

Social Monitoring Report

Semiannual Report

Jan-January 2018

Armenia: North-South Road Corridor Investment Program

Asian Development Bank Loan No. 2729-ARM - Tranche 2 (Ashtarak – Talin)

Prepared by “Transport Project Implementation Organization” State Non-Commercial Organization (TPIO) for the Ministry of Transport, Communications and Information Technologies of the Republic of Armenia and the Asian Development Bank.

CURRENCY EQUIVALENTS

(As of 30 June 2018)

Currency unit	–	AMD
AMD 1.00	=	\$ 0.0020736
\$1.00	=	AMD 482.24

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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	Grievance Redress Mechanism, Grievance Redress Group
GHP	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
MTCIT	Ministry of Transport, Communications and Information Technologies
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
T2/T3	Tranche 2 and T3 of the North South Corridor Road Project
TPIO	Transport Projects Implementation Organization SNCO

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1. PROJECT BACKGROUND

1. 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 Program). The principal goal of Tranche 2 is to build a 4-lane dual carriageway road along the existing M1 highway between the Ashtarak and Talin section of about 42 kms (Km 29+600 - 71+500).
2. The Tranche 2 (T2) Project starts at km 29+600 in Ashtarak and ends at km 71+500 near Talin. The T2 Project will upgrade the existing 2-lane road to a 4-lane divided highway with a total length of 41.9 km. Two bypasses will be constructed in Agarak starting at km 29+934 to km 32+600, and in Ujan from km 36+600 to km 40+300. The T2 Project will also have a new road alignment (8.95 kilometers) at Katnaghbyur starting from km 59+950 to km 68+900 that will be located on the left side of the existing highway and re-join the existing alignment near Talin. There are three deviations from the line of the existing road that have been incorporated into the design: one at each of the communities of Agarak and Ujan, which are aimed at improving the safety of the community by moving the high speed traffic away from the developed existing road; and to avoid the sensitive archaeological site of Zakari Berd, near the community of Katnaghbyur. The location of the T2 Project is depicted in Figure A1 below.

Figure 1: Tranche-2 Project Location



3. A LARP was prepared for the Tranche-2 Project. In line with ADB's requirements and international good practice, consideration has been given during the design process to minimize adverse Land Acquisition and Resettlement (LAR) impacts. The LARP follows the relevant Armenian law; the SPS; and the updated LAR Framework (LARF) approved by ADB¹ and the GoA². GoA approved the LARP after MTCIT and ADB approval on 6 September 2012³.
4. The alignment traverses through 15 villages and 1 town community affecting 838 land plots and acquiring 1,734,144 m² of land. According to the approved LARP, in total, 536 AHs (including owners, leaseholders and informal tenants) are affected of which 326 AHs are severely affected (324 AH lose more than 10% of agricultural land and 2 are relocated) The

¹ http://www2.adb.org/Documents/Resettlement_Plans/ARM/42145/42145-03-arm-rf-draft.pdf

² Government Decree 961-N RA of 14.07.2011; Changes to Government Decree N1274-N RA of 16.09.2010; <https://www.e-gov.am/gov-decrees/item/19866/>

³ <https://www.e-gov.am/gov-decrees/item/21884/>

project has therefore been classified as Category A⁴ based on ADB's Operation Manual (OM) F1/OP (2013), and thus, necessitating a LARP.

5. However, the actual impact and compensation data was changed as a result of LARP implementation, so at the end of LARP implementation the actual number of affected lands is 821 and number of AHs is 501 (including the expropriation cases), from which 0.4% are physically displaced (2 AHs) and the other 99.6% are economically displaced.
6. The detailed comparison of LARP defined and actual implementation data, as well as the reasons of changes are presented in the 1st Semi-annual Social Monitoring Report (December 2014).

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

7. The implementation of the LARP is monitored both internally and externally. The PMU and PMC are responsible for the internal monitoring. The external monitoring is carried out by an External Monitoring Agency (EMA) whose main task is to monitor and verify LARP preparation and implementation to determine whether resettlement goals have been achieved, and especially livelihood and living standards have been restored or enhanced. This is done through compliance revision and post LARP evaluation.
8. The key objective of internal monitoring is to monitor the progress of LARP implementation (including the compensation process, grievance cases etc.) keeping in mind the effectiveness of project activities, including quantity, quality and timeliness, and the relevance of implemented activities to the project goals and objectives. In addition, the status of expropriation cases is also a subject to internal monitoring⁵. The external monitoring determines whether the LARP activities undertaken have been completed and the results obtained are as planned, both in terms of quality and quantity for each LARP related activities. The main indicators of internal and external monitoring of LARP implementation have been presented in the previous SSMR.

3. GENERAL PROGRESS OF LARP IMPLEMENTATION

9. This semiannual social monitoring report (SSMR) summarizes and covers the reporting period of T2 LARP implementation status for Jan-June 2018.
10. As was reported by the previous SSMRs, the T2 LARP was implemented and completed in all 3 subsections. All expropriation cases have been completed, there are no continuing expropriation cases in the courts of law (the only expropriation case has been removed due to design changes in Agarak community, see the previous SSPRs for details).
11. For all 3 subsections Compliance reports prepared by EMA⁶ and approved by ADB. Permission was given to the Contractor to start construction in all 3 subsections.
12. The general progress of LARP implementation is presented in Table 1.

⁴ As per the ADB Operation Manual (OM) F1/OP (2010) a project is classified as Category "A" if ≥ 200 people 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 people suffer significant impacts. Category "C" projects have no LAR impacts.

⁵ The EMA does not monitor the process of expropriation cases in court, as for such cases the issues of compensation entitlements and/or amount are subject to court examination and decision.

⁶ T2 External Monitoring Agency was called Independent Monitoring Agency (IMA) as per their contract.

Table 1. General progress of LARP implementation per subsections

N	Community	Road PK	Total alignment for subsection (km)	No of Compensated AHs	Date for the Completeness of implementation	Compliance Reports' approval by ADB	Commencement to the Contractor per subsections
1st subsection							
1	N.Sasnashen	km58+540- km59+204	9.236	59 59 (112 land plots)	Completed - January 2013	18.03.2013	26.03.2013
2	V.Sasnashen	km59+204- km61+245					
3	Davtashen	km61+245- km63+581					
4	Katnaghbyur	km63+581- km66+782					
5	Eghnik	km66+782- km67+776					
2nd subsection							
6	Parpi	km29+600- km30+571	17.596	121 (293 land plots)	Completed with Action plan- August 2013	07.08.2013	03.09.2013
7	Voskevaz	km30+571- km31+140					
8	Shamiram	km46+208- km49+058					
9	Aruch	km49+058- km50+862					
10	Kaqavadzor	km50+862- km53+505					
11	Nerqin Bazmaberd	km53+505- km58+540					
12	Talin*	km67+776- km71+500					
3rd subsection							
13	Agarak	km31+140- km33+512	15.068	257 (382 land plots)- 2 relocated AHs	Final completion except expropriation cases- August 2014 ⁷	15.10.2014	07.05.2014 ⁸
14	Aghdzq	km33+512- km36+961					
15	Ujan	km36+961- km40+563					
16	Kosh	km40+563- km46+208					

⁷ T2 LARP implementation was completed, only the expropriation cases in the court are in process. The estimated completion date is Q4 2015, though this date can be changed as the completion of court cases are regulated only by court procedures.

⁸ The 1st commencement to the Contractor in the 3rd subsection was given for 5 KMs and the 2nd for the remaining part (except the court cases).

4. CORRECTIVE ACTIONS UNDER THE LARP

13. During the missions carried out by ADB on 23-31 Jan, 2017 and 20-28 Feb, 2017, ADB and PMU specialists met with the APs who raised complaints to the Contractor during the clearing & grubbing works in 3rd subsection. As a result, it was agreed with ADB that the PMU shall present periodical Compliant Monitoring Sheets on the status of several claims presented by the Contractor during the previous reporting period regarding the complaints from affected persons who made obstacles for the Contractor during the clearing & grubbing works. During the reporting period, the all 4 pending cases (3 in Ujan and 1 in Kosh) which were preventing the construction process have been solved. The summery of these cases are provided below and the updated compliant sheet with summery of cases is attached as Annex 1.
- 1) Ujan (Plots with cadastral codes 218-006, 218-008, 218-009): The APs raised complaints on Contractor's using more land than was acquired by PMU. Based on carried out field and desk verification, as a result of which it was revealed that more land should be acquired instead of already acquired one due to cadastral discrepancies. The corrective measures have been implemented, namely: new acquisition contracts for additional affected lands have been signed with APs and compensation paid accordingly in Feb and May 2018.
 - 2) Kosh (Plot with cadastral code 132-033): AP is a renter on acquired community land disagreed with valuation of his grape/walnut trees. PMU requested a court expertise, as well as has organized additional field inventory of improvements on land by the agronomist (LAR consultant). Based on court expertise results and field inventory the additional compensation of 6.858.135 AMD has been paid to the AP for the inventoried affected grape and walnut trees on 03.04.2018.
 - 3) Kosh (Plot with cadastral code 02-061-0050-0100): Two illegal users have been identified on the acquired community-owned land plot. The land plot has been acquired under the CAP 1 (see the details on CAP 1 in the next section), however the improvements and their users have been missed by the DMS team that time. During the construction works, the users have been self-identified and claimed about their non-compensated improvements. PMU instructed the DMS consultant to investigate the case and revised the compensation package accordingly. The joint site visit has been organized and additional field inventory of improvements on the land has been carried out by the agronomist in the presence of APs (May 2018). All the improvements done by two illegal users have been fixed by protocol and evaluated in accordance with LARP principles.
14. Taking into account the urgency of the case (ongoing construction activities), the compensations have been notified to the APs and compensated accordingly. The CAP is being prepared by PMU for the above mentioned cases and will be submitted to ADB shortly.

5. REVISION OF THE DESIGN AND RELATED LAR IMPACTS

Redesign of Agarakavan-Aruch interchange:

15. In the framework of civil works of T2 road section redesign of Agarakavan-Aruch interchange was implemented in order to decrease the archeological impacts and terms. As a result of redesign new land plots were included in the project's impact zone and affected surfaces of some acquired land plots have been changed. At the same time, completion results of T2 LARP revealed some inaccuracies; in particular some new land plots need to be additionally acquired. Taking into account the need to acquire new land plots, the MTCIT (PMU) has prepared a

Correction Action Plan (CAP) under Tranche 2 LARP in order to organize and implement the acquisition of said land plots which was approved by ADB.

16. During the reporting period, the CAP has been almost implemented besides 3 cases (1 private land and 2 community land plots with registered user, all in Kosh community). Currently the TPIO negotiating with the owner and user (the same person) to acquire the land plots, otherwise, the expropriation procedure will be initiated by TPIO.
17. VO has been signed with EMA of Tranche 3 to carry out the external monitoring of the T2 CAP1 which is currently in the process of reviewing by ADB. As soon as the VO is approved by ADB, the EMA will start the external monitoring activities, it is expected that the Compliance Report will be prepared by the end of Q3 or beginning of Q4, 2018.

Redesign in Agarak community section:

18. During the archeological excavations in Agarak community (3rd subsection) another necessity of redesign has raised which may also require additional acquisition or changes of surfaces of some acquired land plots. After the final decision is made and the design is available, the possible LAR impacts will be assessed and relevant procedures will be initiated. Another CAP will be prepared for possible new affected lands plots, in case if the redesign in Agarak community is done and additional impacts are identified.
19. In this regard, ToRs for LARP preparation and implementation have been prepared in order to involve a consultant for the impact assessment exercise based on detailed design for the new alignment (another Task 2 for utility relocation issues is also included in the same ToRs, see the next section). The ToRs have been reviewed and approved by ADB. The tendering process have been almost completed, the contract negotiations are under the process now. Finalization of the negotiations and signing of the contract is envisaged to complete by 15 September, 2018. The field works will start after the contract signing.

Issue of access roads and unforeseen impacts in Ujan community:

20. During the civil works in T2, the head of Ujan community sent a letter to the head of Aragatsotn region informing that appropriate accesses have not been designed to the agricultural land plots located within the protection area along the reconstructed road section passing through Ujan community, due to which the lands owners and users are deprived of the opportunity to use and cultivate their lands.
21. To solve the raised issue, the TPIO engineers together with the community representatives made a joint site visit, reviewed the design solutions and it was identified that the accesses to almost 70 agricultural lands from reconstructed road section are not envisaged by the design. Accesses can be provided through constructing a field (secondary) road of 6m width along the reconstructed road with the use of private lands. It was also agreed that the constructed field (secondary) road will include also the irrigation channel (ditch) to serve those land plots. To solve the issue field (secondary) road design should be developed, then the affected lands should be recognized as Eminent Domain and alienated, afterwards upon the approval of the Compliance report construction of the field road can start.
22. To provide current accesses to the problematic lands, to avoid grievance from the residents and to eliminate obstacles for civil works it was proposed to construct a field (gravel) road with the use of private lands based on the consent of the APs before launching the acquisition process of the same lands, taking into account that the said procedures are long, while the provision of secondary road and ditch is essential for the villagers.
23. In the current situation, the owners/users of the above-mentioned lands will bear temporary impact depriving of the opportunity to cultivate those sections of their lands which will be used

as a field road, as well as will loss the actual improvements on those lands (if any). Thus, the TPIO initiated the following actions:

- i. Identification of affected land plots based on the initial layouts provided by the TPIO's engineers imposed on cadastral map.
 - ii. Meeting with representatives of Ujan community to discuss and confirm the places of secondary roads and Public Consultation with APs
 - iii. Inventory of impacts and evaluation of identified affected assets (excluding the land)
 - iv. Signing of agreements with APs on compensation of actual affected improvements and usage of land plots for the construction of the roads until the alienation of the land.
24. The process of compensation for the actual loss of improvements (trees, crops, fences), the compensation payment have been almost completed in Mid-June 2018. As soon as the design of the secondary roads will be carried out, the Eminent Domain procedures will be initiated for the affected land plots and respective CAP will be prepared and submitted to ADB prior the start of implementation.

6. UTILITY RELOCATION AND RELATED LAR IMPACTS

25. 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.
26. As of the reporting date, the following main actions have been carried out by the Consultant Company⁹ with coordination of national resettlement specialist hired by ADB. Due to the urgency to provide an access to Contractor to use the land plots (private, community owned and leased) for relocation of utilities (including irrigation water channels) in the section from km40+000 to km47+500, TPIO has given an order to the Consultant Company "Uptime" LLC to conduct the required field works by the purpose to sign the agreements on temporary usage of the land plots with owners and illegal users. Thus, based on the working drawings provided by the Contractor and the design of relocation of utilities (including irrigation water channels) 84 land plots have been identified according to the maximum LAR boundary, out of which 67 are in Kosh, 14 are in Shamiram and 3 are in Ujan communities. Currently, the following works have been carried out by the Consultant in Kosh:
- (i) Obtaining of the fresh Cadastral map
 - (ii) Identification of the lot-codes of affected land plots based on the maximum LAR boundary and Cadastral map
 - (iii) Identification of the APs (owners, lease holders, illegal user) by support of representatives of the community
 - (iv) Inventory of the affected land plots according to the benchmarks put by the Contractor

⁹ Taking into account the pending involvement of consultant for the LAR impact assessment task in the frame of utility relocation (please refer to the next section "Involvement of the Consultant" for details), the Consultant Company "Uptime" LLC has been mobilized by TPIO to handle with the complaints and issues (access issues, utility relocation etc.) periodically rising in T2 and T3.

- (v) Conducting of public consultation with APs to present the results of inventory and discuss and agreed the further LAR procedures
 - (vi) Collection of the required documents
 - (vii) Conducting of the Census with affected households
 - (viii) Measurement of the affected surface area of the land plots based on the Cadastral map
 - (ix) Valuation of the affected land plots
 - (x) Valuation of the improvements, trees and crops identified on the affected land plots
27. The actual measurement of the affected land plots and collection of the documents are still in the process. The database prepared as a result of the implemented works with estimated values, has been already provided to TPIO based on which the agreements will be signed with APs for the temporary usage of land plots and compensation of actual damages until acquiring of land plots by prescribed manner.
28. As soon as the ongoing tasks are finalized and agreements with all APs are signed, the CAP will be prepared reflecting all the impacts identified in the km40+000 to km47+500 by the ADB's national resettlement specialist and send to ADB for approval. After ADB's approval the Contractor will be allowed to start utility relocation activities in the given section.
29. The implementation of relocation of utilities in 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.
30. Involvement of Consultant: The main part of social due diligence task for utility relocation, 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 will be involved soon. 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 results of tender have been finalized and the 1st candidate (Appraisal Society LLC) for LARP preparation task has been selected and invited to present Proposal. However, later the 1st ranked candidate rejected to continue its participation. Thus, the 2nd ranked candidate (Uptime LLC) has been invited to present the Proposal. The tender of the 2nd ranked candidate is already finalized and the contract negotiations are under the process now. Finalization of the negotiations and signing of the contract is envisaged to complete by 15 September, 2018. The field works will start after the contract signing with the selected consultant. The selection of the consultant for LARP implementation consultant has also been finalized and the invitation to the selected candidate Media Model LLC has been invited to present the Proposal. It is expected to complete the tender and sign the contract with selected company by the end of Aug 2018.

7. SOCIAL SAFEGAURDS CAPACITY FOR THE PROJECT

31. 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)
32. Meantime, taking into account the periodically rising complaints and issues (access issues, utility relocation etc.) in T2 and T3, the Consultant Company "Uptime" LLC has been mobilized by TPIO to handle with those issues as needed (consultations and verification of the DMS, evaluation, agricultural inventory etc.).
33. 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.
34. Meantime, the Supervision Engineer is not currently properly staffed in terms of social safeguards specialist on board, as the input time for the national consultants is limited, therefore for the urgent issues, 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

35. During the reporting period, for the APs affected by the access roads in Ujan community and APs affected by utility relocation in Kosh community (please, refer to the sections 5 and 6), the special public consultations have been carried out with provision of information on projects design, initiated actions, entitlements, compensations and GRM. Besides, the protocols and maps have been notified to APs together with agreements on temporary usage of their land plots as described in above sections 5 and 6.
36. Meantime, the consultancy has been provided to the APs and community members on daily bases through phone and face to face meetings as needed.
37. The grievance logbook is prepared and established in community administrative offices and project construction sites by the Contractor, which checked regularly by Contractor's social specialist and reported accordingly.

8.2 Grievance Redress

38. During the reporting period several complaints and issues have been raised by APs and residents of Ashtarak-Talin communities related to LAR issues, construction activities, access issues etc. The main part of the cases is in process of investigation. The summary of grievances/issued with respective details is provided in table 5 below.

Table 5. Grievance/request redress cases registered and addressed

Complaint's name, surname	Road section/Community/ KM/Cadastral code	Content of the complaint/issue	Category of the complaint/ issue	Resolution process/remarks
1. Fridon Kirakosyan	Shamiram, 46+600 km	The resident is claiming about the access issue to his and near located residential land plots, which have been blocked as a result of road reconstruction (before the road construction, the access was able through the community land plots in front of their residential buildings which have been acquired for the road construction).	Design issue (access)	In process. The issue can be solved only by providing access to this section of the road. Currently, the engineers working on the possible design options for access road.
2. Suren Hamazaspyan	Katnaghbyur, km 66+700	The AP claiming as the entrance of the new constructed agricultural passing is located in his land plot, which means that for the operating of the passing his land shall be used. Part of the two land plots of the AP have been acquired and compensated under the LARP based on the design and provided LAR boundary, however, the design hasn't envisaged that more land will be needed for the operation of the passing (access road), which will require more land.	Design issue (agricultural passing), additional acquisition may be required	In process. The TPIO requested the Supervision Engineer to investigate the issue and suggest possible solutions of the issue. Currently, the TPIO discusses the preliminary design of the access road for the operation of agricultural passing, which will allow to identify the additional land plot needed. Afterwards, it will be possible to sign an agreement with the AP (agreement on temporary usage/rent of the land) in order to use his land plot as an access road while the detailed design will be prepared and the affected land plot will be acquired in accordance with legislation and LARP provisions. The preliminary agreement has been reached with the AP on the above steps.

Complaint's name, surname	Road section/Community/KM/Cadastral code	Content of the compliant/issue	Category of the compliant/issue	Resolution process/remarks
3. Yerjanik Manukyan	Ujan, 217-001	The APs claim that their yield (peach) is damaged because of the construction dust near their land plots, as a result they cannot sale the products as the quality is decreased. They demand a compensation for the damaged yield.	Indirect damage by dust	In process. TPIO requested the Supervision Engineer and Contarctor to provide the detailed information regarding the dust mitigation measures (watering etc.) during the construction on the given section. The response has not provided yet. Meantime, the TPIO asked the APs to provide more data regarding the yield production (kg, sqm etc.) and proof of damage (photos etc.). As soon as the requested information is provided by SP engineer and APs, TPIO will organize a joint site visit with all stakeholders as needed.
4. Albert Avetisyan	Ujan, 218-009			
5. "Ashtarak quarry" OJSC	Kosh, 153-001	The complainant is leaseholder of the community land plot used for the quarry, while the buildings located on the land plot are the ownership of the leaseholder. The part of the land plot has been acquired under the LARP and the leaseholder has been compensated accordingly, however, the complainer claims that the road is too near to his buildings (which have not been affected by LARP), and they can be damaged during the operation of the road taking into account the change of road high towards the land plot.	LARP	In process.
6. Lavrent Azatyan	Ujan, 245-011	The part of the land plot of AP has been acquired under the LARP through expropriation.		In process.

Complaint's name, surname	Road section/Community/KM/Cadastral code	Content of the compliant/issue	Category of the compliant/issue	Resolution process/remarks
		<p>However, later has been revealed that the remained part of the land plot which is located within the interchange also shall be acquired (not affected by the interchange construction itself, but shall be acquired to ensure the safety norms, as the private land plot cannot be owned/used within the interchange). Meantime, the AP made obstacles for the Contractor to use the already acquired land plot stating that he don't want the road to be constructing in the given section. The Contractor submitted a claim to the Employer in this regard.</p>		<p>Taking into account the urgency of the issue, the TPIO has calculated the compensation for the addition land plot needed (within the interchange). The suggested compensation has been presented to the AP which has been rejected by AP stating that this is not the money issue, he just doesn't want the road to be constructed. Taking into account the urgency of the issue, TPIO has also suggested other options for AP's consideration such as "land for land compensation", as well as expressed its readiness to discuss other options preferable for AP, however, the several negotiations, consultations and meeting have been failed and agreement couldn't be reached with AP.</p> <p>Currently, the TPIO plans to initiate the Eminent Domain procedures for the needed land plot to be able to acquire it. Meantime, the construction process is temporarily stopped in the given section.</p>
7. Rubik Khachatryan	Կ՝n2	<p>The AP has applied to the courts of law claiming that the compensation provided to him by MTCIT for his fruit trees was not correct and shall be revised. The MTCIT is involved in the court proceeding and the TPIO</p>	LARP	<p>In process.</p> <p>The court case is in process, and it is assumed that additional expertise will be required to solve the case.</p>

Complaint's name, surname	Road section/Community/KM/Cadastral code	Content of the complaint/issue	Category of the complaint/issue	Resolution process/remarks
		<p>currently investigating the case. The case is not usual taking into account that the acquisition contract has been signed with the AP based on the agreed property description protocol and draft notified contract and compensation has been provided accordingly, however, as stated by the previous owner, the number of fruit trees inventoried and compensated is less than the actual number. Meantime, it shall be noted that in terms of legal status, the subject land is the ownership of RA and has been handed over to the Contractor; however, the Contractor has not started any construction works in the said section (see the previous SSMR for the details).</p>		<p>TPIO will initiate all the required actions in the frame of law and project principles to solve the issue as soon as possible.</p>
8. «Karavan» LLC	Katnaghbyur, km 65+500	The resident claims for the compensation for the closed access to his gas station as a result of road construction.	Design issue (access from the main road)	<p>Resolved (responded to AP).</p> <p>The provided documents have been studied by the lawyers and clarification has been provided to the complainer regarding the absence of grounds for the damage or compensation for the stated situation in accordance with legislation. However, the TPIO also raised this issue to the engineers for their investigation in terms of possible design solutions for the similar cases.</p>

Complaint's name, surname	Road section/Community/KM/Cadastral code	Content of the complaint/issue	Category of the complaint/issue	Resolution process/remarks
9. «SV.AN.OR» LLC	Talin	According to the design of the road, the Ashtarak-Talin road will bypass the gas station. The company applied to the courts of law claiming for the compensation for damage (decrease of traffic and his income because of road bypass).	Design issue (access from the main road)	In process. The TPIO discusses the issue with the designers regarding the provision of the connection of the existing road with the new bypass road.

9. PLANNED WORKS FOR THE NEXT REPORTING PERIOD

39. During the next reporting period it is planned to submit the CAP to ADB regarding the additional acquisition and compensation cases in Ujan and Kosh communities (please refer to the section 5 of this SSMR).
40. Meantime, it is planned, that during the next reporting period, the external monitoring for CAP 1 (Agarak-Aruch Interchange) will be completed and Compliance Report by EMA will be submitted to ADB.
41. It is also expected that during the next reporting period, the contract for the consultant services for impact assessment task for utility relocation and new design in Agarak community will be available to start the impact assessment activities for the affected land plots (see the section 6 of this SSMR).

Annex 1. Complaints monitoring sheet, Tranche 2 LARP

N	Community / code of land plot / name of Complainant(s)	Summary of grievance	Km+m to Km+m (total length)	Latest status / proposed next step as of May 17, 2017	Latest status/ proposed next steps	Effective access to site provided	Detailed comments on access to site
1	<p>Ujan community</p> <p>Plot # 218-006, 218-008, 218-009</p> <p>Mayis Simonyan, Albert Avetisyan</p>	<p>Complaint on Contractor's using more land than was acquired by EA</p>	<p>km 39+760 km 39+870 (110 meters)</p>	<p>Based on the implemented field visit (12.04.17), desk verification (comparison of the field coordinates with the LAR coordinates (alienated area) at the office) was carried out by the LAR consultants, as a result of which it was revealed that more land should be acquired instead of already acquired one due to cadastral discrepancies.</p> <p>The additional joint site visit was held with participation of the Contractor, TPIO/LAR implementation consultants and APs, during which the trees on the additional affected land plots were inventoried. Inventory protocols have been signed with APs and they have been informed that additional lands shall be acquired.</p> <p>The valuator presented the calculation of compensation for additional land to be acquired, as well as for the trees based on</p>	<p>The corrective measures have been implemented, namely: new acquisition contracts for additional affected lands have been signed with APs and compensation paid accordingly. The CAP will be prepared and submitted to ADB in this regard.</p>	<p>YES</p>	<p>Contractor's claim # 1040. Contractor has put pegs along RoW to demarcate boundaries where to carry out 'clearing and grubbing'. When checked by APs, the pegs appear to be put 12 meters beyond of established RoW and thus affecting more surface of private plots (orchards) against the acquired surfaces. Owner of all 3 land plots is one AP, who flagged the issue to Contractor and asked not to enter his private land until the matter is clarified. TPIO and Contractor discussed the problem and concurred that the issue appears to relate to geo-referenced coordinate system. As a next step, it was agreed to compare the coordinate system used by TPIO with the coordinate system utilized by Contractor. If the coordinate system used by Contractor proves accurate, additional land strips will be acquired. TPIO explained the situation to AP during personal meetings in January, February and April 2017.</p> <p>Mission met with complainant, who confirmed that Contractor tried to carry out 'clearing & grubbing' on his lands in October 2016, but AP and his neighbors did not allow tractor into his land plot.</p>

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				<p>LARP rates on 08.08.17. Based on presented information, TPIO notified the suggested compensation to the APs, as well as carried out joint consultation on 08.08.2017 about the further steps.</p> <p>Currently, TPIO prepares the new acquisition contracts for additional affected lands with related documents to be signed with APs.</p>			<p>The Contractor submitted interim claim referring to the original one on 04.08.2017.</p>
2	<p>Kosh community</p> <p>Plot # 132-033</p> <p>Babken Gabrielyan (renter)</p>	<p>AP is a renter on community land, who disagrees with valuation of his grape/walnut trees.</p>	<p>km45+100 km44+750</p> <p>(350 meters)</p> <p>(in the attached list to claim</p>	<p>During the previous reporting period, taking into account the delay of the court expertize TPIO requested the court one more time to change the expert, as well as requested the authorized state body to inspect the expert laboratory regarding the non-proper work.</p>	<p>Based on the results of field inventory, TPIO paid the compensation to the AP for the inventoried affected grape and walnut trees based on the expertise results.</p>	<p>YES</p>	<p>Contractor's claim # 1035. DMS did not identify a lease holder on community land, as cadastral database had no information on leases back then. Lease holder was discovered in 2014, and case was taken to the court by TPIO. AP's lease is 25 years, of which 13 has past already (the lease contract was signed in May 2003). As per court's ruling, the amount of compensation was determined and transferred to court's deposit account, with draft contract sent to AP. However, AP disagreed with the compensation offered and request from the</p>

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			Km is 44+850- km45+020)	Meantime, the TPIO has organized additional field inventory of improvements on land by the agronomist (LAR consultant).	The CAP will be prepared and submitted to ADB in this regard.		<p>court an independent expertise (re-inventory and re-valuation of trees). Court authorized the re-valuation and assigned an expert in March 2016. The expert visited site, met with AP in July 2016, but still has not submitted his conclusion report to the court. Both TPIO and AP requested court to expedite the completion of re-valuation in 2016 (e.g. replacing valuator), but case is still pending.</p> <p>Mission visited the site and met with complainant, who confirmed that Contractor tried to carry out 'clearing & grubbing' on his lands in October 2016, but AP and his neighbors did not allow tractor into his land plot.</p>
3	Ujan community Plot # 238-001 Vruyr Araqelyan (the person has presented himself as a representative of the newly	Court case between private person and the community, with TPIO being the 3 rd party to the process.	km37+000 km37+100 (100 meters)	During the reporting period, the owner of the land plot has provided the newly registered ownership certificate, based on which the TPIO initiated the revision of the compensation package. The draft acquisition contract will be sent to AP and the acquisition contract was signed with AP on 01.08.2017 and compensation was paid accordingly.	Completed	YES	Contractor's claim # 1037. Community land that was being acquired by TPIO turned out to be in the process of privatization by a private person. TPIO suspended acquisition process until the court case between the community and private party is over and it is clear whom compensation should be paid. Private person, complainant, is blocking the access to the site. TPIO has to wait until court case ends and then acquire required land(s). Compensation will be calculated based on new land certificates to be issued after the court decision is registered in cadaster. As per TPIO's information, the court

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	registered owner Samvel Harutyunyan)						decision was submitted by AP to cadaster for registration on 03.02.2017. This case is part of CAP.
4	Aruch community, Plot# 116-013 Former renter Yeprem Ghazaryan (dead). The complainer is the father of dead renter Ghazar Ghazaryan, who presented himself as the heir of his son, but has no such legal rights/power of attorney etc.).	Disagreement with proposed compensation amount. The complainer (Gh. Ghazaryan) also raised the issue on improvements (stones) located on his leased land plot which in his opinion were removed by the Contractor without compensation.	Km 49+600- Km49+760 (preliminary) 160m	Official notice was sent to the Engineer/ Contractor on elimination of obstacles to effective access in Section 1 (T2) on 13.02.2017.	No updates, as currently the Contractor doesn't carry out civil works on that section. However, in case of obstacles, the Contractor/Engineer shall initiate all the actions defined by RA legislation.	N/A (The land is the ownership of the Employer and relevant access to site is provided to the Contractor, however, the unlawful complainer may still complain.)	DMS did not identify a lease holder on community land, as cadastral database had no information on leases back then. Lease holder was discovered in 2015 and case was taken to court by TPIO. AP's lease is 25 years, of which 12 has past already (the lease contract was signed in Jan 2005). The calculated compensation was transferred to the court deposit account and draft contract was notified to AP (in the name of possible heirs of dead renter). However, the unlawful representative of the owner doesn't agree with the suggested compensation amount raising also the issue about improvements on the land. The Employer has checked this information in the compensation package of the acquired land plot (land description protocol, valuation report etc.) and replied that no such improvements have been inventoried on the land plot during the DMS survey (the land description protocol was signed by the head of community). The Complainer presented counter-claim for the compensation of improvements (stones), but

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							<p>the claim was rejected by the court due to no grounds provided.</p> <p>Besides, the TPIO requested the Engineer to provide all available data (protocols, construction acts, photos) of that particular section and verify the existence of any improvement (stones) on the land. The Engineer replied that no stones or other improvements have been located on the mentioned land plot, which was also shown on the photos of the site.</p> <p>Based on the court decision issues on 27.10.2016 the lease agreement with the renter was dissolved for the affected part with compensation transferred on deposit account.</p>
5	Kosh community, Plot # 114-002	Disagreement with number or affected fruit trees and consequent compensation amount.	Km 43+223- Km 43+223 100 m	No update. The TPIO waits to the confirmation of Government and Ministry of Finances to initiate with settlement agreement.	Based on the inventory verification results, TPIO plans to negotiate with the former owner and sign a settlement agreement.	YES (The land is the ownership of the Employer and relevant access to site is provided to	The contract was signed with AP and land plot was acquired in 2013. However, later the former AP applied to the court insisting that the number of fruit trees were not inventoried correctly and requested from the court an independent expertise (re-inventory of trees). Court authorized the re- inventory and assigned an expert in 12.03.2015. The expert has submitted his conclusion report to the court on 10.08.2015 and the court issued the decision based on expertize results. The TPIO appealed the court decision in the Court of Appeals to verify the double inventory taking into account

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						the Contractor)	that the owner has signed the land description protocol. Based on the inventory verification results, the TPIO plans to negotiate with the former owner and sign a settlement agreement.

