy, as well as requirements of Azerbaijan laws, to make them be proactive in planning and management of social impacts of projects, including LAR planning and grievances management,
- **Workshops based on experiences from the project:** collection and analysis of the good experiences and lessons learned from this project and organize a workshop for the specialists of the AAY, LAD, PIU, NGOs, local municipalities and leaders of communities to share experience and knowledge for preparing and implementing resettlement planning documents,

Attachment 1. Survey questionnaire

External monitoring for implementation of LARP for Project Masalli -Jalilabad Road under the
Second Road Network Development Program Azerbaijan

Project section___ road segment ___ km___ side: right ___ left ___ village_____ district _____

Head of household's name _____ Male___ / Female ___ Ownership_____

1. Are you aware of your own compensation entitlements? Yes___ / No___
If No, what did you do?

2. Did you receive compensation for your lost assets? Yes / No

3. How much land have you lost? Was the affected land or other lost assets (as above) correctly enumerated? Yes___ / No___ If No, give details.

4. Were your compensations paid free of depreciation, fees or transfer costs for you? Yes_ No_

5. Was there any other deduction from the approved payment? Yes___ / No ___
If Yes, how much (or what %) and why:

6. Were your compensations paid on time? Yes___ No___

7. Did you have income loss? Yes___ / No___ If yes, did you receive income loss compensation?

8. Self-assessment of the impact on agriculture lands and fruit trees
Serious _____ Moderate _____ Minor _____

9. Self-assessment of the impact on residential lands and buildings/structures
Serious _____ Moderate _____ Minor _____

10. Were compensation payments sufficient to replace the lost assets? Yes ___ No___

11. Have you lost job due to the project land acquisition impact? Yes ___ No___
If Yes, have you get compensation of lost wages or offered a new job in project? Yes_ No_
How long did you work in project constructions works? _____

12. Are there any changes in average household's income per month before and after the project?
Increased ___ Decreased___ The same___

13. How are your living standards/conditions after the resettlement (poverty level)?
Better ___Worse ___ The same

14. Has your accessibility to the key cultural, public and social services (schools, medical care, cultural and social places) changed? Yes ___ No., If yes, please mark below

Better____ Worse _____ The same

15. Do you think the land acquisition due to project had adverse impact on social adaptability and cohesion especially for children and elderly? Yes _____ No____ How?

16. Do you know about grievance and conflict resolution procedures? Yes____ / No____

17. Did you participate in consultation meetings on resettlement? Yes____ / No____

Tell about topics discussed:

18. If you had any concern, did you get enough information and were you agree with the arguments provided to you? Yes____ / No____

19. Were there unintended (unexpected) environmental impacts? Yes____ / No____

20. Are you satisfied with the resettlement process in general? Yes____ / No____ If not, why:

21. Any suggestions/recommendations for future projects?

Name of Interviewer: Date ____/____/2017

Attachment 2. List of people met in meetings and in group discussions

1. Mr. Jeyhun Yusifov, PIU Director, AAY
2. Mr. Arastun Guliyev, Social Safeguard Specialist, PIU, AAY
3. Rustemov Elshan, Resettlement Safeguard Specialist Consultant, ADB Country Office
4. Azizov Ramil, Deputy Resident Engineer, Consultant IRD Engineering
5. Genberov Memmedtaghi, Atamali Road Inspector
6. Rzayev Rizvan, resident
7. Gulamov Suraddin, resident
8. Gurbanov Rafayil, resident
9. Shahverdiyeva Kubra, resident
10. Zeynalov Ramiz, resident
11. Resulov Fekhet, resident
12. Dadashova Valide, resident
13. Ashgenov Tarverdi, resident
14. Hesanova Peri, resident
15. Muradov Ferman, resident
16. Rzayev Bekhtiyar, resident
17. Shahverdiyeva Aliye, resident
18. Semedov Shahid, resident
19. Piriyeve Melahet, resident
20. Rzayeva Rena, resident
21. Rahmanov Nasib, resident