

Social Monitoring Report

May 2016

GEO:
Sustainable Urban Transport Investment Program
(SUTIP – 2879/2880-GEO)
Tbilisi – Rustavi Urban Link

Section 3: (km 10.5 to 17.1)

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Municipal Development Fund of Georgia



Compliance Report

on

**Sustainable Urban Transport Investment Program Tbilisi – Rustavi
Urban Link – Secondary Road for Section 3
Section-3: (km 10.5 to 17.1)**

Prepared by

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(ADB LOAN NO. 2879 / 2880)

MAY 2016

ABBREVIATIONS

ADB	Asian Development bank
IA	Implementing Agency
Km	Kilometer
AP	Affected Person
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
LE	Legal Entity
MDFG	Municipal Development Fund of Georgia
MFF	Multitranches Facility
SPS	Safeguard Policy Statement
SUTIP	Sustainable Urban Transport Investment Project
Sq. m.	Square Meter

I. Introduction

1. Sustainable Urban Transport Investment Program is financed through the Asian Development Bank (ADB) Multitranche Financing Facility (MFF) and implemented by Municipal Development Fund of Georgia (MDFG) with an overall purpose to improve connectivity, reduce traffic congestion and promote sustainable, safe, reliable and efficient transport. The Project on Modernization of Tbilisi-Rustavi Section of the Tbilisi-Red Bridge Road Section 3 (km 10.5 – km 17.1) is, with other projects, included in Tranche 2 of the Sustainable Urban Transport Investment Program (SUTIP).

2. The necessity of the construction of secondary road for Section 3 was initiated by MDFG (Executive Agency) after reviewing the Detailed Design of Modernization of Tbilisi-Rustavi Section of the Tbilisi-Red Bridge (Azerbaijani Border) Road Project (Section 3).

II. Objectives of the LARP

3. The objective of secondary road construction is to provide convenience to the residents who are living in the area and to sustain current passing system by constructing the secondary roads in the sections where the existing secondary road is disconnected from Tbilisi-Rustavi highway.

4. Land Acquisition and Resettlement Plan for Section 3 (km 10,5 – km 17,1) for the Modernization of Tbilisi-Rustavi Section of the Tbilisi-Red Bridge Road was prepared by DOHWA Engineering Co. Ltd. and was reviewed and approved by MDFG, as well as by ADB in May 2015, in order to enable MDFG to pay compensation for the land plots and other property.

5. The impacts under the LARP for Secondary Road for Section 3 are summarized in the Table 1 below:

Table 1. Summary Impact

	Particulars/Items	Number of APs
1	Total number of land parcels to be acquired: - privately owned lands - state owned lands - lands with unknown owner	59 22 3
2	Total area of land to be acquired permanently (in m ²)	58,720.0
3	Total number of land fully affected land plots	28
4	Total number of land partially affected land plots	56
5	Total area of agricultural land to be acquired permanently (in m ²)	12,840.0
6	Total area of non-agricultural land to be acquired permanently (in m ²)	45,880.0
7	Total area of permanently affected privately-owned land (in m ²)	27,354.0
8	Total area of permanently affected state-owned land (in m ²)	31,024.0
9	Total area of permanently affected land of unknown ownership (in m ²)	342.0
10	Total number of permanently affected households losing property	51
11	Total number of permanently affected legal entities	9
12	Total number of vulnerable households	6
13	Total number of severely affected households	42
14	Total number of permanently affected structures	34
15	Total number of APs	218

6. Evaluation exercise was conducted by licensed valuation company for all identified affected lands, property and business losses. This was undertaken based on the results of the survey and census, and in the same time frame. All teams were working together in an integrated manner.

7. Table 2 below provides compensation budget.

Table 2. Compensation Budget

#	Particulars/Items	Number of APs	Quantity	Estimated Budget (GEL)	Estimated Budget (USD)
1	Compensation for privately-owned land (50 plots)				
	a. agricultural land	41 HH 3 unknown	10303 sq.m.	155,106.00	69,797.70
	b. non-agricultural land	9 HH9 9 LE	17393 sq.m.	520,124.00	234,055.80
2	Compensation for trees and perennial plants	10 HH	102 units (fruit trees and perennial plants)	4,983.00	2,242.3
3	Compensation for annual plants	2 HH	2 units	90.00	40.50
4	Compensation for structures				
	a. permanently affected structures	29 HH 4 LE 2 unknown	34 units	283,417.0	127,537.65
	b. movable structures	2 HH 2 LE	4 units	1042.0	468.90
5	Compensation for business	1 LE	1005 sq. m.	3,828.00	1,722.60
6	Allowance to vulnerable	6 HH	6 units x 319GEL x 3 Month	5,742.00	2,583.90
7	Allowance to severely affected	34 HH 3 LE 2 unknown	42 units x 319GEL x 3 Month	40,194.00	18,087.30
8	Income tax (20% of total cost of lines 1, 2, 3, 4)	192,952.40	86,828.58	8	Income tax (20% of total cost of lines 1, 2, 3, 4)
9	Implementation: Administrative costs for resettlement implementation (84 plots * 100 GEL)		84 units	8,400	3,780
	Total:			1,215,878.40	547,145.28
	Contingencies (10%)			121,587.84	54,714.53
	Total + Contingencies			1,337,466.24	601,859.81

III. Objective of the partial compliance report

8. The objective of the partial compliance report is to allow civil works to commence in the following sections:

- (i) km 10.5 – km 10.9 (0.4 km);
- (ii) km 12.3 – km 12.85 (0.55 km);

9. list of the sections covered under previous partial compliance reports is as follows:

Partial Compliance Report #1 Dated October 30, 2015

- (i) km 10.9 – km 11.9
- (ii) km 13.85 – km 15.1

Partial Compliance Report #2 Dated February 8, 2016

- (iii) km 11.9 – km 12.2
- (iv) km 15.1 – km 15.9

IV. Consultations/Contract signature

10. During consultation with APs it was revealed that several meetings and discussions were held with the APs in September and October of 2014. During these meetings the APs were fully informed regarding the valuation methodology and methods for calculation of the compensation. APs were provided with an opportunity to express their views and obtain clarifications, as needed. The minutes of the meetings are attached to LARP.

11. The APs confirmed that they agreed with the valuation methodology and the proposed compensation amount, based on which the final agreements were prepared and signed between APs and MDFG during LARP Implementation. The compensations were provided to the APs shortly after contract signing.

12. At the first section (km 10.5 - km 10.9), as a result of the verification of the right of way (ROW) and location of the land plots, number of the affected land plots and the area was reduced. See attachment 1 with indication of ROW and private land plots. Table 3 below reflects comparison of planned and actual payments. Plot #4 was abandoned; the land plot under Public Registry is registered as a state property i.e. the plot is unoccupied and unused.

Table 3. Comparison Table Planned Vs Actual (km10.5 - km 10.9)

#	Plot#	Compensation considered under LARP (GEL)	Actual Payment (GEL)	Difference	Comment
1	1	8153	8153	0	
2	3	2695	0	(2695)	The Land Plot is out of ROW
3	4	1428	0	(1428)	State Property
4	5	6030	5094	(936)	Upon verification of the ROW only the fence is affected
5	6	676	0	(676)	Land plot appeared out of ROW
6	7	1001	0	(1001)	State Property
7	8	1224		(1224)	The Land Plot is out of ROW
8	9	1474		(1474)	The Land Plot is out of ROW
9	10	2904	2904	0	
10	11	1314	1314	0	

13. In the resettlement process for the second section (km 12.3 – km 12.85):
- (i) AP #37 addressed the Grievance Redress Mechanism, and required full compensation for the land under his ownership. The AP stated that as a result of the construction, the remaining part of the land plot would become unusable. The special commission under MDFG reviewed and satisfied the request. The payment was made based on independent auditor’s evaluation;
 - (ii) APs #41 and #42 required land replacement instead of cash compensation. MDFG satisfied their request and allocated the land plot with the same size nearby the APs property. Table 4 reflects the comparison between planned and actual payments.

Table 4. Comparison Table Planned Vs Actual (km12.3- km 12.85)

#	Plot #	Compensation considered under LARP (GEL)	Actual Payment (GEL)	Difference	Comment
1	28	7 288	7288	0	
2	29	220	0	(220)	The Land Plot is out of ROW
3	30	4996	4996	0	
4	32	4945	4945	0	
5	33	3880	3880	0	
6	34	3402	3402	0	
7	35	3276	3276	0	
8	36	3366	3366	0	
9	37	7010	106331	99321	
10	39	3996	0	(3996)	State Property
11	40	11196	11196	0	
12	41	11106	0000	(11106)	land replacement
13	42	10386	0000	(10386)	land replacement
14	43	9630	9630	0	
15	44	8622	8622	0	
16	45	7992	7992	0	
17	46	432	432	0	
18	48	3241	3241	0	

V. Conclusions

14. Interviews with the APs showed that MDFG carried out the resettlement procedures in accordance with the approved LARP and ADB SPS (2009) requirements for the sections km 10.5 – km 10.9 and for km 12.3 – km 12.85. The APs were informed and fully aware of the resettlement procedures. The APs expressed their satisfaction with compensations paid, as well as with the overall implementation of the LARP by the MDFG.

15. Based on the information provided above, I, External Monitoring Specialist, confirm that MDFG carried out the resettlement procedures in accordance with requirements of ADB SPS (2009) and Georgian legislation on the km 10.5 – km 10.9 and km 12.3 – km 12.85 of the Secondary Road for Section 3.