

Land Acquisition and Resettlement Plan

P45169-KGZ
TA 8107-KGZ
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KGZ: CAREC Corridor 3 (Bishkek–Osh Road) Improvement Project, Phase 4 (Madaniyat–Jalal-Abad Section)

Prepared by Ministry of Transport and Communications of the Kyrgyz Republic for the Asian Development Bank. The LARP is an update of the LARP report disclosed on ADB and MOTC website in August 2013 available on <http://www.adb.org/projects/45169-001/documents>.

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CURRENCY EQUIVALENTS

(as of 8 August 2013)

Currency unit	–	Som (Som)
1.00	=	0.0204
\$1.00	=	48.95

ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected household
AP	–	affected people
AVET	–	Agency of Vocational Education Training
CAREC	–	Central Asia Regional Economic Cooperation
COI	–	corridor of impact
DMS	–	detailed Measurement Survey
EA	–	executing Agency
GAP	–	gender action plan
GRG	–	grievance redress group
GRM	–	grievance redress mechanism
HH	–	household
IOL	–	inventory of loss
IPIG	–	Investment Project Implementation Group
LAR	–	land acquisition and resettlement
LPC	–	local point of contact
MOF	–	Ministry of Finance
MOTC	–	Ministry of Transport and Communications
RMS	–	Road Management Services (MOTC unit at Oblast level)
RMU	–	Road Maintenance Unit (lowest MOTC unit at Rayon level)
ROW	–	right of way
RP	–	resettlement plan
SAH	–	severally affected household
SES	–	socio economic survey
TORs	–	terms of reference

GLOSSARY

Affected person (AP) / Displaced Persons (DP)	– Means any person or persons, household, firm, private or public institution that, on account of changes resulting from the Project, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources or any other moveable or fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without displacement. In the case of a household, the term AP includes all members residing under one roof and operating as a single economic unit, who are adversely affected by a Sub-Project or any of its components
Detailed Measurement Survey (DMS)	– With the aid of the approved detailed engineering design, this activity involves the finalization and/or validation of the results of the inventory of losses (IOL), severity of impacts, and list of APs. The final cost of resettlement can be determined following completion of the DMS.
Compensation	– Means payment in cash or in kind to replace losses of lands, housing, income and other assets caused by the Sub-Project. All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market rates, plus any transaction costs such as administrative charges, taxes, registration and titling costs.
Cut-off Date	– Means the date of completing DMS for which land and/or assets affected by the project are measured. The APs will be informed of the cut-off date, and any people who settle in the project area after the cut-off date will not be entitled to compensation and assistance under the project.
Entitlements	– Refers to a range of measures comprising compensation, income restoration support, transfer assistance, income substitution, relocation support, etc. which are due to the APs, depending on the type and severity of their losses, to restore their economic and social base.
Eligibility	– Means any person who has settled in the Project area before the cut-off date that suffers from (i) loss of shelter, (ii) loss of assets or ability to access such assets, permanently or temporarily, or (iii) loss of income sources or livelihood, regardless of relocation will be entitled to compensation and/or assistance.
Income restoration	– This is the re-establishment of sources of income and livelihood of the affected households.

Income restoration programme	– A programme designed with various activities that aim to support affected persons to recover their income / livelihood to pre-Sub-Project levels. The programme is designed to address the specific needs of the affected persons based on the SE survey and consultations.
Inventory of Losses (IOL)	– This is the process where all fixed assets (i.e., lands used for residence, commerce, agriculture; dwelling units; kiosks, stalls and shops; secondary structures, such as fences, gates, trees etc. with commercial value and sources of income and livelihood inside the Project right-of-way (Project area) are identified, measured, their owners identified, their exact location pinpointed, and their replacement costs calculated. Additionally, the severity of impact to the affected assets and the severity of impact to the livelihood and productive capacity of APs will be determined.
Land acquisition	– Refers to the process whereby an individual, household, firm or private institution is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for compensation at replacement costs.
Rehabilitation	– This refers to additional support provided to APs losing productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life.
Relocation	– This is the physical relocation of an AP from her/his pre-Sub-Project place of residence and/or business.
Replacement cost	– Means the method of valuing assets at current market value, or its nearest equivalent, plus any transaction costs such as administrative charges, taxes, registration and titling costs.
Replacement Cost Study	– This refers to the process involved in determining replacement costs of affected assets based on empirical data.
Resettlement	– This includes all measures taken to mitigate all adverse impacts of a Sub-Project on AP property and/or livelihoods, including compensation, relocation (where relevant), and rehabilitation as needed.
Resettlement Plan (RP)	– This is a time-bound action plan with budget setting out compensation and resettlement strategies, objectives, entitlement, actions, responsibilities, monitoring and evaluation.
Severely Affected Household	– This refers to affected households who will (i) lose 10% or more of their total productive land and/or assets, (ii) have to relocate; and/or (iii) lose 10% or more of their total income

(SAH) sources due to the Sub-Project.

- Vulnerable Groups
- These are distinct groups of people who might suffer disproportionately or face the risk of being further marginalised by the effects of resettlement and specifically include: (i) female headed households with dependents, (ii) disabled household heads, (iii) households falling under the generally accepted indicator for poverty, (iv) children and the elderly households who are landless and with no other means of support, and (v) landless households, and (vi) indigenous people or ethnic minorities.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

A. Executive Summary

1. **Project Background.** The proposed project will improve the national and regional connectivity by rehabilitating an estimated 120 km of crucial road sections between Bishkek and Osh. The proposed project is consistent with the government's priority in upgrading key corridors as stated in its National Strategy of Sustainable Development, 2013–2017¹ and is included in ADB's the country partnership strategy, 2013–2017 for the Kyrgyz Republic.
2. The Bishkek-Osh road represents about one third of the core international road corridor network in the Kyrgyz Republic, and links the country to Kazakhstan in the north, Uzbekistan and Tajikistan in the south, and the People's Republic of China in the southeast. It crosses four of the seven provinces of the country and serves about 2 million people. It is the only direct surface link between the southern and northern parts of the country making it crucial for maintaining the country's social, political, and economic integrity. The Bishkek–Osh road forms part of the Central Asia Regional Economic Cooperation (CAREC) Corridor 3, which runs from the west and south Siberian region of the Russian Federation through Kazakhstan, Kyrgyz Republic, Tajikistan, Afghanistan, and Uzbekistan to the Middle East and South Asia.
3. The Madaniyat–Jalal-Abad road section (Section no. 2) starts at the junction of Bishkek–Osh road with the branch to Uzbekistan at km 503. Most of the section has two-lane carriageway with width varying between 7.5 to 9 m.
4. **Scope of Resettlement Impacts.** A total of 404.0 m² residential land is required for the civil works. According to the results of the DMS and Valuation based on project preliminary design, there are (i) 4 houses (with approximately 20 persons) to be severely impacted, (ii) 12 shops, cafes/kiosks, and (iii) 103 secondary structures (metal shade, gate, fence, etc.) will be moved out of the existing right of way. Further validation of this information will be undertaken during the finalization of LARP when final project detailed design for the Madaniyat–Jalal-Abad road section becomes available.
5. **Socio-economic Conditions of the Displaced Households.** DMS measuring was done for all the affected structures. Two households were characterized as vulnerable. One of these APs has over 45% of his income on his shop that will be affected with major impacts and the second has a major impact of 66%.
6. **Consultation, Disclosure, and Grievance Redress.** Public consultation and disclosure were conducted based on the guidance from ADB Safeguard Policy Statement (SPS). A Communication Plan was prepared under the project in June. During the first Socio Economic Survey a short project brief was handed out to different stakeholders. This is found in Appendix 2. During the Detailed Measurement Survey another brief was handed out. This brief can be found in Appendix 3. As well, a Public Information Booklet has been translated into three languages and has been furnished to each rayon involved in the project. This is found in Appendix 4. There are a series of public consultation meetings—minutes for the first set of meetings are found in Appendix Five and July 22–24 will have an additional set of Public Consultations which not only include APs but also civil society. Appendix 6 provides the internet/web announcement done by IPIG for APs.
7. **Detailed Measurement Survey and Inventory of Loss (IOL).** The Detailed Measurement Survey (DMS) is done by the LAR Commission who are responsible for measuring and the PPTA Team has provided support with collecting other relevant IOL data.

¹ Government of the Kyrgyz Republic. 2013. *National Strategy of Sustainable Development, 2013–2017*. Bishkek.

The IOL has been completed by the valuator over severity of loss by each type of structure in June 2013 and for business loss of income in July 2013.

8. **Legal and Policy Framework.** The Legal and Policy Framework provides for the relevant laws of the Kyrgyz Republic and the ADB Safeguard Policy Statement. Objectives of ADB policy are to avoid, if not minimize resettlement impacts, restore livelihoods and improve living standards of affected households, especially of poor and vulnerable households. Compensation will follow the principle of replacement cost.

9. **Income Restoration and Relocation Strategy.** Measures to the displaced persons to restore their livelihood and living conditions include provision of (i) compensation, assistances for affected land and structures at replacement cost that will enable them to avail of land with similar productive/economic value and construct structures similar to those that will be damaged by the Project, (ii) rehabilitation assistance during the transition period which includes transportation support, and house rent allowance for relocated households, (iii) assistances for income losses of affected businesses, (iv) assistance for displaced workers from affected businesses, and (v) additional assistance to vulnerable groups.

10. **Implementation Arrangements.** The executing agency is the MOTC which have overall responsibility for the preparation and implementation this LARP.

11. **RP Budget.** The Cost Estimates to pay compensation, allowances and resettlement for households affected by the road project is USD\$ 462,199 (Som 22,556,466). The valuation figures are preliminary and will be finalized only after the valuation report is cleared by Gosstroy through a positive legal opinion at the stage of detailed design preparation.

12. **Monitoring.** IPIG is responsible for internal monitoring and reporting to EA and ADB. An external monitor may be engaged depending on the results of LAR assessment based on detailed design. Currently, there is no requirement for an external monitor. RP Updating. The preliminary design is under preparation and will be completed by 2013. There are some new additional APs that have been identified during the Preliminary Design Phase and every effort is being made by the Design Team to adjust the design in order to reduce any additional significant impacts on the APs. The final design will be completed by September 2014. The RP will require updating based on design. An Implementation Schedule is found below.

Table ES1: Implementation Schedule

Resettlement Implementation Activities	Tentative Schedule
RP Preparation	April–June 2013
RP Submission of First Draft	27 June 2013
ADB Approval	18 July 2013
Disclosure of RP to APs and Local Officials	July 2013
Preliminary Design	August 30, 2013
Final Design	September 2013–September 2014
Updating RP (updating DMS+ Valuation)	After final design is established
Implementation of Updated RP	October 2014– July 2015
Procurement of Civil Works Contracts	September 2014–August 2015
Compensation Paid out in Full to all APs	31 August 2015
Construction starts	October 2015
Internal Monitoring	December 2014 (quarterly)

B. Project Description

B.1 Description of the Project

13. The proposed project will improve the national and regional connectivity by rehabilitating an estimated 130 km of crucial road sections between Bishkek and Osh. The proposed project is consistent with the government's priority in upgrading key corridors as stated in its draft Medium-Term Development Program (2012–2014) and is included in ADB's draft Country Operations Business Plan (2012–2014) for the Kyrgyz Republic.

14. The Bishkek–Osh road represents about one third of the core international road corridor network in the Kyrgyz Republic, and links the country to Kazakhstan in the north, Uzbekistan and Tajikistan in the south, and the People's Republic of China in the southeast. It crosses four of the seven provinces of the country and serves about 2 million people. It is the only direct surface link between the southern and northern parts of the country making it crucial for maintaining the country's social, political, and economic integrity. The Bishkek–Osh road forms part of the Central Asia Regional Economic Cooperation (CAREC) Corridor 3, which runs from the west and south Siberian region of the Russian Federation through Kazakhstan, Kyrgyz Republic, Tajikistan, Afghanistan, and Uzbekistan to the Middle East and South Asia.

15. The Madaniyat–Jalal-Abad road section (Section no. 2) starts at the junction of Bishkek – Osh road with the branch to Uzbekistan at km 503. Most of the section has two-lane carriageway with width varying between 7.5 to 9 m. The shoulder width varies between 1.5 and 2.5 m. It ends at the intersection of the Jalal-Abad–Uzgen Road, which has been newly constructed with the assistance of the IDB. There are virtually no encroachments within the ROW, but the road passes through the centers of all several villages, of which the major ones are Kochkor–Ata, Massy and Bazar–Korgon. Although Jalal-Abad is the largest urban area within this section, the road bypasses the town to the south and does not pass through the urban center. The terrain is flat-and-wavy with an elevation of 570-860 m above sea level.

16. The location map of the section follows.

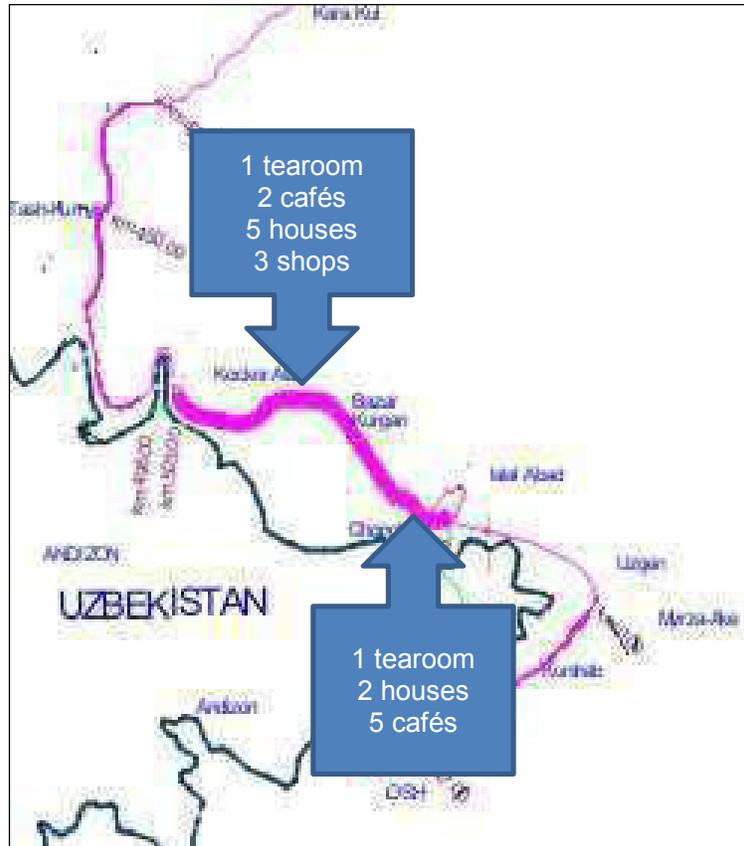


Figure 1: Location Map with Major Impacted Structures

B.2 Measures taken to Minimize Impact

17. A key component of ADB's resettlement policy is to avoid, as much as possible and wherever possible, the need for involuntary resettlement. During the Project Preparatory Technical Assistance (PPTA), the technical design options of the TA 8107 were discussed amongst the engineering team and between local officials and the resettlement experts to minimize the need to acquire land and demolish properties.

18. Proposals for the construction of new roads and/or upgrading of existing roads (e.g., requiring excavated area, area for spoil, temporary land for construction, etc.) have the potential for significant negative impact on the Affected People through changes in land and resources use, housing, livelihoods and access. For instance, items considered to have major negative permanent social impacts, include those needing permanent land acquisition, new construction/expansion of the road; whereas items needing temporary land acquisition, such as construction site, borrow pits and disposal areas, are considered to have limited and temporary negative social impacts.

19. Although Designers have carefully considered measures to mitigate the amount of land required for the Project, construction of these works will inevitably cause certain local people in project areas to lose a proportion of their land to make way for the new road. Construction works will most likely cause a significant disruption to the existing population as a whole.

20. During the Project preparation, many solutions for reducing land acquisition impacts were mentioned and discussed among engineers, safeguard consultants and local people.

21. The Design Consultant applied the following design principles that will minimize the need for land acquisition, namely:

- **Design principle.** The most current way/practice used to save construction costs and reduce land acquisition requirements is by complying with standards and measures that limit such impacts in the suitable location. With this principle, the alignment is mainly based on existing routes and extends the location only to make sure that the size of the cross-sections, as required, are met.
- Reviewed each section for major impacts with the Project Team Leader and Resettlement Team. In a few cases additional APs were identified after DMS and as a consequence the Preliminary Design is being reworked in order

B.3 Objective of the Resettlement Plan

22. The RP addresses impacts on assets and livelihoods resulting from the Project on the “Kyrgyzstan: TA-8107KGZ: CAREC Corridor 3 (Bishkek Osh Road Improvement Project)” in Jalal-Abad. It covers only those rayons impacted by the construction activities.

23. The objective of the RP is to improve, or at least restore, livelihoods and living standards of affected households. It is designed to provide full compensation to all individuals who stand to lose their respective houses, land or other livelihood assets due to construction/upgrading of the road.

24. In addition, this RP was prepared to address the impacts arising from land and property acquisition as a result of the construction of the Project. The overall objective of the RP is to ensure that all APs will be compensated at replacement cost, based on the current market value, for their respective losses, as well as provides them with rehabilitation measures, including transition allowance, so they are, at least, as well-off as they would have been in the absence of the Project.

25. This RP is based on the following:

- Engineering investigations and preliminary designs for this Project;
- Results of the Inventory of Losses (IOL) conducted in June-July 2013;
- The socio-economic survey of the APs conducted in May-June 2013; and
- The discussions with local officials and consultation with the APs.

26. This RP includes a survey of replacement cost of key items (e.g., land, house rebuilding and shop prices) and business income survey carried out in June–August 2013.

C. Scope of Land Acquisition and Resettlement

C.1 Potential Impacts

27. The construction upgrading of the Jalal-Abad Section of the CAREC Corridor 3 Project will require the acquisition of 404.0 m² of residential land. The construction upgrading will require 323.4 m² of land from totally affected houses. The project will require 227.9 m² of shops and café totally affected. There is 34.8 m² partially affected shops and kiosks.

C.2 Summary of Resettlement Impacts

28. The Inventory of Loss carried out in June 2013 has identified a total of 133 structures that may be affected by the CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project broken down as follows:

- 4 affected houses with major impacts
- 6 affected houses with minor impacts
- 12 shops, cafes, kiosks with major impacts
- 2 affected shops with minor impacts
- 13 types of secondary structures that are impacted.

C.2.1 Potential Impacts on Land

29. The next table provides the extent of land loss for two of the three rayons. It is all residential land and no agriculture land.

Table C1: Extent of Land Losses of Affected Communities and Affected Households per IOL (in m²)

Jalal-Abad/rayon	unit	Residential land
Nooken	m ²	0
	HH	0
Bazar-Korgon	m ²	404
	HH	2
Total	m ²	404
	HH	2

C.2.2 Potential Impacts on Main Structures

30. Four houses will be no longer habitable and require relocation and six houses will have minor affects as illustrated in Table C2.

Table C2: Affected Households Losing Houses by Severity of Loss and Floor Area

Rayon	Minor Impacts Only	Major Impacts and No longer Viable	M2 Measurement for Minor Impacted Houses	M2 Measurement for Major Impacted Houses
Nooken	5	3	269.06	173.98
Bazar-Korgon	1	1		
Total	6	4		

C.2.3 Impact on Businesses, Shops

31. Businesses will be impacted by the project with major and minor impacts. A total of 12 shops will be affected with 2 shops having minor impacts by the project.

Table C4 Impacted Shops and Businesses by Rayon

Jalal-Abad/Rayon	Total HH affected on shops	Independent Affected Shop
Nooken	7	7
Bazar-Korgon	6	6
Total	13	13

32. There are a total of 58 secondary structures that are impacted by the project with major impacts. The top three are: permanent shade awnings, metal fences and sign boards.

C.2.4 Other Secondary Structures

Table C5: Quantity of Impacted (Secondary) Structures

Jalal-Abad/Rayon	Awning/Shade	Shed	Store house	Garage	Gate	Metal Fence	Brick Fence	Mud/Clay Fence	Concrete Fence	Concrete site	Sign Board	Oven	Porch, m ²	Other Assets
Nooken	14	1	1	1	10	10	1	1	2	0	2	5	1	0
Bazar-Korgon	6	6	1	0	9	5	3	7	1	3	10	1	1	1
Total	20	7	2	1	19	15	4	8	3	3	12	6	2	1
Nooken	614.7	7.5	97.8	23.0	81.7	262.8	31.2	12.0	62.0		18.0	13.0	10.0	
Bazar-Korgon	266.6	159.5	6.4	0.0	93.6	72.2	68.0	184.0	36.8	183.1	90.0	1.0	9.0	filling station
Total	881.3	167.0	104.2	23.0	175.3	335.0	99.2	196.0	98.8	183.1	108.0	14.0	19.0	1.0

C.2.5 Loss of Crops, Trees and Agriculture Products

33. According to the IOL there is no loss of any trees, crops and agriculture products.

C.2.6 Business Disruption and Income Loss

34. The business disruption will be mainly during the construction period for those partially affected shops and kiosks.

35. Shop owners will be provided assistance and allowance under the government policy that had been harmonized in the Project resettlement policy. Specifically, the owners of these stores can get monetary support during the time of disruption of business and while waiting for the shifting place to be established.

C.2.7 Summary of Impacts

36. Table C5 provides the Summary of Impacts of all Structures.

Table C7: Summary Table

Items		Unit	Total	AHs
Land				
Non-Agriculture Land	Residential Land	m ²	404.0	2
	Other Non-Agriculture Land	m ²		
Total affected land		m ²	404.0	2
Main Structures (houses, shops, kiosks, all)				
	House–Major affects	m ²	323.4	4
	House Minor	m ²	193.2	6
	Major affects (shop, cafes, kiosks)	m ²	227.9	12
	Minor affects (shop, café, kiosks)	m ²	34.8	2
Secondary Structures				
Major	Awnings/ Shade (permanent)	m ²	881.3	20
Major	Sheds	m ²	167.0	7
Major	Storehouse	m ²	104.2	2
Major	Garage (Residential)		23.0	1
Major	Gates	m ²	175.3	19
Major	Metal Fence	m ²	335.0	15
Major	Brick Fence	m ²	99.2	4
Major	Mud/Clay Fence	m ²	196.0	8
Major	Concrete Fence	m ²	98.8	3
Major	Paving Stone	m ²	0.0	0
Major	Concrete site		183.1	3
Major	Sign Boards	m ²	108.0	12
Major	Ovens, pcs	m ²	14.0	6
Major	Porch	m ²	19.2	2
	Other Assets (PS pump)	pcs	1.0	1
Total				
Total Number of Affected Structures				133
	Total of affected households			57

D. Socioeconomic Information and Profile

D.1 Methodology Used in the Socio Economic Profile

37. The Socio-Economic Survey (SES) carried out from May to June 2013, and covered more than 20% of Households, based on the corridor from the Topographical Survey. The survey team covered households within the proposed project. *Unless otherwise noted all tables from SES are from the SES surveys.*

38. The Social Impact Assessment (SIA) used two main instruments:

- (i) Socio Economic Survey (SES) Questionnaire;
- (ii) 8 SES Data Collectors were trained using the questionnaire and sent to the field for data collection; and
- (iii) Statistical data of the project area gathered on the level of villages, rayons and oblast

39. The following residential areas were selected for the SES on that data analysis:

Table D1: Survey Location For Jalal-Abad Section 2

	OBLAST	RAYON	VILLAGE/SMALL TOWN
1	Djalal-Abad	Nooken	Massy
			Kochkor-Ata
		Bazar-Korgon	Bazar-Korgon
			Abdraimov
		Suzak	Sasyk-Bulak

D.2 Profile of Project Area

40. This oblast is situated in the southern Kyrgyzstan, which is far behind the northern part in social and economic development. However, Jalal-Abad area has its developed industrial sector. The largest hydroelectric power stations, almost all crude oil and natural gas production and crude processing plants are concentrated there. High transportation expenses incurred by insufficient motor road infrastructure make agricultural production not payable. The Bishkek-Osh road is the direct access to main markets located in the north that is why the road reconstruction is vital for agricultural industry development and poverty reduction. A greater part of the local population is suffering absence of water piping. Water piping systems construction and reconstruction is one of the priorities in social and economic infrastructure development.

41. The main occupations of Jalal-Abad region residents are farming: sheep and goat breeding and vegetable, wall nut growing and trade. Based on the information provided by Rayon State Administration's Statistical Departments, the total population of three (3) affected Sub-Project rayons in 2012 was 521,799. The table below contains the population data for the three (3) affected rayons.

Table D2: Population Data for the Three Rayons

Djalal-Abad	Rayon	Area (km ²)	Population in 2012 (person)
	Bazar–Korgon	202.1	141,109
	Nooken	2,336.4	121,677
	Suzak	2,785.0	259,013
	Total	5,323.5	521,799

D3. Profile of Affected Households

42. A survey was carried out in May 2013. The survey targeted 110 households with 488 persons. Total numbers of AHs with SES are given in the Table D2.

Table D3: Affected Household Numbers under SES Survey Disaggregated by Gender

Rayon	Village	AH	AP		
			Total	Man	Woman
Nooken	Kochkor–Ata	37	155	68	87
	Massy	28	125	59	66
Bazar–Korgon	Abraimov	18	86	47	39
	Bazar-Korgon	19	89	45	44
Suzak	Sasyk-Bulak	8	33	15	18
	Total/Average	110	488	234	254

Housing and Living Conditions

43. Interviewed households own homes of 4 rooms with large yards. Households possess simple pit latrines. The average house square is 93.4 m². All of those interviewed owned their own houses with the exception of 3 tenants.

Table D3: Ownership of Assets

Item	Nooken Rayon	Bazar–Korgon Rayon	Suzak Rayon
Tractor	1	--	1
Other equipment/implements	1	1	1
Glass cabinet	2	8	1
Chair and table	--	3	1
Other equipment	1	3	--
Car	22	17	3
Motorcycle	1	1	--
Bicycle	14	14	3
Truck	3	--	1
Stove	70	39	8
Microwave	17	5	2
Gas stove	21	1	1
Washing machine	47	24	6
Refrigerator	54	33	6
Radio	22	13	4
DVD player	47	25	5
Television			

D4. Demographic, Employment, and Education Status

44. As shown in the table D4, the SES Sample of 172 persons from 1-16 age, 252 persons from 17-59 age and 64 persons above 60, in total 488. The survey highlights that:

- (i) The average household size is 4.4 ranging from 1–10;
- (ii) Population is gender balanced with males and females account for 47% males and 52% for females;
- (iii) The average age is 31;
- (iv) All people aged above 50 are pensioners; and
- (v) 80 males and 30 females are heads of HH.

Table D4: Demographic Status

Household	Age		
	0–16	17–59	≥ 60
Male	90	118	26
Female	82	134	38

45. In terms of education the following is found in the project location:

- (i) 9 males and 10 females are illiterate,
- (ii) 18 males and 30 females have primary education,
- (iii) 150 males and 171 females have secondary school,
- (iv) 13 males and 9 females have higher education, and
- (v) 8 males and 7 females have technical vocational training.

Table D5: Education Level

Rayon	Gender	Education Level				
		Illiterate	Primary School	Secondary School	Higher Education	Technical Vocational Training
Nookan	M	4	9	82	7	2
	F	7	17	101	5	3
Bazar–Korgon	M	5	8	63	1	4
	F	3	9	59	3	2
Suzak	M	0	1	5	5	2
	F	0	4	11	1	2

46. The employment picture by rayon is presented in the next table.

Table D7.: Employment Status

Present Occupation	Rayon		
	Nookan	Bazar–Korgon	Suzak
Agriculture	14	18	0
Business	33	26	4
Education	2	1	0
Health	1	0	1
Government	2	2	5
Unemployed; looking for work	14	11	2
Retiree	45	18	2

Housewife	38	21	2
Unemployed	5	6	0
Others	15	11	3

47. The average monthly household income is provided in the next table.

Table D8: Average Monthly Household Income

Source of income	Monthly income (Som)		
	Nooken	Bazar-Korgon	Suzak
Agriculture	1,564	2,270	1,041
Trading– retail/wholesale	4,776	6,563	6,250
Services	1,061	405	0
Manual/daily labor	400	1,567	0
Wages salary	733	756	5,312
Truck transport	676	0	0
Government/social assistance/pension	3,470	1,487	781
Remittances	2,931	2,883	1,250
Others	430	1,621	250
Total	16,046	17,556	14,885

48. In accordance with the interviewees average monthly income of a family makes approximately 18044 KGS, and average monthly income per persons makes 4067 KGS.

49. As answers of the interviewees show, the main activity of the village inhabitants and the main source of income of population are retail/wholesale trading. Besides, population involved in providing services, manual daily labor and truck transport. Household head, spouse and adult children are equally responsible for income.

50. In accordance with the interviewees average monthly income of a family makes approximately 13,470 KGS, and average monthly income per persons makes 3,453 KGS, which is below the poverty rate.

51. As answers of the interviewees show, the main activity of the village inhabitants and the main source of income of population is agriculture. Besides, population involved in trading of goods, providing services, manual daily labor and truck transport.

Household head, spouse and adult children are equally responsible for income.

D5. Health and Sanitation

52. As regards health and sanitation issues, the SES shows that:

- (i) Majority of households have purchased water as their main source of water for drinking and washing
- (ii) 37 households rely on piped water
- (iii) 8 households rely on traditional/shallow well
- (iv) 65 households rely on purchased water as the source of drinking water

53. The table below contains the details on the water supply sources of households

Table D9: Main Source of Water Supply

Source of water			
Drinking/Cooking		Washing/ Bathing	
Traditional/shallow well	8	Traditional/shallow well	8
Purchased water	65	Purchased water	64
Piped water	37	Piped water	37
		Canal, river, pond	1

D6. Energy use for Lighting and Cooking

54. The most commonly-used power source for lighting is electricity from the government.

- All 110 interviewed households use electricity for lighting
- 69 households use electricity from the government for cooking needs
- 17 households use wood and 24 households use gas for cooking

55. The table below details the type of lighting used by the interviewed households for lighting and cooking.

Table D10: Sources of Energy

Source of Energy			
Lighting		Cooking	
Electricity from the government	110	Electricity from the government	69
Private generator	0	Wood	17
		Gas	24

E. Information Disclosure, Consultation, and Participation

E.1 Information Disclosure

56. Information disclosure is an on-going process beginning early in the Project cycle, and continuing throughout the Project preparation and implementation. The process provides timely information to communities in order that they may meaningfully contribute to the Project design, decisions and also mitigation. Provision of timely and accurate information will avoid misinformation and inaccurate rumours from circulating in the communities.

57. In the process of Public Consultations, the information has been provided sufficiently for local authorities, communities and potentially affected households. The Project Information Booklet (PIB) (refer to Appendix 4) which has been prepared covering 2 main aspects (i) introduction on the Project and (ii) policies on compensation, assistance and resettlement of the Project - has been distributed to potentially affected households and stakeholders.

58. Prior to the distribution of the Public Information Booklet each team of SES Interviewers had a handout that described the project and a map of the location. This is found Appendix 2. The DMS Team had a handout prepared for each affected structure and also for local officials that provided information on list of AP names and this handout can be found in Appendix 3. As this is Preliminary Design (to be completed by end August) and Detailed Design will have more updating and will also include additional or updated promotional materials.

59. For those who could not attend the consultation meetings, the PIB and the relevant regulations on land recovery, compensation, assistance and resettlement that have been handed out to rayon leaders. A set of the materials which includes all of the mentioned documents and the PIB has been placed at the offices of CPCs and in the houses of the village leaders.

E2. Public Consultations

60. The Communication Plan provides for two sets of consultations. The minutes for the AP consultations are found in Appendix 5. In addition a follow up consultation has been done on July 22 to discuss related issues.

61. Minutes of these meetings will be prepared by the PPTA team and submitted to IPIG and ADB. The first minutes are found in Appendix 5.

E3. Disclosure of LARP

62. The LARP has been disclosed to APs in a formal consultation at each rayon. The LARP has been translated and posted to both ADB's web site and MOTC's web site. It will be available in Kyrgyz, Russian and English.

63. **RP Updating.** As the preparation of this RP are based on the preliminary design the information contained may be tentative and the need to be updated soon after the completion of detailed designs. At this stage, changes to the RP take the form of revising the number of displaced persons, the extent of land acquired, the resettlement budget, and the timetable for implementing the resettlement plan. The entitlement matrix of the resettlement plan may be updated at this stage to reflect the relevant changes but the standards set in the original entitlement matrix cannot be lowered when the resettlement plan is revised and finalized.

64. The affected households and other stakeholders will continue to be consulted during RP updating and implementation, following a two-way process: information dissemination and gathering of feedback and suggestions.

F. Grievance Redress Mechanism

F1. Objectives

65. The Grievance Redress Mechanism (GRM) will be established to allow APs to appeal any disagreeable decision, practice or activity arising from implementation of Rehabilitation 67 km Madaniyat–Jalal-Abad roads under CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project Phase 4 (45169-002). APs will be fully informed of their rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, time of compensation and implementation of the project. Care will always be taken to prevent grievances rather than going through a long redress process. Importantly, MOTC will give administrative support to the GRM.

66. The GRM will cover issues related to social, environmental and other project issues under ADB safeguard covenants and Kyrgyz law. The GRM has been established by MOTC on 17 July, 2013.

F2. Grievance Redress Group (GRG)

67. The GRG will be established for the duration of project implementation. The GRG is tasked with all activities needed to discuss a grievance, assess its validity, assess the scope of eventual impacts, decide eventual compensation needed and instruct/facilitate the functioning of the grievance redress mechanism.

F.3 Functioning of the GRG within the Grievance Redress Mechanism

68. The grievance redress mechanism (GRM) involves the following 2 stages appeals:

Stage 1, Local (Village) Level

The grievances will be first lodged at the level of the complainant's village community. The complainant will report his case to the Local Point of Contact (LPC) The LPC will trigger the action of the Grievance Redress Group (GRG) which will assess the situation and seek a solution through consultation with complainants, local Roads Maintenance Unit (RMU) the oblast Ombudsman, and the selected AP representative.

Stage 2, Central Level

In case within additional 15 days the grievance is still not resolved at local level the complainant will further raise the issue to MOTC's headquarters in Bishkek again with the support of the LPC, AP representatives, and the oblast Ombudsman. The GRG will decide on the eligibility and on the complaint case and prepare the resolution, subject to IPIG/MOTC consent.

69. GRM proceedings will entail one or more meetings for each complain and may require field investigations by specific technical or valuation experts. Grievance cases shared by more than one complainant may be held together as a single case.

70. For deliberations at the local level, the meetings will be held in the village of the complainant. For appeals at central level the meetings will be carried out at in MOTC office in Bishkek with field trips of GRG members to the village of the complainant.

F4. Composition of GRG

71. GRG will be established by the order of MOTC. The GRG is composed at different levels of appeal by the following individuals/officers:

Local level GRGs

72. Local level GRGs will be established at each Ayil-Okmotu along the project roads with the provision of members of following composition.

Table F1: Composition of Local GRGs

Members	Position
Head of Ayil-Okmotu	LPC
Representative of the RMU	Member
2 Representatives of APs	Members
Consultant	Member
Ombudsman of the Oblast	Observer

Central level GRG

73. The central level GRG will be represented by 5 members of the following composition.

Table F2: Composition of Central GRG

Members	Position
Head of IPIG of MoTC	Chairperson
IPIG Project Coordinator	Member
Representative of IPIG safeguards unit	Member
Representative of the RMU	Member
Ombudsman of the Oblast	Observer

74. At each level of appeal, the GRG will be assisted as needed by the professional capacity needed to solve each specific case. This will include among others:

- Representatives of State Rayon Administration
- Representatives of the Rayon Branch of the State Agency for Architecture and Construction
- State Registration Services of the Rayon
- Ministry of Agricultural
- State Agency for Environment and Forestry
- Ministry of State Property
- Ministry of Emergency
- Technical expertise from professional engineers

F5. Duties of GRG Members

Local Point of Contact (LPC) / Head of Ayil-Okmotu

75. Once the LPC Receives written notification of a complaint s/he will:

- draft a complaint memo to be signed by the complainant and the LPC indicating name of complainant, date and place of presentation of complaint, description of complaint and supporting documents, if any;
- for such simple complaints like notification of when construction starts or a copy of the entitlement brochure this should/could be handled at the local level;
- send the complaint memo to all members of the local level GRG, summon them for a GRG meeting and establish the date of the first and (if needed following) grievance redress meetings;
- request village authorities to organize the meeting(s)
- chair the GRG meetings;
- convey requests and enquiries of the complainants to IPIG/MOTC and to the other members of the GRG at village level;
- maintain records of each meeting and each communication between him/her and the complainants;
- participate as a witness to appeal cases at all levels;
- ensure the administrative and organizational support for GRG members to work;
- disseminate the information on the GRM across the local communities concerned.

RMU Representative

76. Once notified of a complaint and summoned by the LPC to a grievance meeting the RMU representative will:

- contact the complainant(s) and draft a note with his/her understanding of the complaint;
- recording of complaints and submitted documents of proof;
- participate to all grievance meetings, provide opinions and analysis, take minutes of the discussions
- accompany eventual assessment/valuation specialists in the field
- ensure that claims from damages due to construction works are reviewed by the RMU and technical experts as to costs that may not have been considered in the initial valuation
- based on the position reports of GRG members and on his/her understanding of the case prepare the final grievance report and recommendations to be sent to complainant, other GRG members and IPIG. The report may indicate that: i) the case is solved without further action; ii) that the case is solvable but requires compensation or other action or iii) that the case remains unsolved.
- if the complaint is considered valid and the needed compensation/action is approved by IPIG, proceed for the delivery or compensation or for the execution of the redress action.
- when prompted by the LPC that a complainant with an unsolved grievance wants to lodge the complaint at a higher appeal level inform IPIG/MoTC and proceed with the organization of the central level appeal meeting.

Representatives of the APs

77. Two representatives of the APs from the affected community will participate in all GRG meetings and will:

- participate to all grievance redress meeting;
- provide relevant information related to the submitted complaints;
- provide other GRG members as relevant with a position note to be reflected in the final meeting report.

Consultant

78. Once notified of a complaint and summoned by the LPC to a grievance meeting the Consultant will:

- contact the complainant(s) and draft a note with his/her understanding of the complaint;
- participate to all grievance meetings, provide opinions and analysis;
- accompany eventual assessment/valuation specialists in the field,
- provide other GRG members as relevant with a position note to be reflected in the final meeting report.

Ombudsman

79. Once notified of a complaint and a summoned by the LPC to a grievance meeting is submitted the Ombudsman will:

- monitor complaint handling process and ensure that decisions made by the GRP are equitable and objective;
- provide independent opinions and recommendations related to the decision made on the case by the GRP team;
- advise the complainant(s) on their rights and entitlements, as necessary ;
- participate to all GRG meetings and site visits;
- participate in eventual assessment/valuation in the field;

- prepare a position memo at the end of the meeting(s) and forward it to LPC/chairperson of the GRG.

GRG Chairperson / Head of IPIG of MoTC

80. Once notified that a complainant has lodged an appeal case at central level, the GRG chairperson will:

- contact the complainant(s) and draft a note with his/her understanding of the complaint;
- trigger the GRG members through a letter of invitation;
- chair the GRG meetings and ensure that minutes of the meeting are shared with all relevant parties;
- review the content of each response prepared after deliberations to ensure accuracy as well as consistency of answers provided to the complainants;
- ensure the administrative and organizational support for GRG members to work;
- support the decision made by the GRG and ensure that the follow-up actions are taken.

IPIG Project Coordinator

81. Once notified that a complainant has lodged an appeal case at central level project coordinator will:

- contact the complainant(s) and draft a note with his/her understanding of the complaint;
- participate to the appeal meeting, provide opinions and analysis, take minutes of the discussions;
- if needed summon again assessment/valuation specialists and accompany them in the field;
- request the chairperson to organize meetings, as necessary;
- maintain communication between GRG and the complainants; and
- Complaint Register is kept with IPIG and a copy shared with the Consultant.

Representatives of IPIG Safeguards Unit

82. Once notified that a complainant has lodged at central level, the representatives of IPIG safeguard and technical unit will:

- prepare the chronology of events to understand sequence of developments prompting the complaint;
- provide environmental and resettlement opinion on impacts claimed by the claimant
- examine large claims over USD\$10,000 with financial expert at Ministry and involve a qualified valuer
- request the chairperson to organize meetings, as necessary;
- maintain communication between GRG and the complainants.

Technical Experts

83. Once summoned to provide expert advice for the assessment or valuation of an impact claimed by a complainant the relevant technical expert will carry out the needed investigations and prepare a report to be handed to the complainant and the other members of the GRG. The tasks will include:

- provision of relevant technical opinion for the case reviewed;
- carry out the needed investigations relevant to their expertise;
- provide recommendation when the legal opinion from the relevant state agencies is necessary.

F6. Grievance Resolution Process

84. The LPC of GRGs will be regularly available and accessible for APs to address concerns and grievances. He will assist the aggrieved APs in formally lodging their claims to the GRG. The complaints and grievances from the APs will be addressed through the process described below.

Table F3: Grievance Resolution Process

Steps	Action Level	Process	Timeline
Step 1	Resolution	At initial stage, the LPC will give hearing to the aggrieved person and try to give acceptable solutions. If any aggrieved AP is not satisfied with the solutions, then the aggrieved AP will lodge grievances in written to the concerned local GRG within 3 days.	3 days
Step 2	GRG Resolution	After receiving written complaints of AP the LPC will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held with the GRG at a date fixed by the LPC in consultation and the aggrieved APs. On the date of hearing, the aggrieved AP will appear before the GRG at the office of concerned Ayil-Okmotu and produce proof in support of his/her claim. The LPC will note down the statements of the complainant and document all proof. The decisions from majority of the members will be considered final from the GRG and will be issued by the LPC and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the complainant AP by the LPC within 15 days of submission. If any aggrieved AP is not satisfied with the solutions, then the LPC will lodge grievances in written to the central GRG at MoTC with conclusion and supporting documents prepared at local level.	15 days
Step 3	Resolution of Central GRG	After receiving written complaints of AP the GRG Chairperson of the central GRG will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held with the GRG at a date fixed by the GRG Chairperson and the aggrieved APs. GRG members will contact the complainant and visit his village. The IPIG Project Coordinator will note down the statements of the complainant and document all proof. The decisions from majority of the members will be considered final from the GRG and will be issued by the GRG Chairperson and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the complainant AP by the IPIG Project Coordinator within 15 days of submission.	15 days

85. The GRM will not restrict or influence the AP from applying to court for legal remedies or ADB accountability mechanism².

86. The grievance redress process is shown in the flowchart below.

² ADB Web link: www.adb.org/site/accountability-mechanism/main

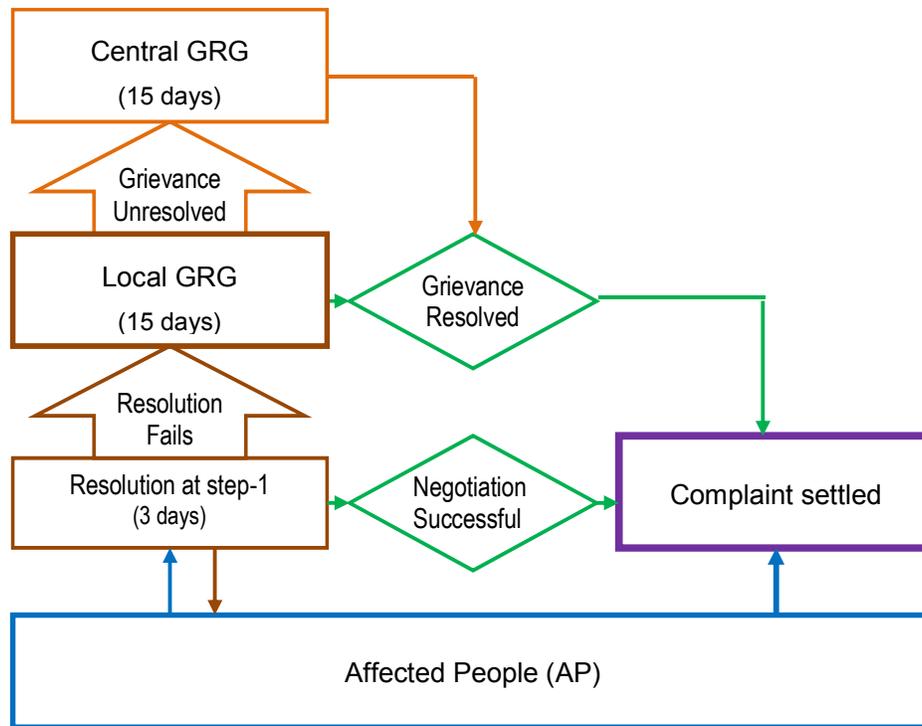


Figure 2: Grievance Redress Process

F7. GRG Complaint Register, Records and Documentation

87. IPIG of MoTC will maintain the complaint register. This will include a record of all complaints for regular monitoring of grievances and results of services performed by the GRGs, and for periodic review of ADB. The ADB Grievance Mechanism Form can be found in Appendix 6.

G. Legal Framework

G.1 Asian Development Bank Policy

88. The ADB Safeguard Policy Statement (2009) consolidates three (3) existing safeguard policies, namely: (1) Involuntary Resettlement (IR); Indigenous Peoples (IPs); and Environment.

89. The objectives of the IR policy are:

- (i) To avoid involuntary resettlement, wherever possible;
- (ii) To minimize involuntary resettlement by exploring Sub-Project and design alternatives;
- (iii) To enhance, or at least restore, the livelihoods of all displaced persons in real terms, relative to pre-Sub-Project levels; and
- (iv) To improve the standards of living of the displaced poor and other vulnerable groups.

90. Involuntary Resettlement covers physical displacement (i.e. relocation, loss of residential land, or loss of shelter) and economic displacement (i.e. loss of land, assets, access to assets, income sources, or means of livelihoods), as a result of either (i) involuntary acquisition of land; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas – regardless of whether such losses and involuntary restrictions are full or partial, permanent or temporary. Moreover, the Policy also applies to associated facilities funded through other sources and involuntary resettlement actions conducted by the borrower/client in anticipation of ADB support.

91. Projects financed by ADB, including associated facilities that are financed by the Government or other sources, are expected to observe the following policy principles:

- (i) Early screening to identify involuntary resettlement impacts and risks, and determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with displaced persons, host communities, and concerned non-government organizations.
- (iii) Inform all displaced persons of their entitlements and resettlement options and ensure their participation in various stages of the Sub-Project, especially the vulnerable and poor groups.
- (iv) Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons' concerns.
- (v) Support the social and cultural institutions of displaced persons and their host population.
- (vi) Improve, or at least restore, the livelihoods of all displaced persons through:
 - Land-based resettlement strategies when affected livelihoods are land-based, wherever possible; or cash compensation/assistance at replacement value for land when the loss of land does not undermine livelihoods;
 - Prompt replacement of assets with access to assets of equal or higher value;
 - Prompt compensation/assistance at full replacement cost for assets that cannot be restored; and
 - Additional revenues and services through benefit sharing schemes, where possible.

92. Provide physically and economically displaced persons with needed assistance, including the following:

- (i) If there is relocation, secure tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, economic and social integration of resettled persons into their host communities, and extension of Project benefits to host communities;
- (ii) Transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.

93. Improve the standards of living of the displaced poor and other vulnerable groups, including female heads of households to, at least, the national minimum standards.

94. Develop procedures in a transparent, consistent, and equitable manner, if land acquisition is through negotiated settlement, to ensure that those people who enter into negotiated settlements will maintain the same or better incomes and livelihood status.
95. Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
96. Prepare a Resettlement Plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
97. Disclose both the draft and final Resettlement Plan in a form and language understandable to displaced persons and other stakeholders.
98. Conceive and execute involuntary resettlement as part of a development Project or programme. Include the full costs of resettlement in the presentation of Project's costs and benefits.
99. For a Project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the Project as a stand-alone operation.
100. Pay compensation, and provide other resettlement entitlements, before physical or economic displacement. Implement the Resettlement Plan under close supervision throughout Project implementation.
101. Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring.
102. Disclose monitoring reports.
103. Calculation of full replacement cost will be based on the following elements:
 - (i) Fair current market value at the time of compensation;
 - (ii) Transaction costs;
 - (iii) Interest accrued;
 - (iv) Transitional and restoration costs; and
 - (v) Other applicable payments, if any.
104. In the calculation, depreciation of structures will not be taken into account. It is expected that qualified and experienced experts will undertake the valuation of acquired assets.
105. Persons or households without formal legal rights nor recognized or recognizable claims to the acquired land are still entitled to be compensated for their loss of assets other than land, such as dwellings or other improvements on the land at full replacement cost, provided that they have occupied/used the land or structures in the affected land prior to the cut-off date.

G.2 Regulations of Kyrgyzstan on Resettlement Policy

a. The National Constitution

106. The Constitution of the Kyrgyz Republic (June 27, 2010), Article 12 provides that:
 - (i) the Kyrgyz Republic recognizes diversity of ownership forms and guarantees the equal legal protection to private, state, municipal and other types of ownership article 12, clause 1).

- (ii) Land can be in private, municipal and other types of ownership with an exception of pasturelands that cannot be held in private ownership (article 12, clause 5). Ownership is inviolable and no one can be dispossessed of its property arbitrarily. The property can be acquired by the state against the person's (party's) will only based on the court's ruling (article 12, clause 2)
- (iii) Acquisition of property for the public purposes, as defined in the national laws, can be carried out only through the court's ruling and with the fair and prior payment of the compensation for the affected property as well as other costs (article 12, clause 2).

b. Civil Code (8 May 1996, # 16; last amended 30 May 2013)

107. The Civil code provides that: a party whose rights are violated can claim full compensation for the losses, unless the national legislation or the agreements (contracts) prepared in line with the national legislation indicate the contrary (article 14, clause 1). The Civil Code also specifies that the compensable losses include:

- (i) Costs that the party concerned has incurred or was going to incur in order to reinstate the party's right (article 14, clause 2)
- (ii) Losses or damages of the property (article 14, clause 2)
- (iii) Lost profit that the party was supposed to receive under the normal conditions, if the party's rights were not violated (opportunity costs) (article 14, clause 2)
- (iv) If the person who violated the law, earned an income, the person whose rights were violated can claim compensation of opportunity costs along with other costs in the amount of this income at least.

c. Land Code (2 June 1999, # 45; last amended 26 May, 2009)

108. The Land code provides that:

- (i) land can be acquired (purchased) for the state and public purposes based on agreement between the authorized body and land owner or land user. In case the land owner or land user disagrees with the acquisition (purchase), the authorized body can within 2 months turn to the court with the request to carry out the acquisition with the payment to the owner or land user the compensation for the land (article 68, clause 1).
- (ii) When determining the compensation for the land being acquired, it (compensation) should reflect the market value of the right to the land and associated structures, losses that the land owner or land user incurs and liabilities to the third parties (article 68, clause 3).
- (iii) When acquiring the land for the state or public purposes with the consent of the land owner or land user, owner/user can be allocated replacement land with the value of this land to be counted towards compensation for the land acquired.

109. It should be also noted that the Land Code specifies instances when the right to the land and associated structures can be terminated. These include:

- (i) Failure to use the land according to its targeted purpose³;
- (ii) Land needed for state or public purposes;
- (iii) Non-use of land provided for agricultural use for three years;

³ The use of land according to its target purpose is the use of the land according to the purposes specified in the title, lease agreement, or other officially endorsed documents (Article 2, clause 30, Land Code 1999). The rights to the land can be terminated in case of the failure to use the land according to its targeted purposes.

- (iv) Non-use of land provided for non-agricultural productive purposes for a period stipulated in the original provision
- (v) Non-payment of land taxes
- (vi) Non-payment of social taxes
- (vii) Annulment of license for mining on the basis of the Kyrgyz Republic's mining law.

110. The decision of a court is required to officially terminate the rights to the land and associated structures for instances 1 through 4. The acquisition of the land under instances 1 through 4 (above) can be effected only after compensating the costs of the rights termination and associated costs (article 49, clause 4).

111. According to article 49, clause 1, the land owners or user can, unless the legislation, land title or lease contract indicates to the contrary, has the right to:

- (i) Use the land at its own description and in accordance to the targeted purpose of the land (article 49, clause 1, sub-clause 1)
- (ii) Build the structures on the land, according to its targeted purpose, following the established procedures and meeting architectural, construction, environmental, sanitary, fire safety and other requirements (article 49, clause 1, sub-clause 6)
- (iii) Claim the compensation, as specified by the legislation of the Kyrgyz republic (article 49, clause 1, sub-clause 5).

112. Finally the Land Code (article 78, clause 2) also specifies the use regime with regards to the lands of common use. It particularly indicates that lands of common use in settlements/towns/villages (e.g. roads, streets, squares, sidewalks, driveways, park bands, boulevards, mini parks, water bodies, etc.) cannot be in private ownership, and only in exceptional instances can be rented by the authorized state body to legal entities and individuals for maximum of 5 years. The authorized state body may permit construction of light weight structures on the lands of common use (clause 78, clause 3).

d. Law on Roads (2 June 1998, # 72, last amended)

113. According to the Law on Roads (article 4) the roads of common use can be only in state ownership and cannot be sold or held in private ownership. The same Law (article 27) also provides that unless prior permit is given by the State Traffic Inspection and the Ministry of Transportation and Communication, the following activities are prohibited on the roads of common use and the right of way (article 27) to, among others:

- (i) Organizing trading outlets along the roads
- (ii) Building kiosks, pavilions and similar structures

114. Article II Rights and limits which are mandatory for registration. Article 7 obligatory for its delay. Article 22: the reasons for suspension on and refusal to register. Article 33. Liabilities for damage.

115. The arbitrary use of the lands of roads can be discontinued without compensating the illegal user(s) the costs incurred for the duration of the unauthorized use of these lands (article 23).

e. Regulation on Assets Valuation

116. The valuation of the assets is carried out on the basis of the Temporary rules for the valuers and valuation companies (Government Resolution, as of 21 August 2003, #537), Valuation standards for the valuers (Government Resolution, 03 April 2006, # 217) and other provisions of national legislation.

G3. Project Principles

117. The Sub-Project principles on resettlement policy are as follows:

- (i) Involuntary resettlement and impacts on land, structures and other fixed assets will be avoided or minimised, where possible, by exploring all alternative options.
- (ii) Compensation and assistance will be based on the principle of replacement cost at the time of implementation.
- (iii) Severely affected household (SAH) is considered as such when they stand to lose 10% or more of their household's assets and shall be considered as threshold.
- (iv) Displaced persons without title or any recognisable legal rights to land are eligible for compensation for non-land assets at replacement cost.
- (v) Residential and agricultural land for replacement should be close to the previous places as much as possible, and suitable to the displaced persons.
- (vi) Meaningful consultations will be carried out with the displaced persons and concerned groups to ensure participation from planning up to implementation. The comments and suggestions of the APs and communities will be taken into account.
- (vii) The RP will be disclosed to APs in a form and language(s) understandable to them prior to submission to ADB.
- (viii) Resettlement identification, planning and management will ensure that gender concerns are incorporated.
- (ix) Special measures will be incorporated in the Resettlement Plan to protect socially and economically vulnerable groups, such as: households headed by women, children, disabled, the elderly, landless and people living below the generally accepted poverty line.
- (x) Existing cultural and religious practices will be respected and preserved, to the maximum extent practical.
- (xi) Culturally appropriate and gender-sensitive social impact assessment and monitoring will be carried out in various stages of the Project.
- (xii) Resettlement transition stage should be minimised.
- (xiii) Restoration measures will be provided to displaced persons before the expected starting date of construction in the specific location.
- (xiv) Budget for payment of compensation, assistance, and resettlement and support will be prepared sufficiently and made available during Project implementation and by the provinces.
- (xv) Reporting and independent monitoring should be defined clearly as part of the management system of resettlement.

118. Notice contractors cannot be given until the MOTC officially confirmed in writing, stating that:

- (i) Payment has been fully disbursed to the displaced persons and rehabilitation measures are in place;

- (ii) Already-compensated/assisted displaced persons have cleared the area in a timely manner; and
- (iii) The area is free from any encumbrances.

119. Cut-off date is the date of completing DMS for which land and/or assets affected by the Project are inventoried following Detailed Design.

H. Entitlements, Assistance, and Benefits

H1. Eligibility

120. Eligibility will be determined with regard to the cut-off date, which is taken to be the date of completing the DMS for which land and/or assets affected by the Projects are measured. The APs will be informed of the cut-off date for each Project component, and any people who settle in the Project area after the cut-off date will not be entitled to compensation and/or assistance.

121. In addition, legal rights to the land concerned determine the extent of eligibility for compensation with regard to land.

122. There are three types of APs, namely:

- (i) Persons with Legal Land Ownership Documents to the land lost partially or entirely;
- (ii) Persons who lost land they occupy, partially or in its entirety, and who do not currently possess ownership (such as tenant), but have a claim that is recognisable under national laws; or
- (iii) Persons who lost land they occupy in its entirety or partially who do not have any recognisable claim to that land.

123. APs included under (i) and (ii) above shall be compensated for the affected lands and assets upon land. APs included under (iii) shall not be compensated for the affected land, but for the affected assets upon land and are entitled to assistance, if they have to relocate.

124. People who move into the Project area after the Project cut-off date are not entitled to compensation or any other form of resettlement assistance, except people who have been miscounted in the IOL or affected during Project construction. Likewise, occupiers who engage in new construction will receive no compensation for these if they are built after the cut-off date, except where they involve routine maintenance and repairs or affected during Project construction. They will be given sufficient advance notice, and requested to vacate premises and dismantle affected structures prior to Project implementation. However, their dismantled structures will not be confiscated and they will not have to pay any fine or sanction. Forced eviction will only be considered after all other efforts have been exhausted.

H.2 Entitlements

125. The overall objective of the compensation and entitlement policy for the CAREC Corridor 3 (Bishkek-Osh Road Improvement Project) is to ensure that all people affected by the Project receive compensation at full replacement cost and resettlement assistance.

126. The compensation strategy for entitlements is based on the type of impact. There could be major impacts such as relocating a house or minor impacts such as moving a kiosk back. The valuation of a house or a shop is based on the Replacement Cost Survey

for major impacts. The compensation formulas are found in the Valuation Report in Appendix 8.

127. The unit rates or amount for allowances indicated in the entitlement matrix can be adjusted during the RP updating to reflect the actual situation at the time of implementation. However, the adjusted amounts and unit rates cannot be lower than the provisions in the Entitlements Matrix. The Entitlement Matrix for the BM project was updated for inflation such as the truck allowance increase.

128. Below is the Entitlement Matrix that should be followed during implementation of the plan. It incorporates the actual findings of the assets and impacts that the Resettlement Team found on the ground. For example there are no fruit trees impacted and they have therefore not been included. The entitlement matrix reflects a combination of both. The project has included unemployment as some removed structures will generate temporary unemployment and potential permanent unemployment.

Table H1: Entitlement Matrix for LARP I and LARP II

Impact type	Eligible APs	Entitlements	Note
Land	Owner/Tenant	N/A	All land affected is public and within the ROW. It will not be acquired nor compensated
Buildings (structures, houses, sheds)	Owner	Cash compensation at replacement cost for materials, labor, transport of materials, and reinstallation of facilities	Determined by the independent valuator. No deduction for depreciation or salvageable materials
Shops	Owner	Cash compensation at replacement cost for materials, labor, transport of materials, and reinstallation of facilities	Determined by the independent valuator. No deduction for depreciation or salvageable materials
Fences	Owner	Compensation for fence relocation + eventual damages	Determined by the independent valuator.
Business (big size)	Owner	Compensation of business income lost for the period of business stoppage (due to new shop construction and business re-establishment) based either on tax declaration/patent fee or (if this is unavailable minimum non-taxable income	The compensation will be subject to independent valuation.
Business (small size)	Owner	Compensation of business income lost for the period of business stoppage (due to shop relocation or new construction and business re-establishment) based either on tax declaration/patent fee or (if this is unavailable minimum non-taxable income	The compensation will be given for 1 month.
Business (big and small size)	Tenants	Compensation of business income lost for the period of business stoppage based either on tax	The compensation will be subject to independent valuation.

Impact type	Eligible APs	Entitlements	Note
		declaration/patent fee or if this is unavailable minimum non-taxable income plus rental fee	
Temporary business	Owner/tenants	Compensation for temporary business stoppage due to relocation to new place	The compensation will be given for one week
Trees	Owner	Compensation based on the value of the tree wood to be calculated based on tree diameter (for non-productive trees). Compensation at current market prices for x years harvest given the age of trees (for productive trees).	Determined by the independent evaluator. Tree replanting will be done in the spring of 2015 for MOTC's trees along the highway.
Labours		Cash compensation for lost wages or salary equal to current wages	Compensation will be given for 1 month
Severe impacts Allowance	AP suffering > 10% income losses	A 1 month allowance based on minimum subsistence level	Minimum subsistence level for Chui region is xxx and for Jalal-Abad region is xxx
Vulnerable people allowance	AH below poverty line or headed by women/ disabled	A 1 month allowance based on minimum subsistence level Free assistance for legal registration of the new businesses	The monthly rate is KS 4154 Som for Jalal-Abad. Allowance for this assistance is included in the buildings compensation costs

I. Relocation of Housing and Settlements

129. There are four households that are affected by relocation with major impacts. They will be fully compensated for the house or they can rebuild on land behind. There is no large relocation site or settled area required.

130. All AHs that have to relocate that will be get relocation assistance. Temporary Relocation Assistance for renting temporary resettlement house is also available.

131. In the DMS database 5 APs preferred compensation in land for affected shops and 42 preferred compensation in cash.

J. Income Restoration and Rehabilitation

J1. Challenges in Livelihood Restoration

132. In addition to compensation for the loss of land and non-land assets, the Affected Persons (APs) will be provided with cash compensation for life stabilization as per Government laws and regulations and ADB requirements. Challenges to livelihood restoration in the Kyrgyz Republic are provided with cash compensation.

133. There are two families that have been classified as vulnerable through measuring income and disability as shown in the next table.

Table J1: Vulnerable Households

Vulnerable Households	Number of Affected Households (AHs)
Female Headed Households	1
Poor Household	1

K. Resettlement Budget and Financing Plan

134. This Chapter presents and describes the financial aspects of the implementation of the resettlement process at this stage of pre-preliminary design. Section K1 describes the basis for the compensation standards. Section K2 contains the resettlement budget for the CAREC Corridor 3 (Bishkek–Osh Road) Improvement Project.

K1. Basis for Compensation Standards

135. The most important aspect to the composition is the methodology used is for Replacement Cost of the Structures. Detailed methodology is found in Appendix 8 as used in valuating the structures and assets.

K2. Detailed Impacts, Compensation and Entitlements

136. The estimated resettlement cost for the CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project for Jalal-Abad was calculated based on the Replacement Cost Survey completed on June 25th, 2013 and the business income survey on July 31, 2013. The valuation figures are preliminary and will be finalized only after the valuation report is cleared by Gosstroy through a positive legal opinion at the stage of detailed design preparation.

137. The budget tables provides the overall cost estimates for this Project including the following:

- (i) The compensation price for assets
- (ii) The compensation price for houses as per the grade and type of house
- (iii) No budget for fruit trees nor for crops as these were not found in the IOL by the Valuator
- (iv) Loss of business income at an agreed ADB formula.

138. The Compensation Package has identified some costs based on the poverty criteria of 2 households. Three months of subsistence level has been provided along with the transport at 5,000 for a truck for moving.

139. Contingency has been set at 10%. The estimated total cost of resettlement for the improvement of the road is estimated USD\$462,199 (Som 22,556,466).

K1. Resettlement Cost Estimate for Project, Jalal-Abad

Jalal-Abad

#	Items	Unit	Total	AHs	Unit cost (Soms)	Total (Soms)	Total (USD)
	Replacement cost						
A	Land						
	Residential Land for clarification at final design)	m ²	404.0	2	100	40,400	828
	Other Non - Agriculture Land	m ²					
	Total affected land	m ²	404.0	2		40,400	828
B	Structures						
1	Houses						
	Major affected house	m ²	323.4	4	11,880	3,841,398	78,713
	Minor affected (house)	m ²	193.2	6	11 880 (5940 for 1 being build)	2,146,954	43,993
2	Shops, summer café, kiosks						
	Major affected (shop, cafes, kiosks)	m ²	263.9	12	5357 to 19 440	4,358,930	89,318
	Minor affected (shop, café, kiosks)	m ²	34.8	2	5357 to 19 440	526,176	10,782
3	Petrol Stations						
4	Secondary Structures						
	Awnings/ Shade (permanent)	m ²	881.3	20	1,500	1,321,905	27,087
	Sheds	m ²	167.0	7	5,100	851,598	17,450
	Storehouse	m ²	104.2	2	5,100	531,624	10,893
	Garage (Residential)		23.0	1	10,500	241,920	4,957
	Gates	m ²	175.3	19	9,500	1,665,635	34,130
	Metal Fence	m ²	335.0	15	1800 to 2700	628,920	12,887

		Brick Fence	m ²	99.2	4	4,400	436,480	8,944
		Mud/Clay Fence	m ²	196.0	8	800	156,800	3,213
		Concrete Fence	m ²	98.8	3	3,800	375,440	7,693
		Paving Stone	m ²	0.0	0	650	0	0
		Concrete site		183.1	3	300	54,924	1,125
		Sign Boards	m ²	108.0	12	12,125	1,309,500	26,833
		Ovens, pcs	m ²	14.0	6	10,000	140,000	2,869
		Porch	m ²	19.2	2	3,500	67,340	1,380
		Other Assets (PS pump)	pcs	1.0	1	158,000	158,000	3,238
		Sub Total 1 (A to B) (Replacement cost)					18,853,944	386,332
C		Business loss						
		Business Loss for major affected structures			12		1,515,000	31,043
		Temporary Loss of business income			2	5,000	10,000	205
		Sub Total C					1,525,000	31,248
D		Rehabilitation Assistance						
		Transportation Assistance			15	5,000	75,000	1,537
		Severe Impact			10	4,154	41,540	851
		Vulnerability Allowance			2	4,154	8308	170
		Sub Total D					124,848	2558
E		Other Costs						
		Contingency	10%				2,052,674	42,061
		Sub Total E					2,052,674	42,061
F		Grand total					22,556,466	462,199

L. Institutional Arrangements

L1. Institutional Arrangements

140. Several agencies and parties have been involved and will be involved in the LARP preparation and implementation. These include IPIG MOTC, the LARP Commission, surveyors, Ombudsman's representative and the NGO sector. Their role is described in the text below. Figure 3 describe the functions of the different agencies/parties involved in LARP preparation and implementation.

141. Based on MOTC request the two LAR Commissions have been established, one in the Chui region and the second in the Jalal-Abad region. Firstly, before the SES survey and the AP census LAR Commissions made preliminary cadastral surveys to determine the preliminary list of potential APs and later LAR Commissions were involved again in the DMS to fix the final list of AP.

142. The MOTC has overall responsibility for the preparation and implementation of this LARP. IPIG has a specific role in this. There is a Safeguards Unit within IPIG consisting of four staff. Safeguards Staff is responsible for the overall management of all works concerning LARP drafting, review and implementation.

143. The survey and hiring of the independent valuator was done. The valuator assessed lost income, loss or stoppage of business, loss of employment, shift/removal of fences and trees (wood and productive) cut-off. Then valuator's valuation report will be examined by the Department of State Expertise of the State Agency for Construction and Regional Development of the Government of the Kyrgyz Republic. Only after having legal expertise conclusion, will the result of the valuator's assessment be included as final in the updated LARP.

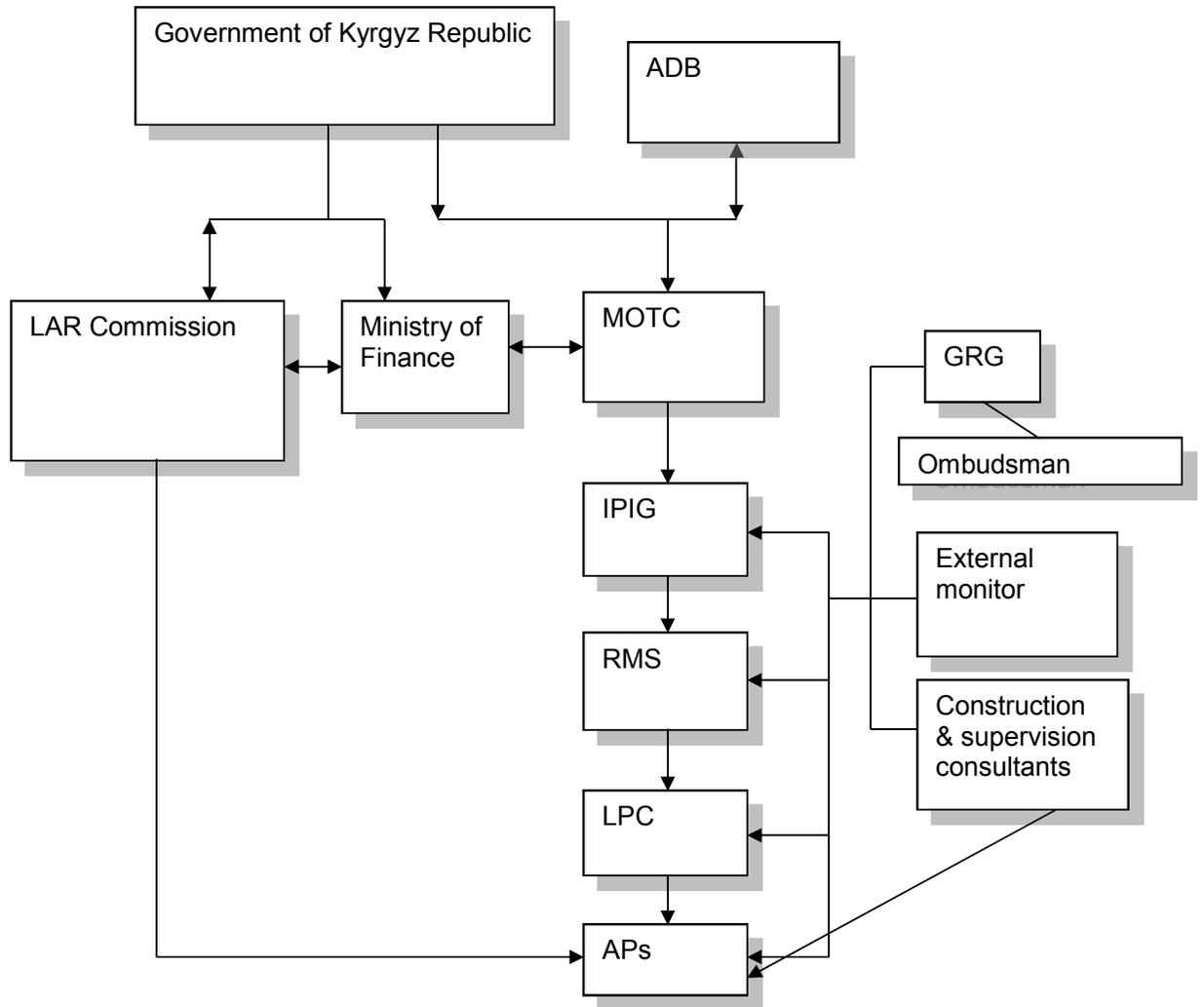
144. Following TA completion, a new consulting company will be engaged for construction supervision that includes resettlement specialists who will update the LARP and submit the final LARP to Government and ADB. Following LARP approval by ADB, IPIG will start the process of implementation including drafting the Governmental Decree endorsing the LARP and the compensation disbursement and implementing it.

145. The EA will be responsible for close monitoring of physical relocation/dismantling of impacted facilities. The EA will supervise the relocation and reinstallation with support from the supervision consultant.

146. The EA warrants that before the construction works commencement the road will be clean of any facilities subject to removal or relocation and the Contractor will not have any obstacles to his activities.

147. In the meantime, starting 17 July 2013 the GRG will function and any claims, requests or recommendations both at pre-construction or construction stage will be registered properly and addressed by GRG members.

Figure 3: Organizational Framework



M. Implementation Schedule

148. The Implementation Schedule is provided in Table M1. The dates reflect the timing of construction now scheduled to commence in October 2015. Based on this start date all APs should have been paid out compensation prior to civil works and construction starting.

149. RP updating will be done after Final Design and there may be some additional APs that were not covered at this stage and they could be done prior to the conclusion of Preliminary Design which will be completed by end August.

Table M1: Implementation Schedule

Resettlement Implementation Activities	Tentative Schedule
RP Preparation	April–August 2013
Disclosure of RP to APs and Local Officials	July–August 2013
Preliminary Design	June–August 30, 2013
Final Design	September 2013–September 2014
Updating RP (updating DMS+ Valuation)	After final design is established
Implementation of Updated RP	October 2014– July 2015
Procurement of Civil Works Contracts	September 2014–August 2015
Compensation Paid out in Full to all APs	31 August 2015
Construction starts	October 2015
Internal Monitoring	December 2014 (quarterly)

N. Monitoring and Reporting

N.1 Monitoring and Reporting

150. The Project will establish systems for internal and external monitoring and evaluation (as may be determined during final design stage). The main purpose of the monitoring and evaluation programme is to ensure that resettlement and compensation of properties have been implemented in accordance with the policies and procedures of the RPs. External monitoring and evaluation, in particular, will focus on the social impacts on the APs, and whether or not the APs have been restored a standard of living equal to, if not better than, that which they had before the Project.

151. The objectives of the monitoring and evaluation programme are:

- (i) To ensure that the standard of living of APs is restored or improved;
- (ii) To monitor whether or not the time lines are being met;
- (iii) To assess if compensation, rehabilitation measures and social development support programmes are sufficient;
- (iv) To identify problems or potential problems; and
- (v) To identify immediate/rapid response methods mitigate problems or potential problems.

N.2 Internal Monitoring

152. IPIG will be in charge of internal monitoring. It has to monitor compensation payments, relocation and the livelihood programme.

N.3 External Monitoring

153. An external monitor will be recruited and provide a first monitoring report by end of AP compensation payments and thereafter on a quarterly basis. The specific tasks expected to be undertaken by the External Monitor are:

- Prepare a monitoring plan that covers 100% of the APs;
- Review public consultations with APs;
- Scrutinize the Complaint Register that will be held with IPIG
- Review all compensation payments for acceptance and eligibility
- Monitor the Income Restoration Strategy including its effectiveness on women and vulnerable groups
- Examine the capacity of the GRG in resolving complaints at all levels
- Assess the LAR Commission's capacity to carry out DMS and updating technical issues of RP and;
- Prepare monitoring reports in a format agreed to with IPIG and ADB.

154. A compliance report will be prepared. The compliance report will prepare an outline during the first mission. The outline should cover: Introduction; Methodology and Approach; Assessment and Analysis of AP Compensation Payments (who, when, where); Grievance Reviews and Complaint Registrar; Public Consultations and Focus Group Meetings; Informal Consultations; Changes in Vulnerability of Affected Population; Summary of Grievances at each level; Solutions and Recommendations for Government and for ADB.

Appendices

Permanent Structures Bazar Korgon Rayon, Jalalabad 16 June 2013 (end of DMS)

#	Name/Surname	Gender m/f	Rayon	Kilometer	Contacts Telephone #	Owner, tenant, other	Type / List Documents, ownership, technical passport, rental agreement, tax receipt	Type of Affected Structures	Major (Significant) Impacts on Income +10% or Assets
1	Doolataliev Jenishbek	m	Bazar-Korgon	544+500	557767700	owner	yes	metal stair of café+pavilion "Aiana"	v
2	Narmatov Abdymomun	m	Bazar-Korgon	540+330	771904619	owner	yes	metal gate+loamy fence of the house	
3	Ikramov Manap	m	Bazar-Korgon	542+200	772756111	owner	yes	metal fence of "Abdumanap" tea room (чайхана)	
4	Akmatova Gulbara	f	Bazar-Korgon	539+950	552845602	owner	yes	mud shade+metal gates of the house	
5	Alykulov Syrgabai	M	Bazar-Korgon	543+300	557241600	owner	yes	price board of petrol station #1	
6	Mamytov Abdymanap	m	Bazar-Korgon	548+850	773028558	owner	yes	price board of "Oroz Ata" petrol station+filling station	
7	Oroзов Vahab (ответил его сын Акылбек)	m	Bazar-Korgon	553+50	771936096	owner	yes: тех паспорт, рос акт	Akman petrol station's price board	
8	Toichiev Abdibait	m	Bazar-Korgon	548+900	771867222	owner	yes	"Kurmanbek" café's brick fence	
9	Djaichiev Jyldyzbek	m	Bazar-Korgon	557	702559983	other	yes	price board of "Kyrgyz Munai" petrol station	
10	Mavlyanbaeva Aijamal	f	Bazar-Korgon	544+450	773454020	other	yes	café "Tektor-Bii" metal shade+ clay oven (тандыр)	
11	Saparbaev Chyngyz	m	Bazar-Korgon	544+250	779410208	other	yes	price board of "Osmon Ata" petrol station	
12	Narmyrzaeva Dinara	f	Bazar-Korgon	540+230	777426162	owner	yes	loamy fence +shade	
13	Shyrdakov Beksultan	m	Bazar-Korgon	550+100	773819117	other	yes	price board of "Tash Bulak" petrol station	
14	Kultaeva Tillakan	m	Bazar-Korgon	553+150	773058090	owner	yes	bus station pavilion	
15	Satikulov Mamashakir	m	Bazar-Korgon	544+750	556019604	owner	yes	kiosk	
16	Akmatova Anarkan	f	Bazar-Korgon	540+300	777013093	owner	no	metal fence+mud shade	
17	Tashbaltava Muazam	f	Bazar-Korgon	544+100	554014602	owner	no	mud brick wall of the house stall	v
18	Toktasinova Uulkan	f	Bazar-Korgon	544+700	779222643	owner	yes		
19	Akmatov Bolot	m	Bazar-Korgon	542+160	778550801	owner	yes	metal fence of "Asel" café	
20	Saipov Salahidin	m	Bazar-Korgon	544+750	555860950	owner	yes	fence+shade of house	
21	Mamasydykova Roza	f	Bazar-Korgon	540+200	771513122	owner	yes	fence+shade of house	
22	Shaimov Ergesh	m	Bazar-Korgon	541+120	779372800	owner	yes	brick fence+metal gate	
23	Usenov Sheraly	m	Bazar-Korgon	541+250	773023505	owner	yes	metal fence of the house	
24	Yusupov Saparbek	m	Bazar-Korgon	544+100	tenant has no cell phone	other	yes	price board of petrol station "Osmon"	
25	Ergeshova Mairam	f	Bazar-Korgon	541+120	553320730 Gulnara	owner	yes	brick wall+metal fence of house	
26	Satiev Shamshibek	m	Bazar-Korgon	544+300	772737336	owner	yes	price board of "Beshik Jon" petrol station	
27	Ganibaev Adylbek	m	Bazar-Korgon	540+250	771429818	owner	yes	metal fence+mud shed	
28	Kushbakov Turgunbai	m	Bazar-Korgon	553+300				brick fence of café shop	
29	Orozalieva Gulnur	f	Bazar-Korgon	544		owner		metal stall (комок железный, нерабочий)	
30	Gazprom Neft Asia		Bazar-Korgon	543+950				price board of petrol station	
31	Aidarova Kalbu	f	Bazar-Korgon	541+120				loamy fence+metal gates	
32	Kaparov Kubanych	m	Bazar-Korgon	543+850	772324507	owner	yes	"Dolono" petrol station, price board	

Permanent Structures Bazar Korgon Rayon, Jalalabad 16 June 2013 (end of DMS)

#	Name/Surname	Gender m/f	Rayon	Kilometer	Contacts Telephone #	Owner, tenant, other	Type / List Documents, ownership, technical passport, rental agreement, tax receipt	Type of Affected Structures	Major (Significant) Impacts on Income +10% or Assets
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5	Alykulov Syrgabai	M	Bazar-Korgon	543+300	557241600	owner	yes	price board of petrol station #1	
6	Mamytov Abdymanap	m	Bazar-Korgon	548+850	773028558	owner	yes	price board of "Oroz Ata" petrol station+filling station	
7	Oroзов Vahab (ответил его сын Akylybek)	m	Bazar-Korgon	553+50	771936096	owner	yes: тех паспорт, roc акт	Akman petrol station's price board	
8	Toichiev Abdibait	m	Bazar-Korgon	548+900	771867222	owner	yes	"Kurmanbek" café's brick fence	
9	Djalichiev Jyldyzbek	m	Bazar-Korgon	557	702559983	other	yes	price board of "Kyrgyz Munaï" petrol station	
10	Mavlyanbaeva Ajamal	f	Bazar-Korgon	544+450	773454020	other	yes	café "Tektor-Bii" metal shade+ clay oven (тандыр)	
11	Saparbaev Chyngyz	m	Bazar-Korgon	544+250	779410208	other	yes	price board of "Osmon Ata" petrol station	
12	Narmyrzaeva Dinara	f	Bazar-Korgon	540+230	777426162	owner	yes	loamy fence +shade	
13	Shyrdakov Beksultan	m	Bazar-Korgon	550+100	773819117	other	yes	price board of "Tash Bulak" petrol station	
14	Kultaeva Tillakan	m	Bazar-Korgon	553+150	773058090	owner	yes	bus station pavilion	
15	Satikulov Mamashakir	m	Bazar-Korgon	544+750	556019604	owner	yes	kiosk	
16	Akmatova Anarkan	f	Bazar-Korgon	540+300	777013093	owner	no	metal fence+mud shade	
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18	Toktasinova Uulkan	f	Bazar-Korgon	544+700	779222643	owner	yes	stall	
19	Akmatov Bolot	m	Bazar-Korgon	542+160	778550801	owner	yes	metal fence of "Asei" café	
20	Saipov Salahidin	m	Bazar-Korgon	544+750	555860950	owner	yes	fence+shade of house	
21	Mamasdykova Roza	f	Bazar-Korgon	540+200	771513122	owner	yes	fence+shade of house	
22	Shaimov Ergesh	m	Bazar-Korgon	541+120	779372800	owner	yes	brick fence+metal gate	
23	Usenov Sheraly	m	Bazar-Korgon	541+250	773023505	owner	yes	metal fence of the house	
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29	Orozalieva Gulnur	f	Bazar-Korgon	544		owner		metal stall (комок железный, нерабочий)	
30	Gazprom Neft Asia		Bazar-Korgon	543+950				price board of petrol station	
31	Aidarova Kalbu	f	Bazar-Korgon	541+120				loamy fence+metal gates	
32	Kaparov Kubanych	m	Bazar-Korgon	543+850	772324507	owner	yes	"Dolono" petrol station, price board	

Temporary Impacts on Jalalabad Section

#	Name/Surname	Gender m/f	Rayon	Kilometer	Contacts Telephone #	Owner, tenant, other	Type / List Documents, ownership, technical passport, rental agreement, tax receipt	Type of Affected Structures	Comments
1	Jorobaev Gulamjan	m	Bazar-Korgon	544+750	773379102	owner	no	table, small stall	drinks
2	Ikramjan kyzy Matlyuba	f	Bazar-Korgon	544+751	551198284	owner	no	table	cigarettes, drinks

TA-8107 KGZ:

CAREC Corridor 3 (Bishkek–Osh Road) Improvement Project: Phase 4 (45169-002)

The Government of the Kyrgyz Republic has requested for a Project Preparatory Technical Assistance (PPTA) from the Asian Development Bank (ADB) to identify, formulate, and prepare an ensuing loan and/or grant for the CAREC Corridor (Bishkek–Osh) Improvement Project, Phase 4. The project covers the road sections of Bishkek to Kara Balta (road Km 9–Km 61) and Madaniyat to Jalalabad (from road Km 503–Km 569).

The Bishkek–Osh Road is located in the west-central part of the country and links the country's two major cities and other important settlement areas in the country. This road plays an important role to boost up trade, and to keep cultural ties intact between north and south.

The outcome of the project will be efficient movement of freight and passenger traffic along the Bishkek–Osh road. The project outputs will be

- (i) 60 km of rehabilitated road from Bishkek to Kara Balta,
- (ii) 70 km of rehabilitated road from Madaniyat to Jalalabad,
- (iii) Strengthened road asset management system, and
- (iv) improved road safety.

As part of the preparatory work for this Feasibility Study a Socio-Economic Survey (SES) is to be conducted along the road to be rehabilitated. A questionnaire has been prepared and a team of surveyors will ask you the questions. Your answers are confidential. Your answers will assist the team in preparing the project by giving ideas and concerns. Thank you for supporting the Road Rehabilitation Project and answering our questionnaire.



Location Map of Madaniyat–Jalal-Abad Road Section

TA-8107 KGZ:

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The Government of the Kyrgyz Republic has requested for a Project Preparatory Technical Assistance (PPTA) from the Asian Development Bank (ADB) to identify, formulate, and prepare an ensuing loan and/or grant for the CAREC Corridor (Bishkek–Osh) Improvement Project, Phase 4. The project covers the road sections of Bishkek to Kara Balta (road Km 9–Km 61) and Madaniyat to Jalal-Abad (from road Km 503–Km 569).

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- (ii) 70 km of rehabilitated road from Madaniyat to Jalalabad,
- (iii) Strengthened road asset management system, and
- (iv) improved road safety.

As part of the preparatory work for this Feasibility Study a Socio-Economic Survey (SES) and a **Census and Detailed Measurement Survey (DMS)** is to be conducted along the road to be rehabilitated. The questionnaires have been prepared and a team of surveyors will ask you the questions. Your answers are confidential. **Your answers will assist the team in preparing the project by giving ideas and concerns. The cut-off date for DMS Registration for all affected persons is Sunday June 16th by 5:00 pm.** Please make sure your name is on the list by that time. Thank you for supporting the Road Rehabilitation Project and answering our questionnaires.



Location Map of Madaniyat–Jalal-Abad Road Section

RESETTLEMENT INFORMATION BROCHURE

MINISTRY OF TRANSPORT AND COMMUNICATIONS KYRGYZ REPUBLIC

CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project, Phase 4

A. Project Introduction

The Ministry of Transport and Communications of the Kyrgyz Republic, as Executing Agency, is intended to implement the CAREC Corridor 3 (Bishkek-Osh Road) Improvement Project, Phase 4. The project will be financed by Asian Development Bank.

The main components of the project are:

- rehabilitation of the road from Bishkek to Kara Balta, km 8.5 - 61 (Moskovskiy, Sokulok and Jayil Rayon of Chui oblast)
- rehabilitation of the road from Madaniyat to Jalalabad, km 507.5 – 574.5 (Bazar-Korgon, Nooken and Suzak rayons of Jalalabad oblast)

The proposed project will

- improve the national and regional connectivity by rehabilitating an estimated 119.5 kilometers of crucial road sections between Osh and Bishkek
- improve access to markets
- ensure efficient movement of freight and passenger traffic along the Bishkek-Osh road

B. Anticipated Positive Socio Economic Impacts of the Project

- Lower transport costs due to improved road condition
- Reduce accident rates
- Shorten travel times for people and products due to reduced congestions and improved road condition
- Reduce deterioration of vehicles
- Increase local and international travel
- Create income-generating opportunities for local communities
- Create work opportunities

To comply with requirements of the ADB Safeguard Policy Statement (SPS 2009), KocksConsulting Company is drafting Land Acquisition and Resettlement Plan (LARP) detailing Project impacts, compensation entitlements, compensation mechanisms and procedures and GRG functioning.

This Information Brochure summarizes the main points to be included to LARP. Its objective is to disclose and summarize for the benefit of affected persons (APs) and the public the impacts of project in Bishkek-Kara-Balta and Madaniyat-Djalal-Abad sections. This brochure will be sent to all APs and distributed to project area civil society organizations, and local governments. LARP will be in Russian and Kyrgyz languages.

C. Resettlement Policy and Principles

The compensation program under LARP is based on the following principles:

- ✓ Involuntary resettlement is to be avoided or at least minimized;
- ✓ If impacts are unavoidable appropriate compensation at replacement value will be provided so as to preserve APs pre-project living standards and livelihood status;
- ✓ APs will be assisted to restore their livelihood;

- ✓ APs will be fully informed and consulted on LAR compensation options and implementation; and AP's participation, particularly that of women and vulnerable groups, will be ensured in LARP planning and implementation;
- ✓ Compensation will be carried out with equal consideration of women and men;
- ✓ Particular attention should be paid to poor or women/disabled person-headed households; and appropriate assistance should be provided to them;
- ✓ Vulnerable and severely impacted APs will be provided special allowances;

D. Compensation Eligibility and Entitlements

The impacts caused by road rehabilitation will be compensated based on the laws of Kyrgyz Republic and the requirements of the ADB Safeguards Policy of 2009. Compensation eligibility and entitlements matrix's aim is to assist APs to maintain or improve their standard of living after the Project. APs eligible to compensation or at least rehabilitation provisions under the Project are:

- ✓ All APs losing land, whether covered by legal title/traditional land rights, legalizable, or without legal status;
- ✓ Tenants and sharecroppers whether registered or not;
- ✓ Owners of buildings, crops, plants, or other assets attached to the land; and
- ✓ APs losing business, income, and salaries.

Compensation eligibility will be limited by a cut-off date which is Sunday June 16th 2013 by 5:00 pm (the day of the end of the AP Census and Detailed Measurement Survey). APs after the cut-off date will not be eligible for compensation. Impacts occurred/detected after this date will be handled by the Grievance Resolution Group (GRG) and compensated if found valid and eligible by the GRG.

Compensation/rehabilitation provisions for the APs are defined in the table below.

E. Entitlement Matrix

Impact type	Eligible APs	Entitlements	Note
Land	Owner/Tenant	N/A	All land affected is public and within the ROW. It will not be acquired nor compensated
Buildings (structures, houses, sheds)	Owner	Cash compensation at replacement cost for materials, labor, transport of materials, and reinstallation of facilities	Determined by the independent evaluator. No deduction for depreciation or salvageable materials
Shops	Owner	Cash compensation at replacement cost for materials, labor, transport of materials, and reinstallation of facilities	Determined by the independent evaluator. No deduction for depreciation or salvageable materials
Fences	Owner	Compensation for fence relocation + eventual damages	Determined by the independent evaluator.
Business (big size)	Owner	Compensation of business	The compensation will

Impact type	Eligible APs	Entitlements	Note
		income lost for the period of business stoppage (due to new shop construction and business re-establishment) based either on tax declaration/patent fee or (f this is unavailable minimum non-taxable income	be given for 3 months (2 months for petrol station and shop reconstruction and 1 month for shop re-establishment).
Business (small size)	Owner	Compensation of business income lost for the period of business stoppage (due to shop relocation or new construction and business re-establishment) based either on tax declaration/patent fee or (f this is unavailable minimum non-taxable income	The compensation will be given for 1 month.
Business (big and small size)	Tenants	Compensation of business income lost for the period of business stoppage based either on tax declaration/patent fee or if this is unavailable minimum non-taxable income plus rental fee	The compensation will be given for 3 months for big size and 1 month for small size business
Temporary business	Owner/tenants	Compensation for temporary business stoppage due to relocation to new place	The compensation will be given for one week
Trees	Owner	Compensation based on the value of the tree wood to be calculated based on tree diameter (for non-productive trees) Compensation at current market prices for xxx years harvest given the age of trees (for productive trees).	Determined by the independent evaluator. Tree replanting will be done in the spring of 2015 for MOTC's trees along the highway.
Labours		Cash compensation for lost wages or salary equal to current wages	Compensation will be given for 1 month
Severe impacts Allowance	AP suffering > 10% income losses	A 1 month allowance based on minimum subsistence level	Minimum subsistence level for Chui region is xxx and for JalalAbad region is xxx
Vulnerable people allowance	AH below poverty line or headed by women/ disabled	A 1 month allowance based on minimum subsistence level Free assistance for legal registration of the new businesses	The 2013 KGZ Poverty Line is KS 54600 per year. The monthly rate is KS 4550som. Allowance for this assistance is included in the buildings compensation costs

F. Compensation Rates

The table below specifies the compensation rates for affected items. Details will be provided in the RP.

Compensation/Rehabilitation unit rates

Item		Unit	Unit value (SOM)
Buildings impacts			Specified for each building in the RP
Trees (non-productive)	Market value of wood	m ³	Variable according to volume of wood
Trees (productive)	Market value of xxx years harvest	Unit	Variable according to the age of tree
Fences relocation	Relocation/damages cost	m.	xxx
Business Losses			Specified for each shop (kiosk), gasoline station owner
Severe Impacts Allowances	1 month at minimum subsistence level	unit	xxx
Vulnerable people allowances	1 months at minimum subsistence level	unit	xxx

Complaints and Grievance Redress Mechanism

Grievance redress mechanism will be established to receive, manage, review, and facilitate the resolution of issues, concerns, complaints, or grievances raised by APs regarding Resettlement implementation. APs will be fully informed of their rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, time of compensation and implementation of the project. Care will always be taken to prevent grievances rather than going through a long redress process.

Based on this mechanism, aggrieved APs may access the GRM through Local Points of Contact (LPC) and will be assisted by the MoTC IPIG Safeguard Unit and a Grievances Redress Group (GRG). The GRG will be established for the duration of project implementation.

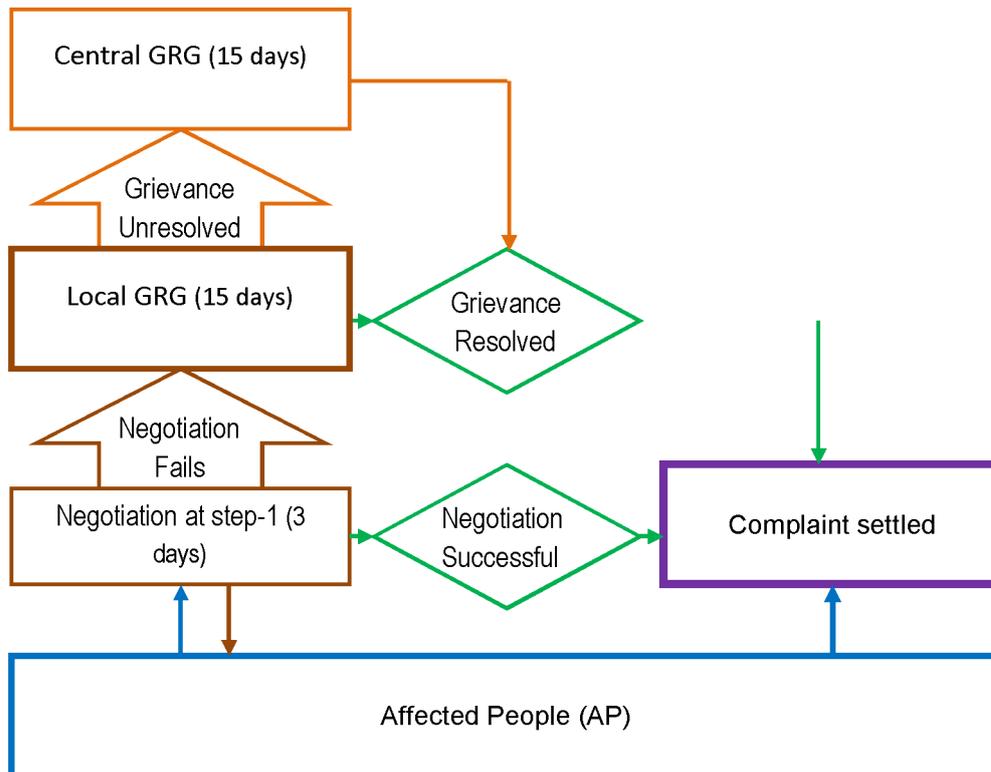
The Grievance Redress Process involves the following stages:

At the initial stage, the LPC will give hearing to the aggrieved person and try to give acceptable solutions. If any aggrieved AP is not satisfied with the solutions, then the aggrieved AP will lodge grievances in writing to the concerned local GRG within 3 days.

After receiving written complaints of AP the LPC will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held with the GRG at a date fixed by the LPC in consultation and the aggrieved APs.

On the date of hearing, the aggrieved AP will appear before the GRG at the office of concerned Ayil-Okmotu and produce proof in support of his/her claim. The LPC will note down the statements of the complainant and document all proof. The decisions from majority of the members will be considered final from the GRG and will be issued by the LPC and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the complainant AP by the LPC within 15 days of submission. If any aggrieved AP is not satisfied with the solutions, then the LPC will lodge grievances in written to the central GRG at MoTC with conclusion and supporting documents prepared at local level.

After receiving written complaints of AP the GRG Chairperson of the central GRG will review and prepare a Case File for GRG hearing and resolution. A formal hearing will be held with the GRG at a date fixed by the GRG Chairperson and the aggrieved APs. GRG members will contact the complainant and visit his village. The IPIG Project Coordinator will note down the statements of the complainant and document all proof. The decisions from majority of the members will be considered final from the GRG and will be issued by the GRG Chairperson and signed by other members of the GRG. The case record will be updated and the decision will be communicated to the complainant AP by the IPIG Project Coordinator within 15 days of submission.



Contact Information

For additional information please contact the following:

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e-mail: asylbekA@piumotc.kg

Project Information and the disclosed Resettlement Plan will also be accessible on IPIG and MOTC websites: www.piumotc.kg and www.mtc.gov.kg

Minutes of the Public Consultations with Affected Persons (APs) in Nooken

Date: June 19, 2013 13:00

Venue: Nooken akimiat

Attended by: *IPIG*

Svetlana Keldibaeva, IPIG

Nooken Rayon

Sherov Kanatbek, Nooken rayon department supervisor

Kocks Consultant

Aina Argymbaeva, National Resettlement Expert

Vasiliy Chernyh, Chief Design Engineer

Nancy Laatunen, International Resettlement Expert

Zhibek Kadyrbekova, Consultant

ADB

Nurzhan Dzhumabaev, ADB Consultant

All 27 APs were invited, 25 were present.

Background and Introductions by Presenters

The meeting was opened by Ms. Svetlana Keldibaeva. She introduced the project to APs and explained the summary of the project to them. Mr. Vasiliy Chernyh, Design Engineer provided a slide presentation explaining the design of the future road. This presentation was followed by Ms. Argymbaeva who presented slides on the future Grievance Redress Mechanism (GRM) and eligibility along with the national benefits of the new road.

Questions from Affected Persons and Answers

1. First question from AP: What is the width of the new road?

Answer: The width of the new road is 22 meters.

2. Next question from AP: If the road becomes wider, how will our children cross it?

Answer: There will safety for the road such as zebra crossing.

3. Next question from AP: Will the new road deteriorate because of precipitation?

Answer: No

4. Next question: The ground shakes because of cars passing by. Will it change with the new road?

Answer: Yes, the new road-base will be thicker, so the shaking will be reduced.

5. Next question from AP: Long ago I planted a walnut-tree, I waited so long for it to bear fruit. Now it is going to be demolished, will it be compensated?

Answer: Of course it will be compensated; the valuator will come and put a price on it.

The meeting was concluded by Ms. Argymbaeva who informed APs that a Grievance Redress Group (GRG) will be appointed. Everyone can express his or her reasonable complaints there. As

well, Ms. Argymbaeva explained that the GRG will have up to date information on the project activities and construction schedule.

Minutes of the Public Consultations with Affected Persons in Bazar-Korgon.

Date: June 19, 2013 15:30

Venue: Bazar-Korgon rayon administration

The list of attendants is attached.

Attended by: *IPIG*

Svetlana Keldibaeva, IPIG

Bazar-Korgon Rayon

Saipov Daniyar, Bazar-Korgon rayon administration staff chief

Kuliev Taalay, chief specialist

Kocks Consultant

Aina Argymbaeva, National Resettlement Expert

Vasiliy Chernyh, Chief Design Engineer

Nancy Laatunen, International Resettlement Expert

Zhibek Kadyrbekova, Consultant

All APs were invited, 15 were present.

Background and Introductions by Presenters

The meeting was opened by Mr. Saipov Daniyar. He introduced the attendants to the APs, then Ms. Keldibaeva explained the summary of the project to them. The next presenter was Mr. Vasiliy Chernyh who provided a slide presentation explaining the design of the future road. Ms. Aina Argymbaeva told the APs about resettlement procedure and benefits of the new road in the final slide presentation and highlighted the Grievance Redress Group and eligibility.

Questions from Affected Persons and Answers

1. First question from AP: What is the width of the new road?

Answer: The width of the new road is 22 meters.

2. Next question from AP: When will the road construction begin?

Answer: Approximately next autumn.

3. Next question from AP: I own a café. In my café there are several objects that will be demolished. Will I get the compensation for both objects?

Answer: Yes, you will get several compensations; moreover, you will get compensation for loss of business income.

4. Next question from AP: Will the road be constructed everywhere at the same time?

Answer: No, the construction will be done by parts.

5. Next question from AP: I am an elderly lady, I will have my fence demolished. I live alone, will I get compensation?

Answer: Yes, you will. The valuator will put a price on your fence, and you will get the compensation.

The meeting was concluded by Ms. Aina Argymbaeva of Kocks who informed APs that a Grievance Redress Group will be established and members appointed. Everyone can express his or her reasonable complaints there and GRG members will have up-to-date information on the project.

NEWS

Investment Projects Implementation Group (IPIG) of MoTC inviting interested parties to participate in Public Hearings to discuss Resettlement Plan on Bishkek-Osh road improvement project, Phase 4 (Bishkek–Kara-Balta and Madaniyat–Jalal-Abad sections). This project is funded by the Asian Development Bank.

Resettlement plan was prepared by IPIG in cooperation with «Kocks consult GmbH» consulting company according to ADB's safeguards policy.

The objective of this document is to improve livelihoods and living standards of people residing in Project implementation area or at least as well-off as they would have been in the absence of the Project.

The public hearings will be held with participation of affected people and members GRG. Schedule of Public Hearings:

Madaniyat–Jalal-Abad section (Km 508–571) (in Kyrgyz)

1. Venue: Massy village, building of Nookan rayon administration, Jalal-Abad oblast.
Date and time: July 25, 2013 at 9:30 am.
2. Venue: Bazar–Korgon village, building of Bazar–Korgon rayon administration, Jalal-Abad oblast.
Date and time: 25 July 2013 at 14:00.

Bishkek–Kara-Balta section (Km 9–61) (in Russian)

1. Venue: Sokuluk village, rayon administration building of Sokuluk rayon, Chui oblast.
Date: July 30, 2013 at 10:30 am.
2. Venue: Belovodskoe village, rayon administration building of Moskovskii rayon, Chui oblast.
Date: 30 July 2013 at 14:00.
3. Venue: Poltavka village, Building of Poltavka ayil okmotu, Jayil rayon, Chui oblast.
Date: 30 July 2013 at 16:30.

Complaints and Grievance Submission Form

Rayon	
Name, Last name	
Contact Information	<input type="checkbox"/> Mail: Please indicate the postal address: _____ _____ _____ <input type="checkbox"/> Telephone: _____ <input type="checkbox"/> E-mail: _____
Please indicate the preferable means of communication (Mail, Telephone, E-mail)	
The language desirable for the communication	<input type="checkbox"/> Kyrgyz <input type="checkbox"/> English <input type="checkbox"/> Russian
Describe the grievance/claim: What is the complaint about? What is the claim?	
Date of Negotiation:	Resolution of Negotiation:
What is the basis of your claim?	
Signature: _____ Date: _____	



Saleswoman at the market along the road



The existing road condition



LAR Commission members taking measurements



SES interview



Salesladies at the market along the road



Public Consultation Participants



Kocks Engineer making presentation at Public Consultation



Public Consultation Participants



Public Consultation Participants



LAR Commission members taking measurements

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REPORT

#291.IS-06/13

**on the property valuation, that are covered in scope of
Phase 4 of the CAREC Corridor 3 (Bishkek-Osh)
improvement project: Jalalabad section**

**Report ordering
party**

KOCKS CONSULT GMBH

**Appraiser,
Performer**

LLC Center for independent evaluation
and analysis «Business Expert»

Valuation Date

July 29th 2013 year

The report is confidential
drawn up in duplicate
invalid without seal

Place of seal

Confirmed by
Potapova M. A.,
Director General

Bishkek 2013

Outgoing #291.IS - 06/13
July 29th 2013 year
KOCKS CONSULT GMBH

Dear Sirs,

Hereby we are sending you the report (hereinafter - the "Report") on the property valuation, that are covered in scope of Phase 4 of the CAREC Corridor 3 (Bishkek-Osh) improvement project: Jalalabad section as of July 29th, 2013. ("Property Valuation Date").

If you have questions, we are ready to provide you with all necessary explanations.

With best regards,

*Potapova M.A.
Director General*

*Nirenberg I.B
Executive Director*

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1. General provisions of the report

In accordance with the Agreements, dated on June 12nd 2013 and July 20th 2013, which was entered into a pact between KOCKS CONSULT GMBH (“Customer”) and LLC “Center for independent valuation and analysis “Business Expert” (“Appraiser”), the work was performed on the property valuation covered in scope of of Phase 4 of the CAREC Corridor 3 (Bishkek-Osh) improvement project: Jalalabad section.

Types of the affected assets and their location

The project is expected to include the following impact:

Table 1.1 Assets that will be affected

Items		Unit	Total	Affected assets
Non - Agriculture Land	Residential Land	m ²	440,0	3
	Other Non - Agriculture Land	m ²		
Total affected land		m ²	440,0	3
Main Structures (houses, shoppes, kiosks, all)				
	Major affected house	m ²	323,4	4
	Minor affected (house)	m ²	193,2	6
	Major affected (shop, cafes, kiosks)	m ²	263,9	12
	Minor affected (shop, café, kiosks)	m ²	34,8	2
Secondary Structures				
	Awnings/ Shade (permanent)	m ²	881,3	20
	Sheds	m ²	167,0	7
	Storehouse	m ²	104,2	2
	Garage (Residential)		23,0	1
	Gates	m ²	175,3	19
	Metal Fence	m ²	335,0	15
	Brick Fence	m ²	99,2	4
	Mud/Clay Fence	m ²	196,0	8
	Concrete Fence	m ²	98,8	3
	Concrete site		183,1	3
	Sign Boards	m ²	108,0	12
	Ovens, pcs	m ²	14,0	6
	Porch	m ²	19,2	2
	Other Assets (PS pump)	pcs	1,0	1
Total				133
Total Number of Affected Households				57

Table 1.2. Business that will be affected

#	Type	Quantity
1	Business in permanent structures	8
2	Temporary street sellers	2

Owners of the valuated property

Property actual owners are indicated in the summary table of the results. Rights on the valuated property are mostly not issued because this property is outside the formally allocated land.

Date of the inspection and collection of the necessary information

The affected assets was inspected by an expert appraiser of the I category I. Nirenberg from 15 to 25 June 2013 with the assistance of local architects, interviewers and designer of the road Vasiliy Chernyh. The affected business was inspected from 20 to 29 July 2013

Type of valuation (based on Terms of Reference)

The replacement cost of the structures - present value of the cost of building (purchase) of another object that is equal to the utility of the valuated object. The valuation is made on the basis of the mass appraisal.

The market cost of the land - is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion.¹

The net income loss – is the estimated loss of profit for the period necessary to re-establish the business.

All calculations are based on the mass appraisal on the basis of the most common objects in the group. Objects evolved considerably in characteristics within the group, were assessed individually. The number of such objects is slight.

Goal and purpose of evaluation

Project assessment of influence Jalalabad region, to define relevant type of value for the subsequent payment of compensation.

Property².

The legal concept, that covers all the interests, rights and benefits, associated with the property. The property consists of private property rights, which gives the right of interests to the owner that is owned by.

Standard procedural framework assessment basis

While carrying out this assessment, Appraisers were guided by the requirements of the following documents:

- Assessment Standards that are compulsory to be applied by entities of valuation activities in the Kyrgyz Republic, approved by the Governmental Decree on 03.04.2006 #217.
- Temporary Rules of appraiser's activities and assessment organizations in the Kyrgyz Republic, approved by the Government of the Kyrgyz Republic on August 21, 2003 # 537.
- International Valuation Standards (IVS), 8th edition, 2007 year.
- Regulation on Safeguard Measures Policy of Asian Development Bank;
- Terms of reference for the evaluation;
- Entitlement matrix provided by the Customer;

¹ Valuation standards, obligatory for subjects of valuation activity in Kyrgyz Republic approved by KR Government Regulation from 03.04.2006 № 217.

² International Valuation Standards (IVS), 8th edition, 2007 year

Property valuation approaches³

Comparative approach - an approach of valuation, according to which the value of the property is determined at the level of prices of similar objects with the corresponding adjustment of differences between them.

Cost approach - an approach to evaluate the property, according to which the value of the property consists of the cost of acquisitions and / or restoration of all components excluding aggregate wear.

Income approach - an approach of valuation, according to which the value of the property is determined as the present value of the property that is equal to the present value of expected future income from its usage and / or sale, based on the structure, income, time and risks.

Selection of approaches to the property valuation

In accordance with the technical specifications and ADB requirements the following approaches were used to evaluate the property that has been influenced:

- i) the cost approach has been applied to evaluate the cost of damage to structures;
- ii) the comparative approach has been applied to evaluate the residential land plots;
- iii) the income approach has been applied to assess the loss of profit of business holders.

Period of valuation works

15 June - 29 July 2013

Valuation date

29 July 2013 (the last day of inspection)

Exchange rate (NBKR)

48,8026 KGS/USD on 29 July 2013.

Source information

Customer provided the following information:

1. Appendix № 1 to the terms of reference indicating the approximate quantity and location of objects that will be affected;
2. Entitlement matrix provided by the client;
3. List of affected parties with contact information and location of objects that will be affected provided by the client.

To carry out valuation work in the period from the following information was collected:

1. Interviews with the owners of the affected assets;
2. Results of the study of local building materials markets and the labor market of construction services;
3. Photo-video and visual inspection. The results of this inspection was provided to the Customer office on CD;
4. Information on transactions with land;
5. Documents and recordings which confirm the income and expenses of the business holders.

³Property valuation standards, that must be applied by all entities of valuation activities in the Kyrgyz Republic, approved by Government Regulation dated from April 3, 2006 #217

2.Results

The analysis and calculations made, we concluded that the appraised value of the affected assets in Jalalabad to Madaniyat section is:

20 400 094 (Twenty million four hundred thousand ninety four) soms
or
418 012 (Four hundred eighteen thousand twelve) USD

Table.2.1 Results on affected assets valuation

№	Assets	Valuation results	
		soms	USD
1	Replacement cost of assets	18 875 094	386 764
2	Business loss	1 525 000	31 248
	Total	20 400 094	418 012

Summary tables of valuation on impact are shown in Section 4.

Mrs. M.Potapova	29.07.2013	
Expert-Appraiser	(date)	(signature)
Mr. I.Nirenberg	29.07.2013	
Expert-Appraiser	(date)	(signature)

3.Methodology

3.1. Replacement cost of the structures

Cost of replacement of buildings and constructions – the cost to be determined by date of valuation for reconstruction of new object similar to valuated object, which could be its equal replacement.

Under the valuation of buildings/constructions replacement the method of unit index of construction analogue is used.

Description of the method of unit index of construction analogue

Algorithm of replacement valuation by the method of construction analogue is expressed by formula:

$$C_R = C_U \times U,$$

where, C_R - cost of replacement;
 C_U - cost of unit index of construction analogue;
 U - total area or construction volume or length of valuated building/construction.

Unit cost was calculated in different ways for each group of objects:

Calculation of the unit cost for each group of assets

Group 1. Buildings: dwelling houses, house extensions, shops, sheds, garages and storehouses

Unit cost for the assets of this group was determined according to Integrated Indexes of Reconstruction Cost (IIRC).

Cost of comparison unit of building-analogue according to Integrated Indexes of Reconstruction Cost (IIRC) in costs of 1969 is estimated into current cost of construction, with the help of coefficient recalculating system of indexes of initial cost recalculation into present cost.

$$C_U = C_{U1969} \times I_{1984} \times I_{1991} \times I_{2013} / K_{rate} + P_{developer}$$

Where, C_U - cost of unit index, som

C_{U1969} - cost of unit index in costs of 1969, rub

I_{1984} - index of recalculation of initial cost into costs of 1984 = 1,196⁴

I_{1991} - index of recalculation of initial cost into costs of 1991 = 1,620⁵

I_{2013} - summary index of construction products on 1 April 2013 = 21 170⁶

K_{rate} - exchange coefficient of ruble into som = 200;

$P_{developer}$ - developer profit, defined at the level of 30% for the region;

Within this group there are no objects evolved considerably in execution, quality of work performed or used supplemental materials.

The following are the results of calculations:

Table 3.1.1 Unit costs calculation

#	Object	Directory	Unit	Unit cost, roubles	Unit cost, soms	Unit cost incl. indirect costs, soms
1	House (clay)	dir.26, part 2, section 1, table 11	m ²	15,10	9 900	11 880
2	House (clay brick)	dir.26,part 2,section 1, table 11	m ²	21,73	14 300	17 160
3	House (burnt brick)	dir.26,part 2, section 1, table 1	m ²	24,66	16 200	19 440
4	Shop (clay/other)	dir.26, part 2, table 121	m ²	19,17	12 600	15 120
5	Shop (burnt brick)	dir.36, table 6	m ²	24,70	16 200	19 440
6	Sheds	dir.28, table 161	m ²	7,0	4 250	5 100
7	Storehouse	dir.28, table 162	m ²	7,0	4 250	5 100
8	Garage	dir.28, table 160	m ²	16	10 500	12 600

Group 2. Metal constructions: kiosks, awnings, fences, gates, petrol station sign boards

The unit cost for this group was determined on the basis of the information provided by the manufacturers of the similar constructions.

The information was taken from the free market as a result of a request for producing of the most typical object of evaluation, made of metal.

The following are the contact details of manufacturers and their proposed price, including the cost of the work, materials and their delivery:

⁴ Resolution of the USSR Ministry of Construction of 11.05.1983 № 94;

⁵ Letter from the USSR Ministry of Construction 06.09.1990 № 14-D;

⁶ State Agency of Architecture, Construction and Housing and Communal Services

Table 3.1.2 Manufacturers prices for the assets of the Group 2

Poruducers tel. #	Kiosk, som/m ²	Awning, som/m ²	Metal fence, som/m	Gates, som/m ²	Sign board of petrol station, som/m ²
0 (558) 05 37 76		1 200	1 600	9 000	
0 (312) 93 27 77		1 200	1 800	9 500	
0 (555) 91 35 00		1 500	1 900	10 000	
0 (312) 93 19 67	5 844	1 800			
0 (772) 76 67 05	5 357				
0 (551) 53 89 81	4 870	1 800	1 900		
0 (557) 18 00 77			1 800		12 125
0 (701) 77 50 05			1 800		12 125
Average for budget	5 357	1 500	1 800	9 500	12 125

The following are the unit costs for the objects within the Group 3.

Table 3.1.3 Features and unit costs of the assets of the Group 2

№	Asset	Features	Unit	Unit cost, soms
1	Kiosk	Welded metal frame filled with metal sheets, insulated foam 5 mm.	m ²	5 357
2	Awning	Metal roofing on metal or wooden crate with metal or wooden bases	m ²	1 500
3	Metal fence	Sheet metal on metal bases or metal bars on a light foundation	m	1 800
4	Gates	Metal-leaf gates with a gate on metal poles	m ²	9 500

If there are objects greatly evolved within their group by quality of work performed and the materials used, the cost of such objects was valued individually. The number of such objects is small.

Group 3. Other assets: fences made of variable materials, paving stones, concrete sites, porches, ovens

The unit costs for assets of this group was determined on the basis of the cost estimate drawn up for each type of object on the basis of data on the cost of materials and labor in local markets. The calculation was made for 1 unit of each object as m, sq.m. or 1 pc.

Table 3.1.4 Cost estimate on 1 meter length of the brick fence

Nº	Title	Unit	Quantity	Cost per unit	Total
Materials					
1	Concrete mix for foundation	M ³	0,30	3 000,00	900
2	Concrete mix for masonry	M ³	0,30	3 000,00	900
3	Brick	pcs	110,00	8,00	880
Total for materials:					2 680
Services					
1	Leveling the site	1 M ²	1,00	70,00	70
2	Pouring the foundation	1 M ³	0,30	1 500,00	450
3	Masonry	1 pcs	200,00	6,00	1 200
Total for services:					1 720
Replacement cost per 1 meter					4 400

Table 3.1.5 Cost estimate on 1 meter length of the mud/clay fence

Nº	Title	Unit	Quantity	Cost per unit	Total
Materials					
1	Concrete mix for foundation	M ³	0,10	3 000,00	300
2	Clay/mud mix	M ³	0,50	300,00	150
<i>Total for materials:</i>					<i>450</i>
Services					
1	Leveling the site	M ²	1,00	70,00	70
2	Pouring the clay/mud mix	M ³	0,50	560,00	280
<i>Total for services:</i>					<i>350</i>
Replacement cost per 1 meter					800

Table 3.1.6 Cost estimate on 1 meter length of the concrete fence

Nº	Title	Unit	Quantity	Cost per unit	Total
Materials					
1	Concrete mix for foundation	M ³	0,30	3 000,00	900
2	Concrete mix for wall	M ³	0,50	3 000,00	1 500
<i>Total for materials:</i>					<i>2 400</i>
Services					
1	Leveling the site	M ²	1,00	70,00	70
2	Pouring the foundation	M ³	0,30	1 500,00	450
3	Pouring the wall	M ³	0,50	1 500,00	750
<i>Total for services:</i>					<i>1 270</i>
Replacement cost per 1 meter					3 670

Table 3.1.7 Cost estimate on 1 square meter of the paving stones;

№	Title	Unit	Quantity	Cost per unit	Total
Materials					
1	Sand	kg	150	0,50	75
2	Concrete mix	m ³	0,01	3 000,00	30
3	Pavers	m ³	1,00	370,00	370
<i>Total for materials:</i>					475
Services					
1	Leveling the site	m ²	1,00	70,00	70
2	Laying pavers	m ³	1,00	130,00	130
<i>Total for services:</i>					200
Replacement cost per 1 sq.m.					675

Table 3.1.8 Cost estimate on 1 square meter of the concrete site;

№	Title	Unit	Quantity	Cost per unit	Total
Materials					
1	Concrete mix	m ³	0,10	3 000,00	300
<i>Total for materials:</i>					300
Services					
1	Leveling the site	m ²	1,00	70,00	70
2	Pouring site	m ³	1,00	200,00	200
<i>Total for services:</i>					270
Replacement cost per 1 sq.m.					570

Table 3.1.9 cost estimate on 1 square meter of the porches;

№	Title	Unit	Quantity	Cost per unit	Total
Materials					
2	Concrete mix	m ³	0,45	3 000,00	1 350
<i>Total for materials:</i>					1 350
Services					
1	Leveling the site	m ²	1,00	70,00	70
2	Laying pavers	m ³	0,45	2 000,00	900
<i>Total for services:</i>					970
Replacement cost per 1 sq.m.					2 320

The cost of the oven was determined according to the prices of the local manufacturers at the level of 8 000 to 12 000 soms. The unit cost was determined as average – 10 000 soms for 1 oven.

3.2. Market cost of the land

The valuation of object by comparison approach maintains on the level of sale costs of objects, similar to the valuated object, considering difference of deal and features influencing its value.

The value of object, according to this approach, is estimating by formula:

$$V_i^a = V_i + \sum_{j=1}^m \Delta V_{ij},$$

Where: V_i^a – cost of valuate object;

V_i – sale cost of i-like object;

m – number of comparison factors;

ΔV_{ij} – difference of sale costs of i-like object in relation to j-like factor of comparison.

The value of similar objects is corrected to the valuated object. In case the similar objects are in worth condition, their cost is to be corrected and decreased, if condition of objects is better – their cost to be corrected and increased.

First stage of comparison approach application is collection and analyses of market information, determination of similar object. We have used the following resources on information- data base of “Business-Expert”, web sites of realtor agencies www.dom.kg, www.dom.lg.kg, www.doska.kg, www.domik.kg, verbal consultations of realtors, published issues “Vecherny Bishkek”, “Allo, reklama”, “Megaplois”, “Nedvizhimost”.

To valuate the property objects by comparison approach the objects –analogues with alike parameters were founded. The unit of comparison –is cost of 1m² analogue. Corrections were determined by expert way. To determined corrections the qualitative analyses was applied.

Information on all analogues was taken from free market, clarified by private phone call to the buyer, and considers as a reliable. The phone numbers of analogue buyers attached to clarify the reliability of this information personally.

The average value of land in the Jalal-Abad region, located along the main road is 100 som / sq.m.

3.3. Business net income loss

The net income of the business was determined according to the following formula

$$P = GI \times M\% - E,$$

where, P – Monthly net income or profit of the affected business;

GI – Monthly gross income from sales of goods and services;

$M\%$ – Average margin on goods and services in gross income, %

E – Monthly operating expenses including rent, transportation, taxes, salary and other;

Gross income calculation

The calculation of gross income of every business based on the available documents and recordings that can confirm the sales of goods and services such as daily entries in a special notebook or documents and recordings that can confirm the regular purchase amounts such as invoices.

In the several commercial objects without any confirmation on the sales volume and without possibility to compare with similar objects the short time-study was held.

Margin calculation

The average margin on goods for each business was calculated according to the comparison of the invoices on purchased goods and selling price of the same goods.

For example, the typical margin in usual shops selling foodstuffs, beverages and cigarettes is an average of 20%. In the same shops focused on the wholesale the margin does not exceed 15% but the net income is higher by the fact of more sales.

Operating expenses

The operating expenses are similar for each business in terms of such payments as for license, taxes, land lease, electricity and others. These expenses don't vary greatly and usually have a small share in operating expenses.

The main difference in such expenses as shop rent if the business holder is tenant. These expenses can vary greatly and depends on location.

The type of business also affects such expenses as transportation. Many businessmen pay seller in their shop that also affects theirs net income.

Results on calculation of net income

The following are the results on the estimated net income of each business.

Table 3.3.1 Estimated monthly net income

#	Name/Surname	G	Rayon	Kilometer	Type	Estimated monthly income, soms
1	Mamatov Umitjan	m	Nooken	532+300	shade +stall+ovens	43 000
2	Kurbanov Mahamadsaip	m	Nooken	519+824	Brick shade of tea room "Abdyshukur aiy"	60 000
3	Ziyadinov Salohudin	m	Nooken	518+794	brick wall of home appliances shop	60 000
4	Abdurahimova Nazakat	f	Nooken	518+969	asbestos shade of the "Kelechek" shop	95 000
5	Akchabaev Aibek	m	Nooken	518+829	brick wall of construction materials shop (commercial)	92 000
6	Doolataliev Jenishbek	m	Bazar-Korgon	544+500	metal stair of café+pavilion "Aiana"	75 000
7	Mamytov Abdymanap	m	Bazar-Korgon	548+850	price board of "Oroz Ata" petrol station+filling station	20 000
8	Satikulov Mamashakir	m	Bazar-Korgon	544+750	kiosk	18 000

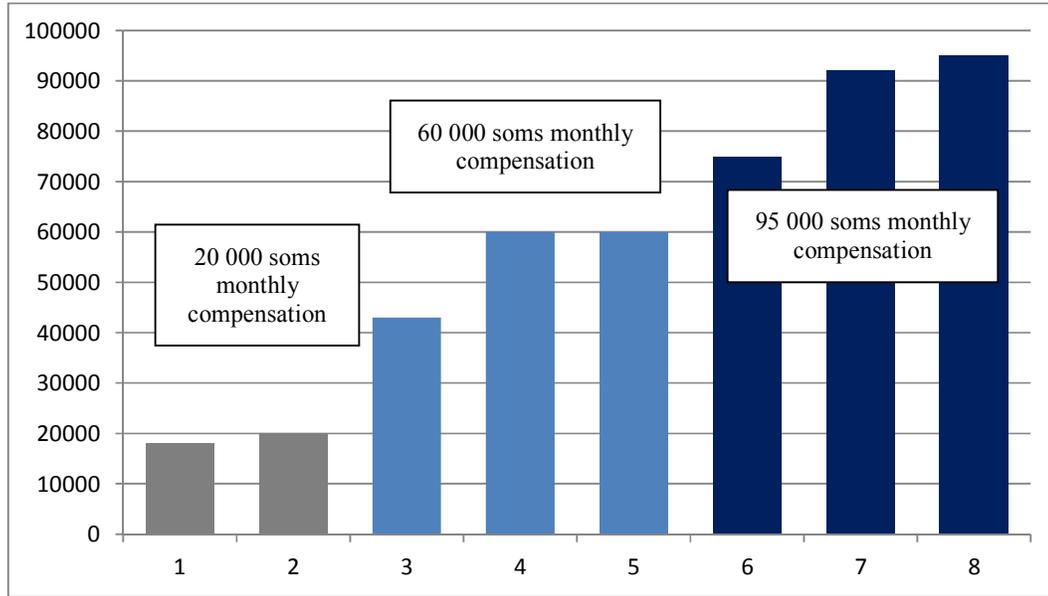
The above values were divided into 3 groups of monthly net income to smooth out the results and fill in the values to business without gathered data. These groups are following:

1. Less than 20 000 soms monthly net income;
2. 40 000 – 60 000 soms monthly net income;
3. 75 000 – 95 000 soms monthly net income.

Monthly compensation for downtime was determined as maximum net income of each group.

The following are the graphical results of net income dispersion and its division into 3 groups.

Picture 3.3.1 Net income dispersion



There are 15 commercial objects which are not working. These objects have been visited 3 times in June and 2 times in the end of July and were not working. Thus, there is a reason to classify such objects as abandoned.

The following are the results on the valuation on the net income loss during 3 months re-establishment.

Table 3.3.2 Compensation for 3 months

#	Name/Surname	G	Rayon	Kilometer	Type of Affected Structures	Compensation for 3 months, soms
1	Mamatov Umitjan	m	Nooken	532+300	shade +flat bread ovens	180 000
2	Kurbanov Mahamadsaip	m	Nooken	519+824	Brick shade of tea room "Abdyshukur aiy"	180 000
3	Ziyadinov Salohudin	m	Nooken	518+794	brick wall of home appliances shop	180 000
4	Abdurahimova Nazakat	f	Nooken	518+969	asbestos shade of the "Kelechek" shop	285 000
5	Akchabaev Aibek	m	Nooken	518+829	brick wall of construction materials shop (commercial)	285 000
6	Doolataliev Jenishbek	m	Bazar-Korgon	544+500	metal stair of café+pavilion "Aiana"	285 000
7	Mamytov Abdymanap	m	Bazar-Korgon	548+850	price board of "Oroz Ata" petrol station+filling station	60 000
8	Satikulov Mamashakir	m	Bazar-Korgon	544+750	kiosk	60 000
	Total					1 515 000

Temporary sellers

All the temporary sellers were put into the first group with monthly net income maximum of 20 000 soms. The compensation was calculated for 1 week downtime according to Entitlement Matrix.

The following are the results on the valuation on the net income loss during 1 week compensation for temporary sellers.

Table 3.3.3 Compensation for 1 months for temporary sellers.

#	Name/Surname	Gender	Rayon	Kilometer	Type of Affected Structures	Type	Net income weekly, soms
1	Jorobaev Gulamjan	m	Bazar-Korgon	544+750	table, small stall	drinks	5 000
2	Ikramjan kzy Matlyuba	f	Bazar-Korgon	544+751	table	cigarettes, drinks	5 000
	Total						10 000

4. Valuation summary

Table 4.1 Summary table

Items		Unit	Total	Affected assets	Unit cost (soms)	Total (soms)	Total (USD)
Non - Agriculture Land	Residential Land	m ²	440,0	3	100	44 000	902
	Other Non - Agriculture Land	m ²					
Total affected land		m ²	440,0	3		44 000	44 000
Main Structures (houses, shoppes, kiosks, all)							
	Major affected house	m ²	323,4	4	11 880	3 841 398	78 713
	Minor affected (house)	m ²	193,2	6	11 880 (5940 for 1 being build)	2 146 954	43 993
	Major affected (shop, cafes, kiosks)	m ²	263,9	12	5 357 to 19 440	4 358 930	89 318
	Minor affected (shop, café, kiosks)	m ²	34,8	2	5 357 to 19 440	526 176	10 782
	Petrol Stations	pcs					
Secondary Structures							
	Awnings/ Shade (permanent)	m ²	881,3	20	1 500	1 339 455	27 446
	Sheds	m ²	167,0	7	5 100	851 598	17 450
	Storehouse	m ²	104,2	2	5 100	531 624	10 893
	Garage (Residential)		23,0	1	10 500	241 920	4 957
	Gates	m ²	175,3	19	9 500	1 665 635	34 130
	Metal Fence	m ²	335,0	15	1800 to 2700	628 920	12 887
	Brick Fence	m ²	99,2	4	4 400	436 480	8 944
	Mud/Clay Fence	m ²	196,0	8	800	156 800	3 213
	Concrete Fence	m ²	98,8	3	3 800	375 440	7 693
	Paving Stone	m ²	0,0	0	650	0	0
	Concrete site		183,1	3	300	54 924	1 125
	Sign Boards	m ²	108,0	12	12 125	1 309 500	26 833
	Ovens, pcs	m ²	14,0	6	10 000	140 000	2 869
	Porch	m ²	19,2	2	3 500	67 340	1 380
	Other Assets (PS pump)	pcs	1,0	1	158 000	158 000	3 238
Total				133		18 875 094	386 764
Total Number of Affected Households				57			

Table 4.2 - Affected Households Losing Houses by Severity of Loss

Rayon	Partial Only	Partial but No longer Viable
Nookan	5	3
Bazar-Korgon	1	1
Total	6	4

Table 4.3 - Floor Area of Affected Houses by Type

Rayon	Major affected	Minor affected
	Clay/Clay brick house (only type)	Clay/Clay brick house (only type)
Nookan	269,06	173,98
Bazar-Korgon	54,29	19,24
Total	323,35	193,22

Table 4.4 - Inventory of Affected Secondary Structures by m²

<i>Rayon</i>	<i>Awnings/ Shade (permanent)</i>	<i>Sheds</i>	<i>Storehouse</i>	<i>Garage (Residential)</i>	<i>Gates</i>	<i>Metal Fence</i>	<i>Brick Fence</i>
Nooken	614,7	7,5	97,8	23,0	81,7	262,8	31,2
Bazar-Korgon	278,3	159,5	6,4	0,0	93,6	72,2	68,0
Total	893,0	167,0	104,2	23,0	175,3	335,0	99,2

Extension of Table 4.4.

<i>Rayon</i>	<i>Mud/Clay Fence</i>	<i>Concrete Fence</i>	<i>Concrete site</i>	<i>Sign Boards</i>	<i>Ovens, pcs</i>	<i>Porch</i>	<i>Other Assets</i>
Nooken	12,0	62,0		18,0	13,0	10,0	
Bazar-Korgon	184,0	36,8	183,1	90,0	1,0	9,0	filling station (1 pump)
Total	196,0	98,8	183,1	108,0	14,0	19,0	1,0

Table 4.5 – Affected assets by names in Nooken rayon

#	Name/Surname	KM	Clay houses, m ²		Shops/Cafes/Kiosks, m ²					Secondary Structures, m ²												
			Major affected house	Minor affected house	Major affected shop (other material)	Minor affected shop (other material)	Major affected shop (burnt brick)	Minor affected shop (burnt brick)	Major affected kiosk	Awnings/ Shade (permanent)	Sheds	Storehouse	Garage (Residential)	Gates	Metal Fence	Brick Fence	Mud/Clay Fence	Concrete Fence	Sign Boards	Ovens, pcs	Porch, m ²	
1	Myrzakarimov Bahtiyar	518+864	23,1							15,6				6,6								
2	Kurbanov Dastanbek	531+530								90,7	7,5			6,6	25,0							
3	Mamatov Umitjan	532+300							12,0	50,1					16,6							
4	Nurdinova Saida	531+820		25,0										10,9			30,0					
5	Mirzahodjaeva Aishahon	532+300		24,0						11,2											2,0	
6	Kebekov Janybek	532+350																				10,0
7	Kurbanov Mahamadsaip	519+824								73,0				7,0		31,2					4,0	
8	Yulbarsov Husanbai	532+370								37,5			23,0	6,8								
9	Djoldoshov Tologon	535+500																		9,0		
10	Ziyadinov Salohudin	518+794						19,0														
11	Nematova Mahpuba	532+310		49,7						21,5												3,0
12	Yangibaev Abdusamat	531+560			11,5							97,8					32,0					
13	Teshebaeva Bogdoton	532+290		38,8		22,8								7,4								
14	Rozubaev Yahyajan	531+580								36,0				5,4		12,0						
15	Kamalov Kazimjan	531+990		36,5											22,0							
16	Abdurahimova Nazakat	518+969						29,8		59,2					18,0							
17	Kuttubaev Maksat	532+270								135,0												
18	Sulaimanov Abdykair	532+220			11,2					18,0				7,2	10,0						2,0	
19	Mirhakimov Abdulhamid	532+200													12,2							
20	Kudaibergenov Momunjan	532+000	101,2											6,6	24,0							
21	Akchabaev Aibek	518+829						46,7														

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22	Abdurahimov Shavkat	519+004	144,8							10,6					17,2							2,0
23	Sultanova Altynai	538+000													75,0							
24	Isakulov Seidaly	538+700																			9,0	
25	Mirzahodjaeva Mahsuda	532+300								31,5					15,0							
26	Begyusupova Asel	533+100								24,9					45,0							
	Total		269,1	174,0	22,7	22,8	95,4	-	12,0	614,7	7,5	97,8	23,0	81,7	262,8	31,2	12,0	62,0	18,0	13,0	10,0	
	Total # assets		3	5	2	1	3	-	1	14	1	1	1	10	10	1	1	2	2	5	1	

Table 4.6 – Affected assets by names in Bazar-Korgon rayon

#	Name/Surname	Kilometer	Land, m ²		Clay houses, m ²		Shops/Cafes/Kiosks, m ²					Secondary Structures, m ²										
			Land with title documents, m ²	Major affected house	Minor affected house	Major affected shop (other material)	Minor affected shop (other material)	Major affected shop (burnt brick)	Major affected kiosk	Awnings/Shade (permanent)	Sheds	Storehouse	Gates	Metal Fence	Brick Fence	Mud/Clay Fence	Concrete Fence	Concrete site	Sign Boards	Ovens, pcs	Porch/Concrete stairs, m ²	Other Assets
1	Doolataliev Jenishbek	544+500								15,0								19,8			9,2	
2	Narmatov Abdymomun	540+330											11,3			25,9						
3	Ikramov Manap	542+200												25,0								
4	Akmatova Gulbara	539+950									15,6		11,5			16,5						
5	Alykulov Syrgabai	543+300																		9,0		
6	Mamytov Abdymanap	548+850																		9,0		filling station
7	OrozoV Vahab (ответил его сын Akylbek)	553+50																		9,0		
8	Toichiev Abdibait	548+900												30,0								
9	Djaichiev Jyldyzbek	557+000																		9,0		
10	Mavlyanbaeva Aijamal	544+450															128,0		1,0			
11	Saparbaev Chyngyz	544+250																		9,0		
12	Narmyrzaeva Dinara	540+230								16,8			11,0			36,8						
13	Shyrdakov Beksultan	550+100																		9,0		
14	Kultaeva Tillakan	553+150	36,0					36,0		11,7												
15	Satikulov Mamashakir	544+750							9,0													
16	Akmatova Anarkan	540+300								10,2	20,7		7,6		9,2							
17	Tashbaltaeva Muazam	544+100		54,3	19,2																	
18	Toktasinova Uulkan	544+700	234,0					35,3			35,3										35,3	
19	Akmatov Bolot	542+160								7,7				9,4								
20	Saipov Salahidin	544+750	170,0							58,2	50,6					34,0						
21	Mamasydykova Roza	540+200								122,9	15,0					14,2						

Report on valuation of the affected assets at Jalalabad section

23	Usenov Sheraty	541+250	-	-	-	-	-	-	-	-	-	-	72 105	26 100	-	-	-	-	-	-	-	-	98 205
24	Yusupov Saparbek	544+100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109 125	-	-	109 125
25	Ergeshova Mairam	541+120	-	-	-	-	-	-	-	-	-	32 844	117 990	-	74 800	-	-	-	-	-	-	-	225 634
26	Satiev Shamshibek	544+300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109 125	-	-	109 125
27	Ganibaev Adylbek	540+250	-	-	-	236 477	-	-	-	76 050	113 832	-	93 480	-	-	-	44 000	-	-	-	-	-	563 839
28	Kushbakov Turgunbai	553+300	-	-	-	-	-	-	-	-	-	-	-	19 800	92 400	-	-	-	-	-	-	-	112 200
29	Orozalieva Gulnur	544+000	-	-	-	181 440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	181 440
30	Gazprom Neft Asia	543+950	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109 125	-	-	109 125
31	Aidarova Kalbu	541+120	-	-	-	344 736	-	-	-	-	-	-	99 750	-	-	23 360	-	-	-	-	-	-	467 846
32	Kaparov Kubanych	543+850	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109 125	-	-	109 125
	Total		44 000	644 965	228 571	581 213	181 440	1 385 683	128 568	417 420	813 348	32 844	889 295	129 960	299 200	147 200	139 840	54 924	1 091 250	10 000	32 340	158 000	7 410 061

Table 4.9 – Replacement cost and business loss by names in Nooken rayon

#	Name/Surname	G	Rayon	Kilometer	Type of Affected Structures	Replacement cost, soms	Business loss, soms	Total, soms
1	Myrzakarimov Bahtiyar	m	Nooken	518+864	brick wall on house	360 528		360 528
2	Kurbanov Dastanbek	m	Nooken	531+530	loam shade	282 030		282 030
3	Mamatov Umitjan	m	Nooken	532+300	shade +cafeteriya+stall	184 179	180 000	364 179
4	Nurdinova Saida	f	Nooken	531+820	clay hut	366 240		366 240
5	Mirzahodjaeva Aishahon	f	Nooken	532+300	loamy shade+metal fence	321 920		321 920
6	Kebekov Janybek	m	Nooken	532+350	metal shade+stairs of café "Toktomurat"	35 000		35 000
7	Kurbanov Mahamadsaip	m	Nooken	519+824	Brick shade of tea room "Abdyshukur ajy"	353 310	180 000	533 310
8	Yulbarsov Husanbai	m	Nooken	532+370	shade/awning	362 960		362 960
9	Djoldoshov Tologon	m	Nooken	535+500	price board of petrol station	109 125		109 125
10	Ziyadinov Salohudin	m	Nooken	518+794	brick wall of home appliances shop	369 360	180 000	549 360
11	Nematova Mahpuba	f	Nooken	532+310	clay shed - secondary structure next to dwelling	653 042		653 042
12	Yangibaev Abdusamat	m	Nooken	531+560	clay hut	794 562		794 562
13	Teshebaeva Bogdoton	f	Nooken	532+290	shade of house	875 980		875 980
14	Rozubaev Yahyajon	m	Nooken	531+580	loamy shade/awning	114 900		114 900
15	Kamalov Kazimjan	m	Nooken	531+990	clay + concrete makeshift hut	472 626		472 626
16	Abdurahimova Nazakat	f	Nooken	518+969	asbestos shade of the "Kelechek" shop	699 674	285 000	984 674
17	Kuttubaev Maksat	m	Nooken	532+270	bus station's metal shade	202 500		202 500
18	Sulaimanov Abdykair	m	Nooken	532+220	stall	303 046		303 046
19	Mirhakimov Abdulhamid	m	Nooken	532+200	auto parts stall	32 940		32 940
20	Kudaibergenov Momunjan	m	Nooken	532+000	clay wall of the house	1 308 156		1 308 156
21	Akchabaev Aibek	m	Nooken	518+829	brick wall of construction materials shop (commercial)	907 459	285 000	1 192 459
22	Abdurahimov Shavkat	m	Nooken	519+004	clay wall of canteen	1 918 829		1 918 829
23	Sultanova Altynai	f	Nooken	538+000	metal fence of house	135 000		135 000
24	Isakulov Seidaly	m	Nooken	538+700	price board of petrol station	109 125		109 125
25	Mirzahodjaeva Mahsuda	f	Nooken	532+300	shade/awning	74 250		74 250
26	Begyusupova Asel	f	Nooken	533+100	metal fence+shade of canteen	118 290		118 290
	Total					11 465 033	1 110 000	12 575 033

Table 4.10 – Replacement cost and business loss by names in Bazar-Korgon rayon

#	Name/Surname	G	Rayon	Kilometer	Type of Affected Structures	Replacement cost, soms	Business loss, soms	Total, soms
1	Doolataliev Jenishbek	m	Bazar-Korgon	544+500	metal stair of café+pavilion "Aiana"	118 635	285 000	403 635
2	Narmatov Abdymomun	m	Bazar-Korgon	540+330	metal gate+loamy fence of the house	127 880		127 880
3	Ikramov Manap	m	Bazar-Korgon	542+200	metal fence of "Abdumanap" tea room	45 000		45 000
4	Akmatova Gulbara	f	Bazar-Korgon	539+950	mud shade+metal gates of the house	202 010		202 010
5	Alykulov Syrgabai	M	Bazar-Korgon	543+300	price board of petrol station #1	109 125		109 125
6	Mamytov Abdymanap	m	Bazar-Korgon	548+850	price board of "Oroz Ata" petrol station+filling station	267 125	60 000	327 125
7	Orozov Vahab (ответил его сын Akylbek)	m	Bazar-Korgon	553+50	Akman petrol station's price board	109 125		109 125

Report on valuation of the affected assets at Jalalabad section

#	Name/Surname	G	Rayon	Kilometer	Type of Affected Structures	Replacement cost, soms	Business loss, soms	Total, soms
8	Toichiev Abdibait	m	Bazar-Korgon	548+900	"Kurmanbek" café's brick fence	132 000		132 000
9	Djaichiev Jyldyzbek	m	Bazar-Korgon	557+000	price board of "Kyrgyz Munai" petrol station	109 125		109 125
10	Mavlyanbaeva Aijamal	f	Bazar-Korgon	544+450	café "Toktor-Bii" metal shade+ clay oven (тандыр)	48 400		48 400
11	Saparbaev Chyngyz	m	Bazar-Korgon	544+250	price board of "Osmon Ata" petrol station	109 125		109 125
12	Narmyrzaeva Dinara	f	Bazar-Korgon	540+230	loamy fence +shade	269 540		269 540
13	Shyrdakov Beksultan	m	Bazar-Korgon	550+100	price board of "Tash Bulak" petrol station	109 125		109 125
14	Kultaeva Tillakan	m	Bazar-Korgon	553+150	bus station pavilion	720 990		720 990
15	Satikulov Mamashakir	m	Bazar-Korgon	544+750	kiosk	48 213	60 000	108 213
16	Akmatova Anarkan	f	Bazar-Korgon	540+300	metal fence+mud shade	200 592		200 592
17	Tashbaltava Muazam	f	Bazar-Korgon	544+100	mud brick wall of the house	986 396		986 396
18	Toktasynova Uulkan	f	Bazar-Korgon	544+700	stall	899 755		899 755
19	Akmatov Bolot	m	Bazar-Korgon	542+160	metal fence of "Asel" café	28 470		28 470
20	Saipov Salahidin	m	Bazar-Korgon	544+750	fence+shade of house	389 416		389 416
21	Mamasdykova Roza	f	Bazar-Korgon	540+200	fence+shade of house	272 210		272 210
22	Shaimov Ergesh	m	Bazar-Korgon	541+120	brick fence+metal gate	22 140		22 140
23	Usenov Sheraly	m	Bazar-Korgon	541+250	metal fence of the house	98 205		98 205
24	Yusupov Saparbek	m	Bazar-Korgon	544+100	price board of petrol station "Osmon"	109 125		109 125
25	Ergeshova Mairam	f	Bazar-Korgon	541+120	brick wall+metal fence of house	225 634		225 634
26	Satiev Shamshibek	m	Bazar-Korgon	544+300	price board of "Beshik Jon" petrol station	109 125		109 125
27	Ganibaev Adylbek	m	Bazar-Korgon	540+250	metal fence+mud shed	563 839		563 839
28	Kushbakov Turgunbai	m	Bazar-Korgon	553+300	brick fence of café shop	112 200		112 200
29	Orozalieva Gulnur	f	Bazar-Korgon	544+000	metal stall (комок железный, нерабочий)	181 440		181 440
30	Gazprom Neft Asia		Bazar-Korgon	543+950	price board of petrol station	109 125		109 125
31	Aidarova Kalbu	f	Bazar-Korgon	541+120	clay fence+metal gates	467 846		467 846
32	Kaparov Kubanych	m	Bazar-Korgon	543+850	"Dolono" petrol station, price board	109 125		109 125
	Total					7 410 061	405 000	7 815 061

5. Assumptions and limiting conditions

WHILE CALCULATING OBJECTS VALUATION THE APPRAISER WERE GUIDED BY THE FOLLOWING ASSUMPTIONS AND LIMITATIONS THAT ARE AN INTEGRAL PART OF THIS REPORT:

- The evaluation report is considered as a single, logically finished document (herewith appendixes are considered as an integral parts of it.) Evaluators do not bear responsible for possible misreading of some numbers, facts, quotes, and parts of the Report, «torn» out of context.
- The present report is valid only on specified goals therein. The appraiser shall not be liable in the event of its use by third parties, that are not indicated in the valuation agreement;
- The object value is determined as of February 22, 2013. The appraiser does not bear responsibility for the change of economic, legal and other factors, that may occur after the present date, and to influence the market situation and, consequently, the market object value;
- While carrying out this work, it is assumed that the information obtained from the customer or a third-party experts, is reliable and trustworthy;
- Appraisers are not responsible for the legal description of rights of valuated property. During the evaluation submitted documents were not under the legal expertise;
- While carrying out the valuation, it was expected the absence of any underlying factors, affecting the value of the property being valued. The appraiser is not responsible for the detection of such facts.
- The report is advisory in nature and contains certified appraiser's professional opinion, as to the property being valued.

6. The valuation certification

During the evaluation work performance, the appraisers were guided by legislation of the Kyrgyz Republic. The persons signing this report have a professional education in the field of property valuation.

On the basis of our knowledge, experience and opinion, we certify the following:

- The report is written in accordance with the valuation standards and in accordance with generally accepted valuation methods;
- Appraisers personally inspected the property being valued;
- our judgments and conclusions are limited only by the given Report, assumptions and valuation limiting conditions;
- we don't have present or future interest in the valuated property and have no prejudice against the Customer;
- our fee and the amount of work payment does not depend on the result appraised value;
- we commit ourselves not to disclose confidential information, received from the customer, and all of the conclusions contained in the Report;
- Appraisers are not liable for the usage of Report findings on other dates for any other functions.

<i>Potapova M. A.</i> <small>Expert appraiser</small>	<i>29.07.2013</i> <small>(date)</small>	 <small>(signature)</small>
 <i>Nirenberg I. B.</i> <small>Expert appraiser</small>	 <i>29.07.2013</i> <small>(date)</small>	 <small>(signature)</small>

7. Information about the Appraisers

The present work was carried out by experts of the LLC “Center for independent evaluation and analysis “Business Expert”. The Center's specialists operate on the basis of the Charter, registered in the Ministry of Justice of the Kyrgyz Republic, the certificate series UR # 0067235 dated from 13.09.2010 year.

Below is a list of the main participants of work therein:

<u>Potapova M. A.</u>	General Director of LLC “Center for independent evaluation and analysis” Business Expert”.
	Expert appraiser of I Category, qualification certificate series # 011, issued on May 7 th , 2012.
	<ul style="list-style-type: none"> • Member of the Advisory Board “Association of Kyrgyz Appraisers”;
	<ul style="list-style-type: none"> • Member of the Working Group on the ADB RETA-7433 project “Strengthening the security measures in land acquisition and resettlement in the West and Central Asia matters”
<u>Nirenberg I. B.</u>	Work Experience in the property valuation - 7 years.
	The Executive Director of LLC “Center for independent evaluation and analysis Business Expert”, expert appraiser of I Category, qualification certificate series # 015, issued on May 7 th , 2012.
	<ul style="list-style-type: none"> • Member of the “Association of Kyrgyz Appraisers” • Member of the Working Group on the ADB RETA-7433 project “Strengthening the security measures in land acquisition and resettlement in the West and Central Asia matters”
	Work Experience in the property valuation activity - 4 years.

MAIN WORKS,

performed by company specialists in course of professional activities:

- valuation on the property that are covered in scope of 3A component “Water supply and Sanitation” of the project on “Emergency assistance for rehabilitation and reconstruction” in Osh and Jalal-Abad regions of the Kyrgyz Republic;
- property valuation of 46 residents of Kara-Suu and Kara-Bulun villages, that became victims during automobile road rehabilitation, road of international importance Bishkek-Naryn-Torugart, under the CAREC project Transport Corridor 1 by order of the Ministry of Transport and Communications of the Kyrgyz Republic in the framework of Asian Development Bank mission;
- valuation of land plots for electrical substations and residential buildings in Talas region for balancing Talas company of high-voltage electrical networks JSC “NESK”;
- financial and economic assessment of the project law of the Kyrgyz Republic “On introduction of amendments to several legislative acts of the Kyrgyz Republic” (in Kyrgyz Republic laws “On Licensing” and “On drug substances, psychotropic substances and precursors”) by the order of the State Service of the Kyrgyz Republic on Drug Control .
- assessment of collateral value for the purpose of credit provision, valuation of market cost for the purpose of re-evaluation in accordance with IFRS, as well as evaluation of existing business and test conduction on the assets impairment of the CJSC “South Kyrgyz Cement” cement plant,

- including the valuation of Aksai deposits of limestone, Ordo-Shah gypsum deposits, deposits of Nadir iron and Karavan loam deposits; work with the international company KPMG Almaty, Moscow, as well as JSC “BTA Bank” in Almaty,
- financial performance analysis and stock valuation of “Ak-Kuu” Sokuluk poultry farm;
 - valuation of shares of the construction company CJSC “Alamudunenergo”;
 - analysis of the financial performance and valuation of shares of CJSC “Tobacco-fermentation plant”;
 - valuation of property prices of CJSC “UniCredit Bank” in amount of 17 units for insurance purposes;
 - valuation of the property (real estate, equipment) of JSC “Transnational corporation” Dastan” on an ongoing basis;
 - valuation of assets (aircraft, engines, equipment, real estate) at the request of “Airline Kyrgyzstan” on an ongoing basis;
 - property valuation of Bishkek Finance and Economics Academy in accordance with International Valuation Standards (IVS) in cooperation with the University of Management and Design for the purpose of credit provision to the International Finance Corporation (IFC), which is the member of the World Bank Group;
 - real estate valuation by request of the State Communications Agency of the Kyrgyz Republic;
 - valuation of stock of shares of JSC “KyrgyzGas”, collaboration with the international company “Deloitte and Touche”, Moscow;
 - valuation of assets of JSC “BTA Bank” for purposes of IFRS in framework with the international auditors of “Deloitte and Touche” company, Almaty;
 - property complex valuation of JSC “Ak-Suu Vita” (Ak-Suu sugar corn processing plant);
 - valuation of one share cost of JSC “Tokmok milk factory”, LLC “Yelimai” dairy property complex for purposes of reassessment in accordance with IFRS;
 - valuation of pharmaceutical company LLC “Pharmaco Group”;
 - valuation of one share cost of JSC “Kyrgyzmedtehnika”;
 - valuation of one share cost of JSC “Bishkekbiofarm”;
 - property valuation of Trade Center LLC “Bishkek City” for purposes of the revaluation;
 - valuation of the property complex (real estate for production purposes) LLC “Spais Food” for the purpose of credit provision;
 - property valuation of CJSC “Shoro”;
 - valuation of brown coal deposits of Kashkasu Kabak basin for the purpose of mining;
 - valuation of state-owned shares of JSC “Airline company Kyrgyzstan”;
 - valuation of commercial real estate of LLC “Broodmaster-Bishkek”;
 - valuation of the recreation center “12 Kamin”;
 - valuation of “Ala-Too” hotel, resorts as “Asyl-Tash”, “Belek”, “Raduga”;
 - valuation of quartzite deposit “Otmek” Talas region;
 - valuation of JSC “Maili-Suu Electric Bulb Plant”;
 - valuation of business operating enterprise that produces of plastic containers LLC “HTI-Group”;
 - valuation of business operating tannery JSC “Bulgaary”;
 - valuation of business valuation taxi company “Doka-taxi”;
 - valuation of distilleries LLC “Bukai”, LLC “Kyrgyzalkotreyd”, JSC “Vinogradar”;

8. Terms and definitions

Below is the list of professional definitions and terms used in the report. Listed terms and definitions are adopted in accordance with the evaluation standards, which are mandatory to apply to all subjects of assessment activities in the Kyrgyz Republic, approved by the Regulation of the Government of the Kyrgyz Republic on April 3, 2006 # 217, as well as the Civil Code of the Kyrgyz Republic.

Evaluation object is the property rights to be evaluated.

Property – is the term used to refer:

- 1) The assemblage of things and tangible assets that are owned by a person (natural or legal), state or municipal body, or belong to the organization on the right of economic or operational management. Such property also includes: money, securities and intangible assets;
- 2) The assemblage of things and property rights to acquire things or satisfactory property from other persons (asset);
- 3) The assemblage of things, property rights and responsibilities that characterize the property status of its owner (assets and liabilities).

Loss – are expenses, of the person whose right are violated, made or will make in order to restore the violated rights, loss of or damage his/her property (*actual damage*), as well as revenues that that person would have received under ordinary business conditions, if his/her rights were not violated (*lost profits*)

Evaluation report - a document about the evaluation results that is submitted by the appraiser to the customer in order to confirm his professional opinion about the property value.

Valuation Date - the date (day, month, year) on which the evaluation is conducted and the property value is identified.

Improvements – are created as a result of economic activity, any engineering structures, buildings, facilities, networks and systems, as well as drainage systems, landscaping and other works, inextricably related with land plots. Improvements include all owned designed elements and parts, pipelines and networks and its equipment, that is necessary in order to improve the performance of its basic functions (building construction, products and components, heating utility plants, electricity, water supply and others, as well as its engineering equipment - elevators, pumps, fans, air conditioners, thermal heaters, electrical panels, lighting and plumbing fixtures and other).

Price - the actual amount of money, required, offered or paid for the valued property or similar property.

Customer - an individual or a legal entity, by whose order the valuation work is conducted.