

Resettlement Plan

June 2015

Mongolia: Ulaanbaatar Urban Services and Ger Areas Development Investment Program (Bayankhoshuu Subcenter)

Prepared by Municipality of Ulaanbaatar for the Asian Development Bank. This is an updated version of the draft originally posted in August 2013 available on <http://www.adb.org/projects/documents/ulaanbaatar-urban-services-and-ger-areas-development-investment-bayankhoshuu-rp>

CURRENCY EQUIVALENTS

(as of 21 April 2015)

Currency unit	–	togrog (MNT)
MNT1.00	=	\$0.00050765
\$1.00	=	MNT1,969.85

ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected household
ALAGaC	–	Administration of Land Affairs, Geodesy, and Cartography
AP	–	affected person
BIC	–	Business Incubator Center
CAP	–	community action plan
CDC	–	Community Development Council
CHD	–	Chingeltei District
DMS	–	detailed measurement survey
DPLRO	–	District Property and Land Relations Office
EMA	–	External Monitoring Agency
GAF	–	grievance action form
GASR	–	General Authority for State Registration
GOM	–	Government of Mongolia
GRM	–	grievance redress mechanism
IPSA	–	initial poverty and social assessment
IR	–	involuntary resettlement
LAD	–	Land Acquisition Division of PRD
LAR	–	land acquisition and resettlement
LARC	–	Land Acquisition and Resettlement Committee
LARP	–	land acquisition and resettlement plan
M&E	–	monitoring and evaluation
MFF	–	multitranchise financing facility
MUB	–	Municipality of Ulaanbaatar
PMO	–	Program Management Office
PRD	–	Property Relations Department
PSC	–	Program Steering Committee
RF	–	resettlement framework
ROW	–	right of way
RPIC	–	Resettlement Plan Implementing Committee
SIA	–	social impact assesement
SPS	–	Safeguard Policy Statement
UB	–	Ulaanbaatar
USGDIP	–	Ulaanbaatar Urban Services and Ger Area Development Investment Program
WG	–	working group

NOTE

In this report, "\$" refers to US dollars.

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Mongolia: Ulaanbaatar Urban Services and Ger Areas Development Investment Program

Design of Sewer Collectors for
Bayankhoshuu and Selbe Sub-centers

Land Acquisition and Resettlement Plan
for Bayankhoshuu sub-center sewer main collector pipes

June 2015

Resettlement Planning Document

Land Acquisition and Resettlement Plan for Bayankhoshuu Sub-center Sewer Main Collector Pipes

Document Stage: Final

Project Number: MON 7970

June 2015

Mongolia: Ulaanbaatar Urban Services and Ger Areas Development Investment Program

Prepared by the Municipality of Ulaanbaatar, Mongolia.

The Land Acquisition and Resettlement Plan for Bayankhoshuu Sub-center Sewer Main Collector Pipes is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and be preliminary in nature.



MAYOR OF ULAANBAATAR

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Date 2015-08-14
Ref. 01/2585

TO ARNAUD HECKMANN
URBAN DEVELOPMENT
SPECIALIST, ADB

Re: Land acquisition and resettlement plan

Ulaanbaatar, the capital city of Mongolia, has obtained financial assistance from the Asian Development Bank (ADB) within the Ulaanbaatar Urban Services and Ger Areas Development Investment Program (USGDIP) and has planned to build the Bayankhoshuu sub-center sewer main collector pipes in 2015 according to the activities of the USGDIP.

Therefore, the Land Acquisition and Resettlement Plan (LARP) for the Bayankhoshuu sub-center sewer main collector pipes is prepared in accordance with the applicable legislation of Mongolia, Asian Development Bank's Safeguard Policy Statement. This LARP is based on the feasibility study documents of the sewer main collector pipes, detailed measurement survey, census of the households, business entities and organizations situated on the land to be acquired and valuation of their land and properties.

Hereby, the Municipality of Ulaanbaatar confirms that the land acquisition and resettlement activities will be implemented in accordance with this LARP and makes commitment that the budget for land acquisition and resettlement will be allocated on time.

Moreover, the LAR budget estimates will be updated and finalized based on the negotiations with the households, business entities and organizations whose land will be acquired.

Sincerely yours,


BAT-UUL ERDENE
GOVERNOR AND MAYOR OF ULAANBAATAR

111020000173



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2015-08-14 № 01/2566
танай -ны № -г

Газар чөлөөлөлт, нүүлгэн
шилжүүлэлтийн төлөвлөгөөний тухай

АЗИЙН ХӨГЖЛИЙН БАНКНЫ ХОТ
БАЙГУУЛАЛТЫН МЭРГЭЖИЛТЭН
АРНАУД ХЭКМАНН ТАНАА

Монгол Улсын нийслэл Улаанбаатар хот нь “Улаанбаатар хотын гэр хорооллыг хөгжүүлэх, хөрөнгө оруулалтыг дэмжих хөтөлбөр”-ийн хүрээнд Азийн Хөгжлийн Банк (АХБ)-наас санхүүгийн дэмжлэг авч байгаа бөгөөд энэ хөтөлбөрийн үйл ажиллагааны дагуу Баянхошуу дэд төвийн бохир ус татан зайлуулах шугамын ажлыг 2015 онд барихаар төлөвлөөд байна.

Иймд, Баянхошуу дэд төвийн бохир ус татан зайлуулах шугамын ажилтай холбогдох Газар чөлөөлөлт, нүүлгэн шилжүүлэлт (ГЧНШ)-ийн төлөвлөгөөг Монгол Улсын холбогдох хууль тогтоомж болон АХБ-ны Хамгааллын бодлогын баримт бичигт нийцүүлэн тус ариутгах татуургын шугамын ТЭЗҮ-ийн зураг төсөл, нарийвчилсан хэмжилт зураглал, газар чөлөөлөх нутаг дэвсгэрт оршин сууж буй өрх, үйл ажиллагаа явуулж буй аж ахуйн нэгж, байгууллагын бүртгэл тооллого судалгаа, тэдгээрийн газар, эд хөрөнгийн үнэлгээг үндэслэн боловсруулсан болно.

Нийслэл Улаанбаатар хотын зүгээс ГЧНШ-ийн үйл ажиллагааг энэхүү төлөвлөгөөний дагуу хэрэгжүүлэх бөгөөд шаардлагатай зардлын төсвийг цаг хугацаанд нь хувиарлан ажиллахыг үүгээр мэдэгдэж байна.

Мөн түүнчлэн, энэхүү төлөвлөгөөг хэрэгжүүлэх явцад газар чөлөөлөх өрх, аж ахуйн нэгж, байгууллагуудтай хэлэлцээр хийсний үндсэн дээр газар чөлөөлөлт, нүүлгэн шилжүүлэлтийн төсвийн тодотголыг хийж төсвийг эцэслэн гаргана.

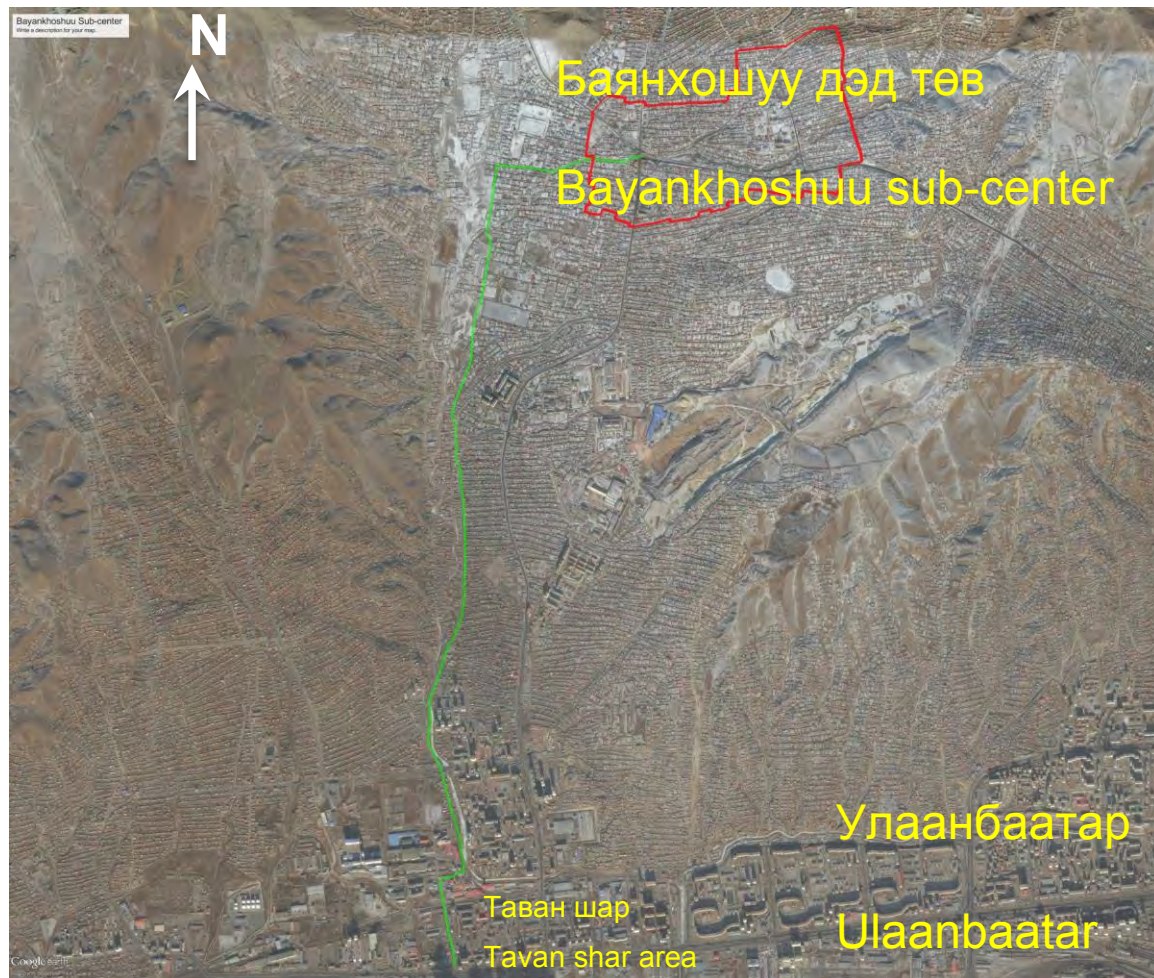
НИЙСЛЭЛИЙН ЗАСАГ ДАРГА
БӨГӨӨД УЛААНБААТАР
ХОТЫН ЗАХИРАГЧ



Э. БАТ-ҮҮЛ

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PROJECT LOCATION MAP

Figure 1. Location map of Bayankhoshuu Sub-center sewer main collector pipes



-  Баянхошуу дэд төвийн хил хязгаар
Boundary of Bayankhoshuu sub-center
-  Баянхошуу дэд төвийн ариутгах татуургын шугам, 6.3 км
Sewer main collector pipes for Bayankhoshuu sub-center, 6.3 km

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\$ 1.00	=	MNT 1,969.85

Exchange rate: rate of the Bank of Mongolia as of April 21, 2015, www.mongolbank.mn.

DEFINITION OF TERMS

Affected Household: All persons residing under one roof and eating from the same kitchen, who are adversely affected by the Project, or any of its components; may consist of a single nuclear family or an extended family group

Affected People: Any person affected by loss of assets or income due to Project-related changes in the use of land, water or other natural resources

Compensation: Cash or in-kind payment of the replacement cost of an asset lost due to Project-related impacts

Entitlement: Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation, which are due to affected people, depending on the nature of their losses, to restore their economic and social base

Host Population: Community residing near the area where the APs are relocated

Khoroo: sub-district, an administrative unit within a district of MUB. Administratively MUB is divided into 9 districts

Income Restoration: Reestablishment of income sources and livelihoods of APs

Involuntary Resettlement: Full or partial, permanent or temporary physical displacement (relocation, loss of residential land or shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a consequence of development projects, compelling APs to rebuild their lives, incomes and asset bases

Land Acquisition: The process whereby a person is compelled by a government agency to acquire all or part of the land a person owns or possesses to the ownership and possession of the government agency for public purpose in return for compensation

Rehabilitation: Compensatory measures provided under the ADB Policy Framework on Involuntary Resettlement other than payment of the replacement cost of acquired assets

Relocation: The physical resettlement of an AP from her/his pre-Project place of residence

Replacement Cost: The value determined to be fair compensation for various types of agricultural and residential land, crops, trees, and other commodities based on current market rates; the cost of rebuilding houses and structures at current market prices of building materials and labor, without depreciation or deductions for salvaged building material

Servitude (easement): A restriction or obligation attached to a property that entitles somebody other than the owner to a specific use of it such as the right to cross it or occupy it temporarily for maintenance of utility services.

Social Preparation: Process of consultation with APs undertaken before key resettlement decisions are made, to build their capacity to deal with resettlement

Subcenter: Subcenters are clusters of public facilities and businesses (often) with an associated transport hub. Generally, they are characterized by urban settlement around public infrastructure built during the Soviet period and new public facilities built more recently by government and donor programs (for example khoroo offices, police stations, schools and kindergartens). Their sphere of influence is from 30,000 to more than 100,000 people. Residential areas surround the core of subcenter and consist mostly of individual residential structures on large plots, although in some areas a densification process of sorts has started by the division of plots and the construction of multifamily houses.

Temporary Land Use Impacts: When land outside the proposed ROW is required temporarily to carry out construction, persons may be affected in terms of temporary land loss, damage to attachments or disruption of living or business conditions, for which compensation or mitigation is required to offset such impacts

Usufruct: The right to use and profit from land belonging others or a larger social entity, such as a tribe, community of collective

Vulnerable Groups: Distinct group of people (poor, elderly, disabled and female headed households) who may suffer disproportionately from resettlement effects

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EXECUTIVE SUMMARY

1. This Land Acquisition and Resettlement Plan (LARP) for the Bayankhoshuu sub-center sewer main collector pipes under the Ulaanbaatar Urban Services and Ger Areas Development Investment Program (USGDIP) is prepared in accordance with applicable laws of Mongolia, Asian Development Bank's (ADB) Safeguard Policy Statement (SPS), 2009, and the Resettlement Framework (RF), July 2013, for the USGDIP. This LARP is agreed upon between the Municipality of Ulaanbaatar (MUB) and ADB. The sewer main collector pipes will be constructed on the territory of Songinokhairkhan District of Ulaanbaatar (UB) city.

2. **The Project:** The Government of Mongolia and ADB signed loan agreement to implement USGDIP through multitranche financing facility (MFF) program. The MFF program will support the Ulaanbaatar city master plan in upgrading priority service and economic sub-centers in ger areas. The first tranche will be implemented at two sub-centers, Selbe and Bayankhoshuu. The Program aims to improve the quality and coverage of urban infrastructure and basic services, and to implement a sustainable and inclusive process of urban development in UB city. It is expected to directly benefit 400,000 people and to indirectly benefit the entire population of UB city. The impact of the program is improved living conditions in Ulaanbaatar. Its outcome is a network of livable, competitive, and inclusive sub-centers in Ulaanbaatar's ger areas providing economic opportunities and urban services, leading to a healthier urban environment.

3. **Bayankhoshuu Sub-center Sewer Main Collector Pipes subproject:** The project site is located on the territory of Songinokhairkhan district, located in the northwestern part of Ulaanbaatar and has an area of 120.6 thousand hectare land, of which 3.6% is built up areas and urban infrastructure, 77.0% agricultural land, 19.4% is forest areas. It has about 65,400 households and more than 280,000 people. Administratively the district is divided into 32 khoroos. About 21% of the population of UB city population lives in this district and approximately 25.5 of UB city's area belongs to it. The sewer main collector pipes will be constructed on the 4th, 5th, 7th, 26th and 27th khoroos. The northern part of the pipes will be constructed through ger areas and the southern part through built up urban areas.

4. The sewer main collector pipes length is about 6.3 km and it will be connected to the DN1200 (DN – nominal diameter) sewage collector at Tavan Shar. The sewer main collector pipes are planned to service population of 20,000 persons within the planned Bayankhoshuu Subcenter and an additional 60,000 persons in adjoining areas. The pipe material is ductile iron of 450mm, 500mm and 600mm nominal diameter (DN450, DN500 and DN600) with cement lining, furnished in six-meter long sections that connect with "spigot and socket" joints, to be buried at minimum of 2.8 meters to be below freezing depth. Concrete manholes will be installed at about 50m intervals to allow connections and maintenance access. This project will introduce the use of trench shields in Mongolia. It will allow narrower excavation width in areas where there are adjacent buildings or roads. The trench shields and six-meter pipe sections will allow the construction to be done in a way that minimizes the length of open excavations and time of the associated disruption. The construction contractors are required to maintain access to affected residents and businesses during construction and to restore all roads and sidewalks to equal or better condition. Approximately 2.2 km of the collector pipes in the northern part of the route has seasonally high groundwater, and the pipe in this area will be insulated so that it can be installed at shallower depths. Some of the areas of the Bayankhoshuu route that are subject to surface water will be graded to maintain existing drainage patterns, but to divert water from the pipe and manholes.

5. **Scope of Land Acquisition and Resettlement:** The draft technical design for the Bayankhoshuu sub-center, based on a standard 12m width right of way (ROW), implied that total of 113 land parcels and properties were to be affected by LAR. To avoid and

minimize the LAR impact, the alignment of the sewer pipes was modified to acceptable extent considering the engineering and technical solution and based on the Law of Mongolia on Utilization of Water Supply and Sewage in Urban Areas and Settlements, existing practice for construction of sewer main collector pipes and the Mongolian Standard and Rules for Water Supply, External Networks and Structures, BNBD 40-02-06 and its comparable use for Standard and Rules for Sewage, External Networks and Structures, BNBD 40-01-06. Thus the associated trench width was reduced to total of 6m in some areas and the impact was reduced to 51 land parcels and associated properties. However, after checking and comparing the cadastral information with on the ground situation, the actual number of impacted land parcels and properties increased to 77. Attachment 1 Bayankhoshuu sub-center sewer main collector pipes LAR drawing provides the details of affected land parcels.

6. There are total of 95 households and business entities in the 77 land parcels affected by the project. Out of these, 84 (88.4%) are households and remaining 11 (11.6%) are business entities. Inventory and valuation of all land and properties were carried out. Socioeconomic survey of 64 households or 76.2% of all households was conducted. The remaining 20 households were not living on the land parcel (empty vacant land parcels or land parcels with a dwelling, but nobody living there or absent). There are 277 people in these 64 households. Out of 277 APs, 138 (49.9%) are male and 139 (50.1%) are women. The mean age is 25.8. Table 2. Affected households, business entities and persons provide the details of APs. There are 29 vulnerable households, 144 members, and 6 of these households are women headed. Table 4 provides the details of the affected vulnerable households. There are 19 APs that have different types of businesses and livelihood activities on the affected land parcels. Of these 5 are business companies and 2 are public service entities that belong to Songinokhairkhan district. The remaining 12 APs are individuals. Table 3 provides the details on the APs with affected businesses and livelihood activities.

7. There are 74 (the land area of 3 of total of 77 land parcels that are in the ROW of the project area are not affected, but the fences of these 3 land parcels are to be taken down and re-built) land parcels in the ROW of Bayankhoshuu sub-project. Total land area of these land parcels is 126,836 m². 56 land parcels have land rights and 18 do not have land rights, i.e. no official permission. 103,394 m² has official land permission, i.e. land rights, and 23,442 m² does not have official land rights. Out of total land area, 11,280 m² land with official rights and 6,328 m² land without official rights will be affected, respectively, total land area being affected is 17,608 m². 9 land parcels will be acquired fully and the other 65 land parcels are affected partially. There are 3 types of land use, 50 land parcels are for residential, 11 are for business, 7 are mixed residential and business use. Also, there are 6 vacant land without any use. The proportion of land loss relative to total land area for all land parcels is 14%. Table 5 provides the details of the affected land.

8. There are 16 types affected structures such as brick houses, fences, entrances, iron gates, container, greenhouse, trees, gers etc. 9 brick houses and shops will be affected entirely and permanently. Table 8 provides the details on the type of affected structures and the quantity of the loss, number of total affected structures and the quantity of the loss, number of total affected objects/structures and the APs who are losing them.

9. 9 AHs need to be relocated. Total number of persons to be relocated is 21. Of the 9 AHs that need to be relocated, 3 have vacant land, which are not used yet. 5 of the 9 AHs to be relocated, do not have land rights, i.e. official permission. Table 9: Affected households that need to be relocated provides the details.

10. Out of the 19 AHs and business entities who have businesses and livelihood activities in the project area, 9 business and livelihood activities will be affected. Table 10

provides the details on the businesses that are run in the project ROW. The businesses and livelihood activities include small, household businesses such as greenhouse, vegetable fields or big companies such as bakery, flour factory. For the APs compensation equivalent to average daily net income will be provided for the ten days of disruption anticipated. Also, for the employees, 10 days salary of the employees will be provided. For the APs with businesses who are not directly affected, the construction contractor will arrange access to and from the workplaces. For 2 APs whose livelihood activities affected, compensation equal to 1 year earnings from the livelihood activities will be provided.

11. In total there will be 77 entities, households/individuals and businesses that will be directly affected by the project and lose land, structures and livelihoods. Attachment 4 provides the list of Affected Persons and their details, including APs ID, name, land parcel, land tenure type and addresses.

12. **Indigenous People and Gender Impact:** Indigenous peoples, i.e. tribal communities existing outside the cultural and legal mainstream of Mongolian society, are not present in the Bayankhoshuu subproject site. Therefore, the ADB Policy on Indigenous Peoples will not be triggered by this subproject. Adverse differential gender impact by the Bayankhoshuu subproject on either men or women is not expected.

13. **Legal and Policy Framework:** Land acquisition and resettlement by the state organizations for projects in urban areas is based on negotiation and contracts with APs according to the Civil Code of Mongolia. The ADB Involuntary Resettlement (IR) policy recognizes negotiated LAR as long as there are willing and free buyers and sellers and eligibility and entitlements are clearly defined and agreed. All APs are eligible for entitlements, as stipulated in the RF for the USGDIP, including owners, possessors, users, legalizable occupants, non-titled occupants and lessees. The eviction of unlicensed APs is a violation of the ADB IR policy. All APs who are unlicensed occupants of land in ger areas designated for land allocation are treated as legalizable under the RF for USGDIP. The eligibility and entitlements for specific types of losses in the Bayankhoshuu subproject are summarized in the Entitlement Matrix in Table 20 of this LARP.

14. **Institutional Arrangements:** Land Acquisition and Resettlement Committee (LARC) for the Bayankhoshuu and Selbe subcenter sewer main collector pipes subproject was established on 6 Mar 2015 by the Resolution No. A/175 of the Mayor of MUB. With this resolution a Working Group (WG) for the Implementation of the LARP was established as well. See Attachment 5 for the resolution, the composition of the LARC and WG, and full list of the members of these two setups. The LARC is responsible for the overall management and supervision of the LAR activities for both Selbe and Bayankhoshuu subprojects. The implementation of the LARP will be the responsibility of the Working Group (WG) under the guidance of LARC and with close coordination and support of the PMO.

15. **Information Disclosure, Consultation and Participation:** Information, consultation and participation of APs are ensured through individual and public meetings throughout the LARP preparation and implementation process. Two public meetings to prepare the APs for LAR, introduce ADB SPS policy and principles and USGDIP, and discuss the concerns of the APs were held on 24 March 2015. Individual consultations with the APs were ongoing since the first public meeting.

16. **Grievance Redress Mechanism:** A Grievance Redress Mechanism (GRM) is established to facilitate effective and timely settlement of any issues and problems. The PMO is the key organization in the grievance redress process. APs should lodge their grievances using the GAF and submit it to PMO directly or via MUB's grievance redress procedures, by visiting MUB's office or submitting the grievance by means such as sms, smart UB application, phone and website. A four-step grievance mechanism with a

clearly defined timeline of six weeks has been established and disclosed, and a Grievance Action Form initiating and tracking the grievance process for each complaint has been prepared (Attachment 7).

17. Compensation and Rehabilitation Strategy: Losses of land, structures and livelihood, as well as transaction and relocation costs for each AP are covered. Rehabilitation strategy regarding households that may be vulnerable is also covered. All affected land and structures will be compensated at replacement cost based on market value for comparable assets. Land will be compensated for at an average rate of MNT 13,200 (USD 6.70) per m² and MNT 80,000 per m² (USD 40.61). In the former case, the market value in the areas where the APs B01 to B41 reside is about MNT 10,600 per m², which is lower than the fixed rate (MNT 13,200) of land by the government and therefore the fixed rate, which is higher than the market rate, is used. The market rates for land parcels B41 to B77 is from MNT 65,000 to MNT 80,000. This is the price which is being negotiated and set between the ger area redevelopment company and ger area residents giving up their land for the redevelopment. Table 24: Compensation strategy for affected land provides the details of compensation for each affected land. For structures detailed account of the losses, units, quantities, unit values, number of affected structures and APs are presented in Table 25: Types of losses and their quantities. Affected livelihoods, business and employment loss will be compensated for through short term financial compensation equivalent to the net profit after tax for the 10 day period of interruption of business and employment. For two APs, B45 and B53, the business is greenhouse and vegetables for family household livelihood use, for them, the livelihood income earnings equivalent to one year will be provided. The compensations were calculated based on the information provided by the APS and this needs to be checked and finalized against tax payments or other comparable documents. Table 26: Compensation strategy for affected business/livelihood and employment provides the details. All transaction costs will be covered by the subproject. This includes any fees for notary services, the preparation of cadastral maps, issuance of cadastral maps, issuance of land possession certificates, issuance of land title certificate. The notary fees will be paid as per the Resolution No. 123 of the Minister for Justice and Internal Affairs from 2011. Appendix 8: Notary services and fees related to contracts provides the types of contracts and the fees to be paid for each type of contract. The costs for preparation of cadastral maps, issuance of cadastral maps, issuance of land possession certificates, issuance of land title certificate are based on the information obtained from Property Relations Department of UB city (PRD) and General Authority for State Registration (GASR). The PMO with the support of the PRD and GASR will facilitate the obtaining of land and title certificates. In order to improve the livelihoods of the vulnerable AHs, PMO will discuss their needs and problems in cooperation with the officials of Songinokhairkhan District and AHs and provide livelihood improvement measures such as employment, labor skills and training in cooperation with the Labor/employment intermediation department of the district or assistances such as inclusion in projects to support household livelihood implemented at the district, free kindergarten services or food card etc. These are to be provided within the existing state social welfare benefits, assistances and activities and funding.

18. Budget, Finances and Disbursement: The total budget is MNT 1,013,991,141 (USD 513,829), of which MNT 959,475,488 (USD 486,203) will be funded by the Municipality of Ulaanbaatar (MUB) and MNT 54,515,653 (USD 27,625) for external monitoring will be funded by ADB. This budget is preliminary, as there might be changes in the budget due to possible adjustments in unit rates of structures and to include the costs for livelihood loss, which was not provided by some of the APs. Also, there might be some APs who do not have formal legal rights, but have a claim to such land or assets, which will be identified at later stage and therefore would need be compensated for the land loss. This will increase the budget. These cases, if any, should be reflected in the final LARP. Also, the budget is preliminary as the compensation amounts may be

adjusted based on the negotiations with the APs. The compensation payment is budgeted by MUB and granted to PMO. PMO will provide the compensation payments to Songinokhairkhan District Governor's Office for disbursement to APs, once the contracts are concluded. Table 29: Budget for LAR for Bayankhoshuu subproject presents the budget for this subproject.

19. Implementation Schedule: It is planned that the actual land acquisition and resettlement processes will be implemented from June to September 2015.

20. Monitoring and Evaluation: Monitoring of compliance with the LARP during implementation will be carried out by the PMO, as well as by an External Monitoring Agency (EMA). The PMO will conduct internal monitoring and supervision of LARP implementation and submit monthly reports to the MUB and LARC. The PMO will also include the results of internal monitoring in its quarterly reports to the ADB. The objectives of internal monitoring will be to ensure: (i) proper execution of the responsibilities of key stakeholders; (ii) protection of the rights of APs under Mongolian laws, the ADB Safeguard Requirements, RF and this LARP; (iii) adequate and prompt payment of compensation; and (iv) timely grievance redress. External monitoring and evaluation will be conducted to provide independent concurrent and ex-post evaluation of the subproject's LAR activities. External monitoring will (i) assess the effectiveness, impact and sustainability of resettlement measures, (ii) determine whether safeguard compliance has been met, and (iii) learn strategic lessons for future policy formulation and planning. The LARC will be responsible for engaging an EMA with ADB financing.

I. INTRODUCTION

21. This Land Acquisition and Resettlement Plan (LARP) for the Bayankhoshuu sub-center sewer main collector pipes under the Ulaanbaatar Urban Services and Ger Areas Development Investment Program (USGDIP) is prepared in accordance with applicable laws of Mongolia, Asian Development Bank's (ADB) Safeguard Policy Statement (SPS), 2009, and the Resettlement Framework (RF), July 2013, for the USGDIP.

22. This is a new LARP specifically formulated for the Bayankhoshuu sub-center sewer main collector pipes of USGDIP. No preliminary LAR impacts and socioeconomic study was conducted for the Bayankhoshuu sub-center sewer main collector pipes subproject and no draft LARP was prepared for this component previously within USGDIP. The previous draft LARPs of USGDIP from 2013 dealt with LAR issues of infrastructure and public facilities within the Selbe and Bayankhoshuu sub-centers and did not include the LAR issues related to the sewer main collector pipes for the Selbe and Bayankhoshuu sub-centers.

23. This LARP is agreed upon between the Municipality of Ulaanbaatar (MUB) and ADB. It provides (i) an assessment of the scope of land acquisition and resettlement (LAR), (ii) an analysis of the socio-economic situation and profile of Affected Persons (APs), (iii) updated legal framework¹, (iv) LARP objectives, policy framework and entitlements, (v) a description of institutional arrangements, (vi) the procedures for information disclosure, consultation and participation, (vii) the grievance redress mechanism, (viii) compensation policy and rehabilitation strategy, (ix) LAR budget, finances and disbursement, (xi) LARP implementation schedule, and (xii) an internal and external monitoring and reporting procedure.

A. Project Description

24. Ulaanbaatar (UB) ger areas are characterized by unplanned settlement with unserved plots, inadequate and mostly unpaved road networks, and a severe lack of social and economic facilities and basic infrastructure and services for water, sewage, and heating. Poor sanitation and poor waste collection has created highly unsanitary living conditions. Air pollution is among the most severe in the world, particularly during winter because of inadequate household heating systems and unpaved roads. The ger area population is estimated at 800,000, representing 60% of Ulaanbaatar or 30% of the country population. Despite their size, ger areas have until recently been considered temporary settlements. TA 7591-MON and PPTA 7970-MON significantly contributed to the official integration of ger areas in the 2013 city master plan by providing the vision and infrastructure programming strategy. This provided the necessary provision to plan the redevelopment of a formal peri-urban area.

25. The Government of Mongolia and ADB signed loan agreement to implement USGDIP through multitranche financing facility (MFF) program. The MFF program will support the Ulaanbaatar city master plan in upgrading priority service and economic hubs (sub-centers) in ger areas. The program will be implemented by Program Management Office (PMO) and the implementation time will be up to 9 years and will comprise three tranches. The program is geographically targeted with multi-sector interventions. It proposes an integrated solution to respond to the urgent demand for basic urban services and establish a network of well-developed urban sub-centers providing economic opportunities, housing, and urban services as catalysts for growth in the ger areas. The Program aims to improve the quality and

¹ In this LARP, the Legal Framework of Mongolia for Land Acquisition and Resettlement and the Assessment of Policy Gaps provided in the Chapter II. Objectives, Policy Framework, and Entitlements of the draft RF, July 2013, for USGDIP, was updated with some additional information and analysis.

coverage of urban infrastructure and basic services, and to implement a sustainable and inclusive process of urban development in Ulaanbaatar's Middle Ger Areas². It is expected to directly benefit 400,000 people living in these areas and to indirectly benefit the entire population of Ulaanbaatar. Combining spatial and sector approaches, it will support the socio-economic development of existing urban sub-centers and urban corridors.

26. The impact of the program is improved living conditions in Ulaanbaatar. Its outcome is a network of livable, competitive, and inclusive sub-centers in Ulaanbaatar's ger areas providing economic opportunities and urban services, leading to a healthier urban environment. The program has four strategic objectives: (i) roads and urban services are expanded within the targeted sub-centers and connectivity between sub-centers is improved; (ii) economic and public services in sub-centers are improved; (iii) service providers become more efficient; and (iv) institutions and capacity for urban development, program management, and service delivery are strengthened.

27. The first tranche of the MFF supports the city master plan in developing the Selbe and Bayankhoshuu sub-centers. The main proposed components to be financed are (i) construction of sewer main collector pipes in Bayankhoshuu and Selbe; (ii) within the sub-centers, 15 km of priority roads, 18.6 km of water supply, 20 km of sewerage, 21 km of district heating network pipes, and 5 heating facilities; (iii) social and economic facilities, including two kindergartens, green areas and small squares, and two business incubators associated with two vocational training centers; (iv) multi-interventions in the Ulaanbaatar Water Supply and Sewerage Authority to improve its operations and service delivery efficiency; and (v) institutional strengthening and capacity development to prepare detailed design and construction supervision, support community participation and small and medium enterprise development, improve urban planning and sub-center development, strengthen the capacity of the PMO, and support service providers' reforms.

28. Within the first component, two sewer main collector pipes are required for the Bayankhoshuu and Selbe sub-centers to connect the gravity sewer systems planned for each to the existing city sewage collection systems. The two sewage main collector pipes are being designed and construction is being procured together, however they will be implemented in geographically separate areas of the city. Their design and construction is also reasonably independent of the internal sewerage systems planned for the two sub-centers.

29. This sub-project Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers, under the USGDIP, concerns with the component (i) construction of sewer main collector pipes of 6.3 km in Bayankhoshuu sub-center, and construction of sewer main collector pipes of 2.3 km in Selbe sub-center. This LARP deals particularly with the 6.3 km sewer main collector pipes for Bayankhoshuu sub-center, see figure 1. Location map of Bayankhoshuu Sub-center sewer main collector pipes.

² There are three types of ger areas: (i) Central Ger Areas which are located around the city's built core and where the potential for access to water, roads, and solid waste collection is highest. These Areas are characterized by modern style buildings, which are replacing the traditional gers, and developing microenterprises as household incomes and savings increase; (ii) Middle Ger Areas which are located around the Central Ger Areas and whose inhabitants depend on water from tankers and use pit latrines. These Areas have intricate streets that are difficult to access and are prone to flooding because of the lack of drainage—with conditions worsening during the winter months; and (iii) Peri-Urban Ger Areas, which surround the Middle Ger Areas and are expanding at an accelerating pace. They have the least access to basic infrastructure and services. Inhabitants of these areas mainly rely on tanked water supply, simple pit latrines and their structures are built on or along hazardous sites near high-tension lines, natural drainage channels, or steep slopes.

Bayankhoshuu sub-center Sewer Main Collector Pipes Subproject

30. The project site is located on the territory of Songinokhairkhan district. The district is located in the northwestern part of Ulaanbaatar and has an area of 120.6 thousand hectare land, of which 3.6% is built up areas and urban infrastructure, 77.0% agricultural land, 19.4% is forest areas. It has about 65.4 thousand households and more than 280,000 people. Administratively Songinokhairkhan is divided into 32 khoroos. About 21% of the population of UB city population lives in this district and approximately 25.5% of UB city's area belongs to it. The sewer main collector pipes will be constructed on the 4th, 5th, 7th, 26th and 27th khoroos of Songinokhairkhan district. The northern part of the pipes will be constructed through ger areas and the southern part through built up urban areas.

31. The initial Feasibility Study determined that Bayankhoshuu would require approximately 3.5 km of DN300 (300 millimeter nominal diameter) collector that would run from the subcenter to an existing DN250 collector main in the "Khanyin Material" area. Subsequent review of the project by the Municipality of Ulaanbaatar (MUB) has extended the termination point of the Bayankhoshuu subcenter sewer collector pipes to the DN1200 sewage collector at Tavan Shar, a distance of approximately 6.3 km. The planning criteria developed in the Feasibility Study identified a service population of 20,000 persons within the planned Bayankhoshuu Subcenter and an additional 40,000 persons in adjoining areas. The extended route of the collector will make piped sewer service available to an additional 20,000 people.

32. The final routing of the Bayankhoshuu subcenter sewer collector pipes was selected from five alternatives that were developed during the inception stage of the design. The selected route begins at the southwest of the subcenter and extends west for approximately one kilometer and then south generally following the Tolgoit River to the connection point on an existing trunk main that conveys sewage to the Ulaanbaatar Central Wastewater Treatment Plant.

33. The pipe material is Ductile Iron of 450mm, 500mm, and 600mm nominal diameter (DN4450, DN500 and DN600) with cement lining that provides corrosion protection, and the pipe is buried at a minimum depth of 2.8 meters wherever possible to avoid winter freezing conditions. Approximately 2.2 km of the collector route has seasonally high groundwater, and the pipe in this area will be insulated so that it can be installed at shallower depths. Concrete manholes will be installed at approximately 50meter intervals to allow connections and maintenance access, and at angle points. Some of the areas of the Bayankhoshuu route that are subject to surface water from summer rains will be graded to maintain existing drainage patterns but to divert water from the pipe and manholes.

34. The Ductile Iron sewer pipe is furnished in six-meter long sections that connect with "spigot and socket" joints. Excavators will be used to dig the trenches to the required depth and select material will be placed in the bottom of the trench that will provide an even surface and uniform support for the pipe. The backfill material around the pipe will be compacted and select material will be used in areas where roads or other utilities are affected by the pipe installation.

35. This project will introduce the use of trench shields in Mongolia, which will allow narrower excavation width in areas where there are adjacent buildings or roads. The trench shields and six-meter pipe sections will allow the construction to be done in a way that minimizes the length of open excavations and time of the associated disruption. The construction contractors are required to maintain access to affected residents and businesses during construction and to restore all roads and sidewalks to equal or better condition.

II. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

36. Only some part of the sewer main collector pipes' civil work will involve LAR. The remaining part of the pipes will be built on public land such as pedestrian and auto roads. The right of way (ROW) of the 6.3km new sewer main collector pipes has a total width between 6m to 12m. In order to minimize LAR impact, the standard total ROW width of 12m was reduced to 6m along several segments of the pipeline. This was done based on the following:

- Although the Law of Mongolia on Utilization of Water Supply and Sewage in Urban Areas and Settlements³ prohibits **constructing** buildings, facilities and piped network in area at least 6m, on both sides, from the axis of sewer main collector pipes, it does not regulate issues related to building a new sewer main collector pipes in urban areas, where there **exist** buildings, facilities and piped network.
- In practice, in urban and settlement areas with existing building, facilities and piped network, when there is new sewer main collector pipes are built, the ROW width of 12m is not enforced and it is impossible and not feasible to implement it, as it will involve large-scale land takings and demolition of existing buildings.
- Construction of sewer main collector pipes is comparable with the construction of water supply pipes. In the article 10.20 of the Mongolian Standard and Rules for Water Supply, External Networks and Structures, BNBD 40-02-06, it is specified that for water supply pipes up to 1m diameter the sanitation protection zone is 10m in dry soil in unimproved land. Then it specifies that this protection zone can be reduced for pipes installed in the improved land. There exist Mongolian Standard and Rules for Sewage, External Networks and Structures, BNBD 40-01-06, similar to BNBD 40-02-06, but it does not specify that if the protection zone can be reduced for pipes installed in the improved land. However, in practice the provisions of the BNBD 40-02-06 for water supply pipes are used by construction practitioners, when building sewer main collector pipes.

37. The draft technical design for the Bayankhoshuu sub-center, based on a standard 12m width ROW, implied that total of 113 land parcels and properties were to be affected by LAR. On the ground it was 87 land parcels, but when checking the cadastral records, it was 113 land parcels, as there were some parcels not demarcated on the ground, but recorded and registered in the cadastral registration. To avoid and minimize the LAR impact, the alignment of the sewer pipes was modified to acceptable extent considering the engineering and technical solution. The associated trench width was reduced to total of 6m in some areas. Thus the impact was reduced to 51 land parcels and properties. However, after checking and comparing the cadastral information with on the ground situation, the actual number of impacted land parcels and properties was 77, See Attachment 1 Bayankhoshuu sub-center sewer main collector pipes LAR drawing. This was due to the fact that some of the big plots on the ground were in fact several separate land parcels on the cadastral records. Also, empty vacant land areas, without any structures and surrounding fences on it, had official land certificates as per cadastral information provided by the Property Relations Department (PRD). Out of these 77 land parcels and properties, 69 belong to individuals and 8 to companies and organizations. There are 16 different types of structures such as residential houses, wooden sheds, garages, wooden and block fences and iron gates, concrete area, greenhouses, fruit trees, etc. and about 232 impacted objects. Of the total 232 objects

³ Article 17.14. of the Law of Mongolia on Utilization of Water Supply and Sewage in Urban Areas and Settlements, Oct 2011, states that "Constructing buildings, facilities and piped network is prohibited in area at least 6m, on both sides, from the axis of sewage main collector pipe."

affected, 9 houses/buildings will be acquired fully and permanently. The overall LAR impact on the affected persons, land parcels and structures can be seen from the Table 1 below.

Table 1: Overall LAR Impact

Affected Households, Businesses/organizations	Total	95
	Households	84
	<i>of which to be relocated - 9</i>	
	Businesses/organizations	11
Affected Land Parcels	Total	74
	Full	9
	Partial	65
Affected Structures	Total	232
	Fully affected residential/business buildings	9

38. The following assessment of the scope of LAR impact is based on the census and socioeconomic study of the APs, done by a team of researchers-enumerators, detailed measurement surveying and mapping provided by the design engineers, members of the consultant team that formulated the technical design of the Bayankhoshuu sub-center sewer main collector pipes, and cadastral mapping and registration from the Land Acquisition Division (LAD) of the PRD and land and property measurement and valuations carried out by professional certified property appraiser with special permission (property appraiser).

39. The notification of LAR, see Attachment 2, was given to each APs individually, together with the public notification of cut-off date for eligibility for compensation entitlements (cut-off date), see Attachment 3, during March 13 – 14, 2015. The Public notification of cut-off date was posted at all khoroo offices, where the Bayankhoshuu sub-project will be implemented. The cut-off date is March 23, 2015. These notifications were specially designed for this sub-project and were delivered to the APs by the officials of LAD. The cut-off date is declared to be as 23 March 2015.

40. Temporary use of non affected land and temporary restriction of access to non affected properties and public facilities, due to construction works, might be required, as the available public space will not be sufficient for construction works such as operation and parking of machinery, and storage of construction and backfill materials etc. If such disturbance happens, it will be on the basis of mutual agreement. In any case, the neighboring land and properties shall not suffer. It can be done, for instance, by arranging pedestrian and, if necessary, vehicle access temporary bridge or similar structures. The construction contractor is responsible for taking all necessary measures to avoid such temporary and any other public disturbances.

A. Affected Persons

41. There are total of 95 households and commercial entities in the ROW of project area. Out of these, 84 (88.4%) are households and remaining 11 (11.6%) are business entities. Census of all 95 households commercial entities was conducted. These 84 households live on 65 land parcels. Socioeconomic survey of 64 households or 76.2% of all households was conducted. The enumerators visited the households 3 times and could not reach 20 of them.

3 households (3.6%) were temporarily absent. In 11 (13.1%) cases the plots, surrounded by fences, were vacant, had no households living there and no properties on it and no business activities, in 1 (1.2%) case, the plot is empty, but is surrounded by fences and has a well and a base of a house and no business activity. There are 5 cases, 6%, where the household was not living on the plot or did not live on it during the winter, but has properties on it. The inventory and valuation of all land and properties were conducted and estimations of appropriate compensation were carried out. The owners/possessors of the vacant lands were later contacted by obtaining their contact information from the Songinokhairkhan District Property and Land Relations Office (DPLRO) or from the Songinokhairkhan District Civil Registration Office. There are 277 people in these 64 households. Out of these, 238 are registered residents and 39 are not registered. 223 of the registered resident were residing at their address, whereas 15 of them were temporarily absent during the socio-economic survey. Table 2. Affected households, businesses and persons provide the detailed breakdown of the different categories of APs.

Table 2: Affected Households, Businesses and Persons

	Categories of APs	Q'ty	%
1	Total affected households and business entities: Of which Households Busenesses	95 84 11	100.0 88.4 11.6
2	Total affected people Of which: Male Female	277 138 139	100.0 49.8 50.1
3	Mean age Median age	25.8 25	
4	Age categories: 0-15 16-59 60+ (60 and over)	90 174 13	32 63 5
5	Ethnicity: Khalkh Durvud Zakhchin Uuld	248 2 13 14	89.5 0.7 4.7 5.1
6	No. of household members: 1-3 4 5-6 7-8	53 72 92 60	19.1 26 33.2 21.7
7	Disabled person	4	100.0
8	Poor household	29	47
9	Unemployed people (for last month)	21	7.6
10	Women headed household	9	14
11	Elderly headed household	7	9
12	No. of persons over 3 years of age, their education: non elementary secondary high school	249 45 17 31 98	100.0 18.1 6.8 12.4 39.4

	Categories of APs	Q'ty	%
	vocational university	15 43	6 17.3
13	Vulnerable households, of which: Women headed households No. of vulnerable households' members	29 6 144	34.52 7.14 52
14	APs with land rights, of which: Individuals Business entities Women (of individual land rights holders)	59 51 8 24	79.7 86 14 47
15	No. of AHs to be relocated: No. of persons to be relocated	9 21	9.47 7.58

42. Out of 277 APs, 138 (49.9%) are male and 139 (50.1%) are women. It shows that the gender ratio is equal. 19.1% of the families have 1-3 members, 26% has 4 members, 33.2% has 5-6 members, and 21.7% has 7-8 members. This means that more than 50% of all households has more than 5 members. As for the age category, 32% are children between 0-15 years, 63 % are aged between 16-59 years, and 5% has 60 or more than years. The mean age is 25.8 and median age is 25. 50% of the 277 APs are young people up to 25 years and the other half is people older than 25 years. In terms of ethnicity, about 90% is Khalkh, and the remaining population is of Durvud, Zakhchin and Uuld ethnicities.

43. 56.3% of the people, 107 persons, who are older than 16 years are not working. About 70% is not working because of i) study, ii) retirement and iii) looking after elderly or small children. In the meantime, about 7.6%, or 21 persons, are unemployed because they cannot find a job. Thus, the realistic number of unemployed persons is 21 as they cannot find jobs.

44. There are 4 disabled persons, 29 poor households, 21 unemployed people, 9 women headed households and 7 elderly headed households. There are 29 vulnerable households, of which 6 are women headed households. Total number of members of the vulnerable households is 144, which is more than half of the total affected persons.

45. 59 APs has land rights, 51 individuals and 8 business entities. Of the 51 individuals 24 or about the half of the land right holders are women. 9 APs, of which 3 have vacant land and 1 has a container, needs to be relocated. Total number of persons to be relocated are 21 persons.

46. In the ROW of the Bayankhoshuu subproject, there are 19 APs that have different types of businesses and livelihood activities. Total number of employees is 545. Although the number of employees is quite numerous, their employment will not be affected by the project, as their employment places have alternative entrances or will be provided with access to and from their work places by the construction contractors. Of the 19 businesses 5 are business companies and 2 are public service entities that belong to Songinokhairkhan district. The remaining 12 are individuals. 16 of these businesses are run on their own land, either with ownership or with possession right. 3 businesses are operated on land without any permission. One of these 3 are a temporary container for sales of vegetables within government program. 2 are individuals without land permission. Table 3 provides the details on the businesses that are run in the project ROW. It provides information on the land tenure type, type of business and livelihood activity and number of employees. Table 3 provides the list of affected persons with businesses and livelihood activities, types of their businesses and livelihood activities and number of employees.

Table 3. Affected persons with businesses and livelihood activities

No.	APs	Land tenure type	Type of business/livelihood activity	No. of employees
1	B01	without permission	sales point of vegetables within government program	
2	B12	Possession	greenhouse	
3	B13	Possession	greenhouse	
4	B15	Possession	vegetable plantation and sales	2
5	B28	without permission	grocery store and vegetable/greenhouse	
6	B30	Possession	grocery store	
7	B42	Ownership	car repair service	
8	B45	Ownership	greenhouse, vegetable	
9	B48	Ownership	wood, wooden products sales, carpentry workshop	5
10	B51	Possession	sales and production - bakery	50
11	B52	Possession	meat and meat products	10
12	B53	without permission	greenhouse/vegetable, fruit trees	
13	B54	Ownership	storage place	
14	B55	Ownership	vacuum window factory	5
15	B58	Possession	egg production and sales	105
16	B59	Possession	solid waste transportation	86
17	B61	Possession	fuel station	7
18	B75	Possession	flour factory	150
19	B77	Possession	office and bottled water factory	125
Total				545

Vulnerable Affected Households

47. Total of 29 AHs are considered vulnerable households. All 29 households have per capita income lower than poverty line.⁴ 8 of these 29 households are either headed by women or elderly and has an disabled person in the household. Out of these 29 households 19 are losing land and properties and the other 10 are indirectly affected by the project, because they do not have land and other structures in the ROW, but live on the affected land parcel of their relatives or acquaintances. Table 6: Affected land of vulnerable households provides the details. For the 10 vulnerable AHs that are indirectly affected, no adverse impact of the project can be foreseen at this stage. However, the socioeconomic survey reveal that there are 21 unemployed people out of total 227 in the AHs and the number of members of the vulnerable AHs are 144, which is 52% of the total APs. Therefore, it will be necessary to design special measures to improve the livelihood of the vulnerable APs. Table 4 provides the details of the affected vulnerable households.

Table 4: Affected vulnerable households

No.	Per capita Income lower than poverty line	Women Head of Household	Elderly head of Household	Disabled member of the family	No. of household members
1	b5				6
2	b7				4

⁴ The poverty line for 2015 in Ulaanbaatar is MNT185,400 per capita. This was set by the Resolution No. A/9 of the Head of the National Statistical Office on 29 Jan 2015.

No.	Per capita Income lower than poverty line	Women Head of Household	Elderly head of Household	Disabled member of the family	No. of household members
3	b12			b12	8
4	b18-1				4
5	b24	b24			6
6	26-2				7
7	b27				5
8	b32				6
9	b34-1				4
10	b34-2				3
11	b37				8
12	b38				4
13	b39				2
14	b40	b40			6
15	b41	b41	b41		6
16	b43				6
17	b43-2				4
18	b47-1	b47-1	b47-1		2
19	b49				3
20	b50-2	b50-2			7
21	b54-2				4
22	b63				6
23	b64				6
24	b65				7
25	b65-3				1
26	b66				5
27	b67				4
28	b67-2		b67-2	b67-2	7
29	b68-3	b68-3			3
Total					144

Gender impacts

48. Adverse differential gender impact by the Bayankhoshuu subproject on either men or women is not expected. Nonetheless, to ensure a clear understanding and due consideration of the specific needs and problems of female APs and to safeguard their livelihoods, a number of gender provisions will be adopted by the LAR process: (i) women will receive compensation pertaining to their economic activities in their name; (ii) female heads of households will be registered as the recipients of compensation and rehabilitation measures due to their households; (iii) land titles for replacement land will be registered in the name of women, when land lost to the project was legally owned by women; (iv) women will be included in the participation process in all consultation meetings alongside male APs; (v) due consideration is to be given to complaints and grievances lodged by affected women; and (vi)

access for women to project related employment opportunities and targeted needs based special assistance will be guaranteed in case of loss of livelihood.

Indigenous Peoples

49. The project does not impact customary land use rights, the socio-economic status, the cultural and communal integrity, the health, education, livelihood and social security status of APs. There are no indigenous people among the APs as per ADB's SPS definition. There are Khalkh, Durvud, Zakhchin and Uuld sub-ethnic groups of Mongolians in the project area. These are Mongolians and live within cultural and legal mainstream of Mongolian people and are integrated into urban society. All affected people will share equally in project benefits without discrimination. Therefore, the ADB policy requirements on Indigenous Peoples will not be triggered by this subproject.

50. The details on the demography, employment, income, business activities, etc. are provided in the socio-economic profile of the APs in Section III.

B. Affected Land

51. There are 74 affected land parcels in the ROW of Bayankhoshuu sub-project. Total land area of these land parcels is 126,836m². 56 land parcels have land rights and 18 do not have land rights, i.e. no official permission. 103,394 m² has official land permission, i.e. land rights, and 23,442 m² does not have official land rights. Out of total land area, 11,280 m² land with official rights and 6,328 m² land without official rights will be affected, respectively. Thus total land area being affected is 17,608 m². 9 land parcels will be acquired fully and the other 65 land parcels are affected partially. Table 5 provides the details of the affected land parcels.

52. Of the 56 land parcels with permission, 28 have ownership and 28 have possession rights. Of the total 74 affected land parcels, with or without official land permission, there are 3 types of land use, 50 land parcels are for residential, 11 are for business, 7 are mixed residential and business use. Also, there are 6 vacant land without any use.

53. The proportion of land loss relative to total land area for all land parcels is 14% (17,608 m²). For most of land parcels, i.e. 25 or 36.4% of all land parcels, the loss is less than 10% of the total land. There are 11 AHs, or 14.86%, that lose less than 20% of their land, and 15 AHs, or 20.27%, that lose 20% to 30% of their total land area. 12 (16.22%) AHs lose land between 30 to 40% of their land and 2 (2.70%) AHs lose 40% to 50% of their land. There are 9 AHs or 12.16%, who lose more than 50% of their land, and consequently fully lose their land. The total area of 9 land parcels, which is being acquired fully is 5,364 m². Of the partially acquired land parcels, the least amount of land being acquired is 5 m², or 1% of the land parcel area, and the biggest amount of land acquired is 350 m² or 46.9%. See Table 6 for the details of proportion of land loss relative to total land occupied.

54. As for the vulnerable households, 19 AHs will lose land. 8 of them or 10.81% of all AHs losing land, will lose less than 10% of their land. 2, 3, 4 vulnerable AHs will lose land less than 20%, 30% and 40% of their land area, respectively. There is one vulnerable AP who loses more than 40%, but less than 50% of the land area. Also, there is one vulnerable AH that loses the land fully. Table 7: Affected land parcels' of vulnerable households provides the details of the land loss by vulnerable AHs.

Table 5: Affected Land Parcels

No.	AP ID	Land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact
		with permission	without permission	Total	with permission	without permission	Total		
1	B01		34	34		34	34	100.0%	full
2	B02	700		700	197		197	28.1%	partial
3	B03	450		450	242		242	53.8%	full
4	B04		599	599		368	368	61.4%	full
5	B05	489		489	283		283	57.9%	full
6	B06	513		513	378		378	73.7%	full
7	B07	576		576	41		41	7.1%	partial
8	B08		2828	2828		36	36	1.3%	partial
9	B09		746	746		350	350	46.9%	partial
10	B10	700		700	249		249	35.6%	partial
11	B11		1221	1221		48	48	3.9%	partial
12	B12	700	1220	1920	223	18	241	12.6%	partial
13	B13	700	1221	1921	261	176	437	23%	partial
14	B14	607	155	762		60	60	8%	partial
15	B15	2968	272	3240	680	71	751	23%	partial
16	B16		133	133		133	133	100%	full
17	B17		964	964		599	599	62%	full
18	B18	700	354	1054	82	142	224	21%	partial
19	B19	700	510	1210	247	29	276	23%	partial
20	B20	699		699	166		166	24%	partial
21	B21	700		700	112		112	16%	partial
22	B22	700		700	48		48	7%	partial
23	B23	520		520	22		22	4%	partial
24	B24	661	32	693	212	16	228	33%	partial
25	B25	350	163	513	86	64	150	29%	partial
26	B26	350	185	535		41	41	8%	partial
27	B27	672		672	34		34	5%	partial

No.	AP ID	Land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact
		with permission	without permission	Total	with permission	without permission	Total		
28	B28		2224	2224		418	418	19%	partial
29	B29	700	135	835	70	110	180	22%	partial
30	B30	619		619	234		234	38%	partial
31	B31		376	376		146	146	39%	partial
32	B32	700	300	1000	268	21	289	29%	partial
33	B33		873	873		10	10	1%	partial
34	B34		666	666		270	270	41%	partial
35	B35		942	942		256	256	27%	partial
36	B36		533	533		124	124	23%	partial
37	B37		852	852		198	198	23%	partial
38	B38		586	586		208	208	35%	partial
39	B39	699		699	5		5	1%	partial
40	B40		709	709		228	228	32%	partial
41	B41	574		574	5		5	1%	partial
42	B42	369		369	131		131	35.5%	partial
43	B43	361		361	106		106	29.4%	partial
44	B44	643	669	1312	122	26	148	11.3%	partial
45	B45	677	725	1402	78	48	126	9.0%	partial
46	B46	491	552	1043	82	61	143	13.7%	partial
47	B47	561	255	816	31	224	255	31.3%	partial
48	B48	501	255	756	42	224	266	35.2%	partial
49	B49	556		556	212		212	38.1%	partial
50	B50	500	156	656	54	94	148	22.6%	partial
51	B51	4010	204	4214	177	103	280	6.6%	partial
52	B52	2159		2159	22		22	1.0%	partial
53	B53		1172	1172		161	161	13.7%	partial
54	B54	700		700	225		225	32.1%	partial
55	B55	644		644	125		125	19.4%	partial
56	B56	700		700	149		149	21.3%	partial

No.	AP ID	Land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact
		with permission	without permission	Total	with permission	without permission	Total		
57	B57	548		548	211		211	38.5%	partial
58	B58	4493		4493		54	54	1.2%	partial
59	B59	3139		3139	521		521	16.6%	partial
60	B60	1184		1184	616		616	52.0%	full
61	B61	1000		1000	195		195	19.5%	partial
62	B62	700		700	133		133	19.0%	partial
63	B63	407		407	51		51	12.5%	partial
64	B64	700	218	918		46	46	5.0%	partial
65	B65	567		567	52		52	9.2%	partial
66	B66	567		567	53		53	9.3%	partial
67	B67	700		700	61		61	8.7%	partial
68	B68	622	217	839	47		47	5.6%	partial
69	B69	657	38	695	25		25	3.6%	partial
70	B70	646	38	684		22	22	3.2%	partial
71	B71	700	27	727		10	10	1.4%	partial
72	B75	49721		49721	3614		3614	7.3%	partial
73	B76	998		998		998	998	100.0%	full
74	B77	5426	83	5509		83	83	1.5%	partial
Total		103,394	23,442	126,836	11,280	6,328	17,608	14%	

Table 6: Proportion of land loss relative to total land occupied

Land loss, %	Total Land Parcels		Vulnerable households' land	
	#	%	#	%
>10	25	33.78%	8	10.81%
>20	11	14.86%	2	2.70%
>30	15	20.27%	3	4.05%
>40	12	16.22%	4	5.41%
>50	2	2.70%	1	1.35%
full	9	12.16%	1	1.35%
Total	74	100.00%	19	25.68%

Table 7: Affected land parcels' of vulnerable households

No.	APs	Land tenure type	Land use type	Land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact
				with permission	without permission	Total	with permission	without permission	Total		
1	B05	Possession	residential	489		489	283		283	57.9%	full
2	B07	Ownership	residential	576		576	41		41	7.1%	partial
3	B12	Possession	residential/business	700	1220	1920	223	18	241	12.6%	partial
4	B24	Possession	residential	661	32	693	212	16	228	33%	partial
5	B27	Possession	residential	672		672	34		34	5%	partial
6	B32	Possession	residential	700	300	1000	268	21	289	29%	partial
7	B34	without permission	residential		666	666		270	270	41%	partial
8	B37	without permission	residential		852	852		198	198	23%	partial

No.	APs	Land tenure type	Land use type	Land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact
				with permission	without permission	Total	with permission	without permission	Total		
9	B38	without permission	residential		586	586		208	208	35%	partial
10	B39	Ownership	residential	699		699	5		5	1%	partial
11	B40	without permission	residential		709	709		228	228	32%	partial
12	B41	Ownership	residential	574		574	5		5	1%	partial
13	B43	Ownership	residential	361		361	106		106	29.4%	partial
14	B49	Ownership	residential	556		556	212		212	38.1%	partial
15	B63	Ownership	residential	407		407	51		51	12.5%	partial
16	B64	Possession	residential	700	218	918		46	46	5.0%	partial
17	B65	Ownership	residential	567		567	52		52	9.2%	partial
18	B66	Ownership	residential	567		567	53		53	9.3%	partial
19	B67	Ownership	residential	700		700	61		61	8.7%	partial
Total				8,929	4,583	13,512	1,606	1,005	2,611	19%	

C. Affected Structures

55. There are 16 types affected structures such as brick houses, fences, entrances, iron gates, container, greenhouse, trees, gers etc. Total number of affected structures is 232. 9 brick houses and shops will be affected entirely and permanently. Table 8 provides the details on the type of affected structures and the quantity of the loss.

Table 8: Affected Structures

No.	Type of loss		Unit	Quantity	No. of affected objects	APs
1	Fence	Wooden	m3	80.13	52	B10, B14, B15, B16, B017, B018, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B54, B56, B57, B30, B31, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B05, B50, B51, B53, B62, B63, B64, B65, B66, B67, B68, B69, B07, B72, B75
		Concrete	pc	20.00	2	B51, B75
		Iron	kg	952.50	2	B58, B77
		Block	pc	4,054.00	6	B56, B30, B52, B59, B75, B77
		Wooden pole	pc	408.00	45	B10, B14, B15, B16, B17, B18, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B53, B62, B63, B64, B65, B66, B67, B07, B70, B74, B76
		Concrete pole	pc	16.00	2	B51, B75
		Iron pole	pc	6.00	1	B08
		Iron net type 1	m	47.00	2	B12, B13, B49
		Iron net type 2	m3	3.50	1	B32
2	Iron gate	Iron gate type 1	set	8.00	8	B02, B54, B45, B46, B65, B71, B75, B76
		Iron gate type 2	set	17.00	17	B17, B23, B24, B03, B55, B30, B34, B40, B44, B62, B63, B64, B66, B67, B68, B74
		Iron gate type 3	set	2.00	2	B36, B50
3	Structure's foundation	Brick structures	m3	8.20	2	B51, B55
		Concrete structures	m3	27.02	9	B17, B02, B30, B45, B46, B58, B59, B06, B75, B77
4	Wooden shed/small structure		m3	19.60	13	B17, B19, B24, B30, B47, B48, B56, B68
5	Brick buildings/houses main part		m2	419.73	9	B24, B54, B55, B57, B30, B36, B42, B43
	Brick building's entrance		m2	50.67	5	B54, B56, B57, B42, B43
6	Cemented area - construction/earth works		m3	50.00	1	B55
7	Cemented area		m3	122.90	5	B55, B45, B46, B61, B77, B52
8	Ger relocation		pc	5.00	4	B17, B24,B28, B44

No.	Type of loss	Unit	Quantity	No. of affected objects	APs
9	Wooden latrine	pc	20.00	19	B17, B02, B24, B25, B54, B56, B30, B34, B42, B44, B45, B46, B47, B48, B59, B62, B63, B64, B66, B67, B71
10	Waste water ditch	m3	48.00	2	B47, B48
11	Trees/bushes	pc	97.00	9	B54, B45, B46, B53
	Tree - black currant	pc	35.00	3	B45, B46, B53, B54
12	Relocation of iron materials	pc	3.00	3	B14, B27, B76
13	Curb	ш	69.00	2	B61, B77
14	Greenhouse	m3	40.00	1	B45, B46
15	Container	pc	2.00	2	B01, B04
16	Pedestrian road	m2	68.43	3	B61, B77
Total				232	

D. Affected Households that Need to be Relocated

56. 9 AHs need to be relocated. Total number of persons to be relocated is 21. Of the 9 APs that need to be relocated, 3 have vacant land, which are not used yet. 5 of the 9 APs to be relocated, do not have land rights, i.e. official permission. The list of APs, the land tenure and use and number of total persons that needs to be relocated are provided in the Table 9: Affected households that need to be relocated.

Table 9: Affected households that need to be relocated

No.	AHs	Land tenure type	Land use type	No. of persons in the household
1	B01	without permission	business	0
2	B03	Possession	residential	0
3	B04	without permission	residential	3
4	B05	Possession	residential	6
5	B06	Ownership	vacant land	4
6	B16	without permission	residential	3
7	B17	without permission	residential	5
8	B60	Possession	residential	0
9	B76	without permission	vacant land	0
Total				21

E. Affected Livelihoods

57. There are 19 AHs and affected business entities that have different types of businesses and livelihood activities on the affected land parcels. Total number of employees is 545. Of these 5 are business companies and 2 are public service entities that belong to Songinokhairkhan district. The remaining 12 are AHs. 16 of these businesses and livelihood activities are run on their own land, either with ownership or with possession right. 3

businesses are operated on land without any permission. One of these 3 are a temporary container for sales of vegetables within government program. 2 are individuals without land permission. Table 10 provides the details on the businesses that are run in the project ROW. It provides information on the land tenure type, type of business livelihood activity, number of employees and comments related to the impacts.

58. Not all of the businesses and livelihood activities of the 19 AHs and business entities will be affected. The main reasons for fewer impacts (i.e., less business or livelihood loss) include such cases that although the land parcel is affected by ROW of the project, the land/structures used for the businesses/livelihood activities are not affected by ROW, or there are cases that temporary access to and from the businesses can be arranged during the short duration of civil works. Thus, the total AHs and business entities whose businesses/livelihood activities to be affected are to be reduced to 9 AHs and business entities. For those AHs and business entities whose businesses and livelihood activities are impacted, compensation equivalent to average daily net income will be provided for the ten days of disruption anticipated. Also, for the employees, 10 days salary of the employees will be provided. The use of trench shields and six-meter long sections of pipes will allow minimize the duration of civil works in an area to 10 days. If the construction works will continue for more than 10 days, any additional days of interruption will be compensated to APs based on the number of days and daily net income and salaries. For the AHs and business entities with businesses who are not directly affected, access to and from the workplaces will be arranged by the construction contractor.

Table 10: APs and type of their businesses/livelihood activities to be affected

No.	APs	Land tenure type	Type of business/livelihood activity	No. of employees	Comment
1	B01	without permission	sales point of vegetables within government program		not operational currently, to be relocated to another location, no interruption of the business
2	B12	Possession	greenhouse		greenhouse is located far away from the ROW and therefore not impact on the business
3	B13	Possession	greenhouse		greenhouse is located far away from the ROW and therefore no impact on the business
4	B15	Possession	vegetable plantation and sales	2	the field looks unused for quite some time, check with neighbors and local administration, if used as stated
5	B28	without permission	grocery store and vegetable/greenhouse		the vegetable/greenhouse is not affected, as are located far from the ROW, temporary disturbance on the operation of grocery store
6	B30	Possession	grocery store		currently not working
7	B42	Ownership	car repair service		the service is carried out outside on open space
8	B45	Ownership	greenhouse, vegetable		used only for household use, no business
9	B48	Ownership	wood, wooden products sales, carpentry workshop	5	
10	B51	Possession	sales and production - bakery	50	
11	B52	Possession	meat and meat products	10	
12	B53	without permission	greenhouse/vegetable, fruit trees		used only for household use, no business
13	B54	Ownership	storage		

No.	APs	Land	Type of	No. of	Comment
14	B55	Ownership	vacuum window factory	5	
15	B58	Possession	egg production and sales	105	the workplace can be accessed from two sides, and therefore no disruption of the business, no cash compensation
16	B59	Possession	solid waste transportation	86	this is car parking place, no cash compensation, provide access to and from the parking space, an entity under the district administration
17	B61	Possession	fuel station	7	this fuel station is on the crossroads and has access to two sides of the road, provide access to the business, no cash compensation for business
18	B75	Possession	flour factory	150	the ROW goes through the fence on the eastern part of this factory, does not impact the production/business, no cash compensation
19	B77	Possession	office and bottled water factory	125	provide access to the office and factory during the construction work, has two entrances, use them one by one so that the access is not disturbed
Total				545	

59. For APs B1, B58, B59, B61, B75 and B77, the impacts involve restricted access to and from businesses, but there are possibilities to arrange alternative access. Therefore, the civil works contractor shall plan and organize the construction work, so that the accesses to and from the workplaces are provided as not to disrupt their businesses.

60. For APs B12, B13, B28 their greenhouses and vegetable fields are located off the ROW and thus there will be no impact on the businesses. For AP B30, the business is not operated currently, thus the business will not be affected.

61. This LARP is formulated based on a socio-economic survey and census of all affected persons and inventory and valuation of all affected land parcels and structures. The details and comprehensiveness of this LARP is commensurate with the impacts on affected persons and affected land and properties. The full socio-economic profile information will be useful baseline data for external monitoring and evaluation. The socio-economic profile for this subproject is provided in detail in Section III below.

62. In total there will be 77 entities, households/individuals and businesses that will be directly affected by the project and lose land, structures and livelihoods. There are 9 AHs that are significantly affected, as they need to be either relocated or are losing housing and the number of persons to be relocated or losing housing is 21. Attachment 4 provides the list of Affected Persons and their details, including APs ID, name, land parcel, land tenure type and addresses.

III. SOCIO-ECONOMIC INFORMATION AND PROFILE

63. The socioeconomic survey was conducted during 28 Mar – Apr 2, 2015. The team of surveyors-enumerators made efforts to include all the AHs in this survey, by repeated visits to the AHs, but not more than 3 times. The census of the APs and inventory of properties on the affected land parcels were conducted together with this socioeconomic survey. The

respective khoroo administrations and kheseg heads have greatly supported the survey and census by assisting the surveyors-enumerators.

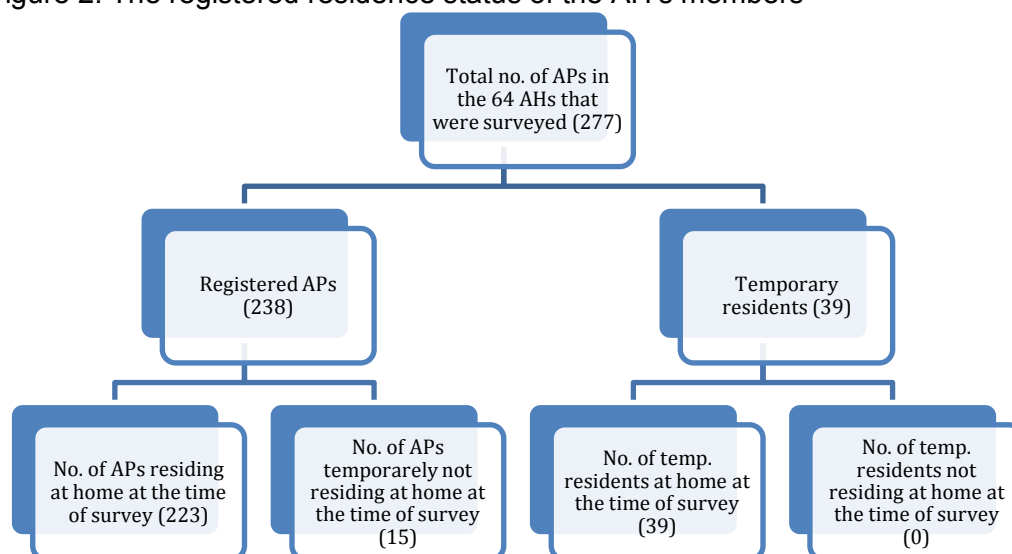
64. There are total of 95 households and commercial entities in the project area. Out of these, 84 (88.4%) are households and remaining 11 (11.6%) are business entities. These 84 households live on 65 land parcels. Socioeconomic survey of 64 households or 76.2% of all households was conducted. The enumerators visited the households 3 times and could not reach 20 of them. 3 households (3.6%) were temporarily absent. In 11 (13.1%) cases the plots, surrounded by fences, were vacant, had no households living there and no properties on it and no business activities, in 1 (1.2%) the plot is empty, but is surrounded by fences and has a well and a base of a house and no business activity. There are 5 cases, 6%, where the household was not living on the plot or did not live on it during the winter, but has properties on it. Table 11 shows the households that participate and did not participate in the survey and the reasons for not participating in the survey.

Table 11: The survey and its participants and non-participants

Households registered in the 65 land parcels		Q'ty	%
		84	100.0
of which:	Households the took part in the survey	64	76.2
	Temporarily absent	3	3.6
	plots, surrounded by fences, were vacant, had no households living there and no properties on it and no business activities	11	13.1
	plot is empty, but is surrounded by fences and has a well and a base of a house and no business activity	1	1.2
	household was not living on the plot or did not live on it during the winter, but has properties on it	5	6.0

65. There are 277 people in these 64 households. Out of these, 238 are registered residents and 39 are not registered. 223 of the registered resident were residing at their address, whereas 15 of them were temporarily absent during the socio-economic survey. Figure 2. shows the registered residence status of the AH's members.

Figure 2. The registered residence status of the AH's members



A. Basic demographic information

66. Out of 277 APs, 138 (49.9%) are male and 139 (50.1%) are women. It shows that the gender ratio is equal. Refer to table 2 under section A. Affected Persons in Chapter II for the breakdown of the demography of the AHs. 19.1% of the families have 1-3 members, 26% has 4 members, 33.2% has 5-6 members, and 21.7% has 7-8 members. This means that more than 50% of all households has more than 5 members. As for the age category, 32% are children between 0-15 years, 63 % are aged between 16-59 years, and 5% has 60 or more than years. The mean age is 25.8 and median age is 25. 50% of the 277 APs are young people up to 25 years and the other half is people older than 25 years. Further breakdown by age categories shows that small children aged between 0-4, and young people from 25-29 years are relatively more than the other age groups. Figure 3 shows the age categories of the APs and Figure 4. APs by age categories and sex.

Figure 3: Age categories of the APs

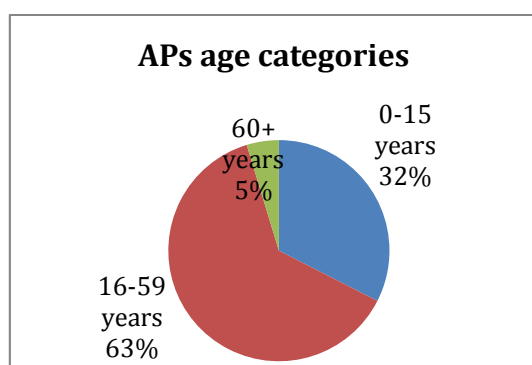
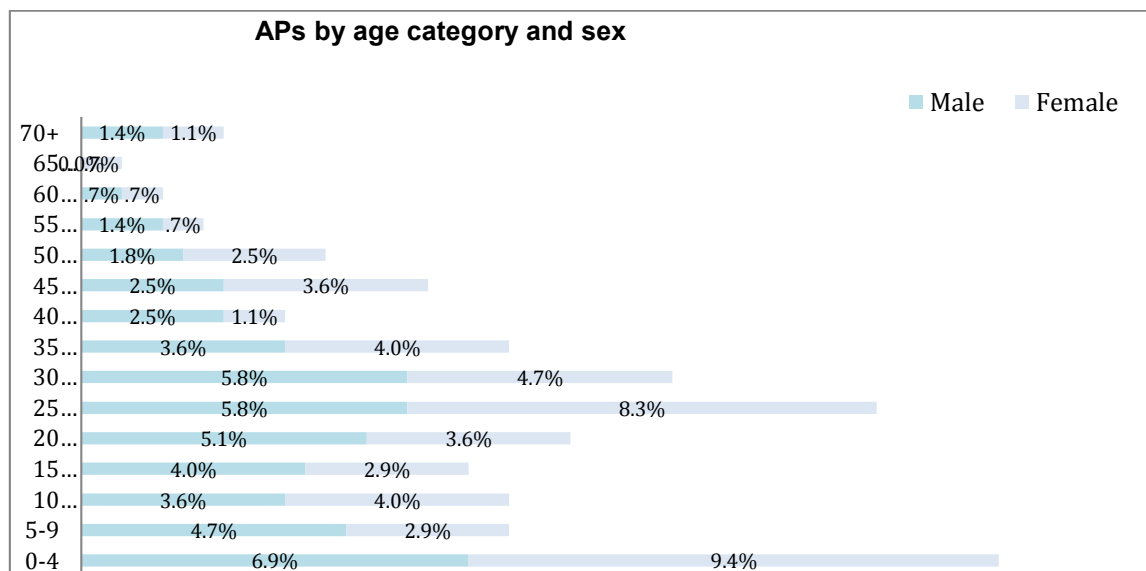


Figure 4: APs by age categories and sex



67. As for the head of the households, 86% of the households have male heads and the remaining 14% has female heads. Also, 89% has heads who are below 60 years of age and 11% has heads who are older than 60 years. Table 12 below shows the details related to the heads of the households.

Table 12: Features of the heads of households

No.	Head of Household	Q'ty	%
1	Sex:		
	Male	55	86
	Female	9	14
2	Age:		
	Up to 60 years	57	89
	60 years and older	7	11

68. Table 13 below provides AHs demographic feature considering disabled persons, children upto 15 years and elderly who are older than 60 years are as follows:

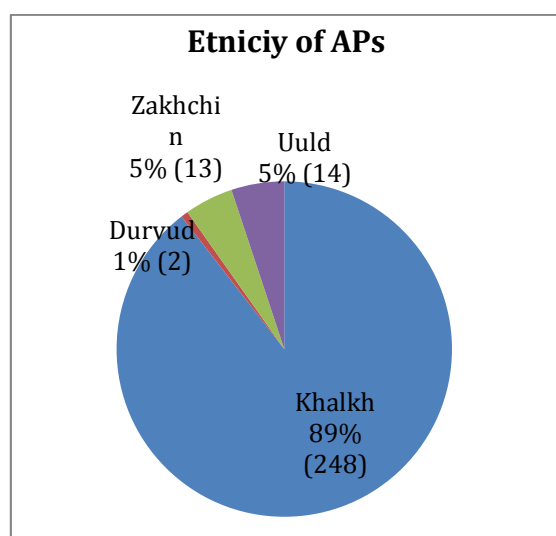
Table 13: Demographic features of affected households

#	Demographic features	Q'ty	%
1	Household with 1 or more disabled member	4	6.3
2	Household with 1 or more children between 0-15 years	49	76.6
3	Household with 1 or more elderly over 60 years	9	14.1
4	Household with children between 0-15 years and elderly over 60 years	5	7.8
5	Household with children between 0-15 years or elderly over 60 years	48	75
6	Household without children between 0-15 years and elderly over 60 years	11	17.2

69. In terms of ethnicity, Mongolia has sub-ethnicities such as Khalkha, Bayad, Durvud, Buriad, Dariganga, Zakhchin etc. In the project area there are 248 Khalkha, 2 Durvud, 13 Zachchin and 14 Uuld people, see Figure 5: Ethnicity of APs.

70. There are 4 disabled persons, 29 poor households, 21 unemployed people, 9 women headed households and 7 elderly headed households. There are 29 vulnerable households, of which 6 are women headed households. Total number of members of the vulnerable households is 144, which is more than half of the total affected persons.

Figure 5: Ethnicity of APs



B. Education of APs

71. The educational level of 3 years and older APs (n=249) is as follows: 18.1% non, 19.2% elementary and secondary, 40% high school, 6% нь vocational education, and remaining 17.3% has higher education. Moreover, 90 or 36.1% of the APs who are 3 years and older are attending a kindergarten or certain level school. Figure 6, Table 14 and 15 provide APs information on their educational level, education by age category and attendance of an educational facility currently.

Figure 6: Educational Level of APs

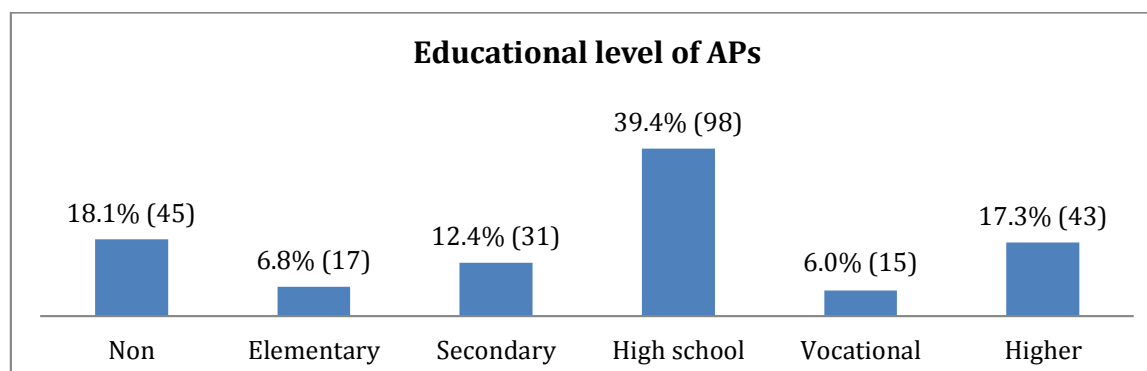


Table 14: Education of APs by age category

Education	Age category								Total	
	3-5		6-16		17-18		19+			
	Q'ty	%	Q'ty	%	Q'ty	%	Q'ty	%	Q'ty	%
Non	18	100	25	55.6	-	-	2	1.1	45	18.1
Elementary	-	-	14	31.1	-	-	3	1.7	17	6.8
Secondary	-	-	6	13.3	4	36.4	21	12	31	12.4
High school	-	-	-	-	7	63.6	91	52	98	39.4
Vocational	-	-	-	-	-	-	15	8.6	15	6
Higher	-	-	-	-	-	-	43	24.6	43	17.3
Total	18	100	45	100	11	100	175	100	249	100

Table 15. APs attending kindergarten or certain level school

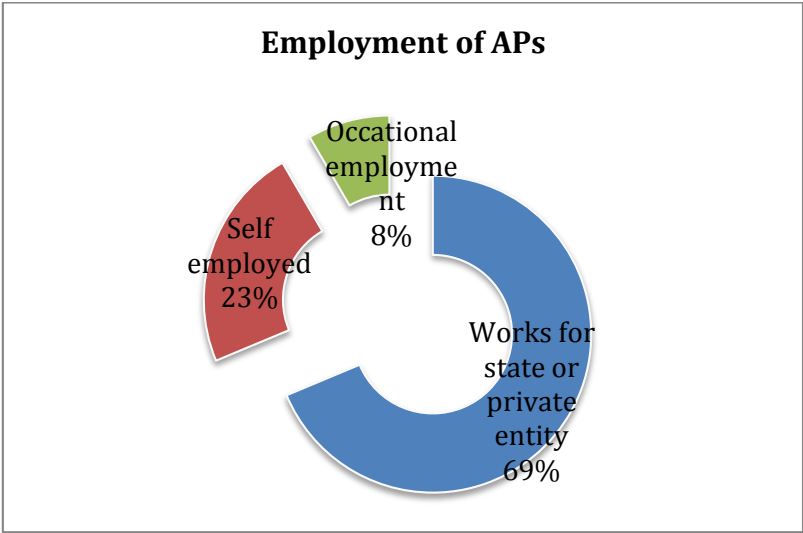
attending kindergarten or certain level school	Age category								Total	
	3-5		6-16		17-18		19+			
	Q'ty	%	Q'ty	%	Q'ty	%	Q'ty	%	Q'ty	%
Yes	15	83.3	44	97.8	11	100	20	11.4	90	36.1
No	3	16.7	1	2.2	-	-	155	88.6	159	63.9
Total	18	100	45	100	11	100	175	100	249	100

C. Employment of APs

72. The employment of APs 16 years or older (n190) were reviewed and considered for the last month. 83 or 43.7% of the APs did have an income earning activity. Out of these, 69%

were working in a state or private entity, 23% were self employed and the remaining 8% finds some occasional jobs from time to time. Figure 7 below shows the employment of APs in the last month.

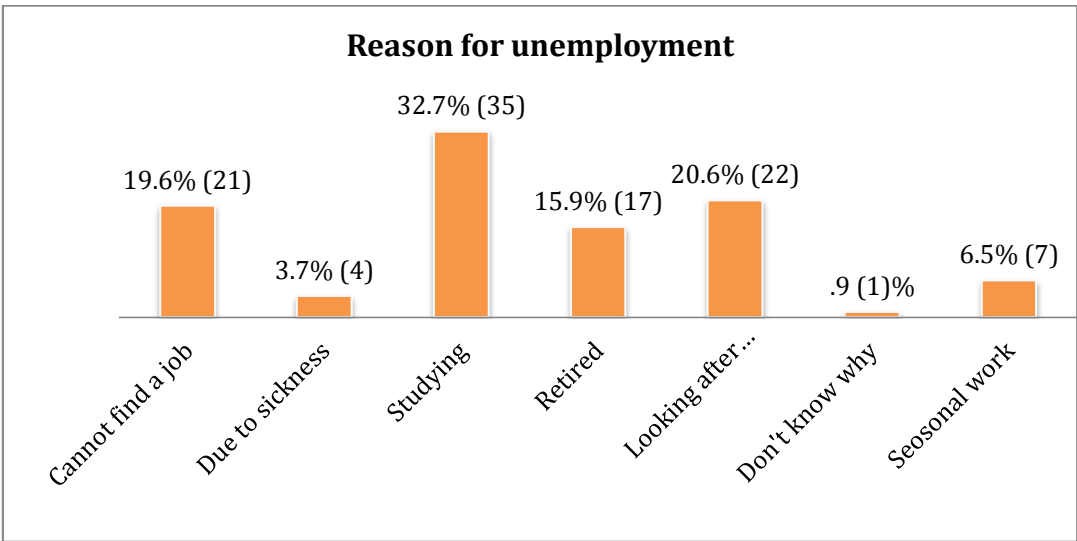
Figure 7: Employment of APs in the last month



73. When asked how much is the monthly income from their employment, the lowest income was MNT200,000 and the highest income was MNT2,500,000, and the average is MNT606,488. The monthly median income of those who are employed is up to MNT500,000 for 50% and above MNT500,000 is for the other half of the employed APs.

74. 56.3% of the people, 107 persons, who are older than 16 years are not employed. About 70% is not working because of i) study, ii) retirement and iii) looking after elderly or small children. In the meantime, about 7.6% are unemployed because they cannot find a job. Thus, the realistic number of unemployed persons is 21 as they cannot find jobs. This is summarized in the Figure 8 below.

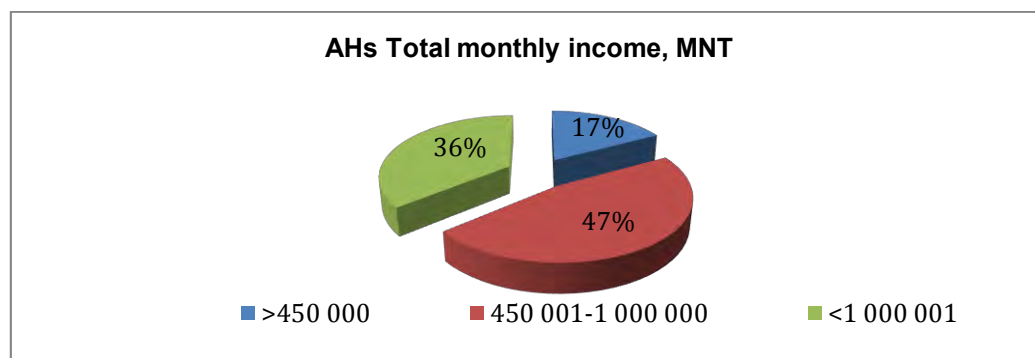
Figure 8: The reason for unemployment



D. Affected Household income

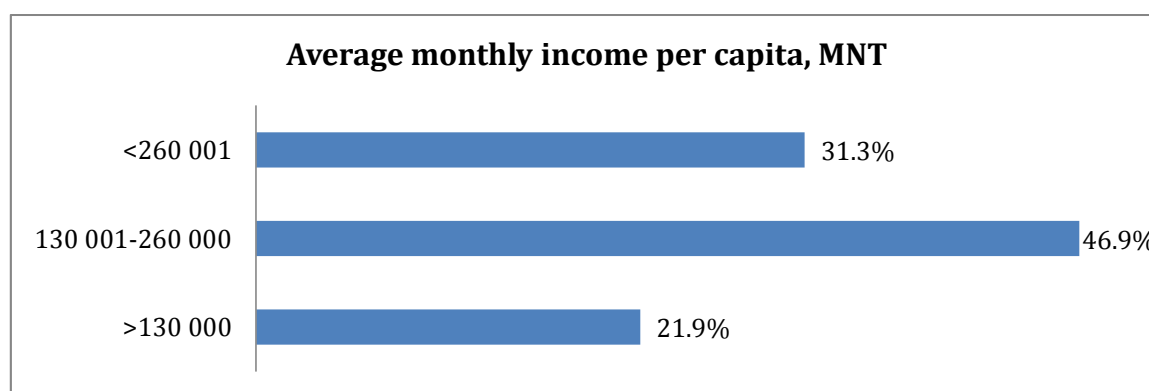
75. The study of the monthly income of the APs reveal that about half of the AHs, i.e. 47% or 30 households, earn MNT450,000 – 1,000,000. Then 36% or 23 households earn more than MNT1,000,000 and the remaining 11 households (17%) has monthly income upto MNT450,000. Figure 9 shows the AHs' monthly income.

Figure 9: AH's total monthly income



76. As for per capita monthly average income, 31.3% or 20 households have MNT260,000 or higher, 46.9% or 30 households, earn between MNT 130,000-260,000 and the remaining 21.9 or 14 households earn MNT130,000 or less, which is less than 70% of the poverty line in UB (the poverline in UB is MNT185,400 per capita per month). Figure 8 shows the average per capita income. In general, it could be said that 30 households or 47% are poor and the remaining 34 households are not poor.

Figure 10. Monthly per capita income



E. Affected Households' Living Conditions

77. 37 households or 57.8% of the 64 AHs that were surveyed, live in gers and 27 households, 42.2%, live in detached houses. Of these 61 households, 95.3% own their dwellings, 1 (1.6%) rent and 2 (3.1%) live in the dwelling of others free of charge. 37 AHs that live in gers, have 4-6 wall gers, the average number of walls is 5. The details on the conditions of the detached houses are described in the Table 16 below.

Table 16: Conditions of the detached houses

#	Conditions of the detached houses	Q'ty	%
1	No. of AHs living in detached houses	27	100.0

#	Conditions of the detached houses	Q'ty	%
2	Wall material of the houses: Brick Wood Others (sandwich construction materials etc.)	12 11 4	44.4 40.7 14.8
3	No. of rooms (excluding kitchen): - No. of rooms of the houses with least No. of rooms (area) - No. of rooms of the houses with most No. of rooms (area) - Average No. of rooms (average area size)	1 (35 MKB) 6 (126 MKB) 2.22 (60.1 MKB)	
4	Area of the house (m ²): 12-48 48.01-72 72.01-420	9 14 4	33.3 51.9 14.8

78. As for lighting all 64 AHs use electricity. For heating 62 (96.9%) households use coal, 54 households (84.4%) use wood, 6 households (9.4%) use electricity and 1 (1.6%) household use gas for heating as well. There are no households that use dung or other types of fuels for heating. 50 households (78.1%) use electricity for cooking. In addition to electricity, 59 households (76.6%) use coal, 43 (67.2%) households use wood, 2 (3.1%) households use gas for cooking as well. The fuels are obtained from a nearby fuel selling points, about 300 meters, or from as far as 35kms. Table 17 below shows the types of lighting, heating and fuels used by AHs.

Table 17. Use of lighting, heating and fuel by affected households

No.	Use of lighting, heating and fuel	Q'ty	%
1	Type of lighting: Electricity	64	100.0
2	Type fuels used for heating: Coal Wood Electricity Gas	62 54 6 1	96.9 84.4 9.4 1.6
3	Type of fuel used for cooking: Coal Wood Electricity Gas	49 43 50 2	76.6 67.2 78.1 3.1

79. As for provision of water, the closest distance to a well is 70m, and biggest distance is 4kms. The details related to the provision of water, disposal of waste water and solid waste and type of toilet is given in the Table 18 below.

Table 18: Provision of water, disposal of waste water and solid waste and type of toilet

#	Provision of water, disposal of waste water and solid waste and type of toilet	Q'ty	%
1	Drinking water source: Public water kiosk Well on own land Mobile water source	54 - 10	84.4 - 15.6

	Other	-	-
2	Wastewater disposal		
	Pit on own land	54	84.4
	Open space on own land	6	9.4
	Outside the own land	3	4.7
	Facility on own land with pumping	1	1.6
3	Solid waste disposal		
	Designated waste disposal point	64	100
4	Toilet		
	Pit latrine	62	96.9
	Open space	2	3.1

80. 46.9% of the AHs consider that the living conditions of their dwellings are good, 39.1% consider them average, and remaining 14% consider them poor. 93% or 60 households obtain medical services from the family clinics/state hospitals, 3 households (4.7%) obtains medical services from private hospital/doctors. The remaining 1 household obtains medical services from a traditional hospital. 37 AHs, about 60% of the households, responded that there are almost no crimes in the neighborhood. 4 (6.3%) respondents informed that there are frequent crimes, whereas 23 households or about 35.9% responded that there are very few crimes in the vicinity. To the AHs, the closest family clinic is about 200 m and the furthest one is about 8km. As for schools, the closest one to the AHs is at a distance of 200m and the furthest school is located about 6 km away from the AHs.

81. There are cases, where AHs have business activities on their land parcels for income generation. The work space to run the business activities include house, open space, wooden structure, storage place, vegetable field and other facilities (field with fruit trees and well). The following table, Table 19, provides information on the type of structures that are used for business activities.

Table 19: Type and number of structures used for business activities

Places where business activities are run						
House		Open space (M ²)	Container	Storage place	Vegetable field (M ²)	Others
Q'ty	area (M ²)					
4	396	295	5	1	1418	2

IV. LEGAL FRAMEWORK

82. In this section, in addition to the analysis of the Mongolian LAR related legislation, considerations on applicability of LAR related legislation for the implementation of subproject Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers, information on current practice related to LAR activities, ADB Safeguard Policy Statement and gap between ADB policy requirements and Mongolian LAR legislation, are provided.

A. Mongolian Laws and Regulations

83. In Mongolia there is no dedicated and comprehensive law that regulates issues of land acquisition and resettlement. Although the Constitution of Mongolia has provisions that justify exercising of eminent domain power, none of the land related legislation provides the power of eminent domain to the state or any other entity. According to the current Mongolian legislation, any land acquisition, including the ones for public needs such as land for public

sewer main collector pipes, shall take place through negotiation and agreement. If negotiations fail, then the case must be resolved at the courts. The laws are silent on land expropriation, but do provide provisions on exchange of land or taking over land with compensation for *state special needs*. However, the related procedures are incomplete, imprecise and fail to properly protect the rights of affected persons and property rights. The basic legislative framework for LAR and related issues consists of: i) Constitution of Mongolia, ii) Law on Land, iii) Law on Allocation of Land to Mongolian Citizens for Ownership and iv) Civil Code of Mongolia. In addition to these laws, Annex 4 of the Government Decree No. 28 from 2003, "Regulation on Taking Over Land for and Releasing Land from State Special Needs", is used in the LAR activities.

The Constitution of Mongolia

84. The Constitution of Mongolia (1992)⁵ sets the fundamental principles for human and property rights. The following provisions are related the protection of human and property rights, and the acquisition of land for public needs:

- The State recognizes all forms of both public and private property and shall protect the rights of the owners, Article 5.2;
- The owner's right shall be limited exclusively by due process of law, Article 5.3;
- The State shall have the right to hold land owners responsible in connection with the manner the land is used, to exchange or take it over with compensation on the grounds of special public need, or confiscate the land if it is used in a manner adverse to the health of the population, the interests of environmental protection and national security, Article 6.4;

The citizens of Mongolia shall be guaranteed the privilege to enjoy the following rights and freedoms:

- Right to healthy and safe (living) environment, and to be protected against environmental pollution (from pollution of living conditions/environment) and ecological imbalance, Article 16.2
- Right to fair acquisition, possession and inheritance of moveable and immovable property. Illegal confiscation and requisitioning of the private property of citizens shall be prohibited. If the State and its bodies appropriate private property on the basis of exclusive public need, they shall do so with due compensation and payment, Article 16.3.

85. Constitutional provision 16.2 provides an important right for people to live in healthy and safe conditions, which means that people have the right to be provided with public infrastructure, such as sewage, heating systems and water supply, to enjoy healthy and safe livelihood.

Law on Land

86. The Law on Land (2002)⁶ regulates issues related to land possession and land use by individuals and legal persons. Law on Land determines three types of land tenure, namely

⁵ Amended twice on 24 Dec 1999 and 4 Dec 2000, respectively. The English translation of the Constitution of Mongolia used in this report is obtained from the website of the Parliament of Mongolia, www.parliament.mn accessed on 27 Mar 2015.

land ownership, land possession and land use. These are defined in the Article 3 of Law on Land.

- "to own land" means to be in legitimate control of land with the right to dispose of this land. Only Mongolian citizens can own Land. All land, except those, which are given to Mongolian citizens, is the property of the State, i.e. public property. "Land ownership" is comparable to the "freehold" tenure in many other countries. The Law on Allocation of Land to Mongolian Citizens for Ownership deals with land ownership related issues. Further details on land ownership are provided in the next part, which examines particularly this law.
- "to possess land" means to be in legitimate control of land in accordance with purpose of its use and terms and conditions specified in respective contracts. The land possession right can be obtained only by the citizens and legal persons of Mongolia. The respective local governors make the decision for provision of land possession rights. The land possession rights are provided for 15-60 years, with possible extension of 40 years. The size of land plot for land for possession is up to 0.07 ha for household residential use. The size of land for commercial purposes depends on the type of activities and is set in the contract between the state and land possessor. In current practice, the state, as the owner of the land, provides land possession rights to the interested Mongolian persons. This right is registered in the cadastral/land information system operated by the organization in charge of land affairs – the Administration of Land Affairs, Geodesy and Cartography (ALAGaC) and its local offices in the aimag that are called Department of Land Affairs, Construction and Urban Development. In the Capital city-Ulaanbaatar this responsibility is under the PRD. Land possession right is transferable and can be used as collateral as well. Land possession can be registered in the State Registration of Property Rights, which is operated by the General Authority of State Registration.
- "to use land" means to undertake a legitimate and concrete activity to make use of some of the land's characteristics in accordance with contracts made with owners and possessors of land. Land use rights can be given to Mongolian citizens, companies and organizations or foreign countries, international organizations, foreign legal persons, companies with foreign investment, foreign citizens and stateless persons for specific purpose, duration, conditions and under contract. Land use rights for the foreign citizens and stateless persons (who reside in Mongolia for more than 183 days) can be provided only for family residence purpose through auctioning by the respective local governor. The duration for such rights shall be for 5 years and is renewable for 5 years at a time. Provision of land use rights for specific period of time for foreign countries, international organizations, and foreign legal persons under leasing and concession agreement shall be decided by the Parliament of Mongolia. The boundaries and procedures of use shall be set by the Government of Mongolia. As for the companies with foreign investment, the land use rights shall be provided in accordance with the law and in this case the Government of Mongolia decides the duration of the tenure.

87. The land possession and land use rights are similar to leasehold tenure in other countries. In current practice, the State is the sole owner who lets land for possession and use. It is not common that the private land owners provide their land for possession and use. Common practice is that immovable property, together with the land, is rented. The possession right is transferable, whereas land use is not. Article 6.2 of the Law on Land sets

⁶ The Law on Land was revised in 2002 and amended 13 times since then. The amendments were made on 2 Jan 2003, 12 Jun 2003, 22 Apr 2004, 27 Jan 2005, 1 Jul 2005, 22 Dec 2006, 9 Jul 2009, 16 Jul 2009, 17 Dec 2009, 1 Jul 2010, 17 May 2012, 26 Dec 2013, and 26 Dec 2013, respectively.

the types of land, which can be used publicly (common use land) under the regulation of relevant state body, if not stated differently in the law. This include i) pastureland, water points in pastureland, salt licks, ii) public use land in the city, village and other settlement, iii) land under road and network, iv) forest area and v) water area.

88. The Law on Land regulates that land under possession can be exchanged or taken over, i.e. acquired, for the state special needs. Article 16 lists 12 types of land use as the land that belongs to the state special needs as follows:

- land under special protection of the state⁷;
- national border strip land;
- land for ensuring national defense and security;
- land for foreign diplomatic missions and consulates, and representative offices of international organizations;
- land for scientific and technological tests, experiments, and for environmental and climatic permanent observations;
- inter-aimag reserve pasture land;
- hay field land for state fodder fund;
- contracted oil field to be used for exploration according to product sharing agreement;
- free zone area;
- land for construction and use of nuclear facilities;
- land for artisanal mining; and
- land for border point zone.

89. The procedures for acquisition of and compensation for land under possession are specified in the “Article 42 Exchange or taking over land under possession before the expiration of the contractual period” and “Article 43 Provision of compensation when exchanging or taking over land under possession before the expiration of the contractual period”.

90. The law sets that *central* state administrative organization in charge of land affairs⁸ shall make a preliminary agreement with the land possessor to exchange or take over its land wholly or partially with compensation for state special needs. After that a proposal shall be sent to the Cabinet for decision to acquire the land. Once the Cabinet makes a decision to acquire the land, based on this decision, respective local Governor shall conclude a contract for land acquisition with the land possessor, provide the compensation and acquire the land. The affected land possessor shall vacate the land within 90 days after concluding the contract and hand over to the disposal of the respective Governor. The acquisition of land, which is used for residential purposes, can be implemented only between May 15 to September 15. This is due to the inconveniences associated with relocation/moving in cold period of the year.

91. The law states that in the decision for land acquisition, the value of the buildings, facilities and other properties that cannot be separated from the land, be appraised based on the rates at the time of acquisition, and costs for acquiring the land, i.e. vacating the land, shall be reflected. The compensation shall be provided to the affected entity from state budget through the respective Governor. The Governor shall provide the compensation within 60 days after concluding an agreement, if not specified differently in the agreement.

⁷ Law on Special Protected Area (1994) specifies, Article 3, that there are four categories of special protection land: i) strictly protected areas, ii) natural complex area, iii) nature reserves iv) monument area.

⁸ In Mongolian legislative practice ‘*central* state administrative organization in charge of’ means respective ministry for certain sector(s) and government functions. In this case, central state administrative organization in charge of land affairs means the Ministry of Construction and Urban Development that is responsible for, among others, land policies and governmental functions and institutions related to land.

The affected land possessor shall vacate the land within 30 days after receipt of the full compensation, if not specified differently in the agreement.

92. The law does not say that the land itself should be appraised and compensated. Moreover, the provisions of the law do not specify what entitlements the compensation consist of, who shall carry out the appraisal, what are the principles in the compensation appraisal, what can be understood under the rate at the time of acquisition (is this market value or another value/rate) and if there will be any rehabilitation measures. It is not clear how and what land can be provided in exchange to replace the land being taken back. These issues are not specified in the law.

93. There is no provision in the law that allows land expropriation, if necessary, for public needs such as public sewer main collector pipes and it regulates that land acquisition should take place based on negotiation and agreement. However, the law specifies, article 59, that land can be vacated and forced relocation enforced, with the help of police, if the land possession right has ended as per the provisions of the law or contract and based on the decision of respective Governor. Also, it specifies clearly that disputes to arise in connection with the exchange or taking over land shall be brought to the Governor or organization that is superior to the ones against whom the claims are being made. Further, it is specified that the land related property disputes or if the decision of the higher-level authorities are still not agreeable, the case can be brought to the court for judgment.

94. The Law on Land does not recognize any land use without proper permission, i.e. land ownership, possession and use rights, from relevant state bodies. The persons using land without permission are obliged to vacate the land upon the request by the local Governor. If the entity did not vacate the land within the time specified by the Governor, forcible measures shall be taken to clear the land and associated costs are to be provided by the entity using the land without permission.

95. There is no LAR related provision in the law concerning affected persons holding land use rights, except to say that compensation is not applicable to them (article 43.6).

Law on Allocation of Land to Mongolian Citizens for Ownership

96. The Law on Allocation of Land to Mongolian Citizens for Ownership (2002)⁹ regulates procedures for allocating land for ownership and other relations associated with this tenure. Only Mongolian citizens can obtain land ownership rights. It can be obtained free of charge in accordance with this law or purchased. Land, which are already held under ownership rights by individuals, are freely traded and transferred on the market.

97. This law was enacted as part of socio-economic reform since early 1990s and is effective starting from 1 May 2003. The law enables private ownership of land for Mongolians and provides opportunities to capitalize on land assets. Land is given to all Mongolian citizens, regardless of age and sex, one time free of charge until 1 May 2018. Land is privatized in accordance with the land management plans for family (residential) needs and commercial use. Initially, the allocation process was implemented on first come first served basis and mostly the people who already held land parcels under possession rights upgraded them into land ownership rights. In Ulaanbaatar, currently, new land parcels are being allocated and it is realized using electronic random selection method. The size of land parcels allocated for ownership for family needs vary depending on location. In the Capital city – Ulaanbaatar and along the national level main roads connecting aimags with

⁹ Law on Allocation of Land to Mongolian Citizens for Ownership was enacted in 2002 and became effective since 1 May 2003. It was amended 5 times, on 23 Jun 2005, 7 Jul 2005, 5 May 2008, 10 Feb 2011 and 18 May 2012, respectively.

Ulaanbaatar, individuals are entitled to up to 0.07 hectares, in the aimag centers up to 0.35 hectares, and in soum centers and villages up to 0.5 hectares land parcels, respectively. The size of land parcels for commercial use depends on the type of activities (agricultural, industrial etc.) and decided based on the size of existing land parcel under possession, if applicable, and scope and nature of the business. The land ownership right for commercial use is obtained by purchasing the land directly from the state or through auctioning. Cadastral information on parcels under land ownership is registered in the cadastral/land information system operated by the ALAGaC and its local offices in the aimag, Department of Land Affairs, Construction and Urban Development. In the Capital city-Ulaanbaatar this responsibility is under the PRD. The land ownership rights are registered in the State Registration of Property Rights in accordance with the Law on Registration of Property Ownership Rights and other related rights.

98. “Article 32 Exchange or taking over land owned by citizens based on state special needs with compensation” and “Article 37 Ensuring the land ownership right of the citizen when exchanging or taking it over based on state special needs with compensation” specify the details of acquiring land under ownership.

99. The law defines that land under ownership can be exchanged or taken over for *three* types of state special needs, namely: i) land for ensuring national defense and security; ii) land for scientific and technological tests, experiments, and for environmental and climatic permanent observations; and iii) land for national scale roads, lines and network, and other constructions and facilities¹⁰.

100. The Cabinet shall make the decision for land acquisition and it shall state clearly the purpose for acquisition and justification that the land taking is unavoidable. Before this decision is made, the state administrative organization in charge of land affairs¹¹ shall enter into preliminary agreement on land acquisition with the land owner not less than one year prior to the decision. The compensation is provided from the state budget. The land owner and state administrative organization in charge of land affairs shall have preliminarily agreed on the following:

- the land value;
- the value of immovable property on the land;
- the amount of investment made by the owner on the land and the amount of loss to incur to the land owner due to land acquisition;
- size of the land to be acquired;
- location, size, characteristics and quality of the land to be allocated in replacement of the land being acquired;
- conditions and timing for land acquisition;
- rights and duties of the parties in connection with the land acquisition;
- amount of compensation, procedures and timing for its payment.

101. Further the law provides that land acquisition should take place after certain measures were taken. This include measures such that the replacement land should be no worse than the previously owned land by its characteristics and quality, the value of land and

¹⁰ The Law on Land specifies 12 types of land for state special needs (Article 16). The first two state special needs land specified here are i) land for ensuring national defense and security and ii) land for scientific and technological tests, experiments, and for environmental and climatic permanent observations. These two are specified in the Law on Land. However, the third state special need specified here, i.e. land for national scale roads, lines and network, and other constructions and facilities, is not defined in the Law on Land. This conflicts with the Law on Land. Also, it should be given a consideration, if the land for roads, lines and networks and other associated structures, be it national or local scale, are for **state special need** or for common public use.

¹¹ State administrative organization in charge of land affairs means a government agency under a ministry (which is referred to in the laws as **central** state administrative organization compared to state administrative organization). In current Governmental organizational setup, this agency is called Administration of Land Affairs, Geodesy and Cartography.

immoveable property shall be paid, compensation shall include the investments made by the owner to the land, the loss to incur to the land owner due to land acquisition shall be paid fully according to Civil Code and related legislation. Also, the law specifies that affected person shall be notified in writing about the land acquisition not less than one year prior to making the decision for land acquisition. The actual land acquisition can take place after one year has passed since the affected person was notified about the land acquisition and the measures specified in the second sentence of this paragraph were taken. Compensation for immovable property built or costs of other improvements that significantly increased the land value, after receiving the written notice, shall not be paid. If the affected entity and state organizations cannot reach an agreement, the dispute shall be settled by court.

102. Compared to the Law on Land, the Law on Allocation of Land to Mongolian Citizens for Ownership specifies more in detail the procedures for land acquisition and the subjects that need to be agreed with the affected persons. This includes the value of the land and immovable properties, replacement land, loss to incur, compensation and its provision and timing etc. However, the law does not address rehabilitation and social safeguard issues, the principles for land and property appraisal, the completeness and clarity of the processes and procedures related to LAR are still weak. As is the case for the Law on Land, possible exercising of the eminent domain power of the state, if necessary, for public purposes is not legislated.

Civil Code

103. In the absence of legal provisions regulating LAR in the context of local scale public infrastructure facilities, including sewage pipes, the Civil Code (2002)¹² provides a legal framework which place LAR in the context of negotiated settlement. This implies that the State and affected persons engage with each other contractually as equal and autonomous legal persons and participants in a civil legal relationship (Article 1). Citizens and organizations, as well as aimags, the capital city, soums and districts are able to enter into civil legal relations with regard to objects of material and non-material wealth and their acquisition and possession (Articles 6, 7 and 8). The affected persons and MUB shall enter into contractual relations, which will specify the entitlements, compensation and allowances, rehabilitation and social safeguard measures as required by the Mongolian Civil Code and other legislation, and the ADB policy and principles.

104. Chapter 10 of the Civil Code defines property and assets, including land and other immovable property. Chapter 11 specifies possession of properties and Chapter 12 specifies property types, ownership by individuals and other legal persons, rights of owners etc. This chapter defines the land ownership tenure and refers to the subsequently enacted Law on Land, Law on Allocation of Land to Mongolian Citizens for Ownership with regard to relations concerning land ownership, possession and use. Chapter 15 is dedicated to the contractual legislation. The negotiated agreements on transfer of land and properties would need to be concluded in accordance with the requirements in this Chapter.

105. A number of special provisions pertaining to common property ownership (Article 108), common property of family members (Articles 126 and 128) and easements (servitude) (Article 151) may be relevant to specific cases in the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject.

¹² The Civil Code was amended 9 times since it was approved in 2002. The amendments were made on 7 Jul 2005, 9 Jul 2009, 9 Jul 2009, 23 Apr 2010, 6 Oct 2011, 6 Oct 2011, 15 Dec 2011, 10 Jan 2013, and 15 May 2014, respectively.

Regulation on Taking Over Land for and Releasing Land from State Special Needs

106. The Cabinet enacted this regulation in 2003 to complement the Law on Land on issues related to land acquisition for state special needs and releasing land from state special needs. It regulates procedures for taking over and releasing both the public land, i.e. land which are not given to citizens, business persons and organizations for possession and use, and land under possession and use as specified in 6.1 of the Law on Land. Also, this regulation is used only when the acquisition and releasing concerns state special needs defined in 16.1.5-16.1.8 of the Law on Land¹³.

107. This regulation contains basically all the provisions and procedures that are set in the Law on Land Allocation to Mongolian Citizens for Ownership, articles 32 and 37, which were described in the previous part. The difference is that one concerns taking over land under ownership and therefore allows compensation for land, whereas the other concerns land possession rights and does not provide compensation for the land.

108. The regulation *assumes* that the affected entity and the respective Governor will reach consensus on the land acquisition and conclude an agreement. Further, it regulates that if the affected entity does not vacate the land within the time period specified in the agreement, then forced relocation shall be carried out with the support of police based on the decision of the Governor who concluded an agreement with the affected entity. The grounds for such an action is set in the “article 41 vacating land when land possession right expires” and “article 59 the duties of police related to land issues” of the Law on Land.

109. In the provision 24 of this regulation, it is stated that the acquisition of *land under use rights* held by commercial persons with foreign investment, foreign citizens and stateless persons for state special need with compensation shall be regulated by this regulation. This conflicts with the article 43.6 of the Law on Land as this article specifies that compensation is not applicable for citizens and commercial persons holding *land use rights*. Related to this conflict, there are more issues that complicate or make it difficult or uncertain in that the regulation concerns about commercial persons with foreign investment, foreign citizens and stateless persons and the law specifies only citizens and commercial persons holding land use right, not mentioning “foreign”.

110. The regulation clarifies some of the issues that are not clearly addressed in the Law on Land in similar way as set in the Law on Land Allocation to Mongolian Citizens. Equally to the Law on Land, this document does not provide any regulations for cases where there is no consensus and agreement between the affected entity and the respective Governor and state administrative organization in charge of land affairs.

Land legislation and LAR related to Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers project

111. The LAR related provisions of Mongolian land legislation regulate only the issues of exchange and taking over land, i.e. land acquisition, for *state special need*. The local scale roads and public infrastructure to be built within the USGDIP and its subprojects fall under none of the land uses for state special need. Therefore, the use of regulations for LAR of the Mongolian land legislation is not applicable for the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject.

¹³ State special need land specified in 16.1.5-16.1.8 are the following : 16.1.5 land for scientific and technological tests, experiments, and for environmental and climatic permanent observations; 16.1.6 inter-aimag reserve pasture land; 16.1.7 hay field land for state fodder fund; 16.1.8 contracted oil field to be used for exploration according to product sharing agreement.

112. The notion of *state special need* and classification of land for roads, public infrastructure and related facilities under this state special need is a questionable issue, since the use of land for roads and public infrastructure is no special use. It is rather very common public use of land.

113. Mongolian LAR related legislation do not stipulate exercising of eminent domain not only for LAR for public infrastructure, but also for LAR for state special need. There are some provisions on the use of the force of police to acquire land in the case of end of land possession/use period or as per the contract terms and conditions or if the land is used without any official land possession/use permission. This provision might make it possible for acquisition of land by expropriation if this will be agreed in the contract between MUB and affected persons. However, the contract should not allow such actions. LAR involves fundamental rights such as human and property rights, and if these rights are to be restricted, it should be clearly stipulated in and based on the law as per the Constitution of Mongolia.

114. Thus exercising of the eminent domain power of the state cannot be used for the LAR of the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject. All LAR issues must be resolved based on the negotiated settlement and the parties, MUB and affected persons, shall engage with each other contractually as equal and autonomous legal persons and participants in a civil legal relationship in accordance with the Civil Code.

B. LAR practice for public infrastructure

115. As there is no provision in the Mongolian legislation on LAR for local public purpose, such as construction of public infrastructure in the urban areas at the local scale, the existing practice in Ulaanbaatar was reviewed and the concise description of the process is provided in this part.

116. The PRD has a division for land acquisition. The officials of this division implements LAR, sanctioned by the MUB. The process does in general follow the legal framework of the Civil Code based on contracts between autonomous legal persons, but also contains certain elements of involuntary LAR. After identification of the required properties, affected persons are sent official notifications or “demand letters” by the PRD, often repeatedly, if no positive response to the government’s claim to land is received. Thereafter, negotiations about the terms of compensation take place with titled affected persons (owners and possessors) and eventually a written agreement is reached. Non-titled affected persons are relocated to another location or if it is possible to legalize the remaining land, after partial acquisition, an official title is provided to the affected persons.

117. The land is valued and compensated following the Cabinet Resolution 103 from 2003. The attachment 3 to this resolution provides the methodologies to determine the value of land to be privatized to Mongolian citizens. According to this resolution 1m² land value in the ger areas of Ulaanbaatar without access to public infrastructure is set to 13,200 Mongolian tugriks (MNT), 1m² land in areas with access to public utilities is set to 44,000 MNT. In the cases of road broadening and public infrastructure construction in ger areas 13,200 MNT is provided for m² land. Also, there are cases of acquisition of land plots for building public schools and kindergartens, where the land plots are in areas with access close to public infrastructure. In these cases, 44,000 MNT per m² land is provided for compensation. Also, there are cases in which 100,000 MNT per m² land is provided for compensation. This is in the case of purchasing land or swapping land for apartments within ger area redevelopment projects in Ulaanbaatar and this is contractually agreed between the land owners who are swapping/selling their land and redevelopment companies that are buying land or swapping it

with apartments. In few cases, MUB paid 100,000 MNT per m2 for the compensation for land acquired for heating power plants in a middle ger area close to the city center.

118. The immovable properties on the land are appraised at market value and compensated. The appraisal is carried out by officials-appraisers from the PRD. The depreciation and value of the remaining materials are not deducted from the compensation but the compensation does not include the costs for taking down the immovable property. In some cases, the affected persons do not agree with this compensation appraisal and hire professional appraisers with special permissions (certified appraiser). Then based on the value appraised by the professional appraisers, the affected persons negotiate with the officials in charge of the LAR. As results of the negotiation, the compensation can be 20-30 per cent more. In some cases, the average of the value offered by the officials and value appraised by professional appraiser is set as the compensation value. In this latter case, sometimes the compensation amount increases substantially. These appraisals are carried out following the Law on Property Appraisal and International Valuation Standards. 50-60 percent of the compensation is paid upon signing of the contract for land acquisition and the remaining part is provided when the land is vacated.

119. In this process, factors such as negotiation skills, informedness and ability/experience to communicate with government officials of the affected persons, as well as their financial possibilities to hire a professional appraiser, play an important role. This shows that current legislation and practice is faulty, as they do not provide equal opportunities and fair treatment and are not based on rule of law, open and transparent procedures and standards. Current system is dependent on the individuals' capacity.

C. ADB Safeguard Policy Statement

120. The LAR activities to be carried out within the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject, shall comply with the Mongolian legislation and ADB Safeguard Policy Statement (SPS), 2009. The ADB SPS outlines the requirements for involuntary resettlement (IR) for ADB supported projects. The objectives of the ADB safeguards are: (i) avoid IR wherever possible; (ii) minimize IR by exploring project and design alternatives; (iii) enhance, or at least restore, the livelihoods of all affected persons in real terms relative to pre-project levels; and (iv) improve the standards of living of the affected poor and other vulnerable groups.

121. The policy principles and the requirements of ADB SPS for Involuntary Resettlement that should be followed in the LAR activities for the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject of are as follows:

- Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. 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.
- Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural

institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially 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.
- Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- 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 income and livelihood status.
- 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.
- 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.
- Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.

- 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. Disclose monitoring reports.

D. Gap Analysis

122. A comparison of key provisions of Mongolian laws and existing practices and ADB SPS is provided in Table 20 below. It outlines the key provisions of existing Mongolian laws and practices relevant to LAR and indicates their compatibility or inconsistency with the ADB IR safeguard requirements.

Table 20: Comparison of LAR provisions of Mongolian laws with ADB SPS

LAR Issues	Provisions of Mongolian Law	ADB SPS Requirements
Involuntary LAR	<p>Constitution of Mongolia states that "...If the State and its bodies appropriate private property on the basis of exclusive public need, they shall do so with due compensation and payment", Article 16.3. Although this article justifies possible involuntary LAR for public need, up to date any law was enacted to exercise the power of eminent domain. Also, there exists no definition of what should be understood under the "(exclusive) public need".</p> <p>Law on Land and Law on Land Allocation to Mongolian Citizens for Ownership allows acquisition of land under possession and ownership for state special needs by state bodies. However, no power of eminent domain is given. The acquisition must take place based on agreement with the affected persons. Eminent domain cannot be exercised by MUB.</p>	Involuntary LAR is recognized, but subject to requirements aiming at avoiding, where feasible, and minimizing LAR, and enhancing or at least restoring the livelihoods at least at pre-project level, and improving the standards of living of the poor and other vulnerable groups.
Negotiated settlements	<p>Law on Land (article 42, 43) and Law on Land Allocation to Mongolian Citizens for Ownership (article 32, 37) regulates acquisition of land (exchange or taking over land) for state special needs. It is required that the acquisition is implemented based on <i>agreement</i> with the affected persons.</p> <p>In practice LAR for public infrastructure is carried out as "quasi-involuntary acquisition". In most cases, government officials negotiate and conclude agreement. However, in cases where there are difficulties in reaching agreement, the authorities through administrative measures make the affected persons conclude an agreement eventually.</p> <p>Civil Code of Mongolia provides legal basis for negotiated sales contractual agreements.</p>	Negotiated settlements are encouraged. There should be transparent, consistent and equitable procedures. The income and livelihood status should be maintained or better for those who enter into negotiated settlements.
Eligibility	<p>Lawful land owners, land possessors are eligible for compensation. Land owners are entitled to compensation for both the land and immovable properties on it (article 32, Law on Land Allocation to Mongolian Citizens for Ownership). Land possessors are entitled to compensation</p>	<p>Three groups of affected persons are identified:</p> <ul style="list-style-type: none"> i) those who have formal legal rights to land (land owners, possessor and users); ii) those who do not have formal legal rights, but have a claim to such land or

LAR Issues	Provisions of Mongolian Law	ADB SPS Requirements
	<p>for the immovable properties on the land, but not for the land, (article 43, Law on Land).</p> <p>Holders of lawful land use rights are not entitled to any compensation according to Law on Land (article 43.6), but Regulation on Taking Over Land for and Releasing Land from State Special Needs, point 24, states that holders of land use rights shall be compensated in the same way as the land possessors. This regulation should be formulated in accordance with the Law on Land, but it conflicts this law. In this case the law will prevail the regulation. However, it is questionable that why a lawful land user is not eligible for compensation.</p> <p>Affected persons who do not have official land tenure are not compensated. However, in some cases replacement land with titles are provided as compensation.</p>	<p>assets; iii) those who have no recognizable legal right or claim to the land they are occupying.</p> <p>Persons under ii and ii are provided compensation for the land and property they lose, and other assistances. Persons under iii are provided compensation at replacement cost for the non-land properties and all resettlement assistances and benefits. A replacement land with full titles can be provided to improve the living conditions of these persons.</p>
Joint property ownership	<p>The Civil Code recognizes common property ownership and family property rights (Articles 108, and 125-128).</p> <p>Common property ownership requires permission of other owners to dispose of part of the property (108.4).</p> <p>Family property includes 'other properties accrued since the marriage, notwithstanding in which name of spouses or family members the property is registered' (126.2.4). Disposal of immovable (incl. land) family property requires mutual agreement (128.1) and certified written permission from an adult family member (128.2).</p>	No conflict with ADB policy. Joint signatures are encouraged.
Easement (property servitude)	<p>Legal provision for easements or property servitude, allowing the use of another person's property for specific public or private purposes is permitted under local law; (Civil Code, Article 151, Law on Land, Article 48 and Law on Land Allocation to Mongolian Citizens for Ownership, Article 33).</p> <p>For public infrastructure such as sewer main collector pipe, in practice easements are created, but not legalized by contracts and registrations in the title registration.</p>	No conflict with ADB policy.
Rental of land or house	<p>The Civil Code, Chapter 25 regulates the lease of property, including land and houses. If ownership is transferred the new owner incurs all rights and obligations of a lessor (Article 297). No provisions for lessee rights in case of land acquisition for a project, except that termination of a lease requires 3 months notice (Article 294.3)</p>	Lessee is considered a AP and eligible to receive entitlements based on the type and degree of impacts.
Community and public resource losses	<p>Affected community and public assets can be transferred through contractual agreement under the Civil Code.</p> <p>The cost of moving/rebuilding affected infrastructure is included in cost of civil works.</p>	Common property resources or public structures and infrastructure affected by LAR are eligible for compensation.
Compensation	<p>For land possession, the improvements on land should be valued at current rate and provided, 43.2 of Law on Land. Nothing is said about the</p>	Compensation for lost assets will be provided at replacement cost, usually calculated as the market value of the assets

LAR Issues	Provisions of Mongolian Law	ADB SPS Requirements
	<p>compensation of the land and in practice no compensation for the land. However in case of provision of replacement land, the quality and other features of the replacement land should be no worse than the one being acquired (point 14 of the Regulation on Taking Over Land for and Releasing Land from State Special Needs).</p> <p>For ownership, the improvements on land should be valued at current rate and compensated. Also the land value should be provided. It does not specify how to value the land. In case of provision of replacement land, the quality and other features of the replacement land should be not worse than the one being acquired. Moreover, the law specifies that any loss incurred due to land acquisition shall be fully compensated as per Civil Code (37.1.5 of Law on Land Allocation to Mongolian Citizens for Ownership).</p> <p>The laws do not specify what rate shall be applied for the compensation of improvements, i.e. if market rate or other, but in practice the value is usually market value.</p> <p>For both types of land tenure, relocation expenses are to be provided as well. Nothing is said about the depreciation and residual materials.</p> <p>In recent practices, the depreciation is not deducted and affected persons can take their residual materials. No relocation, transitional, restoration and transactions costs are provided. As for land value, it is based on fixed rate set by the government. However, there were few exemptions, in the prime locations, where compensation for land value were close to market value.</p> <p>Provision and payment of compensation is set in the contract terms and conditions.</p>	<p>plus the transaction costs related to restoring such assets (registration and transfer taxes, fee) and transitional and restoration costs. Depreciation of structures and assets should not be taken into account.</p> <p>Cash compensation and/or replacement of assets must be completed before displacement.</p>
Cut-off date	<p>To acquire owned land, a written notice must be served one year prior to the taking of land. This serves as "kind of" the cut-off date. Investments and improvements, including immovable structures, on the land after delivery of this notice are ineligible for compensation. (Law on Land Allocation to Mongolian Citizens for Ownership, Articles 37.2 and Article 37.4)</p> <p>The same applies for land under possession, but it is not set in the Law on Land. It is specified in the Point 15 and 17 of the Regulation on Taking Over Land for and Releasing Land from State Special Needs.</p> <p>In practice these provisions are not implemented and they are rather impractical.</p>	<p>An eligibility cut-off date is to be set when the project is officially notified, the project area is delineated or the census of the affected population is taken, to prevent influx of non-eligible persons and land speculation.</p>
Land acquisition and resettlement	No requirements.	Resettlement plan with time bound actions and a budget based on an assessment of social impacts and property appraisal. The objective of a resettlement plan is to ensure

LAR Issues	Provisions of Mongolian Law	ADB SPS Requirements
plan		that livelihoods and standards of living of affected persons are improved, or at least restored to pre-project levels and that the standards of living of the displaced poor and other vulnerable groups are improved, not merely restored, by providing adequate housing, security of tenure and steady income and livelihood sources.
Income and Livelihood Restoration	<p>Article 37.1.5 of the Law on Land Allocation to Mongolian Citizens for Ownership, entitles owners to <i>loss due to replacement or taking back of the land based on the special needs of the state to the full extent according to Civil Code and legislation.</i></p> <p>This provision is not practiced, but it can be interpreted favorably to include entitlements to income and livelihood restoration.</p> <p>The Land Law does not address loss of income or livelihood.</p> <p>No provisions in contractual agreements for transfer of property.</p>	Assistance for economic and social rehabilitation due to loss of jobs, incomes and livelihoods, including (i) income compensation or support for the period of interruption of business or employment, and (ii) priority employment in project civil works, especially to poor and vulnerable households.
Vulnerable groups	No requirements.	Specifically take into account any individuals or groups that may be disadvantaged or vulnerable. Vulnerable groups include people who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of resettlement assistance.
Relocation and transaction costs	<p>The Mongolian Law on State Registration of Property Rights and Other Related Rights requires payment of registration stamp duties and service fees for the registration of immovable property with the State Administrative Authority in Charge of State Registration of Property Rights (Article 9).</p> <p>All registration and other fees, as well as cost of relocation, are responsibility of parties to a contract and can be included in a contract.</p> <p>This cost is usually paid by the APs.</p>	Relocation and transfer expenses, including fees for the registration of properties and other administrative charges, are part of the replacement cost of lost assets and included in compensation.
Information disclosure and public consultation	<p>No requirements.</p> <p>In practice, negotiation takes place on the land acquisition contract.</p>	Project affected persons are to be fully informed and closely consulted on compensation and resettlement options. Resettlement planning documentation is disclosed and consulted upon.
Grievance procedure	<p>Grievance procedures as stipulated in ADB policy are not addressed in the laws.</p> <p>The Land Law refers disputes over land to the local governors and eventually the court (Article 60). The Law on Land Allocation to Mongolian Citizens for Ownership states an aggrieved person is entitled to file a complaint to the respective higher ranking government authority or official (Article 39) and eventually to the court.</p>	An adequate grievance redress mechanism for affected persons is required as early as possible.

LAR Issues	Provisions of Mongolian Law	ADB SPS Requirements
	The Law on Handling Grievances of Citizens Addressed to Government Authority and Government Officials governs grievance and complaints of citizens regarding the decisions and conduct of government authority or officials. Grievances must be resolved within 30 days after it was received (Article 16).	
Right of way	<p>The right of way (ROW) of the sewage collector main pipes has a total width between of 12m (Law of Mongolia on Utilization of Water Supply and Sewage in Urban Areas and Settlements, Article 17.14. This article prohibits constructing buildings, facilities and piped network in area at least 6m, on both sides, from the axis of sewage main collector pipe, but it does not regulate issues related to building a new sewage main collector pipes in urban areas, where there exist buildings, facilities and piped network.</p> <p>In practice, in urban and settlement areas with existing building, facilities and piped network, when there is new sewage main collector pipes are built, the ROW width of 12m is not enforced and it is impossible and not feasible to implement it as it will involve large-scale land takings and demolition of existing buildings. Thus the ROW for sewage collector main pipes is between 6m to 12m, depending the improvements on the ground. More details on this issue are provided in the paragraph 34.</p>	No conflict with ADB policy.
Notification period for vacating property and commencement of civil works	<p>Time period for vacating a property may be defined in contract.</p> <p>Civil works commence in parallel with acquisition of property, but without defined waiting period.</p>	Cash compensation and/or replacement of assets must be completed before displacement. LAR procedures, except for rehabilitation measures, must be completed before commencement of civil works.
Costs and budget	<p>43.3 of Law on Land and 32.6 of Law on Land Allocation to Mongolian Citizens for Ownership specify that the compensation payment to be provided to the land possessor or land owner, respectively, shall be paid from the state budget.</p> <p>In practice the LAR costs are not reflected in the project budget and costs and are not born from the project budget. Often, unavailability of funding for resettlement activities cause delays in the project implementation.</p>	The costs and budget should be estimated, it shall provide the description of the arrangements for funding land acquisition and resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements.
Monitoring and evaluation	<p>Responsibility of Citizen's Representative Khurals of Aimag, capital city and district and soums (11.1.1, 13.1.1 of Law on Land Allocation to Mongolian Citizens for Ownership).</p> <p>Responsibility of Citizen's Representative Khurals and Governors of Aimag, capital city and district and soums (20.1.1 of Law on Land).</p> <p>The monitoring and evaluation responsibilities of the persons specified above are more general to land related activities and no specific monitoring and evaluation provision exist in the laws.</p>	Establish procedures to monitor and evaluate the implementation of land acquisition resettlement plan.

123. The analysis of the Mongolian LAR related legislation and practice and their comparison with ADB SPS reveal the following important policy gaps:

- i) Non-titled occupants of land (without ownership or possession license) are not eligible for compensation and rehabilitation entitlements;
- ii) Compensation appraisal for affected land is based on a rate fixed by the government, but, not market value and compensation is provided only for land under ownership rights and no compensation is provided for land under possession and use rights. However, there is a possibility in some cases to negotiate the land value with the holders of land ownership title;
- iii) No need to prepare and disclose an LARP;
- iv) Income and livelihood restoration assistances and measures are not provided;
- v) No compensation payment is made for transaction costs;
- vi) Project internal grievance redress mechanisms do not exist to facilitate dispute resolution before going to governors and the courts;
- vii) Public consultation and information disclosure are not practiced;
- viii) Cut-off date, to determine eligibility and discourage ineligible persons to claim entitlements, is not declared;
- ix) There is no limitation on commencement of civil works until after completion of all land acquisition procedures; and
- x) Project specific safeguard monitoring and evaluation are not conducted.

V. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS

124. The objective of this LARP is to stipulate all relevant entitlements, procedures and compensation, relocation and rehabilitation measures due to the affected persons for the acquisition of land under the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject, while safeguarding their livelihoods. All provisions of this LARP are in accordance with the Resettlement Framework (RF) for the USGDIP. The policy framework and entitlements for the Bayankhoshuu subproject are based on the applicable Mongolian Laws¹⁴ and the ADB SPS, as detailed in Chapters II and III of the RF. This section of the LARP summarizes the key policy framework provisions of the RF and presents the entitlement framework for the Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers subproject.

125. To bridge the gap between Mongolian Legislation and the ADB SPS, this RP presents the subproject's entitlement provisions, which integrate both. In addition, the following principles guided the development of entitlements.

- i) Design and implementation of the subproject will make every effort to avoid and minimize LAR impacts, including temporary impacts during construction.
- ii) The Bayankhoshuu sub-project will adopt a negotiated LAR practice involving contractual agreements negotiated between APs and the LAD on the basis of the Civil Code of Mongolia.
 - a) All compensation and allowances will be determined and paid or provided as specified in the contractual agreements.¹⁵

¹⁴ Civil Code of Mongolia, 2002; Law of Mongolia on Land, 2002; Law on Allocation of Land to Mongolian Citizens for Ownership, 2003.

¹⁵ If feasible, the provision of employment in Project civil works to poor and vulnerable APs, if they desire so, will be included in the contracts.

- b) All agreements will be certified by a notary and land and property titles registered with the State Administrative Authority in Charge of State Registration of Property Rights. The parties to the contracts will retain their own legal copies.
 - c) Adequate grievance redress mechanisms will be established.
 - d) The APs, regardless of whether they are titled or non-titled, will not be served notices or demand letters regarding claims by the government to their properties.
 - e) All LAR related notification of APs and negotiation of agreements will be carried out by the LAD staff with the support of Project staff in individual as well as in public consultations with the APs.
 - f) Khoroo governors, social workers and land administrators shall assist in identifying, consulting, and formulating with APs and the project staff special measures such as allocation of new plots and income restoration schemes for affected vulnerable persons.
- iii) All APs will be eligible for compensation and rehabilitation entitlements irrespective of their property status, including unlicensed occupants of land, and of the type of use of their property (residential, commercial, public or community).¹⁶
 - iv) Affected land will be compensated either at replacement cost based on market rates for comparable land or the applicable government compensation fixed rate, whichever is higher, or, in the case of full loss of a plot of land, with replacement land, including land preparation and restoration of utility services (electricity, water etc.), as applicable. The District Property and Land Administration Office will assist the APs to identify and approve the relocation plot. The loss of 50 percent or more of a plot is considered a full loss eligible for compensation for the entire plot, if the AP so desires.
 - v) Unlicensed occupants in case of full loss of land (i.e. greater than 50 percent) will be provided relocation assistance sufficient for them to restore their standard of living at an adequate alternative site with security of tenure (through grant of land possession or land ownership right), as well as compensation at full replacement cost for loss of non-land assets, such as dwellings and other improvements to the land.
 - vi) Unlicensed occupants in case of partial loss of less than 50 percent of their land will be awarded a possessor license for remaining contiguous unlicensed land. All taxes and fees associated with grant of possession rights will be covered by the subproject.
 - vii) Affected users of land with possession licenses will be provided where possible with replacement plots in similar locations suitable to business operations and new possession licenses or, if possible and desired, with a ownership title, within 3 months of conclusion of a contractual agreement between the MUB and the affected entity.
 - viii) All APs agreeing to receive replacement land or APs with pending license approval for ownership or possession or APs with possession licenses seeking ownership status, will be provided with ownership licenses prior to displacement, but not exceeding 3 months after conclusion of a contractual

¹⁶ Not applicable if the replacement of public structures (electricity, water supply lines, etc) is covered under civil works contracts.

agreement between the MUB and the AP and will be registered with the State Administrative Authority in Charge of State Registration of Property Rights.

- ix) Affected structures¹⁷ will be compensated at replacement cost based on prevailing market rates for comparable types of structures without deduction of depreciation. Materials may also be salvaged by the APs.
- x) In cases of joint property ownership, the written notarized consent of the partners in a common property relationship or of an adult family member will be required.
- xi) Those APs who do not have formal legal rights, but have a claim to such land or assets, i.e. in the process of obtaining land possession or ownership rights, will be compensated for both the lost land and structures.
- xii) Temporary loss of employment income will be compensated for the period of interruption of employment. Permanent loss of employment will be compensated with cash indemnity for 3 months wages for workers/employees that have been engaged for at least 1 year; otherwise entitlement is 1 month salary. The affected persons with permanent loss of employment shall be provided also other labor benefits and retrenchment allowances according to the national labor law, skills development trainings for new employment opportunities, and assistance to find new employment.
- xiii) Temporary loss of business income to the owner will be compensated through cash compensation equivalent to net profit after tax, i.e. for the period of interruption of business based on tax receipts/other valid documents or, if these are not available, based on the average net income of typical businesses in subproject areas.
- xiv) For permanent business loss, compensation shall include also any costs required for physical and financial reestablishment of business. If the business needs to be relocated, the following options will be provided to the APs: (a) government will provide replacement land/shop space prior to relocation; or (b) if an acceptable plot of land/space cannot be agreed upon, net income loss of 1 year will be paid and, in consultation with the affected persons; the replacement land/shop space will be provided within 1 year of displacement.
- xv) Land lessees, including those living in gers, will be provided with a cash refund at rental fee rate for duration of remaining lease period.
- xvi) Vulnerable and poor households will be provided preferential employment in Bayankhoshuu subproject related workforce, if available and desired by APs. Depending on nature of impact, other support may include: cash assistance up to a maximum of six months, guaranteed at the rate of minimum wage and assistance in reconstituting affected business or employment; assistance with selecting a replacement plot and with preparation of contracts and administrative process of provisions of replacement plot; and, assistance with house relocation and other construction activities (new construction should meet minimum standards), registration of property titles, relocation expenses, or a minimum housing

¹⁷ Including houses, fences, sheds, latrines, garages and other immovable structures built on affected land.

guarantee.

- xvii) All relocation, transfer and transaction expenses (fees and duties) will either be waived by government or included in the contract price of the affected properties.
- xviii) An eligibility cut-off date will be set for the Bayankhoshuu subproject at the time of the census and detailed measurement of affected land and property. This was set as 23 March 2015.
- xix) Civil works shall not commence unless all compensation and relocation activities have been completed, and short-term financial assistance for loss of income has been paid.
- xx) Cash compensation will not be taxable, and all fees and transaction costs to register property will be paid by the project owner.
- xxi) ADB SPS information disclosure and public consultation provisions will be observed
- xxii) Loss of income will be compensated through short-term financial compensation equivalent to the loss, i.e. for the period of interruption of business or employment. Vulnerable and poor households will also be provided with employment opportunities¹⁸ or other assistance.

126. The application of policies, laws and regulations pertaining to LAR eligibility and compensation and rehabilitation entitlements for this Bayankhoshuu subproject are summarized in the Entitlement Matrix in Table 21. Each AP may experience a combination of the losses indicated in the first column. Each case must be investigated and determined carefully so that all possible losses of the AP are covered.

Table 21: Entitlement Matrix

Type of Loss	Specification	Eligibility	Compensation Entitlements
LAND (residential/ commercial/ public/ community)	Partial loss of plot (<50%)	Owner, Possessor, User ¹⁹	Cash compensation at market rates or the government compensation rate, whichever is higher, based on contractual agreement. All taxes, registration and transfer costs are waived or included in compensation price
		Lessee	Cash refund at rental fee rate for duration of remaining lease period
		Unlicensed occupant of land	Possession or ownership license and State registration for adjacent unlicensed land will be provided by MUB; All taxes, registration and transfer costs are waived
	Full loss of plot (=>50%)	Owner, Possessor, User	The AP may choose between the following alternatives: Land for land compensation through provision of replacement plot of comparable value and location as lost plot; Ownership license and State registration; OR

¹⁸ If the required skills are not available, the contractor will provide basic training to the employed APs.

¹⁹ If the remaining land is no longer fit for original purpose (e.g. habitation or commerce) the AP may opt to receive a new replacement plot instead of cash compensation and will give up the entire old plot.

Type of Loss	Specification	Eligibility	Compensation Entitlements
			Cash compensation at market rates or the government compensation rate, whichever is higher, based on contractual agreement. All taxes, registration and transfer costs are waived or included in compensation price
		Lessee	The AP may choose between the following alternatives: Allocation of plot with ownership license and State registration All taxes, registration and transfer costs are waived or included in compensation price OR Cash refund at rental fee rate for duration of remaining lease period
		Unlicensed occupant of land	Relocation assistance sufficient to restore standard of living at an adequate alternative site with security of tenure (i.e. possession or ownership license). All taxes, registration and transfer costs are waived or included in compensation price
STRUCTURES (residential/ commercial/ public/ community) ²⁰	Full loss of structure and/or relocation	Owner, possessor, user, unlicensed occupant of land	Cash compensation for replacement of lost structure at market rate without deduction of depreciation, based on contractual agreement, and no deduction for salvaged materials
	Alteration to structure ²¹	Owner, possessor, user, unlicensed occupant of land	Cash compensation for lost part of structure and reconstruction of remaining structure at market rate without deduction of depreciation, based on contractual agreement, and no deduction for salvaged materials
	Moving back of fences	Owner, possessor, user, unlicensed occupant of land	The AP may choose between the following alternatives: Cash compensation for relocation of fence at market rate without deduction of depreciation, based on contractual agreement, and no deduction for salvaged materials OR Replacement/reconstruction of the fence by the subproject owner/contractor
	Moving or relocation of storage containers	Owner, possessor, user, unlicensed occupant of land	Cash compensation for cost of relocating container outside the ROW, including cost of emptying and restocking container; to be included in contractual agreement
	Moving or relocation of ger	Owner, possessor, user, unlicensed occupant of land	Cash compensation for cost of taking down and raising of ger and for transport, as applicable; to be included in contractual agreement

²⁰ 'Residential' refers to any structure used as a private dwelling, including houses and gers. 'Commercial' refers to any structure used for business and manufacturing activities, including small shops, factories, offices, workshops and garages.

²¹ Any required alteration to an occupied residential structure will be compensated as full loss.

Type of Loss	Specification	Eligibility	Compensation Entitlements
Temporary disturbance	Removal of fence, civil works on land outside ROW, restoration of land and fences	Owner, possessor, user, unlicensed occupant of land	Access to land and residential/commercial/public/community structures shall be provided by civil works contractor. Cash compensation for taking down and rebuilding of fence at market rate without deduction of depreciation. No deduction for salvaged materials. Restoration of land by civil works contractor
Businesses	Any business loss due to LAR or construction activities by subproject	All APs persons so temporarily affected	Cash compensation equivalent to the loss, i.e. for the period of interruption of business based on tax receipts/other valid documents or, if these are not available, based on the average net income of typical road businesses in subproject areas. AND Any costs required for physical and financial reestablishment of business. If the business needs to be relocated, the following options will be provided to the APs: (a) government will provide replacement land/shop space prior to relocation; or (b) if an acceptable plot of land/space cannot be agreed upon, net income loss of 1 year will be paid and, in consultation with the affected persons; the replacement land/shop space will be provided within 1 year of displacement.
Employment	Any employment loss due to LAR or construction activities	All temporarily laid-off employees of affected businesses	Compensation for loss of employment income for the period of interruption of employment.
		All permanently laid-off employees of affected businesses	Compensated with cash indemnity for 3 months wages for workers/employees that have been engaged for at least 1 year; otherwise entitlement is 1-month wage. AND Other labor benefits and retrenchment allowances according to the national labor law, Skills development trainings for new employment opportunities Assistance to find new employment.
Vulnerable AHs ²²	Permanent loss of livelihood	All vulnerable and/or severely affected AHs	Preferential employment in subproject-related workforce, if available and desired by APs Cash assistance up to a maximum of six months at guaranteed lowest living level and assistance in reconstitution of business or employment
	Loss of land	All vulnerable and/or severely affected	Assistance with selecting a replacement plot and with preparation of contracts and administrative process of provisions of replacement plot

²² Vulnerable groups are distinct groups of people (poor, elderly, disabled, and female headed households) who may suffer disproportionately from resettlement. Severely affected APs include those whose remaining landholdings are no longer fit for original purpose.

Type of Loss	Specification	Eligibility	Compensation Entitlements
		AHs	
	Loss of structure	All vulnerable and/or severely affected AHs	Assistance with house relocation and other construction activities (new housing should meet minimum standard), registration of property titles, relocation expenses, minimum housing guarantee.
	Livelihood support	Any household member of a vulnerable AH	Preferential treatment for temporary employment during construction; Employment training (3–6 months).
	Temporary disturbance	All vulnerable and/or severely affected AHs	Preferential treatment to avoid, minimize or mitigate disturbance as quickly as possible.
Relocation	Transport/transition costs	All APs to be relocated	Provision of allowances to cover transport costs on actual cost basis at current market rates; to be included in contractual agreement Assistance to find an alternative plot or to find comparable house to rent, as applicable
Unidentified Losses	Unanticipated impacts	All affected persons	To be identified during subproject implementation; measures will be formulated as appropriate according to ADB policy and reported to ADB prior to implementation

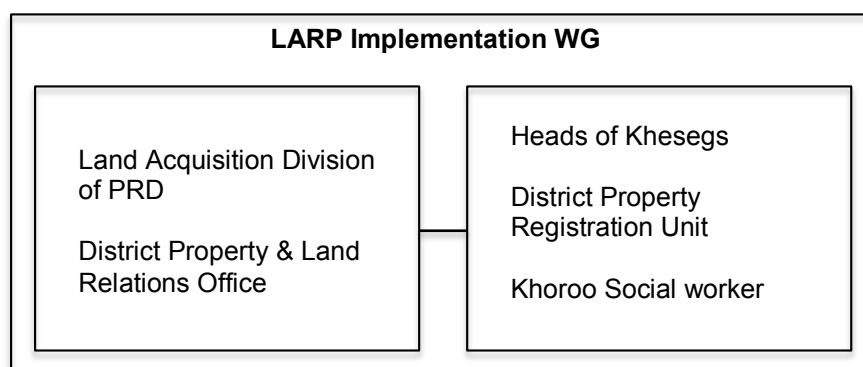
VI. INSTITUTIONAL ARRANGEMENTS

127. In accordance with the Resettlement Framework (RF) document, Land Acquisition and Resettlement Committee (LARC) for the subproject “Design of Sewer Collectors for Bayankhoshuu and Selbe Sub-centers was established on 6 Mar 2015 by the Resolution No. A/175 of the Mayor of MUB. With this resolution a Working Group (WG) for the Implementation of the LARP was established as well. See Attachment 5 for the resolution, the composition of the LARC and WG, and full list of the members of these two setups.

128. The LARC is responsible for the overall management and supervision of the LAR activities for both Selbe and Bayankhoshuu subprojects. The Vice Mayor of MUB in charge of urban development and investment and, in the meantime, Director of USGDIP’s PMO is the chairman. The secretary is the Resettlement Expert of USGDIP’s PMO. The members are comprised of 14 persons including Songinokhairkhan and Chingeltei District and relevant khoroo governors, officials of PRD, municipal water supply, road, title registration, social welfare departments and representatives of APs.

129. The implementation of the LARP will be the responsibility of the Working Group (WG) under the guidance of LARPIC and with close coordination and support of the PMO. The WG is chaired by the head of LAD. The WG has a core group to implement the LARP and it consists of the staff of LAD and respective District Property and Land Relations Office (DPLRO). Then there is a supporting staff of WG, which consists of the staff of respective district’s Property Registration Unit, respective khoroo’s social workers and heads of kheseqs. The Structure of LARP implementation Working Group is shown in figure 11.

Figure 11. The Structure of LARP implementation Working Group.



130. The PMO and LAR specialists will ensure that LAR safeguard requirements are met in the formulation and implementation of the LARP. The PMO, with the assistance of the LAR specialists, ensures LAR safeguard compliance and submission of a satisfactory LARP to MUB and ADB for review and approval prior to any LAR and the commencement of civil works.

131. A workshop on “ADB SPS and policy principles” was organized for the members of the LARPIC on 12 March 2015. The participants were trained on the ADB policy objectives and key principles of the SPS requirements for Involuntary Resettlement. Also, general information on the applicable Mongolian legislation, RF and general procedures for LARP preparation and implementation provided to the LARC members.

132. The PMO, with the assistance of LAR specialists, is responsible for adequate monitoring and supervision of the implementation of the LARP and the resulting impacts on APs. The PMO will be responsible for reporting the progress in implementing the LARP to the LARC, MUB and ADB.

VII. INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION

133. APs must be fully informed, closely consulted, and encouraged to participate in any decision making pertinent to LAR for the Bayankhoshuu subproject, including the final design of sewer main collector pipes, preparation of contractual agreements, determination of prices for assets to be transferred, selection of replacement plots and the restoration of livelihoods. This means that relevant subproject information must be disclosed in a timely manner, and in accessible formats that allow effective and informed participation. Additionally, affected persons must have sufficient time between the provision of information and the consultative decision making process to reflect upon the input they want to provide.

134. Such disclosure of information to and consultation with affected persons ensures that they can express their opinions, apprehensions and objections. Subproject proponents, including MUB stakeholders, can address the issues raised and, upon careful consideration, incorporate them in subproject design, insofar as they are compatible with applicable local law and the ADB SPS.

135. In Dec 2014, individual consultations have taken place with APs along the Bayankhoshuu subproject’s ROW at the time of field verification and identification of LAR scope based on the detailed technical design of the sewer main collector pipes. APs were involved in discussions about opportunities to avoid and minimize LAR impact. Most of the APs expressed their appreciation of the subproject.

136. During 13-16 Mar 2015, when the notification for LAR and cut-off date were delivered and during 28 March – 2 April 2015, when the census and socio-economic survey was conducted, information on the Bayankhoshuu subproject, ROW, grievance redress mechanism were provided to the APs and consulted on their concerns related to the subproject.

137. The information on USGDIP, Bayankhoshuu subproject and the scope of LAR, Mongolian legislation, RF, ADB SPS were provided and the compensation entitlements for the APs were explained at the two public meetings that were held on 24 Mar 2015 at the Citizens Hall of the 7th khoroo and Citizens Hall of Songinokhairkhan district, respectively. These public meetings were attended by representatives of the 61 affected households. The venues are conveniently located in the middle of the Bayankhoshuu subproject site's northern and middle part allowing easy access to APs from the different parts of the subproject. Also, the grievance procedures were reviewed and discussed. The APs were interested whether or not it will be possible to be connected to the sewer main collector pipe and how the civil works will be carried out in places, where the ROW is close to the structures and expressed concerns that the structures might be affected as results of the construction works. These concerns were conveyed to the PMO for further discussions with the relevant parties and response at the next meetings. The APs were informed that they will be able to visit the PMO office to obtain more information, raise their questions and lodge grievances.

138. While preparing this LARP, representatives of all directly affected 77 households, business entities and organizations were consulted either during the public meetings, census and socioeconomic survey, property appraisal or individual meetings at the PMO office. During these activities and meetings, the PMO resettlement specialist and LAR specialists provided detailed information on LAR, their entitlements, the policy and principles of LAR, property appraisal methodologies, grievance redress mechanism and procedures and any other issues and concerns raised by the APs. Most of the individual meetings were held after the public consultation meetings, held on 24 Mar 2015.

139. Additional individual and public consultation meetings will be held to disclose the draft and final LARP, and throughout the implementation of the LARP as required to address any issues. The attendance sheets for consultation meetings are provided in Attachment 6.

VIII. GRIEVANCE REDRESS MECHANISM

140. A Grievance Redress Mechanism (GRM) is established at the MUB to facilitate effective and timely settlement of any issues and problems encountered by the APs related to the LAR and any other issues concerning the Bayankhoshuu subproject.

141. The PMO is the key organization in the grievance redress process. A Grievance action form (GAF) has been prepared to log and follow up APs' grievances, see Attachment 7 for the template of the GAF. APs should lodge their grievances using the GAF and submit it to PMO directly or via MUB's grievance redress procedures, by visiting MUB's office or submitting the grievance by means such as sms, smart UB application, phone and website. In the latter instance, once a grievance is lodged with the MUB redress procedures, the grievance recipient of MUB will convey it to PMO through a web portal, where PMO is registered and has access to its designated window, where the grievances are posted.

142. For the Bayankhoshuu subproject, the USGDIP's PMO will serve as the initial point for grievance redress and will provide a forum for raising objections and holding discussions to resolve conflicts. The PMO will make every effort to solve the issues of the APs at the early stage with the help of the members of LARC and/or WG as they represent all related administrative units and functional departments of MUB. Also, the LAR specialists shall be supporting PMO to redress the grievances.

143. An aggrieved AP shall submit grievances to the Resettlement specialist of the PMO, who will log a complaint in the GAF. Then he/she will contact relevant member of the LARC and/or WG. The grievance will be presented, addressed and resolved within 1 week within the PMO and WG level. The PMO Resettlement Specialist will record its deliberations and inform the concerned parties within the same week of its findings and recommendations and present these to the PMO and WG for action. If the grievance is not resolved within 2 weeks from its lodging, the grievance will be submitted to the related divisions/offices of Songinokhairkhan district and its resolution is recommended to the District Governor for approval and action within 1 more week. If still unresolved within another week the LARC will seek to resolve the issue and make recommendations to the chairman of LARC, who is MUB Deputy Mayor. The Deputy Mayor shall initiate action within another week. If the preceding stakeholders cannot resolve the grievance, it is referred to the courts. Mongolian legislation and the ADB SPS will guide all decisions. APs shall be actively involved in all stages of the grievance redress procedures. The grievance redress mechanism will include the following steps:

Table 22: Grievance mechanism for Bayankhoshuu subproject

Steps	Actors / Actions	Timing
1	AP lodges grievance with PMO, where the PMO director assigns the grievance redress to the Resettlement Specialist	1 week
	PMO Resettlement Specialist addresses grievance, informs AP and proposes resolution with the support of relevant member of LARC and WG	
	PMO and/or WG initiates action for resolution	1 week
If grievance is not resolved		
2	PMO submits grievance to relevant division/office of Songinokhairkhan District, a local government unit	1 week
	Relevant division/office of Songinokhairkhan District addresses grievance, informs AP through PMO and proposes resolution to District Governor	
	District Governor initiates action for resolution with the support of PMO	1 week
If grievance is not resolved		
3	PMO submits grievance to LARC	1 week
	LARC addresses grievance, informs AP and proposes resolution	
	Deputy Mayor of MUB in Charge of Urban Development and Investment initiates action for resolution	1 week
If grievance is not resolved		
4	Grievance is referred to courts	Open

144. Importantly, APs will enjoy the right to use the Governmental grievance redress procedures in accordance with the Law on Handling Grievances of Citizens Addressed to Government Authority and Government Officials, which governs grievance and complaints of citizens regarding the decisions and conduct of government authority or officials, and access the judicial system at any time, i.e. go to the courts, if they feel their grievance or concern is not being adequately addressed through the project GRM.

145. If an AP is still not satisfied and believes they have been harmed due to non-compliance with ADB policy and they have made good faith efforts to solve their problems by working with the ADB Project Team, they may submit a complaint to ADB's Office of Special Project Facility or Office of Compliance Review in accordance with

ADB's Accountability Mechanism. The information on how to make a complaint can be found at internet site www.adb.org/site/accountability-mechanism/main.

IX. COMPENSATION POLICY AND REHABILITATION STRATEGY

146. This part presents the compensation standards for each type of loss as well as transaction and relocation costs. It also presents the rehabilitation strategy regarding households that may be vulnerable. Moreover, this chapter provides explanations for particular circumstances of some APs. The measurements are based on the detailed measurement surveys and maps provided by the technical design engineers, cadastral mapping and registration information from PRD and the measurements of the certified property appraiser. The compensation rates used for land and structures are based on the valuation of the certified property appraiser.

147. All affected land and structures will be compensated at replacement cost based on market value for comparable assets estimated by the valuation team including resettlement specialist, certified property appraiser and officials of LAD and to be agreed with APs.

148. The bases of compensation negotiation for key items are presented in the next paragraphs below. These values can be reviewed and finalized during LARP finalization based on negotiations with the APs.

A. Compensation policy for land

149. Land: it is currently estimated that land will be compensated for at an average rate of MNT 13,200 (USD 6.70) per m² for the affected land of APs from B1 to B41. The market rate in this area, along a stream, swampy terrain without proper streets and further away from main roads, is around MNT 10,600 (USD 5.38) per m², which is lower than the government fixed rate of MNT 13,200 per m² for land under ownership. Therefore, the government fixed rate, MNT 13,200 per m² for land, which is higher than the market rate, will be applied for compensation of land in this area. The affected land of APs from B42 to B77 will be compensated for at an average rate of MNT 80,000 (USD 40.61) per m² for the affected land. The land area of APs from B42 to B58 is located just to the south of ger area redevelopment project. This area is located along ger area paved road and borders with newly built up apartment areas. The area is being gradually transformed from ger area into mixed residential area by the initiatives of the private sector. The land area of APs from B59 to B77 are located on the edge of the ger area and borders with ger area in the north and built up area in the south. The market rates in this area are from MNT 65,000 to MNT 80,000, which are being negotiated and set between the ger area redevelopment company and ger area residents giving up their land for the redevelopment.

150. The following principles will be applied for compensation of affected land:

- Provide compensation for the affected land area that has land ownership, possession and use certificate.
- No compensation for the affected land area that does not have land ownership, possession and use certificate.
- For all affected land parcels there will be a change in the cadastral information, therefore it will be necessary to carry out cadastral surveying and mapping and record the changes in the cadastral database of PRD.

- When doing cadastral surveying and mapping, formalize the land area without permission, if this will comply with existing planning and procedures. Decision on the legalization shall be made by PRD.
- For 5 affected land parcels, B40, B59, B61, B75 and B77, create servitude, no cash compensation, as the creation of servitudes will affect minor parts of the land and expected not to have negative impacts on land value.
- For APs and affected entities B01, B03-B06, B16, B17, B60 and B76 the land parcels will be acquired fully and permanently. B01 is a container placed close to crossroads for sale of vegetables within government program. This container will be relocated to another nearby location. No cash compensation necessary, except for relocation costs. For AHs B03, B05 and B06 cash compensation will be offered. For AHs B04, B16 and B17, who do not have official land permission, i.e. rights, a comparable replacement land parcels with ownership rights will be provided. For APs B60 (although the records define that this land is for residential use, the realistic use is for business) and B76, these are large parcels for business use. Currently, they are not used and vacant. A comparable replacement land with land possession rights shall be provided and the costs for improvements of the land will be provided.
- For the land area of AHs from B2 to B40, the area is characterized by unplanned and chaotic settlement. Therefore, Songinokhairkhan DPLRO, shall take necessary measures to make land readjustments in these areas and provide adequate land parcels not only for those who are impacted by full and permanent loss, but also for those AHs who are losing land partially, but may lose bigger proportion of their land, but less than 50%. It includes AHs such as B12, B13, B24, B30-B32, B34-B38 and B40. If adequate replacement land in the area adjacent to the project affected area will not be available, land parcels in other areas, such as Orbit-Takhilt, of the Songinokhairkhan district will be offered to the AHs. AHs can retain their remaining land area in their present locations and a new land parcel in the other areas can be obtained on the name of one of the members of the household.
- For all affected land parcels with ownership certificate provide transaction costs for registration of changes.
- For all affected land parcels with possession certificate provide transaction costs for registration of land possession titles with GASR.
- For individual APs with land possession certificate, issue land ownership decision, if APs desire so.

151. Table 23: Land parcels to be acquired fully provides the list of APs that are losing land assets fully and permanently.

Table 23: Land parcels to be acquired fully

No.	APs	Land tenure type	Land use type	No. of persons in the household	Comment
1	B01	without permission	business	0	temporary vegetable sales point by government
2	B03	Possession	residential	0	vacant land
3	B04	without permission	residential	3	
4	B05	Possession	residential	6	
5	B06	Ownership	vacant land	4	
6	B16	without permission	residential	3	

No.	APs	Land tenure type	Land use	No. of	Comment
7	B17	without permission	residential	5	
8	B60	Possession	residential	0	vacant land
9	B76	Decision for possession	vacant land	0	vacant land
Total				21	

152. Table 24: Compensation strategy for affected land presents the detailed account for compensation strategy for each affected land parcels, the actual negotiated amounts may differ.

Table 24: Compensation strategy for affected land

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
1	B01		34	34		34	34	100.0%	full	13,200	6.70			relocate the container
2	B02	700		700	197		197	28.1%	partial	13,200	6.70	2,600,400	1,320.10	
3	B03	450		450	242		242	53.8%	full	13,200	6.70	5,940,000	3,015.46	
4	B04		599	599		368	368	61.4%	full	13,200	6.70			provide replacement land with land ownership right
5	B05	489		489	283		283	57.9%	full	13,200	6.70	6,454,800	3,276.80	
6	B06	513		513	378		378	73.7%	full	13,200	6.70	6,771,600	3,437.62	
7	B07	576		576	41		41	7.1%	partial	13,200	6.70	541,200	274.74	
8	B08		2828	2828		36	36	1.3%	partial	13,200	6.70		-	legalize the unlicensed land upto 700m ² , if not possible due to water area, provide a replacement land in the neighborhood
9	B09		746	746		350	350	46.9%	partial	13,200	6.70		-	legalize the remaining unlicensed land, provide ownership rights
10	B10	700		700	249		249	35.6%	partial	13,200	6.70	3,286,800	1,668.55	
11	B11		1221	1221		48	48	3.9%	partial	13,200	6.70		-	legalize the unlicensed land upto 700m ² , provide ownership rights

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
12	B12	700	1220	1920	223	18	241	12.6%	partial	13,200	6.70		-	partial loss of the licensed land to be replaced with land from the unlicensed land upto 700m2 and provided ownership rights, remaining unlicensed land can be legalized for possession for greenhouse/vegetable growing
13	B13	700	1221	1921	261	176	437	23%	partial	13,200	6.70		-	partial loss of the licensed land to be replaced with land from the unlicensed land upto 700m2 and provided ownership rights, remaining unlicensed land can be legalized for possession for greenhouse/vegetable growing
14	B14	607	155	762		60	60	8%	partial	13,200	6.70		-	remaining unlicensed land can be legalized and ownership rights provided
15	B15	2968	272	3240	680	71	751	23%	partial	13,200	6.70	8,976,000	4,556.69	provide land possession rights for the remaining

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
														unlicensed land
16	B16		133	133		133	133	100%	full	13,200	6.70		-	provide replacement land with land ownership right
17	B17		964	964		599	599	62%	full	13,200	6.70		-	provide replacement land with land ownership right
18	B18	700	354	1054	82	142	224	21%	partial	13,200	6.70	1,082,400	549.48	legalize the unlicensed land upto 700m ² , provide ownership rights
19	B19	700	510	1210	247	29	276	23%	partial	13,200	6.70	3,260,400	1,655.15	provide ownership rights on remaining land
20	B20	699		699	166		166	24%	partial	13,200	6.70	2,191,200	1,112.37	provide ownership rights on remaining land
21	B21	700		700	112		112	16%	partial	13,200	6.70	1,478,400	750.51	provide ownership rights on remaining land
22	B22	700		700	48		48	7%	partial	13,200	6.70	633,600	321.65	provide ownership rights on remaining land
23	B23	520		520	22		22	4%	partial	13,200	6.70	290,400	147.42	provide ownership rights on remaining land

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
24	B24	661	32	693	212	16	228	33%	partial	13,200	6.70	2,798,400	1,420.62	Although the loss is 33% of the land, the ROW goes through the middle of the plot and results in a plot on which a bigger structure cannot be erected. If AP agrees, provide replacement land with land ownership right or provide cash compensation for the land being acquired and land ownership right on the remaining land
25	B25	350	163	513	86	64	150	29%	partial	13,200	6.70	1,135,200	576.29	legalize the unlicensed land upto 700m ² , provide ownership rights
26	B26	350	185	535		41	41	8%	partial	13,200	6.70		-	legalize the unlicensed land upto 700m ² , provide ownership rights
27	B27	672		672	34		34	5%	partial	13,200	6.70	448,800	227.83	provide ownership rights
28	B28		2224	2224		418	418	19%	partial	13,200	6.70		-	legalize the unlicensed land upto 700m ² , provide ownership rights

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
29	B29	700	135	835	70	110	180	22%	partial	13,200	6.70	924,000	469.07	legalize the unlicensed land upto 700m2, provide ownership rights
30	B30	619		619	234		234	38%	partial	13,200	6.70	3,088,800	1,568.04	Although the loss is 38% of the land, the ROW goes through the middle of the plot and results in a plot on which a bigger structure cannot be erected. If AP agrees, provide replacement land with land ownership right or provide cash compensation for the land being acquired and land ownership right on the remaining land
31	B31		376	376		146	146	39%	partial	13,200	6.70		-	the loss of land is 39%, but the total land area is 376m2 and the remaining land will be 236m2. If AP agrees, land ownership right can be provided on the remaining land. If AP does not agree, the land will be fully

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
														acquired and a replacement land with ownership rights to be provided
32	B32	700	300	1000	268	21	289	29%	partial	13,200	6.70	3,537,600	1,795.87	provide land ownership right, if feasible considering the neighboring vacant land area, move the land parcel to the west
33	B33		873	873		10	10	1%	partial	13,200	6.70	-	-	legalize the unlicensed land upto 700m2, provide ownership rights
34	B34		666	666		270	270	41%	partial	13,200	6.70	-	-	Although the loss is 41% of the land, the ROW goes through the middle of the plot and results in a plot on which a bigger structure cannot be erected. If AP agrees, provide replacement land with land ownership right or provide

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
														cash compensation for the land being acquired and land ownership right on the remaining land
35	B35		942	942		256	256	27%	partial	13,200	6.70		-	provide land ownership rights for the remaining unlicensed land
36	B36		533	533		124	124	23%	partial	13,200	6.70		-	provide land ownership rights for the remaining unlicensed land
37	B37		852	852		198	198	23%	partial	13,200	6.70		-	provide land ownership rights for the remaining unlicensed land
38	B38		586	586		208	208	35%	partial	13,200	6.70		-	provide land ownership rights for the remaining unlicensed land
39	B39	699		699	5		5	1%	partial	13,200	6.70	66,000	33.51	
40	B40		709	709		228	228	32%	partial	13,200	6.70		-	provide land ownership rights and create servitude or Although the loss is 32% of the land, the

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
														ROW goes through about the middle of the plot and results in a plot on which a bigger structure cannot be erected. If AP agrees, provide replacement land
41	B41	574		574	5		5	1%	partial	13,200	6.70	66,000	33.51	
42	B42	369		369	131		131	35.5%	partial	80,000	40.61	10,480,000	5,320.20	
43	B43	361		361	106		106	29.4%	partial	80,000	40.61	8,480,000	4,304.90	
44	B44	643	669	1312	122	26	148	11.3%	partial	80,000	40.61	9,760,000	4,954.69	legalize the unlicensed land upto 700m2 on the name of one of the AH's member, provide ownership rights
45	B45	677	725	1402	78	48	126	9.0%	partial	80,000	40.61	6,240,000	3,167.75	legalize the unlicensed land upto 700m2 on the name of one of the AH's member, provide ownership rights
46	B46	491	552	1043	82	61	143	13.7%	partial	80,000	40.61	6,560,000	3,330.20	legalize the unlicensed land upto 700m2 on the name of one of the AH's member, provide ownership

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
														rights
47	B47	561	255	816	31	224	255	31.3%	partial	80,000	40.61	2,480,000	1,258.98	legalize the unlicensed land upto 700m2 on the name of one of the AH's member, provide ownership rights
48	B48	501	255	756	42	224	266	35.2%	partial	80,000	40.61	3,360,000	1,705.71	
49	B49	556		556	212		212	38.1%	partial	80,000	40.61	16,960,000	8,609.79	
50	B50	500	156	656	54	94	148	22.6%	partial	80,000	40.61	4,320,000	2,193.06	
51	B51	4010	204	4214	177	103	280	6.6%	partial	80,000	40.61	14,160,000	7,188.36	
52	B52	2159		2159	22		22	1.0%	partial	80,000	40.61	1,760,000	893.47	
53	B53		1172	1172		161	161	13.7%	partial	80,000	40.61		-	legalize the unlicensed land upto 700m2 on the name of one or two of the AHs member, provide ownership rights
54	B54	700		700	225		225	32.1%	partial	80,000	40.61	18,000,000	9,137.75	
55	B55	644		644	125		125	19.4%	partial	80,000	40.61	10,000,000	5,076.53	
56	B56	700		700	149		149	21.3%	partial	80,000		11,920,000	6,051.22	

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
											40.61			
57	B57	548		548	211		211	38.5%	partial	80,000	40.61	16,880,000	8,569.18	
58	B58	4493		4493		54	54	1.2%	partial	80,000	40.61		-	legalize the unlicensed land and provide land possession rights
59	B59	3139		3139	521		521	16.6%	partial	80,000	40.61		-	no cash compensation, this is a Songinokhairkhan district entity, if necessary, create servitude or relocate fences backwards
60	B60	1184		1184	616		616	52.0%	full	80,000	40.61		-	provide comparable land with possession right, not used, vacant land, if AP agrees part of the replacement land can be provided on the remaining land of 568m2
61	B61	1000		1000	195		195	19.5%	partial	80,000	40.61	15,600,000	7,919.38	no cash compensation, as the LAR will not have impacts on the land value, create servitude
62	B62	700		700	133		133	19.0%	partial	80,000	40.61	10,640,000	5,401.43	

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
63	B63	407		407	51		51	12.5%	partial	80,000	40.61	4,080,000	2,071.22	
64	B64	700	218	918		46	46	5.0%	partial	80,000	40.61		-	legalize the unlicensed land on the name of one of the members of AH and provide ownership right
65	B65	567		567	52		52	9.2%	partial	80,000	40.61	4,160,000	2,111.84	
66	B66	567		567	53		53	9.3%	partial	80,000	40.61	4,240,000	2,152.45	
67	B67	700		700	61		61	8.7%	partial	80,000	40.61	4,880,000	2,477.35	
68	B68	622	217	839	47		47	5.6%	partial	80,000	40.61	3,760,000	1,908.77	legalize the unlicensed land on the name of one of the members of AH and provide ownership right
69	B69	657	38	695	25		25	3.6%	partial	80,000	40.61	2,000,000	1,015.31	legalize the unlicensed land
70	B70	646	38	684		22	22	3.2%	partial	80,000	40.61		-	legalize the unlicensed land
71	B71	700	27	727		10	10	1.4%	partial	80,000	40.61		-	
72	B75	49721		49721	3614		3614	7.3%	partial	80,000	40.61		-	no cash compensation, as the LAR will not have impacts on land value, create servitude

#	AP ID	Total land area, m2			Affected land area, m2			Proportion of land loss relative to total land occupied, %	Type of impact	Unit Price MNT	Unit Price USD	Total compensation for land MNT	Total compensation for land USD	Comment
		with permission	without permission	Total	with permission	without permission	Total							
73	B76	998		998		998	998	100.0%	full	80,000	40.61		-	provide comparable land with possession rights, has Governor's decision for land possession right
74	B77	5426	83	5509		83	83	1.5%	partial	80,000	40.61		-	provide land possession right, i.e. legalize the land without permission, if planning and land administration rules/legislation allows, and create servitude
Total		103,394	23,442	126,836	11,280	6,328	17,608	14%				246,292,000	125,031	

B. Compensation policy for structures

153. The following strategies will apply for compensation of different types of structures. Detailed account of the losses, units, quantities, unit values, number of affected structures and APs are presented in Table 25: types of losses and their quantities.

- Fences – wooden: it is currently estimated that wooden fences will be compensated for at a rate of MNT 312,500 (USD 158.64) per m³.
- Fences – concrete: it is currently estimated that concrete fences will be compensated for at a rate of MNT 366,548 (USD 186.08) per piece.
- Fences – iron: it is currently estimated that iron fences will be compensated for at a rate of MNT 2,518 (USD 1.28) per kg.
- Fences – block: it is currently estimated that block fences will be compensated for at a rate of MNT 1,611 (USD 0.82) per piece.
- Fences – wooden poles: it is currently estimated that wooden poles will be compensated for at a rate of MNT 8,000 (USD 4.06) per piece.
- Fences – concrete pole: it is currently estimated that concrete poles of the fences will be compensated for at a rate of MNT 100,700 (USD 51.12) per piece.
- Fences – iron pole: it is currently estimated that iron poles of the fences will be compensated for at a rate of MNT 8,000 (USD 4.06) per piece.
- Iron gate – type 1 (wooden frame with metal sheet, sliding): it is currently estimated that iron gate will be compensated for at a rate of MNT 600,000 (USD 304.59) per set.
- Iron gate – type 2 (wooden frame with metal sheet): it is currently estimated that iron gate will be compensated for at a rate of MNT 350,000 (USD 177.68) per set.
- Iron gate – type 3 (small): it is currently estimated that iron gate will be compensated for at a rate of MNT 50,500 (USD 25.64) per set.
- Iron gate – iron net type 1: it is currently estimated that iron gate – iron net type 1 will be compensated for at a rate of MNT 10,000 (USD 5.08) per m.
- Iron gate – iron net type 2: it is currently estimated that iron gate – iron net type 2 will be compensated for at a rate of MNT 312,500 (USD 158.64) per m³.
- Structure's foundation – brick: it is currently estimated that brick structure's foundation will be compensated for at a rate of MNT 268,668 (USD 136.39) per m³.
- Structure's foundation – concrete: it is currently estimated that concrete structure's foundation will be compensated for at a rate of MNT 155,500 (USD 78.94) per m³.
- Wooden shed/small structure: it is currently estimated that sheds will be compensated for at a rate of USD 312,500 (MNT 158.64) per m³.
- Brick buildings: it is currently estimated that brick buildings will be compensated for at a rate of MNT 550,026 (USD 279.22) per m².
- Brick buildings entrance: extensions of structures: it is currently estimated that brick extensions of structures residential structure will be compensated for at a rate of MNT 274,635 (USD 139.42) per m².
- Cemented area - construction/earth works: it is currently estimated that cemented road restoration costs will be compensated for at a rate of MNT 44,000 (USD

22.34) per m³.

- Cemented area: it is currently estimated that cemented area restoration costs will be compensated for at a rate of MNT 198,000 (USD 100.52) per m³.
- Ger relocation: it is currently estimated that ger relocation costs will be compensated for at a rate of MNT 250,000 (USD 126.91) per piece.
- Wooden Latrine: it is currently estimated that latrines will be compensated for at a rate of MNT 221,995 (USD 112.70) each.
- Waste water ditch: it is currently estimated that restoration of waste water ditch will be compensated for at a rate of MNT 10,000 (USD 5.08) per m³.
- Trees/bushes - blackcurrant: it is currently estimated that blackcurrant trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Trees/bushes - seabackthorn: it is currently estimated that seabackthorn trees will be compensated for at a rate of MNT 15,000 (USD 7.61) per piece.
- Trees/bushes - aspen: it is currently estimated that aspen trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Trees/bushes - hip: it is currently estimated that hip trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Trees/bushes - hawthorn: it is currently estimated that hawthorn trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Trees/bushes – tekhiin sheeg: it is currently estimated that tekhiin sheeg trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Trees/bushes – shar khuais: it is currently estimated that shar khuais trees will be compensated for at a rate of MNT 10,000 (USD 5.08) per piece.
- Iron materials relocation: it is currently estimated that iron materials relocation will be compensated for at a rate of MNT 250,000 (USD 126.91) per piece.
- Curb: it is currently estimated that roadside curb restoration costs will be compensated for at a rate of MNT 17,500 (USD 8.88) per piece.
- Greenhouse: it is currently estimated that greenhouse will be compensated for at a rate of MNT 62,500 (USD 31.73) per m³.
- Container: will be relocated within the neighborhood or to another place within the city. Irrespective of the required process, compensation for this is currently estimated at a rate of MNT 500,000 (USD 253.83).
- Pedestrian road: it is currently estimated that pedestrian road made of tiles will be compensated for at a rate of MNT 26,000 (USD 13.20) per m².

Table 25: Types of losses and their quantities

No.	Type of loss	Unit	Unit price (MNT)	Quantity	No. of affected objects	APs
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No.	Type of loss		Unit	Unit price (MNT)	Quantity	No. of affected objects	APs
1	Fence	Wooden	m3	312,500	80.13	52	B10, B14, B15, B16, B017, B018, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B54, B56, B57, B30, B31, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B05, B50, B51, B53, B62, B63, B64, B65, B66, B67, B68, B69, B07, B72, B75
		Concrete	pc	366,548	20.00	2	B51, B75
		Iron	kg	2,518	952.50	2	B58, B77
		Block	pc	1,611	4,054.00	6	B56, B30, B52, B59, B75, B77
		Wooden pole	pc	8,000	408.00	45	B10, B14, B15, B16, B17, B18, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B53, B62, B63, B64, B65, B66, B67, B07, B70, B74, B76
		Concrete pole	pc	100,700	16.00	2	B51, B75
		Iron pole	pc	8,000	6.00	1	B08
		Iron net type 1	m	10,000	47.00	2	B12, B13, B49
		Iron net type 2	m3	312,500	3.50	1	B32
2	Iron gate	Iron gate type 1	set	600,000	8.00	8	B02, B54, B45, B46, B65, B71, B75, B76
		Iron gate type 2	set	350,000	17.00	17	B17, B23, B24, B03, B55, B30, B34, B40, B44, B62, B63, B64, B66, B67, B68, B74
		Iron gate type 3	set	50,500	2.00	2	B36, B50
3	Structure's foundation	Brick structures	m3	268,668	8.20	2	B51, B55
		Concrete structures	m3	155,500	27.02	9	B17, B02, B30, B45, B46, B58, B59, B06, B75, B77
4	Wooden shed/small structure		m3	312,500	19.60	13	B17, B19, B24, B30, B47, B48, B56, B68
5	Brick buildings/houses main part		m2	550,026	419.73	9	B24, B54, B55, B57, B30, B36, B42, B43
	Brick buildings's enterance		m2	274,635	50.67	5	B54, B56, B57, B42, B43
6	Cemented area - construction/earth works		m3	44,000	50.00	1	B55
7	Cemented area		m3	198,000	122.90	5	B55, B45, B46, B61, B77, B52
8	Ger relocation		pc	250,000	5.00	4	B17, B24, B28, B44

No.	Type of loss	Unit	Unit price (MNT)	Quantity	No. of affected objects	APs
9	Wooden latrine	pc	221,995	20.00	19	B17, B02, B24, B25, B54, B56, B30, B34, B42, B44, B45, B46, B47, B48, B59, B62, B63, B64, B66, B67, B71
10	Waste water ditch	m3	10,000	48.00	2	B47, B48
11	Trees/bushes - others	pc	10,000	97.00	9	B54, B45, B46, B53
	Tree - black currant	pc	15,000	35.00	3	B45, B46, B53, B54
12	Relocation of iron materials	pc	250,000	3.00	3	B14, B27, B76
13	Curb	ш	17,500	69.00	2	B61, B77
14	Greenhouse	m3	62,500	40.00	1	B45, B46
15	Container	pc	500,000	2.00	2	B01, B04
16	Pedestrian road	m2	26,000	68.43	3	B61, B77

C. Compensation policy for livelihood loss

154. All the business and employment losses are temporary and will be affected only during the construction work, there will be no need to provide support other than cash. These businesses and employees do not have to re-start the business or the employment somewhere else.

155. Temporary business loss during construction will be compensated for through short term financial compensation equivalent to the net profit after tax for the 10 day period of interruption of business.

156. Employment loss will be compensated for through short term financial compensation equivalent to the salary for the 10 day period of interruption of employment. Table 26: Compensation strategy for affected business/livelihood and employment provides detailed account of compensation for the loss for each APs.

157. Some of the APs with businesses did not run any business at the time of census and socioeconomic survey. The business losses and salaries of the employees were reflected in the Table 26 as indicated by the APs during the census and socioeconomic survey, these needs to be checked and finalized against the tax payments, financial statements or other comparable documents when providing the compensation.

158. For APs B45 and B53, the business is greenhouse and vegetables for family household livelihood use. Due to LAR this livelihood activity will be interrupted for this year and therefore, the livelihood income earnings equivalent to one year will be provided.

159. For the calculation of the business and employment loss, the 10 day income and salaries of the employees were calculated from the 1 month (30 days) income and salaries.

Table 26: Compensation strategy for affected business/livelihood and employment

No.	APs	Type of business/livelihood activity	Business loss		Loss of Employment		Total for livelihood losses	
			MNT	USD	MNT	USD	MNT	USD
1	B15	vegetable plantation and sales	368,000	186.82	533,333	270.75	901,333	457.56
2	B28	grocery store and vegetable/greenhouse	266,667	135.37	-	-	266,667	135.37
3	B42	car repair service	550,000	279.21	-	-	550,000	279.21
4	B45	greenhouse, vegetable	5,040,000	2,558.57	-	-	5,040,000	2,558.57
5	B48	wood, wooden products sales, carpentry workshop	26,666,667	13,537.41	10,000,000	5,076.53	36,666,667	18,613.94
6	B51	sales and production - bakery	8,333,333	4,230.44	8,000,000	4,061.22	16,333,333	8,291.66
7	B52	meat and meat products	18,333,333	9,306.97	1,666,667	846.09	20,000,000	10,153.06
8	B53	greenhouse/vegetable, fruit trees	13,989,804	7,101.96	-	-	13,989,804	7,101.96
9	B54	grocery, storage	2,000,000	1,015.31	-	-	2,000,000	1,015.31
10	B55	vacuum window factory	1,333,333	676.87	1,500,000	761.48	2,833,333	1,438.35
Total			76,881,137	39,029	21,700,000	11,016	98,581,137	50,045

D. Compensation policy for transaction costs

160. All transaction costs will be covered by the subproject. This means that where households are being supported in the formalization of their land title, or where they are relocating to a new plot, or where there is a change in their land parcels all the fees associated with these processes will be provided. This includes any fees for notary services, the preparation of cadastral maps, issuance of cadastral maps, issuance of land possession certificates, issuance of land title certificate or other required service fees. Rates for these fees are dependent on the characteristics of individual transactions. The following will apply:

- For the contracts with APs the notary fees will be paid as per the Resolution No. 123 of the Minister for Justice and Internal Affairs from 2011²³. Appendix 8: Notary services and fees related to contracts provides the types of contracts and the fees to be paid for each type of contract.
- For cadastral surveying and mapping MNT 50,000 (USD25.38) will be paid.
- For cadastral map issuance fee MNT 2,500 (USD 1.27) will be paid.
- For land certificate by PRD - possession MNT 20,000 (USD 10.15) for individuals and MNT 70,000 (USD 35.53) for companies.
- For registration of the land titles by GASR for possession right MNT 10,000 (USD 5.08) will be paid.
- For registration of the land titles by GASR for ownership right no fee, if this first time registration and MNT 8,000 if the registration is to make changes (change of size, address, additional information etc.) to the land ownership title then MNT 8,000 (USD 4.06) will be paid.

161. Except for APs B72, B73 and B74, there will be changes in the land/property and title registration. For APs B72, B73 and B74 there will no impact on the land and property (for these APs only fences need to be temporarily taken down and re-constructed after civil works), therefore there is no need to make changes in the cadastral and land title registration.

162. Table 27 Compensation strategy for transactions costs provides detailed account of transactions costs to be compensated to each APs.

163. The PMO with the support of the LAD and General Authority for State Registration (GASR) in Songinokhairkhan District will organize the issuance of land possession certificates and land ownership decision with PRD and land title certificates for ownership and possession with GASR. This will be organized by collecting all the application documents from APs at the PMO office for a period of 2 weeks to be determined by PMO in coordination with the LARP implementation. APs shall be notified the time period for collection of the documents at least 2 weeks prior to the start of the collection. All documents collected at the PMO during the 2 weeks period will be consolidated and provided to PRD for issuance of land possession certificates and ownership decisions. Once the land possession certificates and ownership decisions are made, these will be collected and consolidated by LAD and submitted to PMO. PMO will organize the application procedures together with the APs and submit the application to Songinokhairkhan District GASR. Songinokhairkhan District GASR reviews the documents and issues land title certificates for land possession and ownership. These will be collected by the APs. If APs do not submit the required documents and

²³ This resolution was obtained from the official government website for unified legal information system at www.legalinfo.mn.

applications to PMO on timely manner within the 2 weeks or if APs choose to apply to PRD and GASR on their own, then APs will complete the procedures themselves.

Table 27. Compensation strategy for transactions costs

No	AP ID	Notary fee	Cadastral mapping & surveying	Cadastral map issuance fee	Fee for land certificate issuance by PRD	Fee for land title certificate by GASR	Total	
							MNT	USD
1	B01	2,500					2,500	1.27
2	B02	10,000	50,000	2,500		8,000	70,500	35.79
3	B03	10,000	50,000	2,500	20,000		82,500	41.88
4	B04	10,000	50,000	2,500	20,000		82,500	41.88
5	B05	10,000	50,000	2,500	20,000		82,500	41.88
6	B06	10,000	50,000	2,500		8,000	70,500	35.79
7	B07	4,912	50,000	2,500		8,000	65,412	33.21
8	B08	240	50,000	2,500	20,000		72,740	36.93
9	B09	10,000	50,000	2,500	20,000		82,500	41.88
10	B10	10,000	50,000	2,500		8,000	70,500	35.79
11	B11	10,000	50,000	2,500	20,000		82,500	41.88
12	B12	1,100	50,000	2,500	20,000		73,600	37.36
13	B13	10,000	50,000	2,500	20,000		82,500	41.88
14	B14	995	50,000	2,500	20,000		73,495	37.31
15	B15	25,000	50,000	2,500	20,000		97,500	49.50
16	B16	667	50,000	2,500	20,000		73,167	37.14
17	B17	960	50,000	2,500	20,000		73,460	37.29
18	B18	10,000	50,000	2,500	20,000		82,500	41.88
19	B19	10,000	50,000	2,500	20,000		82,500	41.88
20	B20	10,000	50,000	2,500	20,000		82,500	41.88
21	B21	10,000	50,000	2,500	20,000		82,500	41.88
22	B22	3,168	50,000	2,500	20,000		75,668	38.41
23	B23	4,317	50,000	2,500	20,000		76,817	39.00
24	B24	25,000	50,000	2,500	20,000		97,500	49.50
25	B25	10,000	50,000	2,500	20,000		82,500	41.88
26	B26	1,365	50,000	2,500	20,000		73,865	37.50
27	B27	3,524	50,000	2,500	20,000		76,024	38.59
28	B28	10,000	50,000	2,500	20,000		82,500	41.88
29	B29	10,000	50,000	2,500	20,000		82,500	41.88
30	B30	50,000	50,000	2,500	20,000		122,500	62.19
31	B31	928	50,000	2,500	20,000		73,428	37.28
32	B32	10,000	50,000	2,500	20,000		82,500	41.88
33	B33	683	50,000	2,500	20,000		73,183	37.15
34	B34	3,531	50,000	2,500	20,000		76,031	38.60
35	B35	1,006	50,000	2,500	20,000		73,506	37.32
36	B36	50,000	50,000	2,500	20,000		122,500	62.19
37	B37	393	50,000	2,500	20,000		72,893	37.00
38	B38	1,200	50,000	2,500	20,000		73,700	37.41
39	B39	1,013	50,000	2,500		8,000	61,513	31.23
40	B40	3,348	50,000	2,500	20,000		75,848	38.50
41	B41	2,331	50,000	2,500		8,000	62,831	31.90

No	AP ID	Notary fee	Cadastral mapping & surveying	Cadastral map issuance fee	Fee for land certificate issuance by PRD	Fee for land title certificate by GASR	Total	
							MNT	USD
42	B42	50,000	50,000	2,500		8,000	110,500	56.10
43	B43	50,000	50,000	2,500		8,000	110,500	56.10
44	B44	25,000	50,000	2,500		8,000	85,500	43.40
45	B45	25,000	50,000	2,500		8,000	85,500	43.40
46	B46	10,000	50,000	2,500		8,000	70,500	35.79
47	B47	10,000	50,000	2,500		8,000	70,500	35.79
48	B48	50,000	50,000	2,500		8,000	110,500	56.10
49	B49	25,000	50,000	2,500		8,000	85,500	43.40
50	B50	10,000	50,000	2,500		8,000	70,500	35.79
51	B51	50,000	50,000	2,500	20,000		122,500	62.19
52	B52	25,000	50,000	2,500	20,000		97,500	49.50
53	B53	25,000	50,000	2,500	20,000		97,500	49.50
54	B54	50,000	50,000	2,500		8,000	110,500	56.10
55	B55	50,000	50,000	2,500		8,000	110,500	56.10
56	B56	25,000	50,000	2,500		8,000	85,500	43.40
57	B57	50,000	50,000	2,500		8,000	110,500	56.10
58	B58	10,000	50,000	2,500	70,000		132,500	67.26
59	B59	10,000	50,000	2,500	70,000		132,500	67.26
60	B60	25,000	50,000	2,500			77,500	39.34
61	B61	25,000	50,000	2,500	70,000		147,500	74.88
62	B62	25,000	50,000	2,500		8,000	85,500	43.40
63	B63	10,000	50,000	2,500		8,000	70,500	35.79
64	B64	4,965	50,000	2,500		20,000	77,465	39.33
65	B65	10,000	50,000	2,500		8,000	70,500	35.79
66	B66	10,000	50,000	2,500		8,000	70,500	35.79
67	B67	10,000	50,000	2,500		8,000	70,500	35.79
68	B68	10,000	50,000	2,500		8,000	70,500	35.79
69	B69	10,000	50,000	2,500		8,000	70,500	35.79
70	B70	600	50,000	2,500		8,000	61,100	31.02
71	B71	4,110	50,000	2,500		8,000	64,610	32.80
72	B72	10,000					10,000	5.08
73	B73	10,000					10,000	5.08
74	B74	10,000					10,000	5.08
75	B75	10,000	50,000	2,500	70,000		132,500	67.26
76	B76	4,410	50,000	2,500	70,000		126,910	64.43
77	B77	10,000	50,000	2,500	70,000		132,500	67.26
Total		1,107,262	3,650,000	182,500	1,160,000	244,000	6,343,762	3220.43

E. Principles for provision of income and livelihood rehabilitation

164. MUB will ensure that no physical or economic displacement will occur until compensation at full replacement cost and other entitlements have been provided to each affected person and a comprehensive income and livelihood rehabilitation program is in place to help AHs to improve, or at least restore, their incomes and livelihoods.

165. AHs whose livelihood is impacted by the project will get preference in jobs associated with the subproject's construction and implementation. Those who are unskilled will be employed in civil works as desired and as feasible (e.g. construction, restoring fences, and other project derived work, as applicable).

166. In order to improve the livelihoods of the vulnerable AHs, PMO will discuss the needs and problems of the vulnerable households, listed in Table 2: Affected vulnerable households, in cooperation with the officials of respective khoros of Songinokhairkhan District and APs.

167. Based on the needs and demand of the vulnerable households, the administration of the respective khoros of Songinokhairkhan District will provide one of the following or combination of the following within the existing state and/or social welfare project activities and funding:

- Provide employment in cooperation with the Labor/employment intermediation department of the District
- Provide labor skills and training in cooperation with the Labor/employment intermediation department of the District
- Include in projects, implemented at the district, to support household livelihood
- Free kindergarten services for the children
- Provide food cards
- Provide school dress and stationary for the pupils
- Any other services and supports available at the district and set by law.

168. When updating this LARP after negotiations and discussions with the AHs on LAR activities, compensation and specific measures to improve the livelihoods of the vulnerable AHs, these measures and status of activities carried out will be included in this LARP. This will be monitored to ensure that appropriate livelihood improvement measures are planned and implemented accordingly.

169. PMO will be following up with the respective khoroo Governors, whether or not the above measures were taken. In case that there will be difficulties in providing the livelihood improvement activities for the vulnerable households, the matter will be discussed and resolved at the LARC.

170. Another element of reducing and eliminating subproject-induced vulnerability will be the careful consideration of the specific needs of female affected entities. To safeguard their livelihoods, the following gender sensitive provisions will be adopted for the subproject:

- Women will receive compensation pertaining to their economic activities in their name.
- Female heads of households will be registered as the recipients of compensation and rehabilitation measures due to their households.
- Where land lost to the subproject was legally owned by women, and titles for replacement land will be registered in the name of women.
- Women will be included in the participation process in all consultation meetings alongside male affected entities.
- Due consideration will be given to complaints and grievances lodged by women.
- Access for women to subproject related employment opportunities and targeted needs based special assistance will be guaranteed in cases of livelihood impacts.

171. In order to share the benefits of the project, the PMO, once the Bayankhoshuu sub-center sewer main collector pipes construction work is completed and accepted by the MUB department for Water Supply and Sewerage Authority, will support the APs to connect to the sewer main collector pipes by facilitating the process of obtaining permissions for connection. If APs will be willing to obtain such support, this will be reflected in the contract with the APs.

F. Consolidated compensation policy

172. Table 28: Consolidated compensation policy for affected persons provides detailed account of affected structures, land, livelihood – business and employment losses and required transactions costs. The table shows the compensation estimates for each type of losses and the total compensation to be provided to the APs. The summary of the appraisal of affected land and properties from the certified property appraiser is provided in the Attachment 9.

Table 28: Consolidated compensation estimates for affected persons

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B01	Container (relocation)	pc	1	500,000	253.83	500,000	253.83
	Transaction cost	set	1	2,500	1.27	2500	1.27
	Subtotal					502,500	255.10
B02	Fence - wooden	m3	0.93	312,500	158.64	290,625	147.55
	Iron gate	set	1.00	600,000	304.59	600,000	304.62
	Fence - wooden pole	pc	8.00	8,000	4.06	64,000	32.49
	Structure's foundation - ger	m3	1.00	155,500	78.94	155,500	78.95
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Land	m2	197	13,200	6.70	2,600,400	1,320.23
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					4,003,020	2,032.35
B03	Fence - Wooden	m3	0.90	312,500	158.64	281,250	142.79
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Land	m2	450	13,200	6.70	5,940,000	3,015.76
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					6,701,750	3,402.51
B04	Container (relocation)	pc	1.00	500,000	253.83	500,000	253.85

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Fence - wooden pole	pc	17.00	8,000	4.06	136,000	69.05
	Fence - Wooden	m3	4.10	312,500	158.64	1,281,250	650.50
	Land	m2	509	13,200	6.70	6,718,800	3,411.16
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					8,718,550	4,426.45
B05	Fence - Wooden	m3	3.30	312,500	158.64	1,031,250	523.57
	Land	m2	489	13,200	6.70	6,454,800	3,277.13
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					7,568,550	3,842.59
B06	Structure's foundation - ger	m3	6.70	155,500	78.94	1,041,970	529.01
	Land	m2	513	13,200	6.70	6,771,600	3,437.97
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					7,884,070	4,002.78
B07	Fence - Wooden	m3	1.13	312,500	158.64	353,125	179.28
	Fence - wooden pole	pc	11.00	8,000	4.06	88,000	44.68
	Land	m2	41	13,200	6.70	541,200	274.77
	Transaction cost	set	1	65,412	33.21	65,412	33.21
	Subtotal					1,047,737	531.94
B08	Fence - Iron wire/bar	pc	6.00	8,000	4.06	48,000	24.37
	Transaction cost	set	1	72,740	36.93	72,740	36.93

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Subtotal					120,740	61.30
B09	Legalize land, provide ownership	m2			-	-	-
	Transaction cost	set	1.00	82,500	41.88	82,500	41.89
	Subtotal					82,500	41.89
B10	Fence - Wooden	m3	0.96	312,500	158.64	300,000	152.31
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Land	m2	249	13,200	6.70	3,286,800	1,668.72
	Transaction cost	set	1.00	70,500	35.79	70,500	35.79
	Subtotal					3,705,300	1,881.20
B11	Transaction cost - Legalize land, provide ownership	set	1.00	82,500	41.88	82,500	41.89
	Subtotal					82,500	41.89
B12	Fence - metal net	m	22.00	10,000	5.08	220,000	111.69
	Transaction cost - provide lost land on adjacent land, provide ownership	set	1.00	73,600	37.36	73,600	37.37
	Subtotal					293,600	149.06
B13	Transaction cost - provide lost land on adjacent land, provide ownership	set	1	82,500	41.88	82,500	41.89
	Subtotal					82500	41.89
B14	Fence - Wooden	m3	0.56	312,500	158.64	175,000	88.85
	Fence - wooden pole	pc	3.00	8,000	4.06	24,000	12.18

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Transaction cost	set	1	73,495	37.31	73,495	37.31
	Subtotal					272,495	138.35
B15	Fence - metal net	m	12.00	10,000	5.08	120,000	60.92
	Fence - wooden pole	pc	5.00	8,000	4.06	40,000	20.31
	Land	m2	680	13,200	6.70	8,976,000	4,557.15
	Business & employment	set	1	901,333	457.56	901,333	457.61
	Transaction cost	set	1	97,500	49.50	97,500	49.50
	Subtotal					10,134,833	5,145.50
B16	Fence - Wooden	m3	0.35	312,500	158.64	109,375	55.53
	Fence - wooden pole	pc	3.00	8,000	4.06	24,000	12.18
	Transaction cost	set	1	73,167	37.14	73,167	37.15
	Subtotal					206,542	104.86
B17	Fence - Wooden	m3	3.10	312,500	158.64	968,750	491.84
	Ger relocation	pc	1.00	250,000	126.91	250,000	126.93
	Structure's foundation - ger	m3	5.75	155,500	78.94	894,281	454.03
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Wooden shed	m3	1.00	312,500	158.64	312,500	158.66
	Wooden shed	m3	1.50	312,500	158.64	468,750	237.99
	Iron sheet structure	pc	1	250,000.00	126.91	250,000	126.93
	Wooden latrine	set	1.00	221,995	112.70	221,995	112.71

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Fence - wooden pole	pc	16.00	8,000	4.06	128,000	64.99
	Transaction cost	set	1	73,460	37.29	73,460	37.30
	Subtotal					3,917,736	1,989.05
B18	Fence - Wooden	m3	0.63	312,500	158.64	196,875	99.95
	Fence - wooden pole	pc	14.00	8,000	4.06	112,000	56.86
	Land	m2	82	13,200	6.70	1,082,400	549.54
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					1,473,775	748.24
B19	Fence - Wooden	m3	2.90	312,500	158.64	906,250	460.11
	Wooden shed	m3	1.50	312,500	158.64	468,750	237.99
	Wooden shed	m3	2.00	312,500	158.64	625,000	317.32
	Fence - Wooden	m3	0.72	312,500	158.64	225,000	114.23
	Fence - wooden pole	pc	4.00	8,000	4.06	32,000	16.25
	Land	m2	247	13,200	6.70	3,260,400	1,655.32
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					5,599,900	2,843.09
B20	Land	m2	166.00	13,200	6.70	2,191,200	1,112.48
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					2,273,700	1,154.37
B21	Land	m2	112.00	13,200	6.70	1,478,400	750.59

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					1,560,900	792.48
B22	Land	m2	48.00	13,200	6.70	633,600	321.68
	Transaction cost	set	1	75,668	38.41	75,668	38.42
	Subtotal					709,268	360.10
B23	Fence - Wooden	m3	0.56	312,500	158.64	175,000	88.85
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Land	m2	22	13,200	6.70	290,400	147.44
	Transaction cost	set	1	76,817	39.00	76,817	39.00
	Subtotal					940,217	477.35
B24	Fence - Wooden	m3	4.31	312,500	158.64	1,346,875	
	Ger relocation	pc	1.00	250,000	126.91	250,000	126.93
	Fence - wooden pole	pc	27.00	8,000	4.06	216,000	109.66
	Wooden shed	m3	1.20	312,500	158.64	375,000	190.39
	Wooden shed	m3	1.50	312,500	158.64	468,750	237.99
	Wooden shed - entrance	m3	1.00	312,500	158.64	312,500	158.66
	Relocation of wood	m3	1.00	312,500	158.64	312,500	158.66
	Relocation of iron	TH	1.00	250,000	126.91	250,000	126.93
	House	m2	24.91	550,026	279.22	13,703,185	6,957.17

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Land	m2	212	13,200	6.70	2,798,400	1,420.76
	Transaction cost	set	1	97,500	49.50	97,500	49.50
	Subtotal					20,702,705	9,827.04
B25	Fence - Wooden	m3	0.43	312,500	158.64	134,375	68.22
	Fence - wooden pole	pc	10.00	8,000	4.06	80,000	40.62
	Wooden latrine	set	1.00	221,995	112.70	221,995	112.71
	Land	m2	86	13,200	6.70	1,135,200	576.35
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					1,654,070	839.78
B26	Fence - Wooden	m3	0.72	312,500	158.64	225,000	114.23
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Transaction cost	set	1	73,865	37.50	73,865	37.50
	Subtotal					346,865	176.10
B27	Fence - Wooden	m3	0.64	312,500	158.64	200,000	101.54
	Fence - wooden pole	pc	7.00	8,000	4.06	56,000	28.43
	Land	m2	34	13,200	6.70	448,800	227.86
	Transaction cost	set	1	76,024	38.59	76,024	38.60
	Subtotal					780,824	396.43

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B28	Fence - Wooden	m3	0.96	312,500	158.64	300,000	152.31
	Ger relocation	pc	2.00	250,000	126.91	500,000	253.85
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Business & employment	set	1.00	266,667	135.37	266,667	135.39
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					1,197,167	607.81
B29	Fence - Wooden	m3	0.43	312,500	158.64	135,925	69.01
	Fence - wooden pole	pc	2.00	8,000	4.06	16,000	8.12
	Land	m2	70	13,200	6.70	924,000	469.12
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					1,158,425	588.14
B30	Fence - Wooden	m3	3.50	312,500	158.64	1,093,750	555.30
	Fence - wooden pole	pc	37.00	8,000	4.06	296,000	150.28
	Wooden shed	m3	1.80	312,500	158.64	562,500	285.58
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	House	m2	33.57	550,026	279.22	18,462,634	9,373.56
	House - shop	m2	25.77	550,026	279.22	14,175,003	7,196.71
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Fence - block	pc	112.00	1,611	0.82	180,454	91.62
	Structure's foundation - building	m3	1.67	155,500	78.94	259,579	131.79

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Land	m2	234	13,200	6.70	3,088,800	1,568.20
	Transaction cost	set	1	122,500	62.19	122,500	62.19
	Subtotal					38,813,215	19,705.64
B31	Fence - Wooden	m3	0.44	312,500	158.64	137,500	69.81
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Transaction cost	set	1	73,428	37.28	73,428	37.28
	Subtotal					258,928	131.46
B32	Fence - metal net	m3	3.50	312,500	158.64	1,093,750	555.30
	Fence - wooden pole	pc	24.00	8,000	4.06	192,000	97.48
	Land	m2	400	13,200	6.70	5,280,000	2,680.68
	Transaction cost	set	1	82,500	41.88	82,500	41.89
	Subtotal					6,648,250	3,375.35
B33	Fence - Wooden	m3	0.36	312,500	158.64	112,500	57.12
	Fence - wooden pole	pc	3.00	8,000	4.06	24,000	12.18
	Transaction cost	set	1	73,183	37.15	73,183	37.16
	Subtotal					209,683	106.46
B34	Fence - Wooden	m3	0.25	312,500	158.64	78,125	39.66
	Fence - wooden pole	pc	7.00	8,000	4.06	56,000	28.43
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Iron gate	set	1.00	350,000	177.68	350,000	177.70

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Transaction cost	set	1	76,031	38.60	76,031	38.60
	Subtotal					782,151	397.10
B35	Fence - Wooden	m3	0.52	312,500	158.64	161,288	81.89
	Fence - wooden pole	pc	5.00	8,000	4.06	40,000	20.31
	Transaction cost	set	1	73,506	37.32	73,506	37.32
	Subtotal					274,794	139.51
B36	Fence - Wooden	m3	0.39	312,500	158.64	120,638	61.25
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	House	m2	69.00	550,026	279.22	37,951,815	19,268.30
	Iron gate	pc	1.00	50,500	25.64	50,500	25.64
	Transaction cost	set	1	122,500	62.19	122,500	62.19
	Subtotal					38,293,452	19,441.75
B37	Fence - Wooden	m3	0.20	312,500	158.64	62,500	31.73
	Fence - wooden pole	pc	2.00	8,000	4.06	16,000	8.12
	Transaction cost	set	1	72,893	37.00	72,893	37.01
	Subtotal					151,393	76.86
B38	Fence - Wooden	m3	0.64	312,500	158.64	200,000	101.54
	Fence - wooden pole	pc	5.00	8,000	4.06	40,000	20.31
	Transaction cost	set	1	73,700	37.41	73,700	37.42
	Subtotal					313,700	159.27

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B39	Fence - Wooden	m3	0.36	312,500	158.64	112,500	57.12
	Fence - wooden pole	pc	3.00	8,000	4.06	24,000	12.18
	Land	m2	5	13,200	6.70	66,000	33.51
	Transaction cost	set	1	61,513	31.23	61,513	31.23
	Subtotal					264,013	134.04
B40	Fence - Wooden	m3	0.92	312,500	158.64	287,500	145.97
	Iron gate	pc	1.00	350,000	177.68	350,000	177.70
	Fence - wooden pole	pc	4.00	8,000	4.06	32,000	16.25
	Transaction cost	set	1	75,848	38.50	75,848	38.51
	Subtotal					745,348	378.42
B41	Fence - Wooden	m3	1.05	312,500	158.64	328,125	166.59
	Fence - wooden pole	pc	9.00	8,000	4.06	72,000	36.55
	Land	m2	5	13,200	6.70	66,000	33.51
	Transaction cost	set	1	62,831	31.90	62,831	31.90
	Subtotal					528,956	268.55
B42	Fence - Wooden	m3	1.77	312,500	158.64	553,125	280.82
	Fence - wooden pole	pc	8.00	8,000	4.06	64,000	32.49
	House - main part	m2	43.40	550,026	279.22	23,871,141	12,119.48
	House - entrance part	m2	9.75	274,635	139.42	2,677,692	1,359.48
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Land	m2	131	80,000	40.61	10,480,000	5,320.74
	Business & employment	set	1	550,000	279.21	550,000	279.24
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					38,528,453	19,561.07
B43	House - main part	m2	67.24	550,026	279.22	36,983,748	18,776.81
	House - entrance part	m2	8.32	274,635	139.42	2,284,964	1,160.09
	Fence - Wooden	m3	1.48	312,500	158.64	462,500	234.81
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Land	m2	106	80,000	40.61	8,480,000	4,305.33
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					48,369,712	24,557.52
B44	Fence - Wooden	m3	2.19	312,500	158.64	684,375	347.46
	Ger relocation	pc	2.00	250,000	126.91	500,000	253.85
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Fence - wooden pole	pc	10.00	8,000	4.06	80,000	40.62
	Land	m2	122	80,000	40.61	9,760,000	4,955.20
	Transaction cost	set	1	85,500	43.40	85,500	43.41
	Subtotal					11,681,870	5,930.94

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B45	Fence - Wooden	m3	4.39	312,500	158.64	1,371,875	696.51
	Fence - wooden pole	pc	18.00	8,000	4.06	144,000	73.11
	Concrete	m3	0.81	198,000	100.52	160,380	81.43
	Iron gate	set	1.00	600,000	304.59	600,000	304.62
	Structure's foundation - concrete	m3	3.42	155,500	78.94	531,810	270.00
	Land	m2	78	80,000	40.61	6,240,000	3,168.08
	Business & employment	set	1	5,040,000	2,558.57	5,040,000	2,558.83
	Transaction cost	set	1	85,500	43.40	85,500	43.41
	Subtotal					14,173,565	7,195.98
B46	Greenhouse	m2	40.00	62,500	31.73	2,500,000	1,269.26
	Fruit tree-black currant	pc	8.00	15,000	7.61	120,000	60.92
	Fruit tree-seabackthorn	pc	11.00	10,000	5.08	110,000	55.85
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Land	m2	82	80,000	40.61	6,560,000	3,330.54
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					9,582,495	4,865.08
B47	Fence - Wooden	m3	6.14	312,500	158.64	1,918,750	974.16
	Fence - wooden pole	pc	17.00	8,000	4.06	136,000	69.05
	Land	m2	31	80,000	40.61	2,480,000	1,259.11
	Transaction cost	set	1	70,500	35.79	70,500	35.79

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Subtotal					4,605,250	2,338.11
B48	Wooden shed	m3	1.2	312,500	158.64	375,000	190.39
	Wood materials	m3	1.00	312,500	158.64	312,500	158.66
	Wooden shed	m3	1.50	312,500	158.64	468,750	237.99
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Waste water ditch	m3	24.00	10,000	5.08	240,000	121.85
	Land	m2	42	75,000	38.07	3,150,000	1,599.27
	Business & employment	set	1	36,666,667	18,613.94	36,666,667	18,615.83
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					41,545,412	21,092.79
B49	Fence - metal net	m	25.00	10,000	5.08	250,000	126.93
	Land	m2	212	80,000	40.61	16,960,000	8,610.67
	Transaction cost	set	1	85,500	43.40	85,500	43.41
	Subtotal					17,295,500	8,781.00
B50	Fence - Wooden	m3	1.54	312,500	158.64	481,250	244.33
	Iron gate	pc	1.00	50,500	25.64	50,500	25.64
	Land	m2	54	80,000	40.61	4,320,000	2,193.28
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					4,922,250	2,499.05

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B51	Fence - reinforced concrete/4.0*2.5m/	pc	12.00	366,548	186.08	4,398,576	2,233.18
	Structure's foundation - fence	pc	13.00	100,700	51.12	1,309,100	664.64
	Brick	m3	5.70	268,668	136.39	1,531,405	777.50
	Land	m2	177	80,000	40.61	14,160,000	7,189.09
	Business & employment	set	1	16,333,333	8,291.66	16,333,333	8,292.51
	Transaction cost	set	1	122,500	62.19	122,500	62.19
	Subtotal					37,854,915	19,219.11
B52	Fence - block	pc	1,128.00	1,611	0.82	1,817,434	922.72
	Structure's foundation - concrete	m3	2.29	198,000	100.52	453,420	230.20
	Land	m2	22	80,000	40.61	1,760,000	893.56
	Business & employment	set	1	20,000,000	10,153.06	20,000,000	10,154.09
	Transaction cost	set	1	97,500	49.50	97,500	49.50
	Subtotal					24,128,354	12,250.07
B53	Fence - Wooden	m3	2.80	312,500	158.64	875,000	444.24
	Fence - wooden pole	pc	15.00	8,000	4.06	120,000	60.92
	Fruit tree - seabackthorn	pc	16.00	10,000	5.08	160,000	81.23
	Fruit tree-black currant	pc	20.00	15,000	7.61	300,000	152.31
	Tree - aspen	pc	12.00	10,000	5.08	120,000	60.92
	Fruit tree - hip	pc	4.00	10,000	5.08	40,000	20.31

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Fruit tree - hawthorn	pc	16.00	10,000	5.08	160,000	81.23
	Tree - shar khuais	pc	16.00	10,000	5.08	160,000	81.23
	Business & employment	set	1.00	13,989,804	7,101.96	13,989,804	7,102.69
	Transaction cost	set	1	97,500	49.50	97,500	49.50
	Subtotal					16,022,304	8,134.59
B54	House - entrance part	m2	5.00	274,635	139.42	1,373,175	697.17
	House - main part	m2	68.00	550,026	279.22	37,401,768	18,989.04
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Fruit tree - hawthorn	pc	4.00	10,000	5.08	40,000	20.31
	Fruit tree-black currant	pc	7.00	15,000	7.61	105,000	53.31
	Tree - tekhiin sheeg	pc	16.00	10,000	5.08	160,000	81.23
	Tree - aspen	pc	2.00	10,000	5.08	20,000	10.15
	Iron gate	set	1.00	600,000	304.59	600,000	304.62
	Fence - Wooden	m3	1.60	312,500	158.64	500,000	253.85
	Land	m2	225	80,000	40.61	18,000,000	9,138.68
	Business & employment	set	1	2,000,000	1,015.31	2,000,000	1,015.41
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					60,532,438	30,732.59
B55	Garage - block	m2	36.00	546,063	277.21	19,658,268	9,980.59

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Concrete area	m3	50.00	44,000	22.34	2,200,000	1,116.95
	Brick	m3	2.50	268,668	136.39	671,669	341.01
	Concrete - floated	m3	10.00	198,000	100.52	1,980,000	1,005.25
	Land	m2	125	80,000	40.61	10,000,000	5,077.04
	Business & employment	set	1	2,833,333	1,438.35	2,833,333	1,438.50
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					37,803,770	19,193.14
B56	House - entrance part, brick	m2	7.80	274,635	139.42	2,142,153	1,087.58
	Wooden shed	m3	2.00	312,500	158.64	625,000	317.32
	Fence - Wooden	m3	3.16	312,500	158.64	987,500	501.36
	Wooden shed	m3	2.20	312,500	158.64	687,500	349.05
	Block wall - block	pc	304.00	1,611	0.82	489,805	248.68
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Land	m2	149	80,000	40.61	11,920,000	6,051.84
	Transaction cost	set	1	85,500	43.40	85,500	43.41
	Subtotal					17,159,453	8,711.93
B57	Fence - Wooden	m3	2.70	312,500	158.64	843,750	428.38
	House - entrance part	m2	19.80	274,635	139.42	5,437,774	2,760.78

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	House - main part	m2	51.84	550,026	279.22	28,513,348	14,476.35
	Land	m2	211	80,000	40.61	16,880,000	8,570.05
	Transaction cost	set	1	110,500	56.10	110,500	56.10
	Subtotal					51,785,372	26,291.66
B58	Structure's foundation - concrete	m3	2.40	155,500	78.94	373,200	189.48
	Fence - iron	кг	342.90	2,518	1.28	863,251	438.28
	Transaction cost	set	1	132,500	67.26	132,500	67.27
	Subtotal					1,368,951	695.02
B59	Structure's foundation - concrete	m3	4.49	155,500	78.94	698,195	354.48
	Fence - block	pc	2,080.00	1,611	0.82	3,351,296	1,701.47
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Transaction cost	set	1	132,500	67.26	132,500	67.27
	Subtotal					4,403,986	2,235.92
B60	Costs for improvement of the land	set	1.00	18,655,000	9,470.26	18,655,000	9,471.23
	Land - provide comparable land with possession right				-	-	-
	Transaction cost	set	1	77,500	39.34	77,500	39.35
	Subtotal					18,732,500	9,510.57
B61	Cemented area	m3	99.00	198,000	100.52	19,602,000	9,952.02

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Curb	pc	44.00	17,500	8.88	770,000	390.93
	Curb for pedestrian road	m2	50.00	25,000	12.69	1,250,000	634.63
	Transaction cost	set	1	147,500	74.88	147,500	74.89
	Subtotal					21,769,500	11,052.47
B62	Fence - Wooden	m3	2.38	321,500	163.21	765,170	388.48
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Fence - wooden pole	pc	14.00	8,000	4.06	112,000	56.86
	Wooden latrine	pc	2.00	221,995	112.70	443,990	225.42
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Land	m2	133	80,000	40.61	10,640,000	5,401.97
	Transaction cost	set	1	85,500	43.40	85,500	43.41
	Subtotal					12,746,660	6,471.54
B63	Fence - Wooden	m3	0.52	312,500	158.64	162,500	82.50
	Fence - wooden pole	pc	6	8,000	4.06	48,000	24.37
	Iron gate	set	1	350,000	177.68	350,000	177.70
	Wooden latrine	pc	1	221,995	112.70	221,995	112.71
	Land	m2	51	80,000	40.61	4,080,000	2,071.43
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					4,932,995	2,504.50

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B64	Fence - Wooden	m3	1.16	321,500	163.21	372,940	189.34
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Transaction cost	set	1	77,465	39.33	77,465	39.33
	Subtotal					1,070,400	543.45
B65	Fence - Wooden	m3	1.06	312,500	158.64	331,250	168.18
	Fence - wooden pole	pc	6.00	8,000	4.06	48,000	24.37
	Iron gate	set	1.00	600,000	304.59	600,000	304.62
	Land	m2	52	80,000	40.61	4,160,000	2,112.05
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					5,209,750	2,645.01
B66	Fence - Wooden	m3	1.02	312,500	158.64	318,750	161.83
	Fence - wooden pole	pc	5.00	8,000	4.06	40,000	20.31
	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Land	m2	53	80,000	40.61	4,240,000	2,152.67
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					5,241,245	2,661.00
B67	Fence - Wooden	m3	1.06	312,500	158.64	331,250	168.18

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Fence - wooden pole	pc	5.00	8,000	4.06	40,000	20.31
	Wooden latrine	pc	1.00	221,500	112.45	221,500	112.46
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Land	m2	61	80,000	40.61	4,880,000	2,477.60
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					5,893,250	2,992.03
B68	Fence - Wooden	m3	1.29	312,500	158.64	403,125	204.67
	Wooden shed	m3	1.20	312,500	158.64	375,000	190.39
	Waste water ditch	m3	24.00	10,000	5.08	240,000	121.85
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Land	m2	47.00	80,000	40.61	3,760,000	1,908.97
	Transaction cost	set	1	70,500	35.79	70,500	35.79
	Subtotal					5,198,625	2,639.36
B69	Fence - Wooden	m3	2.83	312,500	158.64	884,375	449.00
	Land	m2	25.00	80,000	40.61	2,000,000	1,015.41
	Transaction cost	set	1.00	70,500	35.79	70,500	35.79
	Subtotal					2,954,875	1,500.20
B70	Fence - iron pole/pipe	pc	15.00	8,000	4.06	120,000	60.92
	Transaction cost	set	1.00	61,100	31.02	61,100	31.02
	Subtotal					181,100	91.95

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
B71	Wooden latrine	pc	1.00	221,995	112.70	221,995	112.71
	Iron gate (sliding)	set	1.00	600,000	304.59	600,000	304.62
	Transaction cost	set	1.00	64,610	32.80	64,610	32.80
	Subtotal					886,605	450.13
B72	Fence - wooden	m3		312,500	158.64	-	-
	Transaction cost	set	1.00	10,000	5.08	10,000	5.08
	Subtotal					10,000	5.08
B73	Fence - Wooden	m3	0.98	312,500	158.64	306,250	155.48
	Fence - wooden pole	pc	5.00	80,000	40.61	400,000	203.08
	Iron gate	set	1.00	350,000	177.68	350,000	177.70
	Transaction cost	set	1.00	10,000	5.08	10,000	5.08
	Subtotal					1,066,250	541.34
B74	Fence - Wooden	m3		312,500	158.64	-	-
	Transaction cost	set	1.00	10,000	5.08	10,000	5.08
	Subtotal					10,000	5.08
B75	Fence - block	pc	286.00	1,611	0.82	460,803	233.95
	Structure's foundation - concrete	m3	0.82	155,500	78.94	127,510	64.74
	Iron gate	pc	1.00	600,000	304.59	600,000	304.62
	Fence - reinforced concrete	pc	8.00	366,548	186.08	2,932,384	1,488.78
	Fence - reinforced concrete pole	pc	3.00	100,700	51.12	302,100	153.38

AP	Compensation Items	Unit	Q'ty	Unit cost		Total cost	
				MNT	USD	MNT	USD
	Iron gate (railroad)	set	1.00	600,000	304.59	600,000	304.62
	Transaction cost	set	1.00	132,500	67.26	132,500	67.27
	Subtotal					5,155,297	2,617.37
B76	Fence - iron sheet	set	1.00	600,000	304.59	600,000	304.62
	Fence - wooden pole	pc	4.00	8,000	4.06	32,000	16.25
	Guard tower relocation	pc	1.00	250,000	126.91	250,000	126.93
	Transaction cost	set	1	126,910	64.43	126,910	64.43
	Subtotal					1,008,910	512.23
B77	Cemented area	m3	10.80	198,000	100.52	2,138,400	1,085.68
	Curb	pc	25.00	15,000	7.61	375,000	190.39
	Pedestrian road material	m2	8.13	26,000	13.20	211,380	107.32
	Pedestrian road (plates of 30*30 cm)	m2	10.30	26,000	13.20	267,800	135.96
	Fence-block	pc	144.00	1,611	0.82	232,013	117.79
	Structure's foundation - concrete	m3	0.77	155,500	78.94	119,735	60.79
	Fence - iron	kg	609.60	2,518	1.28	1,534,668	779.16
	Transaction cost	set	1	132,500	67.26	132,500	67.27
	Subtotal					5,011,496	2,544.36

X. BUDGET, FINANCES AND DISBURSEMENT

173. The total cost of LAR including the cost of compensation, rehabilitation administration and monitoring is an integral part of the subproject cost. Table 29: Budget for LAR for Bayankhoshuu subproject presents the budget for this subproject. The budget was calculated based on the Compensation strategy set in the chapter IX. Compensation and Rehabilitation strategy. For land and structures, it provides the unit rates applied in MNT and USD and the subtotals. This was done based on the DMS, measurements and valuation carried out by certified property appraiser, see Attachment 9 for the summary of appraisal of affected land and structures. The valuation of land is based on market rates. The valuation of structures is based on market rates for material, labor, transport and without depreciation for the age of structures. The business and employment temporary disruption for 10 days and annual livelihood earnings were calculated based on the information provided by the APs during the census and socio-economic survey. This needs to be double checked by LAD, DPLRO and PMO against taxation or other relevant documents and finalized. The transactions costs were calculated based on the rate set by the Minister for Justice, Attachment 8, and information from PRD and GASR. The cost of administration (stationary, computer consumables, secretarial services, etc.) has been determined at 10 percent of the cost of compensation measures (items 1-4, Table 29). The contingency cost at 20 percent of the cost of items 1 to 5 is intended to cover unanticipated impacts and costs arising during LARP implementation.

174. At this stage, it was difficult to identify those APs who do not have formal legal rights, but have a claim to such land or assets, i.e. in the process of obtaining land possession or ownership rights. In the process of consultations with the APs, there might be cases that such APs will be identified among the APs who do not have official land permission, but have a claim to such land. This will increase the budget. These cases, if any, should be reflected in the costs and the budget should be updated.

175. The MUB is responsible for timely allocation of funds needed to implement LAR activities of this subproject. The funds for LAR activities were granted by the MUB to PMO. The Grand Subtotal, item 7 of Table 29, will be funded by MUB. The costs of external monitoring, item 8 of Table 29 will be funded by the ADB.

176. The budget in this draft LARP presented below remains estimation, as there might be adjustments to the unit rates of structures and to include the costs for livelihood loss for some APs, which was not provided during the census. Also, the budget is preliminary as the compensation amounts may be adjusted based on the negotiations with the APs. Also, there might be some APs who do not have formal legal rights, but have a claim to such land or assets, which will be identified at later stage and therefore would need be compensated for the land loss. The budget is to be finalized based on negotiations with the APs.

Table 29: Budget for LAR for Bayankhoshuu subproject

No.	Type of loss	Unit	# of units	Unit price MNT	Unit price USD	Costs	
						MNT	USD
1	Land						
1.1	Residential/commercial	m²	4210	13,200	6.70	55,572,000	28,211
1.2	Residential/commercial	m²	2384	80,000	40.61	190,720,000	96,820
Subtotal						246,292,000	125,031
2	Structures						

No.	Type of loss		Unit	# of units	Unit price MNT	Unit price USD	Costs	
							MNT	USD
2	Fence	Wooden	m³	80.13	312,500.00	158.64	25,040,625	12,712
		Concrete	pc	20.00	366,548.00	186.08	7,330,960	3,722
		Iron	kg	952.50	2,518.00	1.28	2,398,395	1,218
		Block	pc	4054.00	1,611.00	0.82	6,530,994	3,315
		Wooden pole	pc	408.00	8,000.00	4.06	3,264,000	1,657
		Concrete pole	pc	16.00	100,700.00	51.12	1,611,200	818
		Iron pole	pc	6.00	8,000.00	4.06	48,000	24
		Iron net type 1	m	47.00	10,000.00	5.08	470,000	239
		Iron net type 2	m³	3.50	312,500.00	158.64	1,093,750	555
2	Iron gate	Iron gate type 1	set	8.00	600,000.00	304.59	4,800,000	2,437
		Iron gate type 2	set	17.00	350,000.00	177.68	5,950,000	3,021
		Iron gate type 3	set	2.00	50,500.00	25.64	101,000	51
2	Structure's foundation	Brick structure s	m³	8.20	268,668.00	136.39	2,203,078	1,118
		Concrete structure s	m³	27.02	155,500.00	78.94	4,201,610	2,133
2.4	Wooden shed/small structure		m³	19.60	312,500.00	158.64	6,125,000	3,109
3	Brick buildings		m²	419.73	550,026.00	279.22	230,862,413	117,198
	Brick building's entrance		m²	50.67	274,635.06	139.42	13,915,758	
2.6	Cemented area construction/earth works		m³	50.00	44,000.00	22.34	2,200,000	1,117
2.7	Cemented area		m3	122.90	198,000.00	100.52	24,334,200	12,353
2.8	Ger - relocation		pc	5.00	250,000.00	126.91	1,250,000	635
2.9	Wooden latrine		pc	20.00	221,995.00	112.70	4,439,900	2,254
2.10	Waste water ditch		m³	48.00	10,000.00	5.08	480,000	244
2.11	Trees/bushes	various bushes/tr ees	pc	97.00	10,000.00	5.08	970,000	492
		black currant	pc	35.00	15,000.00	7.61	525,000	267
2.12	Relocation of iron materials		pc	3.00	250,000.00	126.91	750,000	381
2.13	Curb		pc	69.00	17,500.00	8.88	1,207,500	613
2.14	Greenhouse		m³	40.00	62,500.00	31.73	2,500,000	1,269
2.15	Container, 40 ft		pc	2.00	500,000.00	253.83	1,000,000	508
2.16	Pedestrian road		m²	68.43	26,000.00	13.20	1,779,180	903
2.17	Land improvements		set	1.00	18,655,000.00	9,470.26	18,655,000	9,470
subtotal							376,037,563	190,897
3	Livelihood, temporary business and employment disruption							
3.1	Livelihood		lum p sum	1.00	19,029,804	9,661	19,029,804	9,661
3.2	Business		lum p sum	1.00	57,527,778	29,204	57,527,778	29,204

No.	Type of loss	Unit	# of units	Unit price MNT	Unit price USD	Costs	
						MNT	USD
3.3	Employment	lump sum	1.00	21,700,000	11,016	21,700,000	11,016
subtotal						98,257,582	49,881
4	Transaction costs						
4.1	Notary fee	lump sum	1.00	1,107,262	562	1,107,262	562
4.2	Cadastral mapping & surveying	lump sum	1.00	3,650,000	1,853	3,650,000	1,853
4.3	Cadastral map issuance fee	lump sum	1.00	182,500	93	182,500	93
4.4	Land certificate fee for PRD	lump sum	1.00	1,160,000	589	1,160,000	589
4.5	Land title certificate for GASR	lump sum	1.00	244,000	124	244,000	124
subtotal						6,343,762	3,220
Subtotal for Compensation Measures, 1-4						726,930,907	369,029
5	Administration & supervision, 10% of 1-4					72,693,091	36,903
6	Contingency, 20% of 1-5					159,924,800	81,186
7	Grand Subtotal (MUB), 1-6					959,548,797	487,118
8	External Monitoring (ADB), 7.5% of 1-4					54,519,818	27,677
GRAND TOTAL						1,014,068,615	514,795

177. The LAD and DPLRO with the support of PMO will manage the process of formal contractual agreements with the APs and disbursement of compensations. Once the final LARP is in place, PMO will provide the full budget to Songinokhaikhan District Governor's Office. Then Songinokhaikhan District Governor's Office, after LAD and DPLRO having concluded contractual agreements about the LAR with the APs, will transfer the compensation to the APs.

178. Payment of 60% of the compensation will be made at the time of signing agreement or within 1 month of the time of conclusion of contractual agreements related to LAR. The remaining payment will be paid at the time of vacating the affected land and/or assets. Disbursement of compensations and entitlements will be carried out via bank transfer to the bank account of the APs. No land will be acquired by the MUB or handed over to the PMO for commencing construction works prior to implementation of approved LARP, and full payment of due compensation and other LAR entitlements to the AP. PMO will be supervising the whole LAR process, which is implemented by LAD and DPLRO.

179. In the cases of full and permanent LAR, the ratio of payment 60% and 40%, indicated in the preceding paragraph, can be changed by the request of APs and upon considering the grounds for such request by DPLRO, LAD and PMO. This may include cases such as, among others, APs purchasing replacement land and housing and therefore in need of obtaining higher percentage of the compensation in order to purchase the replacement land and housing.

XI. IMPLEMENTATION SCHEDULE

180. The implementation schedule indicating the timeline for activities in the design and implementation of the Bayankhoshuu subproject LARP is shown in Table 30.

Table 30: LARP Implementation Schedule for the Bayankhoshuu Subproject

LARP ACTIVITIES	2014	2015														
	11-12	1	2	3	4	5	6	7	8	9	10	11	12			
Identification of LAR scope																
Field verification and modification of technical design																
Formation and meetings of LARC and WG																
Approval of technical design																
Notification of individual APs and of cut-off date																
Land and property measurements and valuation surveys																
Census and socio-economic survey, and identification of vulnerable persons/HHs																
Preparation of draft LARP																
AP consultation & disclosure of draft LARP																
Revision of LARP																
Endorsement by of final LARP MUB																
ADB review and approval																
Disclosure of approved LARP on ADB website and in AP community																
Funding for LAR compensation																
Conclusion of contractual agreements																
AP consultation: modalities / timing																
Disbursement of compensation																
Acquisition of land and other assets																
Commencement of civil works																
Internal Monitoring																
External monitoring and evaluation																

XII. MONITORING AND EVALUATION

181. Monitoring of compliance with the LARP during implementation will be carried out by the PMO, as well as by an External Monitoring Agency (EMA) which may be a local consulting firm or NGO, or a qualified individual. Monitoring will be conducted with both internal and external indicators.

A. Internal Monitoring

182. The PMO will conduct internal monitoring and supervision of LARP implementation and submit monthly reports to the MUB and LARC. The PMO will also include the results of internal monitoring in its quarterly reports to the ADB. These reports will also serve as input into the subproject's mid-term review, which will have a focus on the progress of LARP implementation. Internal monitoring reports will also inform the completion audit that will be conducted upon completion of the subproject's LAR activities. The PMO will prepare this resettlement completion report for submission to the ADB.

183. The objectives of internal monitoring will be to ensure: (i) proper execution of the responsibilities of key stakeholders; (ii) protection of the rights of APs under Mongolian laws, the ADB Safeguard Requirements, RF and this LARP; (iii) adequate and prompt payment of compensation; and (iv) timely grievance redress. Table 31 below provides a template form for internal monitoring.

Table 31: Internal Monitoring Form

Subproject site							
Total no. of AP households (HH)							
LAR Activities	Month						Comments
	1	2	3	4	5	6	
	Part A. Preparation/Procedural steps						
Identification of LAR scope	✓						
Field verification and modification of technical design		✓					
Formation and meetings of LARC and WG			✓				
Approval of technical design							
Notification of individual APs and of cut-off date			✓				
Land and valuation surveys			✓				
Census (no. AP HH)			✓				
Socio-economic survey (no. AP HH)			✓				
Preparation of draft LARP			✓	✓			
AP consultation: Information on Bayankhoshuu subproject, ADB SPS and policy principles, Mongolian legislation,			✓				

GRM							
AP consultation: disclosure of draft LARP (no. AP HH)							
Finalization of LARP							
AP consultation: disclosure of final LARP (no. AP HH)							
Endorsement by MUB							
ADB review and Approval							
Disclosure of approved LARP on ADB website and in AP community							
Part B. Implementation							
Conclusion of contractual agreement (no. AP HH)							
Payment of compensation price for assets (no. AP HH)							
Acquisition of land and other assets (no. AP HH)							
Provision of new plots for AHs (no.)							
Construction of new houses (no. and m ²)							
Relocation of AHs to new house (no. and timing)							
Commencement of civil works and provision of preferential employment (no. of APs and days of work)							

184. In addition, the Audit Department of the MUB will independently audit and monitor the agencies involved in the LAR process, based on Law of Mongolia on State Audit. The PMO will periodically review audits, and report any irregularities to the ADB, to allow for the early identification and resolution of problems encountered.

185. The following are some of the internal monitoring key indicators:

- Number of displaced persons
- Number of information sessions and other consultation activities conducted with affected persons
- Status of land acquisition, compensation payment and entitlement delivery
- Status of income restoration activities and impact of these activities on displaced persons
- Provision of replacement land
- Number of and length of time taken to redress grievances.

B. External Monitoring

186. External monitoring and evaluation will be conducted to provide independent concurrent and ex-post evaluation of the subproject's LAR activities. External monitoring will (i) assess the effectiveness, impact and sustainability of resettlement measures, (ii) determine whether safeguard compliance has been met, and (iii) learn strategic lessons

for future policy formulation and planning. The LARC will be responsible for engaging an EMA with ADB financing.

187. External monitoring will be carried out semi-annually during LARP implementation and results reported to the PMO, MUB, LARC and ADB in semi-annual reports. The ADB LAR specialists, WG members will review and discuss the external monitoring design with the EMA. The external monitoring process will include the following: (i) review and verification of the internal monitoring reports and resettlement completion report of the PMO; (ii) identification and selection of impact indicators; (iii) impact assessment (e.g. restoration of incomes and living conditions) through quantitative and qualitative surveys; (iv) consultation with APs; (v) assessment of compliance with Mongolian legislation, the ADB SPS's IR policy requirements, LARF and LARP; (vi) recommendation of land acquisition process modification and adaptation measures; (vii) lessons learned for future resettlement policy formulation and planning; (viii) effectiveness of the GRM; and (ix) all data collection and analysis will be disaggregated by gender.

188. The following are some of the external monitoring key indicators:

- Economic status of affected households, including employment, income and household assets.
- Status of vulnerable persons, in terms of food security, household demographics, livelihoods and health in relation to project impacts.
- Impact of land acquisition on women, children, elderly, the poor and other vulnerable groups.
- Degree of support for and post land acquisition status of affected vulnerable and severely affected households.
- Perceptions of affected persons regarding the implementation of the land acquisition process.
- Impact on affected businesses (permanent and temporary)
- Participation and involvement of affected persons in LARP implementation.
- Effectiveness and fairness of valuation, compensation, assessment and disbursement measures.
- Implementation and effectiveness of income restoration measures.
- Effectiveness and fairness of GRM processes.
- Level of satisfaction among affected persons in the post-resettlement period.
- Adequacy of resettlement funds and results of financial audits.
- Performance of project implementing agencies (LARC, PMO, WG).

189. The EMA will carry out post-implementation evaluation on the basis of the socioeconomic tracer surveys 1 and 2 years after the completion of LAR activities in Bayankhoshuu to ascertain whether the subproject was able to implement the objectives and provisions of the LARP. If the objectives have not been achieved, the EMA will recommend remedial measures for follow up by the MUB and PMO.

ATTACHMENTS

- Attachment 1.** Bayankhoshuu sub-center sewer main collector pipes LAR drawing
- Attachment 2.** Notification of LAR
- Attachment 3.** Cut-off date announcement
- Attachment 4.** List of Vulnerable Affected Households and Respective Land Loss
- Attachment 4.** List of Affected Persons, their details
- Attachment 5.** MUB Governor's Resolution on Establishment of LARPIC and WG
- Attachment 6.** The attendance sheets for AP consultation meetings held in March 2015
- Attachment 7.** Grievance Action Form
- Attachment 8.** Notary services and fees related to contracts
- Attachment 9.** Summary of appraisal of affected land and structures

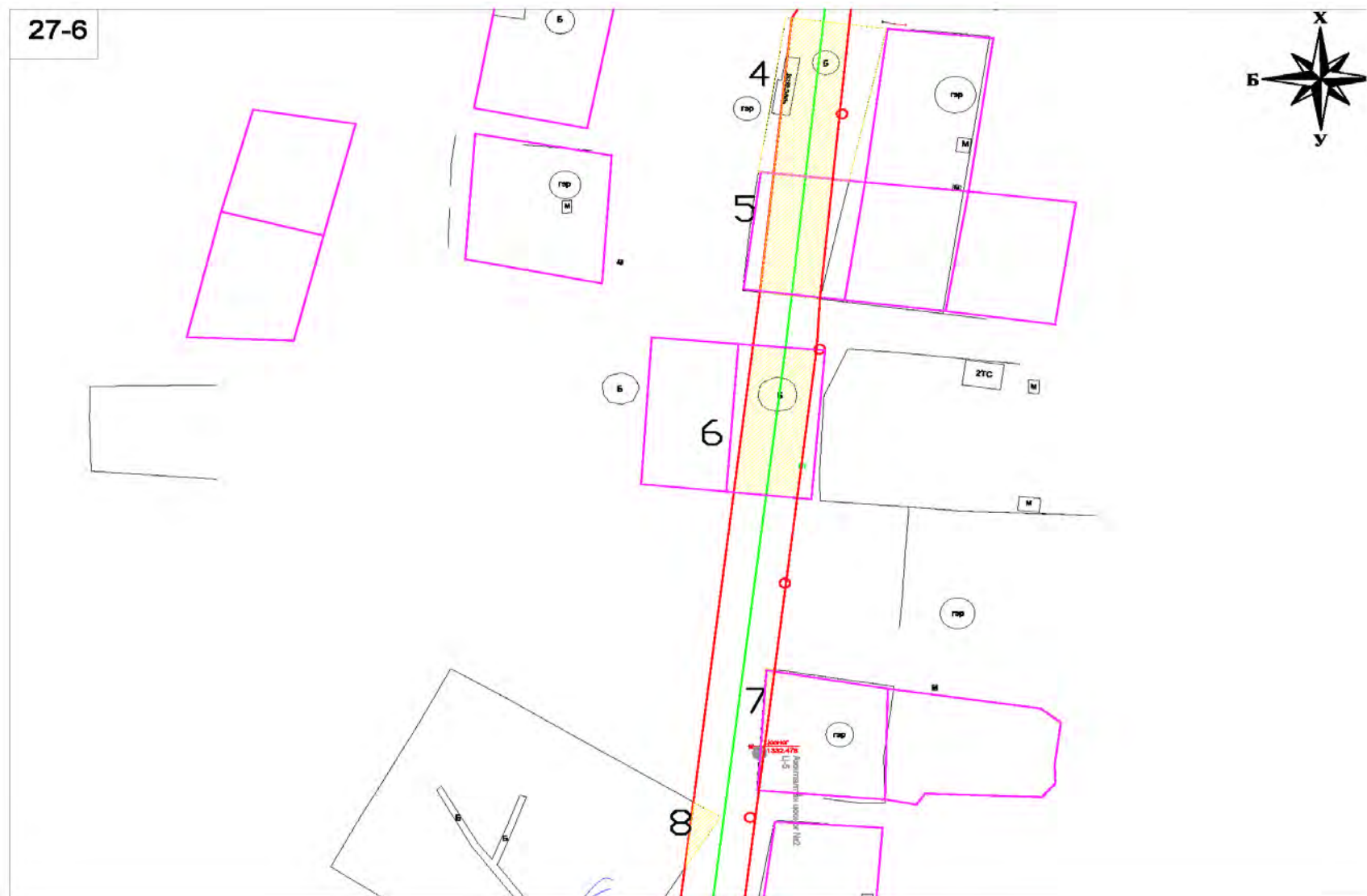
Attachment 1. Bayankhoshuu Sub-center Sewer Main Collector Pipes LAR Drawing



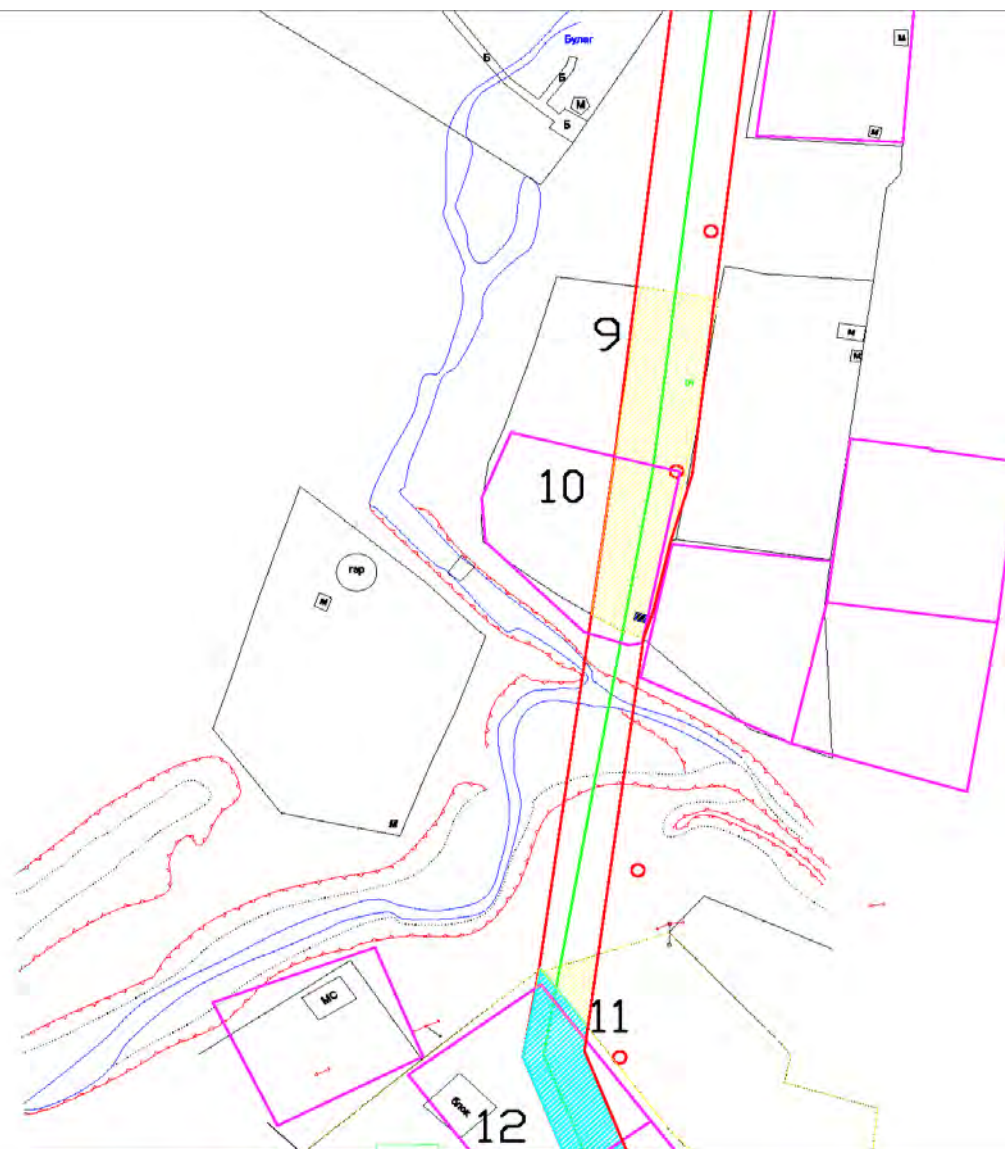


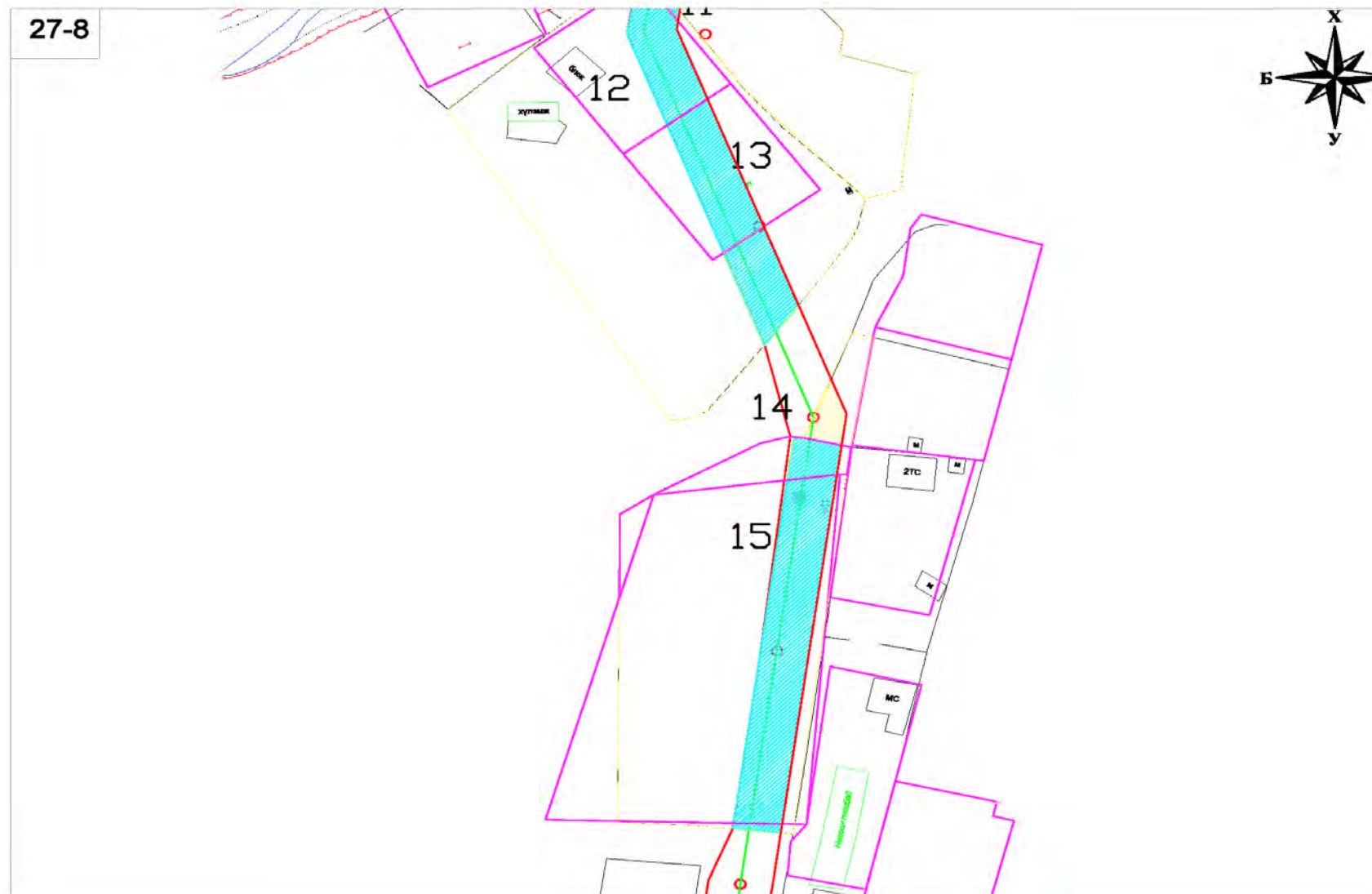


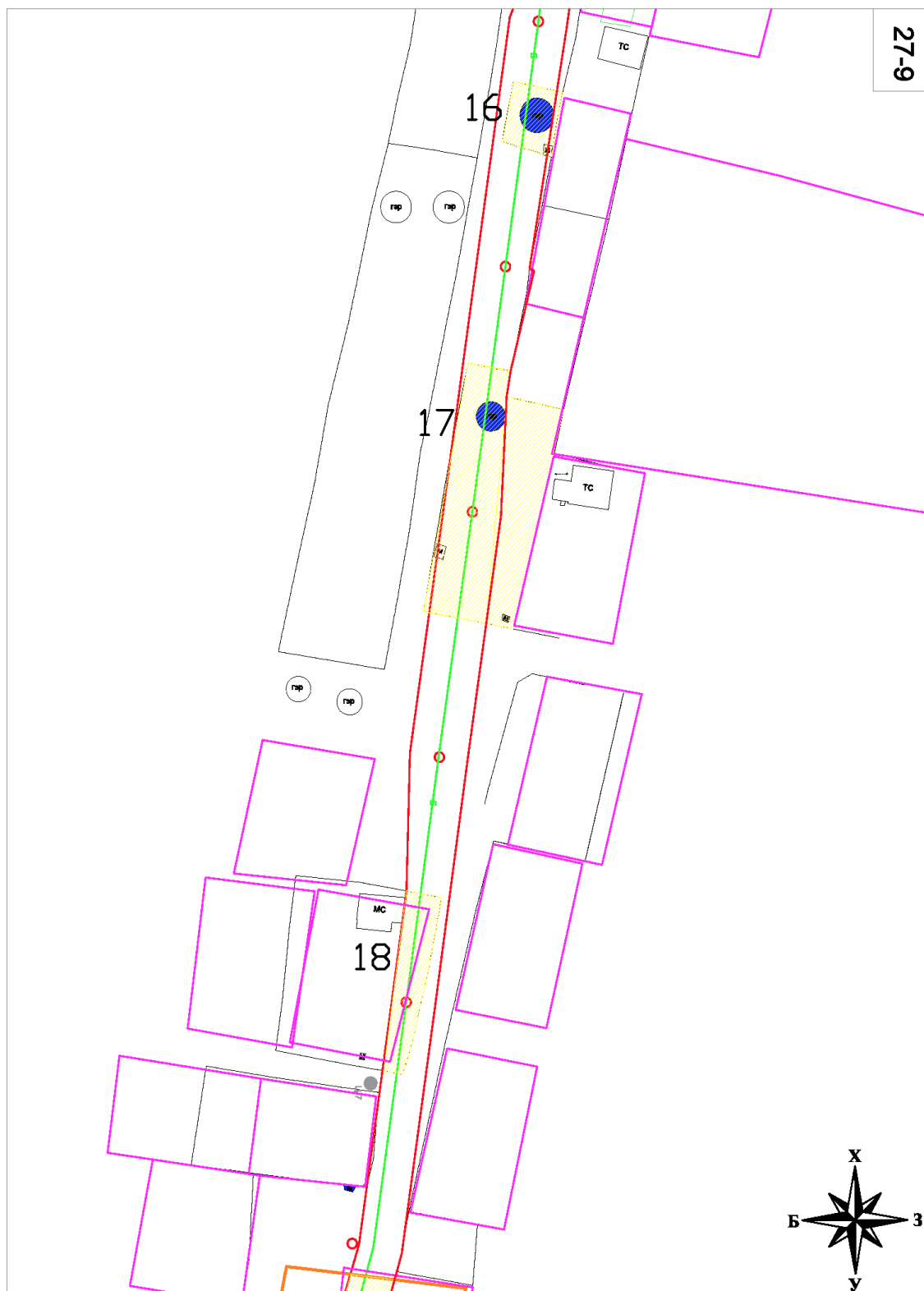


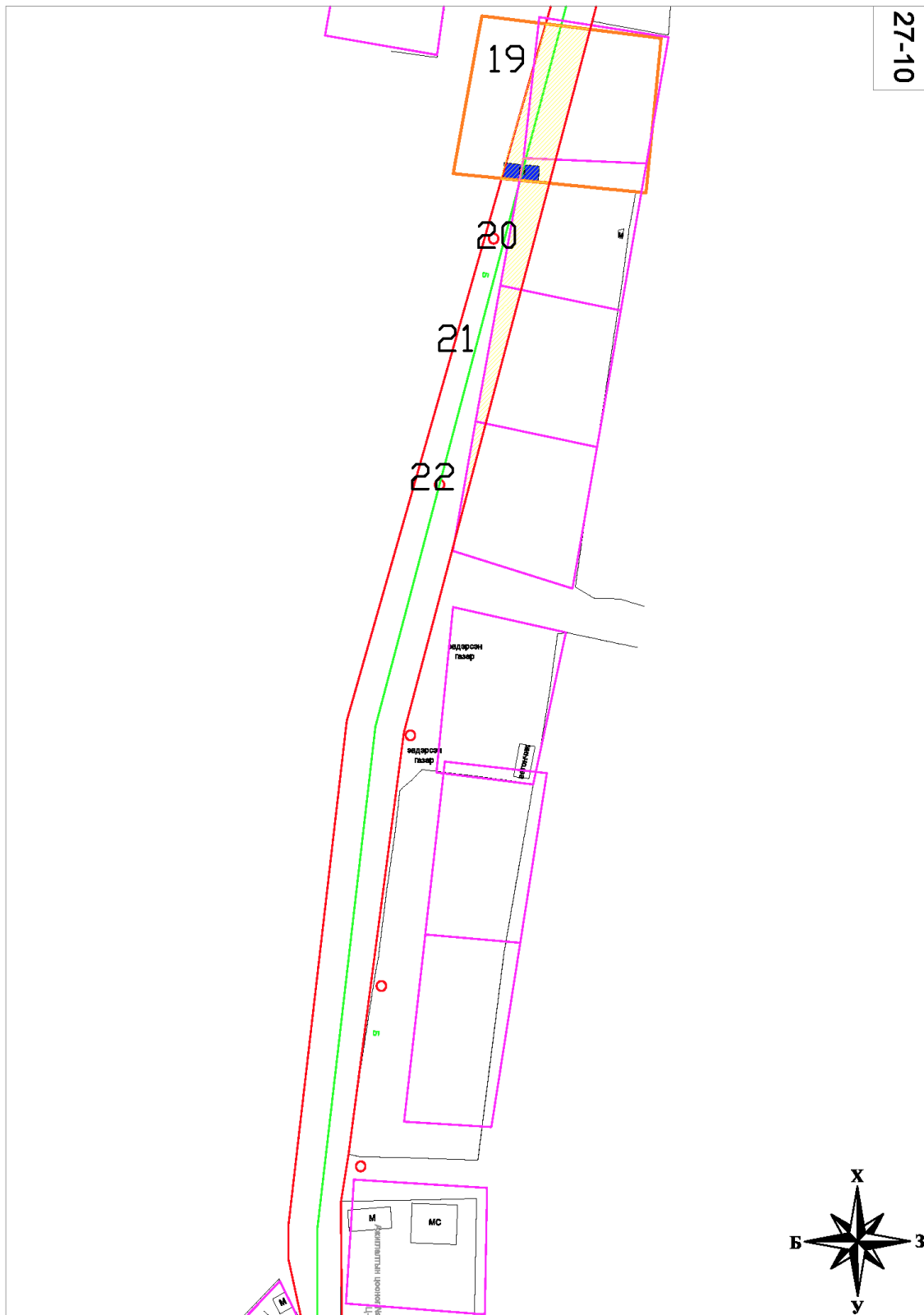


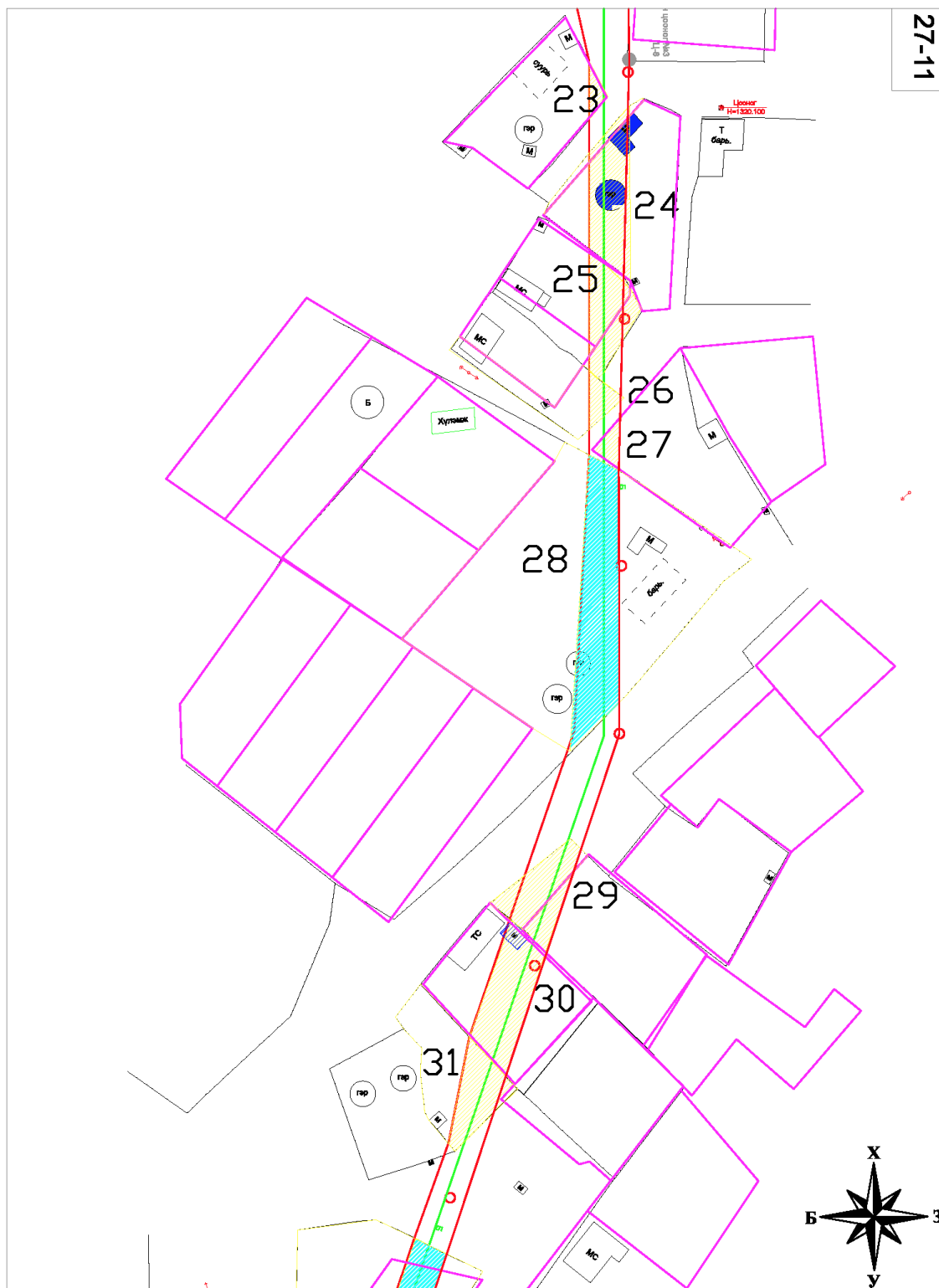
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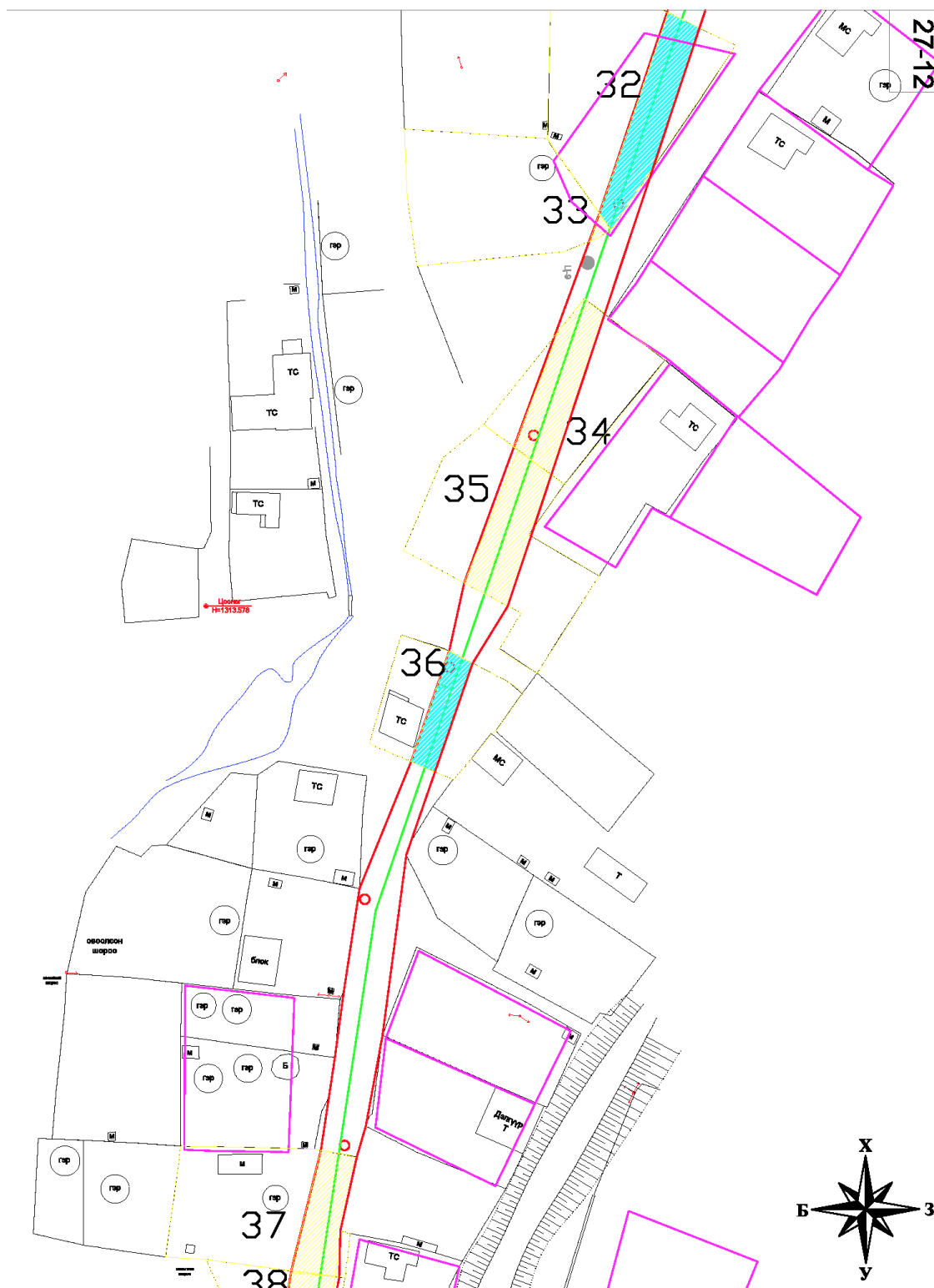


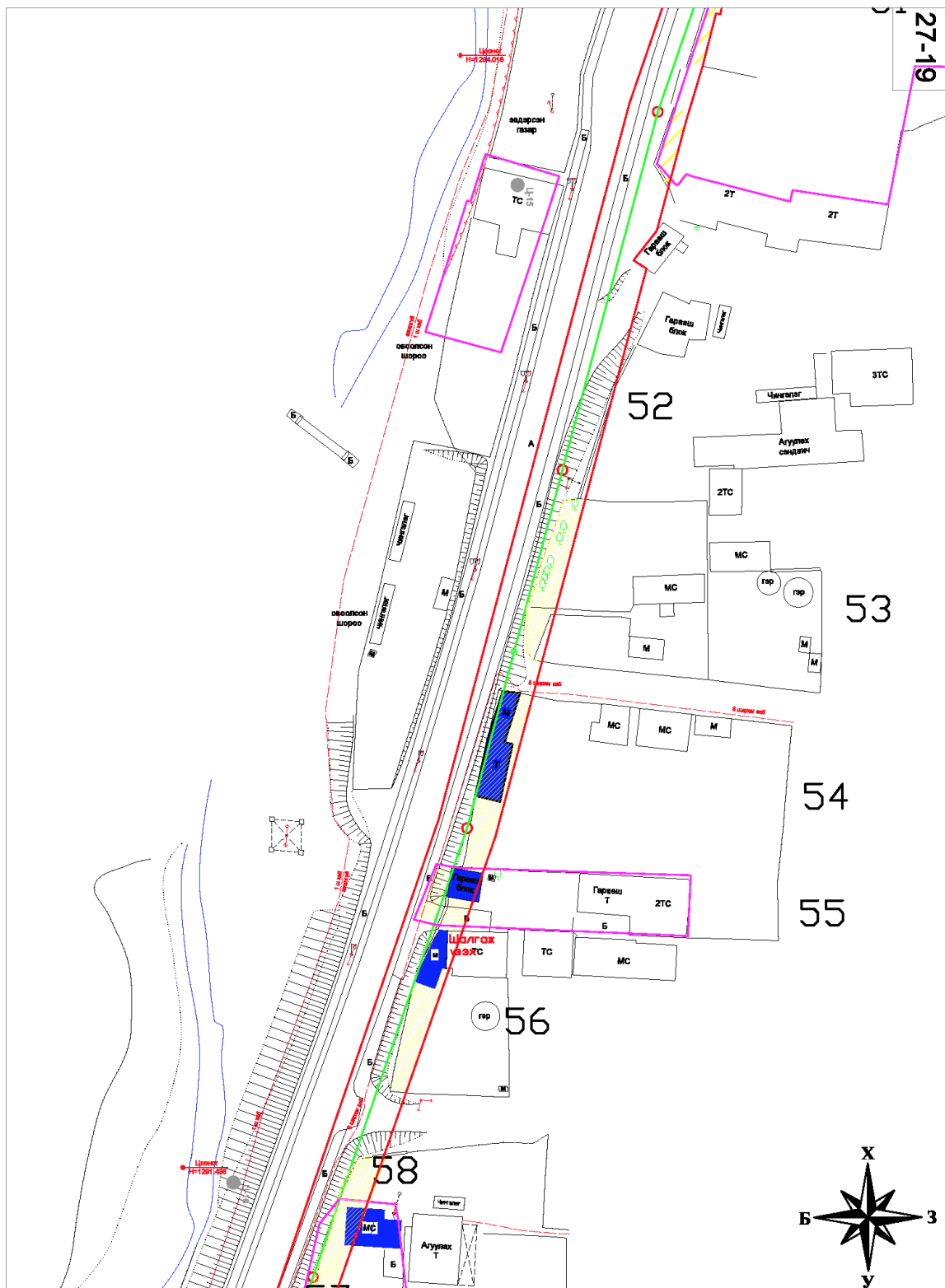


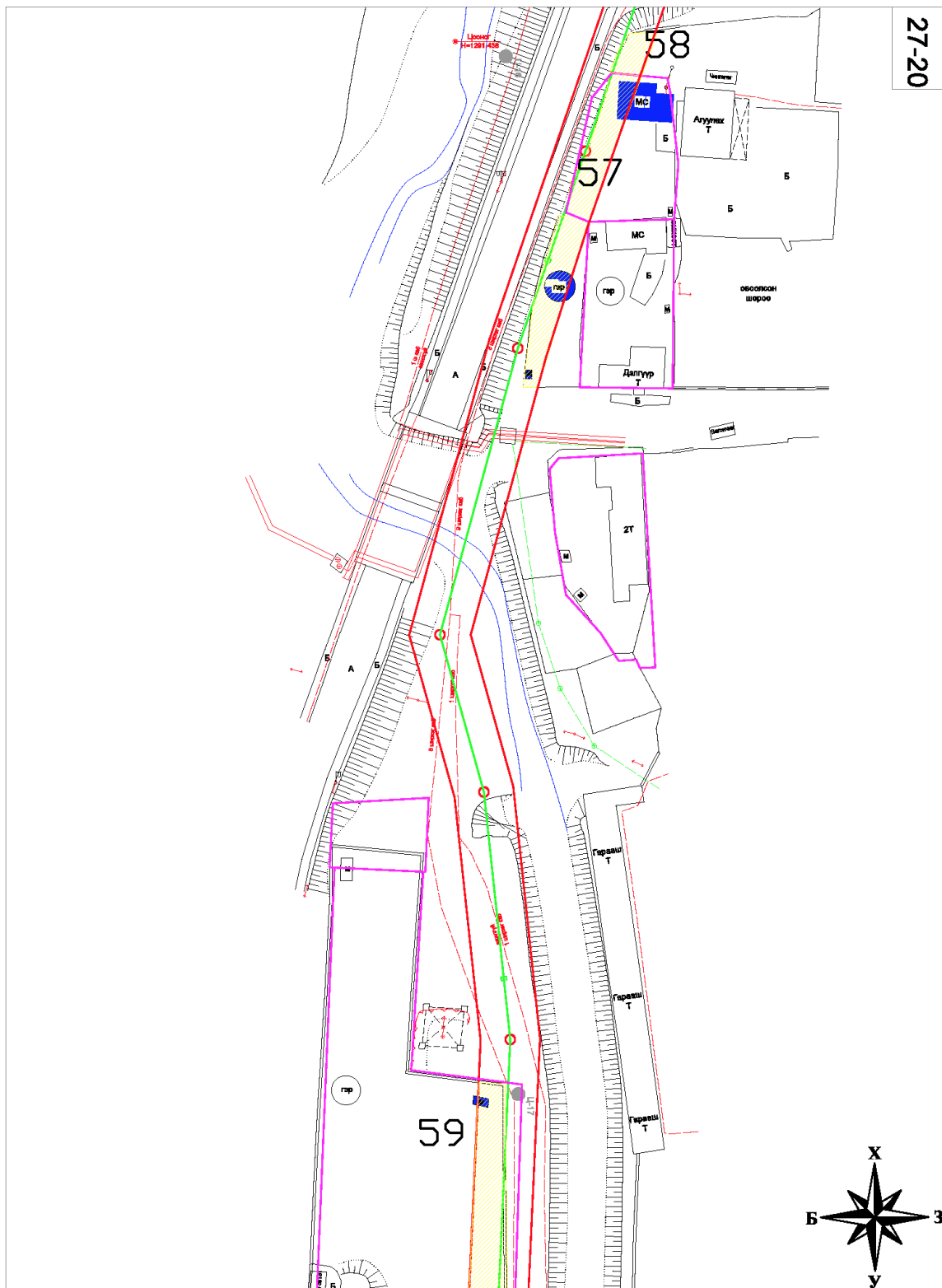


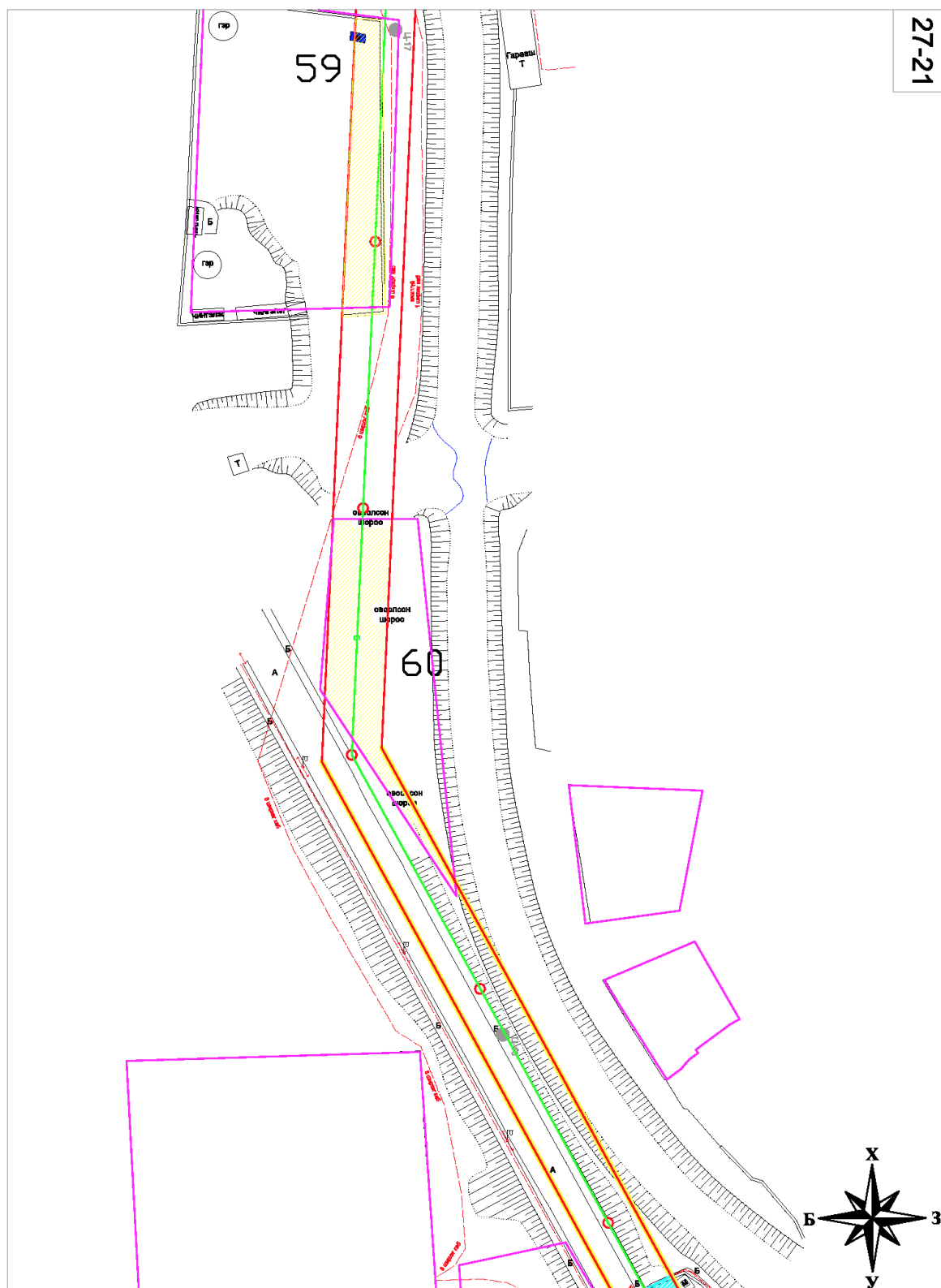


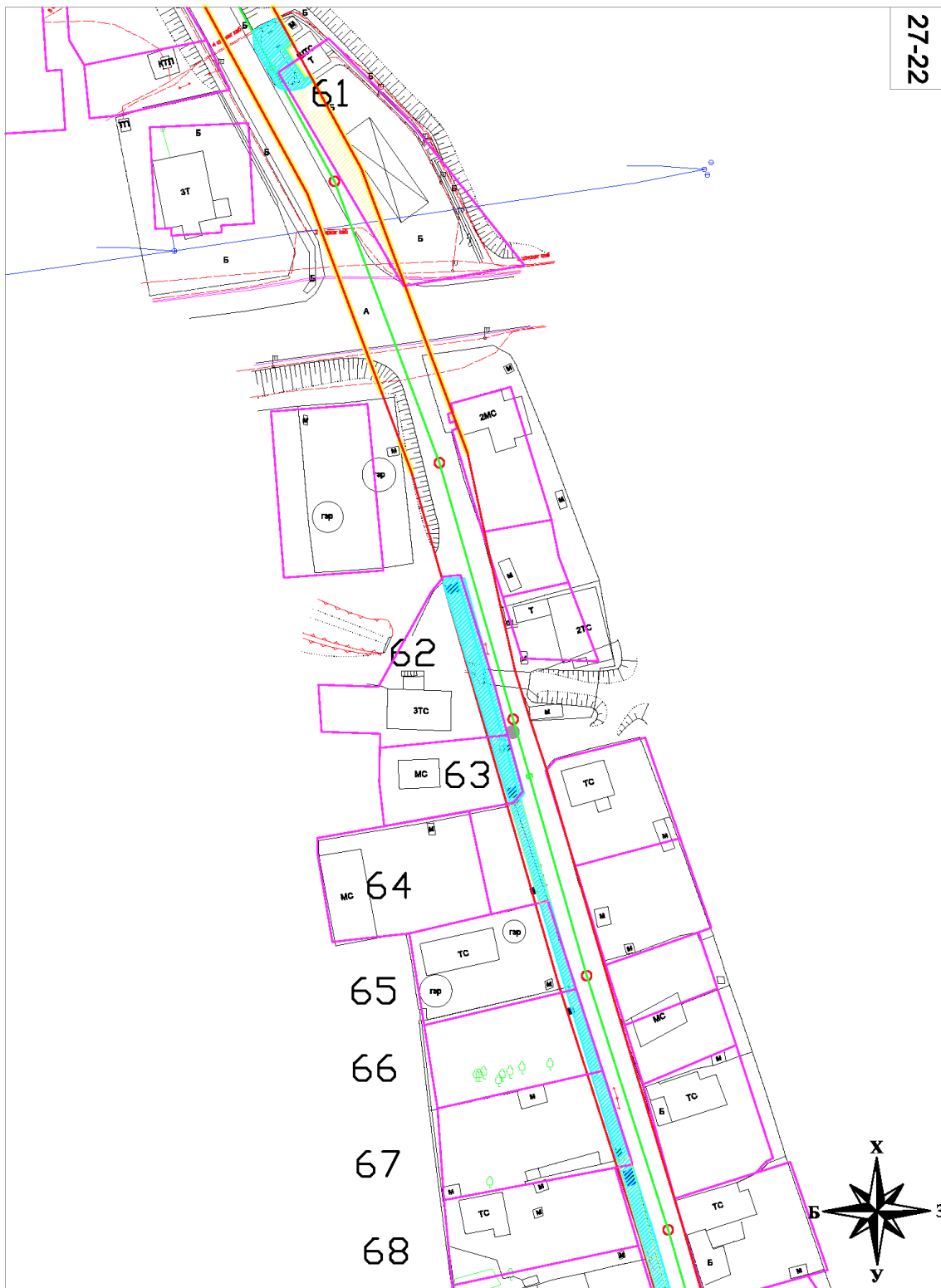








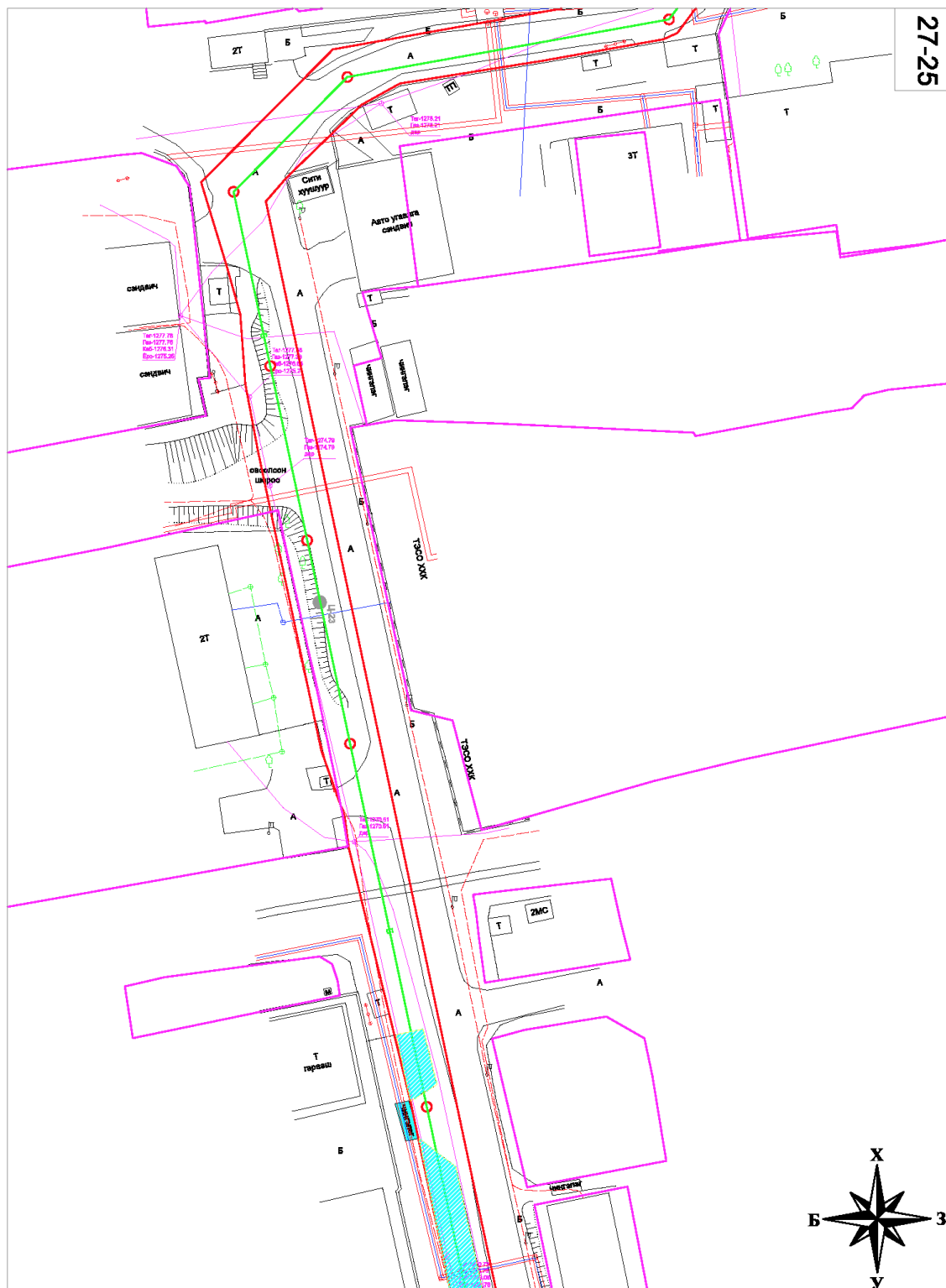




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Attachment 2. Notification of LAR

PROPERTY RELATIONS DEPARTMENT OF MUB

NOTIFICATION

Ulaanbaatar

date:, 2015

No:

To the resident of khoroo of Soginokhairkhan District
Mr/Ms.

In order to resolve issues related to overconcentration in the center of the city, limited access and possibilities of ger area residents to socioeconomic services and healthy and safe living environment, "Ulaanbaatar Urban Services and Ger Area Development Investment Program" is being implemented step by step in accordance with the decision of the Government of Mongolia and MUB with soft loan funding provided by the Asian Development Bank and European Investment Bank.

Within this program, construction work, to connect Selbe and Bayankhoshuu subcenters with sewer main collector pipes, will be implemented. Hereby, you are notified that your land under ownership/possession is located in the ROW of this pipelines and therefore will be affected by land acquisition and/or resettlement.

In the first half of March 2015, survey of households and valuation of properties will be carried out. Therefore, we request you to cooperate with the survey officers and provide correct information.

The officials of the Property Relations Department of UB city and program management office (PMO) will be meeting you in relation to the program, construction of sewer main collector pipes and related land acquisition and resettlement. Also, if you have any suggestions, requests or grievances, contact us through D. Khorolsuren, PMO official (tel. 9978 0357, address: Ulaanbaatar Urban Services and Ger Area Development Investment Program, #415, Central Cultural Building, Sukhbaatar District, 8th khoroo, Baga toiruu 1, Amar street 2), or through the respective social worker or head of khesege.

DEPUTY HEAD

M. BATSAIKHAN

PROPERTY RELATIONS DEPARTMENT OF MUB

NOTIFICATION

Ulaanbaatar

date:, 2015

No:

Full name of the person who received this notification and notification on cut-off date for compensation entitlement:

Address, phone No: _____

Signature: _____

Attachment 3. Cut-off date announcement

PUBLIC NOTICE TO THE RESIDENTS OF 4th, 5th, 7th, 26th AND 27th KHOROO RESIDENTS OF SONGINOKHAIRKHAN DISTRICT

In order to resolve issues related to overconcentration in the center of the city, limited access and possibilities of ger area residents to socioeconomic services and healthy and safe living environment, "Ulaanbaatar Urban Services and Ger Area Development Investment Program" is being implemented step by step in accordance with the decision of the Government of Mongolia and MUB with soft loan funding provided by the Asian Development Bank and European Investment Bank.

Within this program construction work to connect Selbe and Bayankhoshuu subcenters with sewer main collector pipes will be implemented. The engineering, technical, social and economic solution was made to build the pipelines on the territory of 4th, 5th, 7th, 26th and 27th khoroo of Songinokhairkhan district.

The residents and organizations with properties (land and immovable structures) in the Right of Way (ROW) of the pipeline and thus directly affected by land acquisition and resettlement will be stopped for new settlement and construction of new structures in the ROW. Hereby, the compensation entitlement cut-off date (further referred to as "cut-off date") is declared as of 23 March, 2015.

By setting the cut-off date, it will be possible to correctly conduct the census of population and organizations in the ROW and accurately inventory their land and assets. This will enable to determine accurate and appropriate compensation and supports to the people and organizations, whose land will be acquired, based on the real market conditions and prices.

Eligibility of persons residing and organizations running activities in the project area of the pipelines will only be granted for their affected land and structures located in the ROW of the pipelines before the cut-off date.

Any persons, organizations moving into and occupying land or constructing new or additional structures in the Right of Way of the pipelines after the cut-off date will not be eligible for compensation and other required assistances and supports.

The officials of Property Relations Department of UB city and Ulaanbaatar Urban Services and Ger Area Development Investment Program will be organizing consultation meetings with you to provide information, obtain your suggestions and redress any grievances.

Please contact us related to the construction work of the sewer main collector pipes and land acquisition and resettlement issues at the following address:

D. Khorolsuren, PMO official
Ulaanbaatar Urban Services and Ger Area Development Investment Program,
#415, Central Cultural Building, Sukhbaatar District, 8th khoroo, Baga toiruu 1, Amar street 2
tel. 9978 0357

DEPUTY HEAD

M. BATSAIKHAN

Attachment 4. List of Affected Persons, their details

No.	AP ID	Surname	Name	ID No.	Land Parcel No.	Address	Land tenure type	Land use type
1	B01	Industry & Service Division, Songinorkhairkhan district Governor's Office				7th khoroo	without permission	business
2	B02	Tserendorj	Odgerel	ТИ63050319	18635315468107	7th khoroo Monlaa 10-29 toot	Ownership	residential
3	B03	Gansukh	Munkhzaya	AK92010202	186353154475065	7th khoroo Monlaa 9-19a toot	Possession	residential
4	B04	Jaamaa	Khishigsuren	УБ78072213		7th khoroo Monlaa 9-20b toot	without permission	residential
5	B05	Rentsenkhand	Tsend-Ayush	ИТ85011801	18635314467998	7th khoroo Monlaa 8-25b toot	Possession	residential
6	B06	Amgalan	Amarbayasgalan	ПЮ80022510	18635314461959	7th khoroo Monlaa 8-30 toot	Ownership	vacant land
7	B07	Batsanaa	Batbaatar	BA83051511	18635314470892	7th khoroo Monlaa 8-9 toot	Ownership	residential
8	B08		N/A				without permission	vacant land
9	B09		N/A				without permission	residential
10	B10	Lkhagvajav	Ariunchimeg	ПИ87062301	18635314430774	7th khoroo Monlaa 8-5b toot	Ownership	residential
11	B11		N/A				without permission	residential
12	B12	Damdinsuren	Zagdbazar	ЧБ38013111	18635314422682	7th khoroo Gorkhi 3-2 toot	Possession	residential/business
13	B13	Zagdbazar	Otgongerel	ЧБ80060805	18635314439660	7th khoroo Gorkhi 3-2a toot	Possession	residential/business
14	B14	Gansukh	Zoljargal	ПЮ90020502	18635314478612	7th khoroo Gorkhi 3-12 toot	Possession	residential

No.	AP ID	Surname	Name	ID No.	Land Parcel No.	Address	Land	Land use type
15	B15	Chogdov	Khaliunkhuu	ЧК42050816	18635314434557	7th khoroo	Possession	business
16	B16	Enkhbaatar	Erdenebold	HH92110514		7th khoroo	without permission	residential
17	B17		Ulziisaikhan	ЧБ75042917		7th khoroo BKH 32-87	without permission	residential
18	B18	Purevdorj	Azbayar	НБ191100310	18635314405315	7th khoroo Nogoochin 2-29 toot	Possession	residential
19	B19	Battulga	Tserendolgor	П081091106	18635314414241	7th khoroo BKH 29-128 toot	Possession	residential
20	B20	Enkhtaivan	Ankhmandakh	УК92031896	18635314409214	7th khoroo Namag 3-10 toot	Possession	vacant land
21	B21	Dogsom	Gandpurev	ЦБ66012979	18635314404187	7th khoroo Namag 3-12 toot	Possession	vacant land
22	B22	Buuzgar	Urantsetseg	УУ69122326	18635314399160	7th khoroo Namag 3-11 toot	Possession	vacant land
23	B23	Damdinjav	Sukhзоригт	ЖЮ63031518	18635313340985	7th khoroo Namag 1-31b toot	Possession	residential
24	B24	Chogsom	Ichinregzen	ИЦ68080781	18635313358969	7th khoroo Namag 1-31a toot	Possession	residential
25	B25	Luvsanbat	Battogtokh	ЖИ82072211	18635313348953	7th khoroo Namag 1-28a toot	Possession	residential
26	B26	Ravdansharav	Batsaikhan	ПМ87073111	18635313341940	7th khoroo Namag 1-28 toot	Possession	residential
27	B27	Davaasuren	Mungunchimeg	ТБ84032501	18635313372922	7th khoroo Namag 1-31toot	Possession	residential
28	B28		Nyamdavaa			7th khoroo Namag 30b, c, e, d	without permission	residential/business
29	B29	Buyan	Tumursukh	X388020113	18635313358818	7th khoroo Namag 1-3a toot	Possession	residential
30	B30	Budkhuu	Gundegmaa	XH71081708	18635313337808	7th khoroo Namag 1-4 toot	Possession	residential/business
31	B31	Mishigdorj	Tsendkhuu	Ч370073161		7th khoroo Namag 1-4B toot	without permission	residential

No.	AP ID	Surname	Name	ID No.	Land Parcel No.	Address	Land tenure	Land use type
32	B32	Badarch	Jamiyansambuu	ЧТ46010175	18635313313739	7th khoroo Namag 1-7a toot	Possession	residential
33	B33	Tsagaan	Mendbayar	БЮ76070570		7th khoroo Namag 1-54b toot	without permission	residential
34	B34	Doljin	Otgonbileg	ЧБ66071262		7th khoroo Namag 1-10b toot	without permission	residential
35	B35		Shinechimeg	ТА83100604		7th khoroo Bayanbulag 3-51 toot	without permission	residential
36	B36	G	Otgontuul	ШД86110509			without permission	residential
37	B37	Altankhuyag	Uranbolor	УП95103126		26th khoroo Bayanbuleg 3-40 toot	without permission	residential
38	B38	Byambatseren	Gantugs	ШБ84082018			without permission	residential
39	B39	Getsel	Khishig	ЧС35112025	18635313236464	26th khoroo Bayanbuleg 3-30 toot	Ownership	residential
40	B40	T	Oyunjargal	эм			without permission	residential
41	B41	Sereeter	Tumurbat	ЧР42061807	18635313263493	7th khoroo 0119-yn, 1-52a	Ownership	residential
42	B42	Sharav	Nyamdorj	ЧЕ58020213	18635312359209	5th khoroo Bayangolyn 26-2A	Ownership	residential/business
43	B43	Luvsan-Yondon	Enkhbaatar	ФД62092852	18635312356196		Ownership	residential
44	B44	Oyungerel	Niislelmaa	ДЮ78061404	18635312355180	5th khoroo Bayangolyn 26-1 toot	Ownership	residential
45	B45	Surenjav	Davaa	ЦД55021073	18635312353161	5th khoroo Bayangolyn 20-9	Ownership	residential/business
46	B46	Davaa	Tuvshinjargal	ЦД84061471	18635312340143		Ownership	residential
47	B47	Khishigtogtokh	Erdenejargal	ПЕ72082702	18635312337123	5th khoroo Bayangolyn 20-20	Ownership	residential
48	B48	Jujuukhai	Ganbaatar	ПЭ70091132	18635312332097	5th khoroo Bayangolyn 20-20	Ownership	business

No.	AP ID	Surname	Name	ID No.	Land Parcel No.	Address	Land tenure	Land use type
49	B49	Surenjav	Tumurbat	XM56082512	18635312311072	5th khoroo Bayangolyn 20-36	Ownership	residential
50	B50	Jargalsaikhan	Batdorj	ЧГ84041814	18635312305041	5th khoroo Bayangolyn 20-35	Ownership	residential
51	B51	Barkhsad	Chojilsuren	УС73092335	18635312302002	5th khoroo Bayangolyn 20	Possession	business
52	B52	Mend International Co. Ltd.		2581949	18635311278912	Khanyin material 310	Possession	business
53	B53	Badrakh	Khombogo	ЧА44081001		5th khoroo Bayangolyn 10-9	without permission	residential/business
54	B54	Damdin	Dashdorj	ЧЙ42032113	18635311233850	5th khoroo Bayangolyn 10-7, 8, 8A	Ownership	residential/business
55	B55	Purevjav	Erdene-Ochir	ИЭ77010379	18635311237826	5th khoroo Bayangolyn 10-23	Ownership	business
56	B56	Sumiya	Dongoobor	ЧА50051017	18635311218804	5th khoroo Bayangolyn 10-22	Ownership	residential
57	B57	Dambasuren	Munkhtur	АЭ68021478	18635311197750	Agar 3-38	Ownership	residential
58	B58	Tumen Shuvuut Co. Ltd.					Possession	business
59	B59	Songinokhairkhan district Maintenance and Services Center			18635311155533	27th khoroo	Possession	business
60	B60	Otgontogtokh	Ganbold	УП92080133	18635311174432	27th khoroo	Possession	residential
61	B61	Magnai Trade Co. Ltd.		2082489	18635311256270	27th khoroo	Possession	business
62	B62		Lkhamnorjin		18635311259172	4th khoroo MIK 1-14a toot	Ownership	residential
63	B63	Tumen-Ulzii	Bayanmunkh	PE89032971	18635311266153	4th khoroo MIK 1-14b toot	Ownership	residential
64	B64	Ulzii	Bayartsetseg	ОЮ94033008	18635311257132	4th khoroo MIK 1-12	Possession	residential
65	B65	Gochoo	Battogtokh	PE81051817	18635311275116	4th khoroo MIK 1-11	Ownership	residential
66	B66	Dorjkhand	Lkhagvadaash	МА61101128	18635311279098	4th khoroo MIK 1-10 toot	Ownership	residential
67	B67	Namsrai	Bayanmunkh	МЭ62083071	18635311283080	4th khoroo MIK 1-9	Ownership	residential

No.	AP ID	Surname	Name	ID No.	Land Parcel No.	Address	Land tenure	Land use type
						toot		
68	B68	Byamba	Dorj	BM36102813	18635311284062	4th khoroo MIK 1-8 toot	Ownership	residential
69	B69	Dorj	Jargalsaikhan	BM60040531	18635311288046	4th khoroo MIK 1-7 toot	Ownership	residential
70	B70	Dorj	Bayarsaikhan	XA66011336	18635311291031	4th khoroo MIK 1-7a toot	Ownership	residential
71	B71	Dorj	Avirmed	BM42012314	18635311294016	4th khoroo MIK 1-6 toot	Ownership	residential
72	B72	Jamsranjav	Bayarsaikhan	PE80110577	18635310294982	4th khoroo MIK 1-4 toot	Ownership	residential
73	B73	Galsandorj	Bat-Erdene	B589050917	18635311297000	4th khoroo MIK 1-5 toot	Ownership	residential
74	B74	Galsandorj	Bayartsetseg		18635311314008		Ownership	residential
75	B75	Millhouse Co. Ltd.		5149665	18635310229985	4th khoroo	Possession	business
76	B76	N/A					decision for possession	vacant land
77	B77	Teso Co. Ltd.					Possession	business

Attachment 5. MUB Governor's Resolution on Establishment of LARC and WG


**НИЙСЛЭЛИЙН ЗАСАГ ДАРГЫН
ЗАХИРАМЖ**

2015 09 06 Дугаар А/175

Нүүлгэн шилжүүлэлтийн
төлөвлөгөөг хэрэгжүүлэх Хороо,
ажлын хэсэг байгуулах тухай

Монгол Улсын Засаг захиргаа, нутаг дэвсгэрийн нэгж, түүний удирдлагын тухай хуулийн 29.1.4 "а", 29.2 дахь хэсгийг үндэслэн ЗАХИРАМЖЛАХ нь:

1. Азийн хөгжлийн банкны МОН 3098 зээл/3099-МОН (тусгайлсан) болон МОН 0380 Буцалтгүй тусламжийн хүрээнд хэрэгжүүлж буй "Улаанбаатар хотын гэр хорооллыг хөгжүүлэх, хөрөнгө оруулалтыг дэмжих хөтөлбөр"-ийн зээлийн 1 дүгээр үе шатанд хэрэгжүүлэх "Сэлбэ, Баянхошуу дэд төвийн ариутгах татуургын шугам"-ын газар чөлөөлөх, нүүлгэн шилжүүлэх ажлын төлөвлөгөөний хэрэгжилтийг удирдан зохион байгуулах Хорооны бүрэлдэхүүнийг 1 дүгээр хавсралтаар, Чингэлтэй, Сонгинохайрхан дүүрэгт Газар чөлөөлөх, нүүлгэн шилжүүлэх төлөвлөгөөг хэрэгжүүлэх Ажлын хэсгийн бүрэлдэхүүнийг 2 дугаар хавсралтаар байгуулсугай.

2. Захирамжийн хэрэгжилтэд хяналт тавьж, Нийслэлийн удирдлагын зөвлөлд танилцуулж ажиллахыг Нийслэлийн Засаг даргын Хот байгуулалт, хөрөнгө оруулалт хариуцсан орлогч /С.Очирбат/-д даалгасугай.

НИЙСЛЭЛИЙН ЗАСАГ ДАРГЫН
САНХҮҮ, ЭДИЙН ЗАСГИЙН
АСУУДАЛ ХАРИУЦСАН
ОРЛОГЧ

Н.БАТАА

111020000650

Нийслэлийн Засаг даргын 2015 оны
 03 дугаар сарын 06-ны өдрийн
 захирамжийн 1 дүгээр
 хавсралт

ГАЗАР ЧӨЛӨӨЛӨЛТ, НҮҮЛГЭН
 ШИЛЖҮҮЛЭЛТИЙН ХОРОО

Дарга	Нийслэлийн Засаг даргын хот байгуулалт, хөрөнгө оруулалт хариуцсан орлогч
Нарийн бичгийн дарга	"Улаанбаатар хотын Гэр хорооллыг хөгжүүлэх, хөрөнгө оруулалтыг дэмжих хөтөлбөр" төслийн нэгжийн Нүүлгэн шилжүүлэлтийн мэргэжилтэн
Гишүүд	Чингэлтэй дүүргийн Засаг дарга Сонгинохайрхан дүүргийн Засаг дарга Нийслэлийн Өмчийн харилцааны газрын дарга Нийслэлийн Авто замын газрын дарга Нийслэлийн Гэр хорооллын хөгжлийн газрын дарга Ус сувгийн удирдах газрын дарга "Гэр хорооллыг орон сууцжуулах төсөл" НӨҮГ-ын дарга Чингэлтэй дүүргийн Бүртгэлийн хэлтсийн дарга Сонгинохайрхан дүүргийн Бүртгэлийн хэлтсийн дарга Чингэлтэй дүүргийн Нийгмийн халамж, үйлчилгээний хэлтсийн дарга Сонгинохайрхан дүүргийн Нийгмийн халамж, үйлчилгээний хэлтсийн дарга Холбогдох хороодын Засаг дарга нар Нөлөөлөлд өртсөн иргэдийн төлөөлөгчид (дүүрэг тус бүрээс 1 хүн)

Нийслэлийн Засаг даргын 2015 оны
03 дугаар сарын 06-ны өдрийн
1/125 дугаар захирамжийн 2 дугаар
хавсралт

ГАЗАР ЧӨЛӨӨЛӨЛТ, НҮҮЛГЭН ШИЛЖҮҮЛЭЛТИЙН
ТӨЛӨВЛӨГӨӨГ ХЭРЭГЖҮҮЛЭХ АЖЛЫН ХЭСЭГ

Дарга: Нийслэлийн Өмчийн харилцааны газрын Газар
чөлөөлөх хэлтсийн дарга

Гишүүд: Нийслэлийн Өмчийн харилцааны газрын Газар
чөлөөлөх хэлтсийн мэргэжилтэн

Сонгинохайрхан дүүргийн Бүртгэлийн хэлтсийн
мэргэжилтэн

Чингэлтэй дүүргийн Бүртгэлийн хэлтсийн
мэргэжилтэн

Сонгинохайрхан дүүргийн Өмч,газрын харилцааны
албаны мэргэжилтэн

Чингэлтэй дүүргийн Өмч,газрын харилцааны албаны
мэргэжилтэн

Холбогдох хороодын нийгмийн ажилтнууд

Холбогдох хороодын хэсгийн ахлагч нар

ORDER OF THE GOVERNOR OF THE CAPITAL CITY

March 6, 2015

Ulaanbaatar

No. A/175

To establish resettlement plan implementation committee and working group

Based on the article 29.1.4 “a” and 29.2 of the Law on Mongolian Administrative and Territorial Unit and Its Administration, it is ordered that:

1. Establish the Land Acquisition and Resettlement Committee to manage and organize implementation of the land acquisition and resettlement plan of the “Selbe and Bayankhoshuu Subcenters sewer main collector pipes” to be implemented within the first tranche of the “Ulaanbaatar Urban Services and Ger Area Development Investment Program”, which is being implemented within the Asian Development Bank loan MON 3098/3099-MON (special) and MON 0380 technical assistance, as per Attachment 1; and establish Working Groups in Chingeltei and Songinokhairkhan Districts to implement land acquisition and resettlement plan as per Attachment 2.

2. The Deputy Governor in charge of Urban Development and Investment /S. Ochirbat/ shall oversee the implementation of this order and present the progress to the Management Council of the Capital city.

DEPUTY GOVERNOR IN CHARGE
OF FINANCE AND ECONOMY

N. BATAA

LAND ACQUISITION AND RESETTLEMENT COMMITTEE

Chairman	Deputy Governor in charge of Urban Development and Investment
Secretary	Resettlement specialist of “Ulaanbaatar Urban Services and Ger Area Development Investment Program”
Members	Governor of Chingeltei District
	Governor of Songinokhairkhan District
	Head of Property Relations Department of UB city
	Head of Road Department of UB city
	Head of Ger Area Development Agency of UB city
	Head of Water Supply and Sewerage Authority
	Director of “Ger area housing project”, UB city owned enterprise
	Head of Registration Division of Chingeltei District
	Head of Registration Division of Songinokhairkhan District
	Head of Social welfare and services division of Chingeltei District
	Head of Social welfare and services division of Songinokhairkhan District
	Governors of the respective khoros
	Representatives of the affected persons (1 person from each district)

LAND ACQUISITION AND RESETTLEMENT WORKING GROUP

Chairman: Head of Land Acquisition Division of the Property
Relations Department of UB city

Members: Specialist of the Land Acquisition Division of the Property
Relations Department of UB city

Specialist of the Registration Division of
Songinokhairkhan District

Specialist of the Registration Division of Chingeltei
District

Specialist of the Property and Land Relations Division of
Songinokhairkhan District

Specialist of the Property and Land Relations Division of
Chingeltei District

Social workers of the respective khoros

Heads of the kheseqs of respective khoros

Attachment 6. The attendance sheets for AP consultation meetings held in March 2015

**ULAANBAATAR URBAN SERVICES AND GER AREAS
DEVELOPMENT INVESTMENT PROGRAM**

Bayankhoshuu sub-center sewer main collector pipes subproject

ATTENDANCE SHEET FOR INFORMATION DISCLOSURE AND CONSULTATION

Venue: Citizen's Hall of the 7th khoroo of Songinokhaikhhan district

Date: March 24, 2015

No. Name Address Telephone Signature

<p>УЛААНБААТАР ХОТЫН ГЭР ХОРООЛЛЫГ ХӨГЖҮҮЛЭХ, ХӨРӨНГӨ ОРУУЛАЛТЫГ ДЭМЖИХ ХӨТӨЛБӨР Баянхoшuu дэд төвийн ариутгах татуургын шугамын зураг төсөл дэд төсөл</p> <p>мэдээлэл өгөх, зөвлөлдөх уулзалтын бүртгэлийн хуудас</p> <p>Уулзалт зохион байгуулсан газар: СХДүүргийн 7-р хорооны Иргэний танхим Он. сар, өдөр: 2015 оны 3 дугаар сарын 24-ны өдөр</p>				
No.	Name	Address	Telephone	Signature
1	Б. Вэгзвэр	СХД 7-р хороо Торжийн 3 17 тоот	86165536	
2	Б-Төмөрсүх	СХД 7-р хороо Намг-1-3а	89644560 89346062	
3	Амарбаатар	СХД-7р хороо Намал 1-4 тоот	88936671	
4	Б. Талмуну	СХД-7р хороо Намал 9	95284858	
5	Сансаранмэг	СХД 7-р хороо Намал 1-2а	96340600	
6	М. Пүрэв-огир	СХД-7р хороо Торж 2-4	89126777	
7	Т. Баярмалын	улс 3-6 б	96681778	
8	А. Халхсүрэн	СХД-7-р хороо Намал 1-10б	88911188	
9	Ц. Олзориг	С.ХД.7-р хороо 29	96062767	
10	Б. Цогтсайхан	СХД 7-р хороо Намал-10	88937209	
11	М. Цогтсайхан	СХД 7-р хороо Намал 1-31а	88800762	
12	Р. Энх-Аюул	СХД 7-р хороо Намал 13-25б	88786404	
13	З. Ариундэл	СХД 7-р хороо Намал 2-43	99815127	
14	С. Цогтсайхан	СХД 7-р хороо Намал 7-29	98809096	
15	Д. Сүхбаатар	СХД 7-р хороо Намал 1-31б	8888904	
16	М. Нямдабаа	СХД 7-р хороо Намал 1-79	89174039	
17	Т. Дзюба	НОГ 2-29	91152519	
18	Б. Байрамаа	СХД 7-р хороо Намал 8-9г	88841799	

**ULAANBAATAR URBAN SERVICES AND GER AREAS
DEVELOPMENT INVESTMENT PROGRAM**
Bayankhoshuu sub-center sewer main collector pipes subproject

ATTENDANCE SHEET FOR INFORMATION DISCLOSURE AND CONSULTATION

Venue: Citizen's Hall of Songinokhairkhan district

Date: March 24, 2015

No. Name Address Telephone Signature

УЛААНБААТАР ХОТЫН ГЭР ХОРООЛЛЫГ ХӨГЖҮҮЛЭХ,
ХӨРӨНГӨ ОРУУЛАЛТЫГ ДЭМЖИХ ХӨТӨЛБӨР
Баянхoшuu дэд төвийн ариутгах татуургын шугамын зураг төсөл дэд төсөл

МЭДЭЭЛЭЛ ӨГӨХ, ЗӨВЛӨЛДӨХ УУЛЗАЛТЫН БҮРТГЭЛИЙН ХУУДАС

Уулзалт зохион байгуулсан газар: СХДүүргийн Иргэний танхим
Он. сар, өдөр: 2015 оны 3 дугаар сарын 24-ны өдөр

№	Овог, нэр	Хаяг	Утасны дугаар	Гарын үсэг
1	В. Тондоо	СХД-4-р хороо МНК 1-12.	89043373	
2	З. Намсрай	СХД-4-р хороо МНК 1-9	89850107	
3	Батмөнх	СХД-4-р хороо МНК 1-9	95221052	
4	Хатаахуу	СХД-4-р хороо МНК 1-9	99055905	
5	М. Мунг	СХД-5-р хороо БТ 10-11А	88034991	
6	Чингис-Олеер	СХД-5-р хороо 20-30	99859733	
7	Д. Байрахам	СХД-4-р МНК 1-10	99822265	
8	Д. Аверин	СХД-4-р МНК 1-6	90682301	
9	Д. Наргалсайраг	СХД-4-р хороо МНК 1-7	88977446	
10	Х. Батмолгоох	СХД-4-р хороо МНК 1-11	99010263	
11	М. Пийтүм	СХД-4-р хороо МНК 1-14	99245233	
12	Ч. Усман	СХД-4-р хороо МНК 1-23	96450374	
13	Х. Дамбадорж	С.Х.Д. 4-р хороо Б.Г. 10-7100	91714191	91541899
14	Т. Бат-Эрдэнэ	СХД-4-р хороо МНК 1-5	99466461	
15	М. Гэрэл-Баттөр	СХД-26-р хороо 3-30	96363189	
16	Т. Оюунтарга	СХД-26-р 3-31	89202259	
17	С. Нийгэмбаяр	СХД-5-р хороо 26-1	94183234	
18	Б. Мийбунг	4-р хороо Зогсонг байгуул	9850632	

Attachment 7. Grievance Action Form

ULAANBAATAR URBAN SERVICES AND GER AREAS DEVELOPMENT INVESTMENT PROGRAM

GRIEVANCE ACTION FORM

Name: _____

Address: _____

Phone: _____ Date: _____

District: _____

Name and position of recipient: _____

Category of grievance (to be filled by recipient):

<input type="checkbox"/> Legal	<input type="checkbox"/> Financial	<input type="checkbox"/> Administrative, related to an official
<input type="checkbox"/> Technical	<input type="checkbox"/> Social	<input type="checkbox"/> Other

Item	Description	Name, position and signature of person(s) responsible:
Grievance		AP:
		Date:
		Recipient:
		Date:
Resolution		Officer in charge:
		Date:
Action taken		Officer in charge:
		Date:
Follow up		Officer in charge:
		Date:
Comments, observations		Officer in charge:
		Date:

Attachment 8. Notary services and fees related to contracts

The type of services and fees below were approved by the Resolution No. 123 of the Minister for Justice and Internal Affairs in 2011.

Type of Notary Service		Service Fees
1. Contracts with undefined contract value	Company right, land possession and use rights, mineral resource exploration and exploitation license	10,000
	Other rights /intellectual property right, contracts on guarantee, warranty etc./	8,000
2. Contracts for property rent		8,000
3. Contracts with defined value, payment:		
3.1 Contract with value upto 1million		0.5% of the contract value
3.2 Contract with value more than 1 mission, as per the following rates:		
3.2.1. 1,000,001 – 10,000,000		10,000
3.2.2. 10,000,001 – 25,000,000		25,000
3.2.3. 25,000 001 – 100 000 000		50,000
3.2.4. 100,000,001 – 300,000,000		100,000
3.2.5. 300,000,001 – 500,000,000		200,000
3.2.6. more than 500,000,001		300,000
4. Additions, changes, prolongation and cancellation of contract and legal entity establishment document		3,000
5. Inheritance, testament, protection of inheritance property, family members joint and individual ownership matters.		1% of the value

Attachment 9. Summary of appraisal of affected land and structures

The following are the summary of the appraisal of land and structures that was carried out by the professional certified property appraiser with special permission from the Minister for Finance, together with his assistant. The copy of complete appraisal report can be obtained from the PMO by contacting Ms. Khorolsuren, Social, Environment and Resettlement Specialist, tel. 9978 0357, address: Ulaanbaatar Urban Services and Ger Area Development Investment Program, #415, Central Cultural Building, Sukhbaatar District, 8th khoroo, Baga toiruu 1, Amar street 2, Ulaanbaatar.

Valuation of land ownership and possession rights using “Market sales price comparison method”

For the valuation of the land ownership and possession rights, the market sales prices of land parcels, in the vicinity of the affected land parcels, with ownership and possession rights used of residential, production and services (business) purposes, were studied. Based on these comparative market sales prices the value of land was determined using market sales price comparison method.

The cost and income methods for the valuation of the land ownership and possession rights were not used, because information related to the income generated by the land, income capitalization percentage, costs for acquiring the land etc. cannot be collected sufficiently and as there are no sufficient information to be used for the required estimation.

Also, during the last years in Ulaanbaatar, the selling and buying of land possession and use rights are becoming common among the business entities as the availability of land, which are close to the public infrastructure, is decreasing. The costs for acquiring land possession rights can be considered for the market sales price comparison method used in this valuation.

When conducting the valuation of the real property (land possession right) the prices of sold or expected to be sold real properties with similar size and location were studied. The factors such as location, ownership right, negotiation, finance and physical condition of the property, were determined and required adjustments were made.

For the study of comparative property prices, the websites of the real property sales agents and weekly advertisement newspapers etc. were used as sources for information.

The following eight sales prices of properties, sold or expected to be sold properties, in the vicinity of the land parcels being valuated and close to the valuation date (from 1 Jan – 30 Apr 2015), were selected as comparative prices.

These selected price information are the most suitable information for determining the current and realistic prices and which need minimum adjustment factors.

Table 1: Study of land ownership and possession rights prices

No.	Location	Size		Source, telephone	Date	Total price
		Land	Structures			
1	Bayankhoshuu, in the north of Khilchin town, 300 m from the main road	480m ²	House 6x8m, vacuum window, “burged” door, 2 rooms, parket floor, low pressure heating stove	http://www.uneguimn.com/advs/view/467691298859855_93020091	2015.03.23	26,000,000
2	Songinokhairkhan district, 7 th khoroo, Bayankhoshuu, 21 th street, No. 2	456m ²	128m ² house with mansard and 3 rooms, a garage for 1 car, has wooden shed for heating fuel, has a block fence	From the seller	2015.03.27	65,000,000
3	Songinokhairkhan district, 7 th khoroo, close to Arvai Undes	500m ²	5x7m brick house	http://zarmedee.mn/zar/detail/120105/97521196624911_99286310	2015.04.08	26,000,000
4	In the back of Khilchin town	3000 m ²	Vacant fenced land parcel for 4 families	www.Unegui.mn 99154364, 91150219	2015.04.07	28,000,000
5	Songinokhairkhan district, 7 th khoroo	800m ²	8x5m brick house, the land is healthy and even	http://zarmedee.mn/zar/detail/120105/95300788029776	2015.04.07	28,000,000
6	In the circle of Bayankhoshuu	350m ²	6x7m brick house	http://www.real.nts.mn/index.php/ads/25699961674	2015.04.07	25,000,000
7	Last bus stop of Bayankhoshuu	700m ²	7*8 m house with a garage	www.shuurhaizar.mn shuurkhair zar ad newspaper 99989284	2015.04.07	35,000,000
8	Last bus stop of Bayankhoshuu	525m ²	64m ² winter house, has internet, close to water kiosk and bus station	www.shuurhaizar.mn shuurkhair zar ad newspaper 94082836, 99212766	2015.04.07	28,000,000

These reference prices were checked using interviewing methods and the residual reference market value of unit of land will be as follows:

Table 2: Calculation of the unit price of land, residual method

No	Location	Size of structure m ²	Unit price budget method	Costs of the structure	Residual land value	Size of land, m ²	Unit Price land, m ²
1	Bayankhoshuu, in the north of Khilchin town, 300 m from the main road	48	513,500	22,183,200.00	3,816,800	480	7,951.7
2	Songinokhairkhan district, 7 th khoroo, Bayankhoshuu, 21 st street, No. 2	128	513,500	59,155,200.00	5,844,800	456	12,817.5
3	Songinokhairkhan district, 7 th khoroo, close to Arvai Undes	42	513,500	19,410,300.00	6,589,700	500	13,179.4
4	In the back of Khilchin town		513,500	-	28,000,000	3000	9,333.3
5	Songinokhairkhan district, 7 th khoroo	40	513,500	18,486,000.00	9,514,000	800	11,892.5
6	In the circle of Bayankhoshuu	49	513,500	20,129,200.00	2,870,800	350	8,202.3
7	Last bus stop of Bayankhoshuu	56	513,500	25,880,400.00	9,119,600	700	13,028.0
8	Last bus stop of Bayankhoshuu	64	513,500	23,735,111.11	4,264,889	525	8,123.6
Average price							10,566

For determining the land value using residual land value method, first the value of land improvements, i.e. the buildings, on the land were valued using the cost methods. The buildings budgeted cost per unit, m^2 , was calculated by using the “Rules for using building’s budgeted unit cost and budget reference valuation” as a guiding document, which was approved by the resolution 29, dated 1 Feb 2011, of the Minister for road, transportation, construction and urban development. The budgeted cost of houses with log walls with brick facade and with insulation was calculated as MNT 513,000 per m^2 . The value of the total land area was calculated by deducting the value of the building from the total price. Then this total value of the land was divided by the land area to obtain the reference market price of land per m^2 .

As can be seen from the table 2 above, the market price of the $1m^2$ reference land parcels is between 7,951 to 13,179. The reference value of the land parcels is relatively close to each other, which means that the land parcels are influenced evenly by the environmental and socioeconomic factors. The reference land parcel in the 4th case can be considered as the most realistic reference for land, as this land parcel does not have any land improvements. The unit value of the land in the 4th case is MNT 9,333, which is close to the average land value of MNT 10,566. This means that the reference market value of land can be set by the land value of both the 4th case and the average unit land price.

Also, the fact that MNT 13,200 per m^2 of land is provided, when compensating the affected people for acquiring their land for public infrastructure projects with the investment by MUB should be considered. For instance, the compensations per $1m^2$ land for the affected entities in the Songinokhairkhan district is MNT 13,200. It can be seen from the A/858 resolution from 11 Sep 2013 of the Governor of Ulaanbaatar city, which provides compensation for the affected people for the renovation of 3.4 km road in the 5th, 7th and 8th khoros of Songinokhairkhan district in the Uildverchnii Evlel Street and from another resolution of the Governor of Ulaanbaatar dated 3 Jun 2014, which was issued for building of 4.6 km road in the Khuvsgalchdyn Street in the 8th, 9th, 11th and 28th khoros of Songinokhairkhan District for 10 households.

Therefore, the market rate per m^2 of the affected land in the 7th khoroo of Songinokhairkhan district (affected households from B1 to B43) was determined at the rate of MNT 13,200 per m^2 .

Our studies show that there is not enough reference market sales prices in the affected area, affected households from B44 to B52, close to the redevelopment site of the project area. This is due to the fact that the land transactions are stopped in the redevelopment areas.

Thus, in order to determine the reference market rate, the compensation rate of redevelopment companies were studied. In the 5th khoroo of Songinokhairkhan district (Bayangol area), the redevelopment company provides MNT 65,000 to 80,000 per m^2 of land and this is based on the soil analysis results (the area is swampy and wet area).

Therefore, we have determined that the reference market value of $1m^2$ land is MNT 80,000 in the areas close to the redevelopment sites. Also, the reference market value of $1m^2$ land for the affected land in B53 – B77 was determined at the rate of MNT 80,000. This area is located on the 4th khoroo of Songinokhairkhan district and borders in the west with Tavan shar, depo (railway road) and 21st khoroolol (subdistrict), i.e. apartment housing area. Therefore, the area can potentially be included in the redevelopment project areas.

**Determination and valuation of land improvements
(buildings and other real properties)**

There are 16 different types of land improvements in the affected land parcels. The total number of objects is 232. The following table shows the types of objects and their numbers.

Table 3: Type and quantity of objects being valued

No.	Type of loss		Unit	Quantity	No. of affected objects	APs
1	Fence	Wooden	m3	80.13	52	B10, B14, B15, B16, B017, B018, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B54, B56, B57, B30, B31, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B05, B50, B51, B53, B62, B63, B64, B65, B66, B67, B68, B69, B07, B72, B75
		Concrete	pc	20.00	2	B51, B75
		Iron	kg	952.50	2	B58, B77
		Block	pc	4,054.00	6	B56, B30, B52, B59, B75, B77
		Wooden pole	pc	408.00	45	B10, B14, B15, B16, B17, B18, B19, B02, B23, B24, B25, B26, B27, B28, B29, B03, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B04, B40, B41, B42, B43, B44, B45, B46, B47, B48, B53, B62, B63, B64, B65, B66, B67, B07, B70, B74, B76
		Concrete pole	pc	16.00	2	B51, B75
		Iron pole	pc	6.00	1	B08
		Iron net type 1	m	47.00	2	B12, B13, B49
		Iron net type 2	m3	3.50	1	B32
2	Iron gate	Iron gate type 1	set	8.00	8	B02, B54, B45, B46, B65, B71, B75, B76
		Iron gate type 2	set	17.00	17	B17, B23, B24, B03, B55, B30, B34, B40, B44, B62, B63, B64, B66, B67, B68, B74
		Iron gate type 3	set	2.00	2	B36, B50
3	Structure's foundation	Brick structures	m3	8.20	2	B51, B55
		Concrete structures	m3	27.02	9	B17, B02, B30, B45, B46, B58, B59, B06, B75, B77
4	Wooden shed/small structure		m3	19.60	13	B17, B19, B24, B30, B47, B48, B56, B68
5	Brick buildings/houses main part		m2	419.73	9	B24, B54, B55, B57, B30, B36, B42, B43
	Brick buildings's entrance		m2	50.67	5	B54, B56, B57, B42, B43
6	Cemented area - construction/earth works		m3	50.00	1	B55
7	Cemented area		m3	122.90	5	B55, B45, B46, B61, B77, B52
8	Ger relocation		pc	5.00	4	B17, B24,B28, B44

No.	Type of loss	Unit	Quantity	No. of affected objects	APs
9	Wooden latrine	pc	20.00	19	B17, B02, B24, B25, B54, B56, B30, B34, B42, B44, B45, B46, B47, B48, B59, B62, B63, B64, B66, B67, B71
10	Waste water ditch	m3	48.00	2	B47, B48
11	Trees/bushes	pc	97.00	9	B54, B45, B46, B53
	Tree - black currant	pc	35.00	3	B45, B46, B53, B54
12	Relocation of iron materials	pc	3.00	3	B14, B27, B76
13	Curb	ш	69.00	2	B61, B77
14	Greenhouse	m3	40.00	1	B45, B46
15	Container	pc	2.00	2	B01, B04
16	Pedestrian road	m2	68.43	3	B61, B77
Total				232	

The measurement of these 232 objects was carried out by the property appraisers individually on site and the make, structures, size and quantities were determined.

Full replacement cost calculation

Full replacement cost of the affected properties were calculated. In determining the full replacement cost, the make, structure, quantity and size of the properties were determined by physical measurements and studies. Then cost method, based on the market prices, was used to determine the full replacement cost per unit of the property. The full replacement costs were calculated as follows:

Table 4: Full replacement cost per unit of properties

No.	Type of loss		Unit	Unit price (MNT)	Explanation to unit cost estimation
1	Fence	Wooden	m3	312,500	The price for 1m3 of plank with 2.5 cm width at Khangai and Tsaiz markets is MNT 230,000. Transportation cost, Porter car (commonly used cars to transport construction materials), is MNT 30,000, labor cost – construction assistant workers wage is 30,000 a day and 1.75 person/day rate is used. This includes the costs for taking down and re-building.
		Concrete	pc	366,548	Concrete fence costs MNT 175,000, concrete base costs MNT 50,000, use of crane is MNT 50,000 and the labor cost is 66,548
		Iron	kg	2,518	1 ton iron materials cost MNT 1,250,000 or 1 kg is MNT1,250. The labor cost is calculated as 52% of the materials costs and the income of the contractor is 95% of the labor cost.
		Block	pc	1,611	Block with holes for fences is MNT1,200 per piece. Labor cost is MNT 20,000 per 1m3, as per information from www.barilga.mn , a site for prices and rates for construction works and materials. Other materials and transportation costs were calculated as 28% of the labor cost.
		Wooden pole	pc	8,000	1 piece of wooden pole of 2-2.8 meters is MNT 5,000. The labor and transportation cost is calculated from the construction workers daily wage of MNT 30,000

No.	Type of loss		Unit	Unit price (MNT)	Explanation to unit cost estimation
		Concrete pole	pc	100,700	Concrete pole costs MNT 75,000 and the labor cost and other costs is MNT 27,500
		Iron pole	pc	8,000	Iron bars cost MNT 6,000 and small pole costs MNT 2,000
		Iron net type 1	m	10,000	Iron net costs MNT 8,000 and pole costs MNT 2,000
		Iron net type 2	m3	312,500	One pack of iron net of 100 meter costs MNT 158,250, transportation cost is MNT100,000 and labor cost is MNT 54,250
2	Iron gate	Iron gate type 1	set	600,000	2mm metal sheet 5 pieces x MNT 50,000, metal materials 50mm with 10m long x MNT 8,500, pole 4 m x 2 pieces x MNT14,500, transportation cost MNT 30,000, paint and other materials 29,000, labor cost MNT 90,000
		Iron gate type 2	set	350,000	2x1 meter metal sheet – 4 pieces and per sheet the cost is MNT 28,000, frame plank – 8 pieces x MNT 10,000, transportation cost 30,000, timber pole 2 pieces x MNT 25,000, labor cost MNT 60,000, paint and other materials 18,000
		Iron gate type 3	set	50,500	Metal sheet 1 piece x MNT 28,000, pole 1 piece MNT 12,500, labor cost MNT 10,000
3	Structure's foundation	Brick structures	m3	268,668	A piece of brick is MNT 200 or 1m3 is 580 pieces. For labor cost, taking down and re-building of 1m3 is MNT 35,000. The transportation cost is MNT30,000. The cost of equipment/mashinery and other materials is calculated as 24.4%.
		Concrete structures	m3	155,500	1m3 cement mix of m100 mark is 126,000 together with transportation cost. The labor cost for cement molding is MNT 29,500.
4	Wooden shed/small structure		m3	312,500	The price for 1m3 of plank with 2.5 cm width at Khangai and Tsaiz markets is MNT 230,000. Transportation cost, Porter car (commonly used cars to transport construction materials), is MNT 30,000, labor cost – construction assistant workers wage is 30,000 a day and 1.75 person/day rate is used. This includes the costs for taking down and re-building.
5	Brick buildings/houses main part		m2	550,026	The cost for unit of brick structure based on the resolution 29 of the Minister for road, transportation, construction and urban development is MNT 550,026. Adjustments considering the price increase, heating, make and size were made.
	Brick building's entrance		m2	274,635	The cost for unit of wooden structure based on the resolution 29 of the Minister for road, transportation, construction and urban development is MNT 500,700. Adjustments considering the price increase, heating, make and size were made.
6	Cemented area - construction/earth works		m3	44,000	1 concrete concrete piece costs MNT 13,000, curb 2,000, gravel and sand cost MNT 14,000, labor costs MNT7,000, the labor cost for taking down costs 8,000
7	Cemented area		m3	198,000	1m3 cement mix of m200 mark is 138,000 together with transportation cost. The labor cost for cement molding is MNT 29,500, the costs for curb installation is MNT 17,500 and curb is MNT 13,000
8	Ger relocation		pc	250,000	This is the market reference price of moving companies
9	Wooden latrine		pc	221,995	Labor cost for 6m3 earth work x MNT 15,000, wooden structure 0.42m3 is MNT 131,995

No.	Type of loss	Unit	Unit price (MNT)	Explanation to unit cost estimation
10	Waste water ditch	m3	10,000	Calculated based the rates for earth work
11	Trees/bushes	pc	10,000	Comparable market price is MNT 10,000. This was calculated based on the reference market prices from urban services company.
	Tree - black currant	pc	15,000	Comparable market price is MNT 15,000. This was calculated based on the reference market prices from urban services company.
12	Relocation of iron materials	pc	250,000	The rate from transportation company for cars with load capacity of 2-3.5 tons
13	Curb	ш	17,500	Curb of 0.75 meter is MNT 12,500 and installation cost is MNT 5,000
14	Greenhouse	m3	62,500	Calculated based on full replacement cost method
15	Container	pc	500,000	Crane MNT 300,000 and truck MNT200,000
16	Pedestrian road	m2	26,000	Road materials per 1m2 is 13,000, curb 2,000, sand and gravel 4,000 and labor cost 7,000

When calculating the full replacement cost the price of wooden materials were calculated based on the average prices at the Tsaiz and Khangai markets, costs of metal materials based on the prices of Ulaanbaatar Management LLC and Gan Khiits LLC. Also, these prices were double checked with the prices at www.barilga.mn website, which provides that studies of construction materials frequently.

The labor costs for construction works and other required works were determined by interviewing contractors that provides similar works and were compared with existing construction norms and standards documents.

The full replacement costs calculated above are based on market prices to re-build the objects of the valuation and the depreciation of the objects were not deducted and therefore, it can be considered that the full replacement cost will be higher than the market prices of the objects.