

Land Acquisition and Resettlement Plan

PUBLIC

January 2025

Armenia: Yerevan Urban Development Investment Project

Prepared by the Government of Armenia for the Asian Development Bank (ADB). This is an updated version of the draft originally posted in June 2023 available on <https://www.adb.org/projects/documents/arm-54172-002-rrp>.

CURRENCY EQUIVALENTS

(as of 23 August 2023)

Currency Unit	–	dram (AMD)		
AMD1.00	=	€0.00238	or	\$0.00259
\$1.00	=	AMD385.89	or	€0.92
€1.00	=	AMD419.45	or	\$1.08

ABBREVIATIONS

ADB	–	Asian Development Bank
AF	–	Affected Family
AH	–	Affected Household
AP	–	Affected Person
DESC	–	Detailed Engineering Design and Supervision Consultant
DMS	–	Detailed Measurement Survey
EA	–	Executing Agency
EDD	–	Eminent Domain Decree
EMA	–	External Monitoring Agency
GoA	–	Government of Armenia
GRG	–	Grievance Review Group
GRM	–	Grievance Redress Mechanism
IA	–	Implementing Agency
LAR	–	Land Acquisition and Resettlement
LARF	–	Land Acquisition and Resettlement Framework
LARP	–	Land Acquisition and Resettlement Plan
MTAI	–	Ministry of Territorial Administration and Infrastructure
OM	–	Operations Manual
PIU	–	Project Implementation Unit
RA	–	Republic of Armenia
SES	–	Socioeconomic Survey
SPS	–	Safeguard Policy Statement
SRS	–	Social and Resettlement Specialist
TOR	–	Terms of Reference
YM	–	Yerevan Municipality

GLOSSARY

Affected Household	–	All members of a household residing under one roof and operating as a single economic unit. It may consist of a single main family or an extended family group. This unit is the most important compensation/rehabilitation recipient.
Affected Person/ People (AP or APs)	–	Means all the people affected by the Project through land acquisition, relocation, or loss of incomes and includes any person, household (sometimes referred to as Project affected family), firm, or public or private institution. APs therefore include; i) persons affected directly by the road corridor, right-of-way, tower or pole foundations or construction work area; (ii) persons whose agricultural land or other productive assets such as trees or crops are affected by construction works; (iii) persons whose businesses are affected and who might experience loss of income due to the Project impact; (iv) persons who lose

		work/employment as a result of Project impact; and (v) people who lose access to community resources/property as a result of the Project. Although this definition of affected person is at variance with the usage in the SPS-2009, this is how it is understood and officially used in Armenia, and it is not different from 'displaced person' defined in the SPS 2009.
Compensation	–	Monetary payment for an asset to be acquired or affected by a Project at replacement cost, based current market value, and. payments in respect of other allowances per the agreed Entitlement Matrix.
Cut-off Date	–	The date when the results of census, inventory of affected assets and socioeconomic survey have been summarized by drawing up of the affected property/assets description protocol (signing of protocol by APs and the Acquirer) for this section. The improvements made after the cut of date will not be eligible for compensation.
Entitlement	–	Range of agreed measures comprising cash compensation, income rehabilitation, relocation assistance, income replacement and integrity of the measures involving resettlement, which shall be provided to affected people, depending on nature of their losses and aimed at restoration of their social and economic base.
Improvements	–	Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, paved surfaces, etc.) and crops/plants planted by the person, household, institution or organization.
Land Acquisition	–	Range of measures provided in RA legislation aimed at implementation of acquisition process of property, which is subject to eminent domain, and provision of adequate compensation for alienated property.
Leasing	–	Civil-legal institution specified by the Civil Code of the Republic of Armenia. According to the leasing contract signed within the scope of the mentioned institution the renter/lessor is obliged to give an asset to the leaseholder for his/her temporary management and/or usage in return for payment.
Leaseholder	–	The AP, who has been given the asset for temporary management and/or usage in compliance with RA Legislation.
Obtaining a legal status towards the property (legalization)	–	The APs who are legally eligible to receive a legal right towards the property (ownership or other type of property right), should undergo the procedure prescribed in the RA legislation in collaboration with Yerevan Municipality and RA Cadaster Committee.
Non-legalizable	–	Areas classified as "Red Zones" (areas that are officially reserved for specific public use such military areas, hospital areas, school areas or areas that are not fit for settlement (riverbeds, radioactive terrains or other

		dangerous or ecological unfit lands). and corresponds to Armenian legislation other conditions.
Rehabilitation	–	Compensatory measures provided under the Policy Framework on involuntary resettlement other than payment of the replacement cost of acquired assets.
Relocation	–	The physical relocation of an AP/AF from her/his pre-Project place of residence/business location.
Replacement Cost	–	The value determined to be fair compensation for land based on its productive potential and/or current market value, the replacement cost of houses and structures (current market price of building materials and labor without depreciation or deductions for salvaged building material), and the market value of residential land, crops, trees, and other commodities.
Resettlement	–	All measures taken to mitigate any and all adverse impacts of the Project on AP's property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.
Significant impact	–	Means 200 people or more will experience major impacts, which are defined as; (i) being physically relocated or (ii) losing ten percent or more of their productive assets (income generating).
Socially vulnerable households	–	(i) Registered in the evaluation system of vulnerability of families (ESVF) and receive a family allowance, (ii) headed by a breadwinning women and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age, (iii) households headed by persons entitled to old age pension and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age, and (iv) households headed by persons with disability of 1st and 2nd group and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age.

NOTE

In this report, "\$" refers to United States dollars.

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THE REPUBLIC OF ARMENIA



YEREVAN MUNICIPALITY

Detailed Engineering, Construction Management and Supervision of
the Construction Of Two Road Links Of The Yerevan Western Ring
Road CS/01
(Loan No. 4371-ARM)



Isakov-Arshakunyats Road Link Land Acquisition and Resettlement Plan

Consultant



Funding Agency



Asian
Development Bank

Implementing Agency



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¹ Disclaimer: The final detailed valuation results for all lost assets and other allowances is part of the LARP, however given that valuation results include personal data, it will not be disclosed to public. Individual valuation reports for each land plot and eligible AHs are available at PIU office and will be provided to AH per request during the LARP implementation.

EXECUTIVE SUMMARY

I. Project Background

1. The Government of Armenia (GoA) has requested a loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Program (YUDIP). YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and Government priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities. YUDIP will be focused on construction of Isakov-Arshakunyats Road Link. The detailed design of Isakov-Arshakunyats road link was done by the Detailed Engineering and Supervision Consultant (DESC) under Sustainable Urban Development Program (SUDIP) Tranche 1 and is final.
2. The loan agreement for YUDIP was signed on 27 November 2023 for a loan amount of €60.06 million from ADB's Ordinary Capital Resources. Date of Loan Effectiveness is 22 May 2024.
3. The Project Implementation Unit (PIU) on behalf of the Yerevan Municipality (YM) is the project implementing agency (IA). The YM will work in close coordination with the Ministry of Territorial Administration and Infrastructure (MTAI) - the executing agency (EA) for the loan.
4. The Land Acquisition and Resettlement Framework (LARF) for the Yerevan Urban Development Investment Project (Project) was prepared by YM and submitted to ADB in April 2023. The Draft LARF for YUDIP is posted on ADB website². The final LARF was approved by ADB on 4 April, 2024. A Government Decree on approval of the LARF by the GoA is initiated by PIU/YM. Approval of the LARF by the GoA is expected in October-November 2024. The LARF under YUDIP guides the preparation of the implementable Land Acquisition and Resettlement Plan (LARP) for YUDIP.
5. This land acquisition and resettlement plan is prepared by the DESC under SUDIP Tranche 1 for the PIU. This LARP addresses the land acquisition and resettlement impact of the Isakov-Arshakunyats road link.

II. Land Acquisition and Resettlement Plan Objective and Scope

6. The main objective of this LARP is to make a social impact assessment and identify persons affected by the construction of Isakov-Arshakunyats road link, compensate them for their losses and to assist them to restore their livelihoods prior to the construction start. The LARP complies with the Armenian legislations and the requirements of ADB's Safeguard Policy Statement (SPS) 2009.
7. The scope of the LARP includes: (i) a profile of the APs, (ii) detailed measurement survey (DMS) of all affected assets, (iii) information disclosure and public consultations with APs, (iv) the policy and framework for compensation payments and rehabilitation, (v) complaints and grievance redress mechanism, (vi) resettlement budget, (vii) the institutional framework (viii) LARP implementation schedule, and (ix) arrangements for monitoring of LARP implementation.

III. Impact Summary

8. AH/AP Census Survey and DMS of all affected assets was carried out from August 2022 to January 2023 and was updated in June-November 2023.
9. The Census identified 50 project affected households, including owners and users of the lands/buildings, business owners with a total of 121 household members. In total, the Isakov-Arshakunyats road link will impact

² <chrome-extension://efaidnbmnnnnbpccajpcgclefindmkaj/https://www.adb.org/sites/default/files/project-documents/54172/54172-002-rf-en.pdf>

59 land plots, 80 residential and non-residential buildings and structures and 3 businesses and 4 business employees. The details are presented in the following paragraphs.

10. LARP identifies 59 affected land plots (36,865.62m²). From which:

- (i) 25 are privately owned by 24 AHs (18,554.72m²),
- (ii) 32 land plots (16,810.3m²) owned by YM, which are illegally used by 27 AHs
- (iii) 2 land plots (1,500.6m²) owned by YM, which are legally leased by 2 AHs.

11. In total, 58 residential buildings and structures (2,967.91m²) and 22 non-residential buildings and structures (1,750.70m²) will be demolished. Additionally, 4 movable structures (87.25m²) will be removed. There are 1,513.9m² of walls made from tuff and reinforced concrete, 2,256m² asphalt area, 511.5m² concrete, concrete bricks and concrete slab areas, 300m² gravel surfaces and other improvements.

12. 57.9m² of lawn and decorative flowers, 401 fruit trees and bushes, 51 wood trees and 131 decorative trees and bushes will be affected. 3 businesses and 4 employees of businesses will be affected permanently.

13. Out of 50 AHs (121 APs), 26 AHs (74 APs) are severely affected. 2 AHs (4 APs) are vulnerable.

14. Information on different categories of affected households (AHs) and affected persons (APs) by impact type, as well as net figures without double counting are provided in the summary of AHs/APs, presented below.

Table E.1 Summary of Affected Households/ Persons by Category of Impact

Impact category	AHs	AHs	APs	Remarks
	No Per Type of Impact	Without Double Counting	Absolute No	
A. Land Impact by Legal Occupancy				
A1. Private	24	24	65	1 AH uses 2 private and 1 community land. To avoid double counting this AH is included in A1.
A2. Community	27	21	51	6 AHs are included in A1.
B. Buildings Impact/ Improvements				
B1. Residential structures	22	0	0	14 AHs are included in A1 8 AHs are included in A2.
B2. Non-residential structures	7	0	0	4 AH are included in A1 3 AHs are included in A2.
B3. Movable structures	3	0	0	1 AH is included in A1 2 AHs are included in A2.
B4. Fences	10	0	0	5 AHs are included in A1 5 AHs are included in A2.
B5. Improvements	33	0	0	17 AHs are included in A1 16 AHs are included in A2.
C. Tree/ Crop Impact				
C1. Fruit trees and bushes	23	0	0	15 AH are included in A1 8 AHs are included in A2.
C2. Wood trees	11	0	0	3 AH are included in A1 8 AHs are included in A2.
C3. Decorative trees, bushes, flowers	13	0	0	9 AH are included in A1 4 AHs are included in A2.
C4. Crop	8	0	0	5 AH are included in A1 3 AHs are included in A2.
D. Business Impact				
D. Permanent with tax declaration	3	1	1	1 AH is included in A1. 1 AH is included in A2.
F. Employment Impact				
F1. Permanent employment loss	4	4	4	AH is included in A2.

Impact category	AHs	AHs	APs	Remarks
	No Per Type of Impact	Without Double Counting	Absolute No	
G. Vulnerability of AHs				
G. Vulnerable AHs	2	0	0	All AHs are included in A1.
H. Relocation Impact				
H1. Residential relocation	13	0	0	10 AH are included in A1 3 AHs are included in A2.
Total	-	50	121	-

15. A socio-economic survey (SES) of affected households was conducted from August 2022 to January, 2023 and updated in August-November 2023. 21³ affected households were surveyed.

IV. Compensation Policies and Rehabilitation Measures

16. According to the Land Acquisition and Resettlement Framework (LARF) for this Project, which is based on the Armenian laws and the requirements of ADB's SPS (2009), APs eligible for compensation and/or at least rehabilitation are: (i) all APs losing land either covered by legal title/land rights or without legal status; (ii) tenants and sharecroppers whether registered or not; (iii) owners of buildings, crops, plants, or other objects attached to the land; (iv) APs losing business, income, and salaries. An EM (Entitlement Matrix), relevant to the impacts of the Isakov-Arshakunyats road link is provided below.

17. Compensation eligibility will be limited by a cut-off date to be set for this Project, which will be the same for all APs regardless of their legal status. This will be the first day of drawing up of the affected property/assets description protocols (the first day of signing of protocols by APs and the Acquirer)⁴.

Table E.2 Project Specific Entitlement Matrix

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
1. Land loss	AP/AH losing land regardless of impact severity	Owners	Compensation at replacement value +15% either in cash at market rates or cadastral values (whichever the highest). When there are no active land markets cash compensation will be based on the value of the yearly product of the land for a sufficient number of years to ensure the affected parties' rehabilitation for the loss of their land.
		Legalizable AP/AH	Legalizable AP/AH will be legalized and paid the same compensation as owners in case of registration the ownership right towards the land.
		Leaseholder (lease and sublease of community or state land)	Leaseholder will be legalized and compensated as full owners at market rates or cadastral values (whichever the highest) or will be given a new lease. If this is not possible, they will receive compensation equal to "the market or cadastral value of affected land (whichever the highest) + 15%" in the following proportions according to the length of the lease: 1) < 1 year 5%; 2) <15 years 14%; 3) < 25 years 20%; 4) >25 years -25%.

³Out of the remaining 29 AHs in 13 cases the contact information of the owners is missing, 11 AHs refuse to cooperate (3 AH consider it personal information, 4 AHs are against construction of the road, 4 AHs were busy and have no time) 1 has passed away and there are no registered heirs, remaining 4 AHs are employees of business and the business owners provided only the tax payment reports and refused to provide any information about the employees.

⁴As the date of drawing up of the affected property/ assets description protocols are different for each property, the mentioned date is the day when the first description protocol will be signed by APs and the Acquirer.

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
		Leaseholder (lease and sublease of private land)	Compensation for already paid but unused lease and for integral improvements made with the lessor's consent.
		Non-legalizable AP/AHs	These AP/AH will receive a rehabilitation allowance equal to 25% of the affected land market or cadastral value (whichever the highest)
2. Residential buildings		All AP/AH regardless of legal status	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		Relocated Renters	Severe impact and Relocation allowances as entitlements 9, 10 and 11 below
			Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
3.Non-residential buildings/assets		AP/AHs with valid registration	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		AP/AHs with non-legal buildings/structures built on legal or non-legal land	Cash compensation for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials.
		Relocated Renters	Relocation and severe impact allowance as entitlement 9, 10 and 11 below
			Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
4.Common property Loss	Community/Public Assets	Community/State	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities.
5.Public Utilities (Gas, water, electricity and etc.) and infrastructure structures owned by private organizations	Private Property	Owners or operator of the utility or infrastructure	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities and the utility owner or operator (if applicable). All such infrastructures will be reflected in the detailed design and in the scope of works of the General Contractor and will be relocated within the Project budget.
6.Crop Losses	Standing crops affected	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status)	One year crop compensation in cash at market rate at gross crop value of expected harvest.
7.Tree Losses	Trees affected	All AP/AH regardless of legal status (including owners	Cash compensation at market rate based on type, age and productive value of the trees.

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
		subject to obtaining legal status and users having no residency status)	
8. Business or Employment Losses	Business, employment loss	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status).	Owner: (i). (permanent impact) cash indemnity of 1 year net income; (ii) (temporary impact) cash indemnity of net income for months of business stoppage up to 1 year. Assessment will be based on tax declaration. In absence of tax declaration the AH will receive a rehabilitation allowance based on the maximum non-taxable salary for the number of months of business stoppage up to 1 year. The maximum nontaxable salary is equal to minimum salary. Permanent Worker/Employees: Indemnity equal to: (i) Permanent job loss 6 months of average monthly salary; (ii) Temporary loss average monthly salary for the number of months of job loss up to 6 months.
9. Transportation allowance	Allowance for transportation	All APs having movables on the affected land / building to be relocated regardless of ownership rights	Cash allowance to cover transportation, loading/unloading costs (will be determined based on the market research in the area and provided as a single payment).
10. Allowances for Severe Impacts	AHs with loss of 10% or more income generating productive assets loss or to be relocated	All severely affected households including informal settlers and relocated renters	Additional crop compensation covering 1 year yield from affected land part. A rehabilitation allowance of 6 months at minimum monthly salary (defined by the RA legislation).
		AHs losing commercial/ business establishments or other income generating property	A rehabilitation allowance of 6 months at minimum monthly salary (defined by the Ra legislation).
11. Relocation allowances		All relocated AH including relocated renters	Provision of funds to cover transport costs and livelihood expenses for 1 month.
12. Vulnerable People Allowances		AHs headed by women, or elderly, or disabled persons and AHs living below the poverty line	Allowance equivalent to 6 months of minimum monthly salary (defined by the RA legislation) and employment priority in project-related jobs.
13. Temporary impacts		All AP/AHs	Due rent and rehabilitation for temporarily affected assets will be provided.
14. Temporary impacts due to utility relocation	All AHs' losses based on their legal status	Owners	Compensation will be provided both for land and improvements as in case of permanent impacts.
		Non-legalizable AHs	Compensation will be provided only for improvements added to the affected land by users such as trees, crops, fences etc. In these cases, no allowance will be paid to users for illegal land use; however, these lands should be covered and returned to the user.

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
15. Unforeseen LAR impacts, if any		All AP/AHs	YM will consider the unforeseen LAR impacts (including unanticipated access restrictions) during project implementation and will compensate/rehabilitate based on the above provisions and in accordance with SPS 2009 and LARP methodology. The damage caused by Contractor (or subcontractor) during the construction works will be compensated in accordance with this LARP.
16. Compensation for improvements	Improvements that are not included in this Entitlement Matrix but exist on the affected land (except the moveable property)	AP/AHs who have done the improvements regardless of legal status	Cash compensation at replacement cost.

V. Institutional Setup for the Project

18. The RA Ministry of Territorial Administration and Infrastructure (MTAI) is the Executing Agency. The Municipality of Yerevan (YM) is the Implementing Agency and has the overall responsibility for implementation of the Project, including LARP preparation and implementation. IA operates through the Project Implementing Unit (PIU) which has a social safeguard and resettlement specialist.

19. The Detailed Engineering and Supervision Consultant (DESC) has prepared the detailed design and the LARP for the project. During the implementation of the LARP, the DESC will assist the PIU by participating in public consultations, giving feedback/clarifications to claims lodged during the implementation of the LARP, verifying the compensation budget, revising/changing the description protocols and/or valuation reports, if applicable. The contract with DESC on LARP services is extended to 30 June, 2025.

VI. Land Acquisition and Resettlement Plan Implementation

20. The PIU will begin implementation of LARP immediately after its approval by the ADB and GoA. Based on established regulations it will provide draft contracts/agreements to the APs on the commencement of Land Acquisition and Resettlement Plan. The PIU will sign property alienation contracts in line with the RA legislation for the real estate owned, possessed and used with ownership right, with notary verification or without. In addition, the PIU will sign compensation agreements without keeping in line⁵ with RA legislation for the real estate owned, possessed and used without ownership right and for the allowances. The APs will have 30 days to relocate from the date of delivery of full compensation/allowances which will be defined under the contract⁶ or within the timeframe as will be defined under the alienation contracts.

21. After implementation of the LARP the compliance report will be prepared and submitted to ADB for approval prior to commencement of construction works.

22. The timeline presented in the following table shows the distinct stages of LARP implementation.

⁵According to RA legislation non-titleholders are not eligible for compensation. PIU will sign compensation agreements with those APs, who will receive allowances which are not envisaged by the RA legislation.

⁶The owners of the properties expropriated within juridical procedure will not be required to relocate until 2 months have passed from the signing of alienation contract (see the Article 14, clause 2 of RA Law on Eminent Domain)

Table E.3 Timeline for Land Acquisition and Resettlement Plan Implementation

LARP IMPLEMENTATION			
Approval of the final LARP by ADB	ADB	20/10/2024	27/10/2024
Armenian version of final LARP	DESC	27/10/2024	03/11/2024
Initiation of Government Decree on approval of the LARP	PIU/YM	29/10/2024	05/11/2024
RA Government approves LARP	GoA	12/01/2025	19/01/2025
Posting approved LARP document on ADB and YM websites	ADB/PIU	13/01/2025	20/01/2025
Disclosure of LARP information pamphlet to APs	Imp. Team	22/01/2025	29/01/2025
Draft contracts/agreements sent to APs	Imp. Team	22/01/2025	29/01/2025
Signing contracts/agreements	Imp. Team	24/01/2025	29/04/2025
Disbursement of compensation	PIU/YM	26/01/2025	14/05/2025
Transfer of compensation amounts to the Courts deposit account	PIU/YM	22/04/2025	22/05/2025
Initiating of Court procedures	PIU/Imp. Team	22/05/2025	21/06/2025
Preparation of LARP Compliance Report	EMA	14/05/2025	13/06/2025
Submission the LARP Compliance Report to ADB	PIU	14/06/2025	15/06/2025
ADB reviews the LARP Compliance Report	ADB	16/06/2025	01/07/2025
Submitting the LARP final Compliance Report to ADB	PIU	11/07/2025	21/07/2025
ADB approves the LARP Compliance Report	ADB	21/07/2025	05/08/2025
Handing over of the site to the Contractor	PIU	06/08/2025	06/08/2025
Commencement of civil works	Contractor	07/08/2025	17/08/2025
Monitoring	EMA/PIU	Ongoing	
Grievances redress	PIU	Ongoing	

VII. Public Consultation and Information Disclosure

23. 2 public consultations with the APs of the LARP area were conducted on 6 October 2022 and 13 October 2023. The consultations included presentations of the Entitlements Matrix, DMS and Census/SES procedures. The Grievance Redress Mechanism was addressed in detail and the cut-off date was announced officially. In total, 34 APs (8 women and 26 men) participated in the public consultations. Correspondingly 32% and 36% of AHs participated in the public consultations held on 6 October 2022 and 13 October 2023. The lists of participants with respective signatures are attached to the Minutes of Meeting of the public consultations in Appendices 4 and 5.

24. The Project Information Pamphlet, information leaflet with the main phases of land acquisition and resettlement procedures was distributed to all APs during the public consultations, where the Project description, the Entitlement Matrix, Grievance Redress Mechanism, entitlements and compensations, as well as answers to frequently asked questions, were presented.

25. All the available AHs have been individually consulted during the census and census update. Information pamphlets were distributed to the available AHs as well.

26. The individual maps of private properties with clear indication of affected/non-affected surface area and main impact and the signed description protocols were submitted to the APs after adoption of Government Decree on Eminent Domain on 11 August 2023 (GD N1357-N). Information on the cut-off date was included in the submission letter of description protocols.

27. After the ADB and RA GoA approvals, implementation-ready LARP will be uploaded on the ADB, Project (PIU) and the YM web sites. In addition, the Project Information Pamphlet with relevant information based on final LARP will be disclosed (submitted as a notification) to the APs after the LARP approval.

VIII. Budget Summary

28. The total implementation cost of the LARP, including compensation, rehabilitation allowances as well as administrative costs for LARP implementation and contingency, amounts to 7,304,999,421.53 AMD, which is equivalent to US\$ 18,131,948.52 (per exchange rate on December 01, 2023). The budget will be allocated from 3 sources: (i) compensation for land located in Yerevan will be paid from the YM budget (ii) other land acquisition expenses, including taxes, duties, fees will be covered by the co-financing part of the RA state budget; (iii) compensation for the remaining assets including allowances will be covered by the ADB loan. After approval of the LARP by the Government of the Republic of Armenia (GoA), the YM and the RA Ministry of Finance will ensure timely allocation of funds stipulated in LARP budget.

IX. Grievance Redress Mechanism

29. Several parties will be involved in the project level grievance redress mechanism established during preparation of the LARP: (i) PIU, Grievance Review Group (GRG) and (ii) YM. Regardless of the established grievance mechanism and procedures, the APs will have the right to submit their cases to a court of law at any point during the project level grievance redress process. A site-level GRM including Contractor and Supervision Consultant will be established by the Contractor prior to commencement of construction activities.

X. Monitoring and Evaluation

30. The implementation of the LARP will be subjected to both, internal and external monitoring. Internal monitoring will be conducted by the PIU. External monitoring will be assigned to an External Monitoring Agency (EMA) to be hired by the PIU and approved by ADB. The EMA will monitor the LARP implementation and prepare compliance report, which should be approved by ADB as a condition to commence the contract's construction works.

1 INTRODUCTION

1.1 Background

31. The Government of Armenia (GoA) has requested a loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Program (YUDIP). YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and government priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities. YUDIP will be focused on construction of Isakov-Arshakunyats Road Link. The detailed design of Isakov-Arshakunyats road link was done by the DESC under Sustainable Urban Development Program (SUDIP) Tranche 1 and is final.
32. The loan agreement for YUDIP was signed on 27 November 2023 for a loan amount of €60.06 million from ADB's Ordinary Capital Resources. Date of Loan Effectiveness is 22 May 2024.
33. The Project Implementation Unit (PIU) on behalf of the Yerevan Municipality (YM) is the project implementing agency (IA). The YM will work in close coordination with the Ministry of Territorial Administration and Infrastructure (MTAI) - the executing agency (EA) for the loan.
34. The Land Acquisition and Resettlement Framework (LARF) for the Yerevan Urban Development Investment Project (Project) was prepared by YM and submitted to ADB in April 2023. The draft LARF was posted on ADB website. The final LARF was approved by ADB on 4 April, 2024. A Government Decree on approval of the LARF by GoA is initiated by YM/PIU and is currently circulating. Approval of the LARF by the GoA is expected in October-November 2024. The LARF under YUDIP guides the preparation of the implementable Land Acquisition and Resettlement Plan (LARP) for YUDIP.
35. Construction of Isakov-Arshakunyats Road will entail land acquisition and resettlement (LAR). It requires LAR with less than 200 severely affected persons (AP) to be physically and/or economically displaced. Due to its level of LAR impact, the YUDIP is classified as Category B for involuntary resettlement.
36. Screening for involuntary resettlement impacts under the Project has identified 3 sections without any LAR related impacts. These sections are included in the Social Safeguards Due Diligence Report (SDDR) which was submitted to ADB on 31 October 2022. The draft SDDR was approved and posted on ADB website⁷.
37. Sectional approach will be applied in the civil works contract for Isakov-Arshakunyats road link to foster commencement of civil works. The sections with no LAR related impacts, which are included in the SDDR, will be handed over to the Contractor upon signing of the Contract, which itself is conditional to approval of final implementation ready LARP by ADB.
38. The remaining sections with LAR impact are included in this LARP for Isakov-Arshakunyats road link. The draft LARP was submitted to ADB in April 2023 and was approved and posted on ADB website⁸. This LARP is prepared by the Detailed Engineering and Supervision Consultant (DESC) for Project Implementation Unit (PIU) of the Municipality of Yerevan (YM) under SUDIP Tranche 1. This LARP is final and will be implemented upon approval by ADB and GoA. Commencement of the construction in these sections will be conditioned by full implementation of the LARP and acceptance of the LARP Implementation Compliance Report by ADB.

⁷ <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.adb.org/sites/default/files/project-documents/54172/54172-002-sddr-en.pdf>

⁸ <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.adb.org/sites/default/files/project-documents/54172/54172-002-rp-en.pdf>

1.2 Project Location

39. The Republic of Armenia (RA) is a landlocked country, located between the Black Sea and the Caspian Sea. On the north, it is bordered by Georgia, to the east by Azerbaijan, in the south by Iran, and to the west by Turkey. Yerevan is the capital city of RA. Yerevan covers an area of 223 km², extending 18 km in the north-south direction and 16 km in the east-west.

Figure 1-1 Location of Republic of Armenia and Yerevan



40. The Project area is located in the central and south-west area of Yerevan in the administrative districts of Kentron, Malatia- Sebasia and Shengavit, approximately 3 km south-west of Yerevan City Center. The new alignment will link Isakov Avenue to Arshakunyats Avenue and will be logical continuation of Monte Melqonyan Street that was completed in 2014. See Figure 1-2 below.

Figure 1-2 Alignment of Isakov-Arshakunyats road link



1.3 Project Description

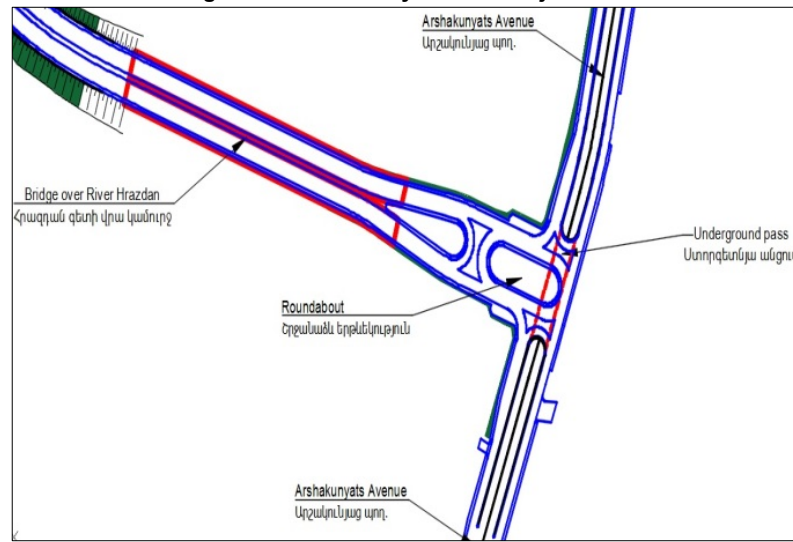
41. Isakov-Arshakunyats road link comprises the construction of approximately 6,6km (including ramps) of urban dual carriageway with central reserve and footways on a new alignment (approximately 1860m. main road).

A reinforced concrete bridge with 28m. long beams will be constructed over Hrazdan river. Isakov-Arshakunyats road link will significantly reduce travel time from Isakov to Arshakunyats and reduce congestion in city center.

42. In general the Project area is divided into 3 main parts:

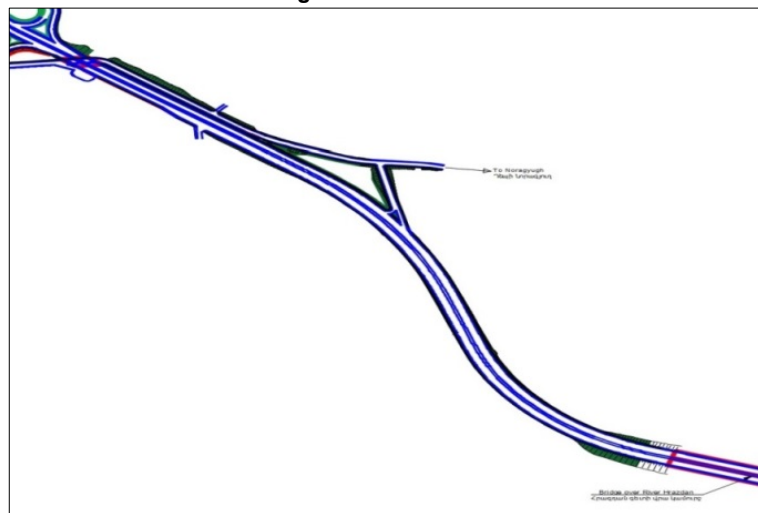
- I. Arshakunyats Avenue junction – construction of the oval link at the intersection of Isakov- Arshakunyats road link and Arshakunyats Avenue, an underpass for the traffic flows along Arshakunyats Avenue and a Roundabout to link Isakov- Arshakunyats road section and Arshakunyats Avenue. This includes also construction of a bridge with length of 252m over Hrazdan River.

Figure 1-3 Arshakunyats Avenue junction



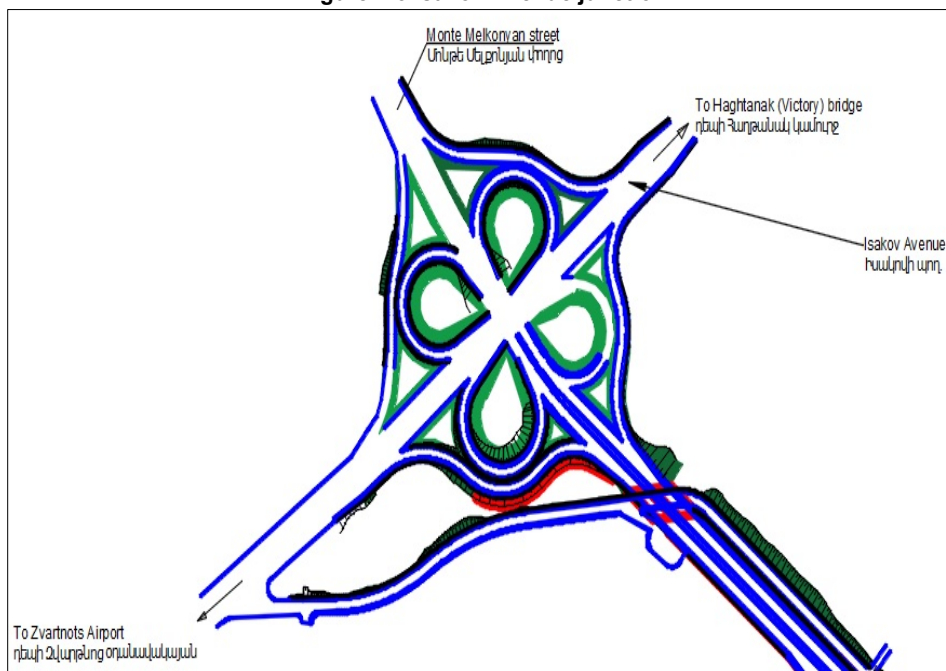
- II. Main road – construction of the main road with length of 1020m to connect Arshakunyats Avenue junction with Isakov Avenue junction. Figure 1-4. It is envisaged that the main road will have 6 traffic lanes each with 3.30-3.75m width and 4m central reserve.

Figure 1-4 Main road



- III. Isakov Avenue junction – completion of the existing Isakov Avenue junction as a full cloverleaf interchange. The Isakov-Monte Melkonian transport link is partially transformed, becoming a complete cloverleaf (Figure 1-5).

Figure 1-5 Isakov Avenue junction



43. Due to its level of LAR impact, the Project has been classified as Category B for involuntary resettlement⁹.

44. Screening for involuntary resettlement impacts under the Project has identified 3 sections without any LAR related impacts. These sections are not included in this LARP and are not the object of this document.

45. Sectional site handover approach will be applied in the civil works contract for Isakov-Arshakunyats road link to foster commencement of civil works. The sections with no LAR related impacts, which are included in a SDDR will be handed over to the Contractor upon signing of the Contract, which itself is conditional to approval of final implementation ready LARP by ADB. The remaining sections with LAR impact are included in the LARP for Isakov-Arshakunyats. Commencement of the construction in these sections will be conditioned by implementation of the LARP and acceptance of the LARP Implementation Compliance Report by ADB.

1.4 Location of LAR free Sections

46. 3 Sections with total 1.2km with no LAR related impacts have been identified in each 3 parts of the Road described in para 40. These particular sections are:

- **Arshakunyats Avenue junction, Section1 (S1):** ch0+00 to ch3+25 with length of 325m. It covers construction of an underpass on the existing Arshakunyats Avenue for the traffic flows along Arshakunyats Avenue and dual at grade lanes which will link Arshakunyats avenue with the oval roundabout.
- **Main road, Section2 (S2):** ch5+20 to ch12+40 with length of 720m.
- **Isakov Avenue Junction, Section3 (S3):** ch0+00 to ch1+20 with length of 120 meters. Western clover of the Isakov Junction cloverleaf.

47. The map of the Isakov-Arshakunyats road link with marked LAR free sections is presented in Figure 1-6. Table 1-1 below presents details of each section.

⁹As per the ADB Operation Manual (OM) F1/OP (2009) a project is classified as Category "A" if 200 or more people suffer significant impacts (relocation or loss of more than 10% of their productive assets). A project will instead be classified as Category "B" when less than 200 people suffer significant impacts. Category "C" projects have no LAR impacts.

Figure 1-6: Map of Isakov-Arshakunyats road link with 3 dotted/marked LAR free areas

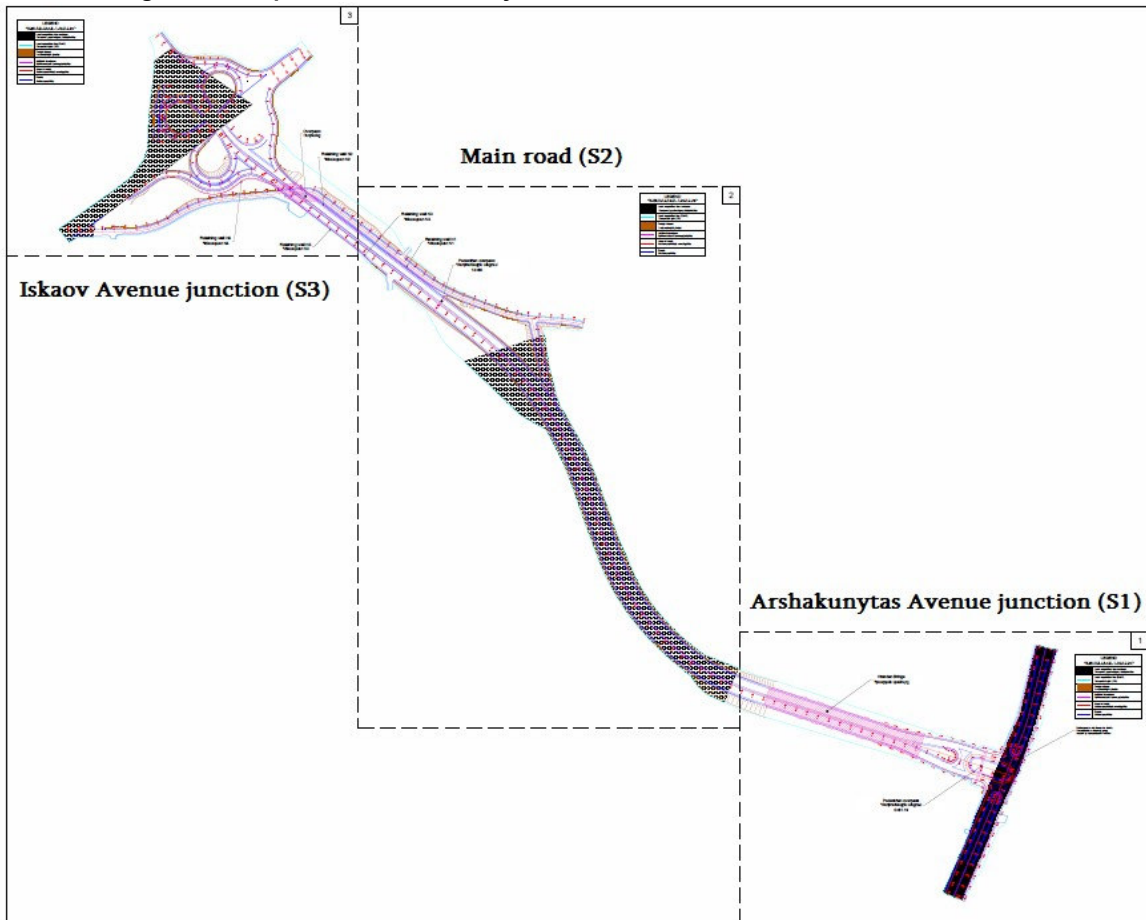


Table 1-1: Length and chainage of Sections

Name of Road parts	LARP covered sections				SDDR (LAR free) covered sections					Description
	Chainage		Length	Required duration for civil works	Description	Chainage		Length	Required duration for civil works	
	From (m)	To (m)	M	Month		From (m)	To (m)	m	Month	
Arshakunyats avenue junction (Section 1)	0+40	5+20	480	24	Dual 3 line carriageway. Includes the 252m. long bridge over Hrazdan river.	0+00	3+25	325	24	Underpass with dual 2 lines At gradedual 2 lines
Main road (Section 2)	12+40	15+60	320	12	Dual 3 lines carriage way	5+20	12+40	720	12	Dual 3 lines carriage way
Isakov avenue junction (Section 3)	15+60	18+60	300	12	Dual 3 lines carriage way.	0+00	1+20	120	6	RampP7 of Isakov Avenue junction Single ramp One-way 2 lines
RAMPs of Isakov Avenue junction Ramp 1 Ramp 2 Ramp 3 Ramp 4 Ramp 5 Ramp 6 Ramp 8	0+00	2+72	272	12	All the RAMPs are one way 2 lines	-	-			
	0+00	2+86	286			-	-			
	0+00	2+06	206			-	-			
	0+00	0+75	75			-	-			
	0+00	1+00	100			-	-			
	0+00	2+77	277			-	-			
	0+00	1+93	193			-	-			
Total	2,039					-	1,165			-

1.5 Project Implementation Timeline

48. Commencement of LARP implementation will start in January 2025 after approval of the LARP by ADB and by the Government of Armenia and will be fully completed in April-May 2025. Handing over

of the sections included in this LARP to the Contractor is planned for August 2025 after anticipated ADB approval of the compliance report¹⁰.

1.6 Scope and Status of Land Acquisition and Resettlement Plan

49. This LARP is final and is based on the detailed design for the Isakov-Arshakunyats road link. The following steps were taken for the completion of this LARP:

- (i) Approval of the Government Decree on Eminent Domain 1253-Ն, dated 11 August 2023;
- (ii) Census of APs, AHs and inventory of losses;
- (iii) Detailed measurements, description and valuation of the affected land, buildings, structures and other assets;
- (iv) Socioeconomic survey based on a 42% sample of AHs;
- (v) Handling of 2 public consultation with APs;
- (vi) Establishment of the cut-off date;
- (vii) Signing of assets description protocols by the APs and PIU;
- (viii) Preparation of a detailed compensation budget for all types of losses.

1.7 Objectives of Land Acquisition and Resettlement Plan

50. The main objective of LARP is to make a social impact assessment and identify persons affected by this LARP, compensate them for their losses and assist them to restore their livelihoods and quality of life, at least to the level they had before the Project and in the case of the vulnerable and displaced poor, improving their standards of living to at least national minimum standards. The LARP assesses the land acquisition and resettlement impact of the Isakov-Arshakunyats road link on APs, in accordance with Armenian law, ADB SPS-2009 and LARF.

51. For the achievement of these objectives, LARP provides particulars necessary for compensation, resettlement and rehabilitation by identifying:

- (i) The profile of the APs;
- (ii) The extent of losses and impact of the project;
- (iii) Information disclosure, consultation and participation;
- (iv) The policy and framework for compensation payments and rehabilitation;
- (v) Complaints and grievance redress mechanism;
- (vi) Resettlement budget and financing plan including valuation of, and compensation for lost assets, relocation, and rehabilitation;
- (vii) The institutional framework and implementation schedule of resettlement plan; and
- (viii) Monitoring of LARP implementation.

¹⁰ The expected date of Contract award is in March-April 2025.

1.8 Land Acquisition and Resettlement-Related Project Implementation Conditions

52. In compliance with ADB safeguards requirements Project implementation is based on the following conditions:

- (i) **Contract awards signing:** conditional to: a) approval of LARP by the GoA and ADB, b) disclosure to the public of the implementation-ready document and information pamphlet; c) Hiring of an External Monitoring Agency.
- (ii) **Commencement of Civil Works:** conditional to: full implementation of LARP to be vouched by a compliance report prepared by the EMA, accepted by ADB.

1.9 Document Disclosure

53. The final implementation-ready LARP in Armenian will be disclosed on YM official website as well as on the Project website after GoA approval. The LARP in English will be posted on the ADB official website immediately after ADB approval. The summary LARP information Pamphlet in Armenian will be disclosed to the APs after LARP approval.

1.10 Project Cut-Off Date

54. The cut-off date for the Project is October 11, 2023 when signing of assets description protocols for the Final LARP started. The cut-off date was disclosed to the APs during the Public Consultation held on October 13, 2023. Further the signed description protocols were submitted to the APs for additional review by an official letter, which contains information on the cut-off date and the purpose of the cut-off date. Formats of description protocols are presented in Appendix 8.

2 IMPACT ASSESSMENT AND CENSUS OF AFFECTED HOUSEHOLDS

2.1 Background

55. One of the key principles adopted for the preparation of this LARP is that all compensation payments and livelihood restoration assistance related to the Project must be based on a detailed understanding of the impacts of the Project on affected people. For this LARP, the data was collected from August 2022 to January 2023 and updated after the adoption of the GoA Decree on Eminent Domain on August 11, 2023 (GD N1357-ᐅ). In order to accurately assess the extent of the Project's LAR impacts, the following surveys were undertaken:

- (i) **Detailed Measurement Survey (DMS)** - to measure the affected area of the lands, buildings' space and the number and types of affected assets.
- (ii) **Inventory of Losses** - to identify and evaluate the characteristics of the land, buildings and assets to be acquired.
- (iii) **Valuation of Replacement Cost of the Affected Assets** - to identify the cost of compensation of lost assets, income and other livelihood sources, and determine allowances for development of the LARP budget.
- (iv) **Census Survey** - to identify the exact number of AHs and their members, including some elementary social characteristics such as gender and ethnicity.
- (v) **Socio-Economic Survey (SES)** - to identify the current socio-economic condition of affected individuals, households and business owners as well as access to public services, perceptions of compensation and Project impact on their livelihood.

2.2 Survey Methodology and Impact Assessment Approaches

2.2.1 Survey Methodology

56. DESC engaged a licensed measurement and valuation company, as a subcontractor, to measure and evaluate every asset to be acquired. This was done independently of the information that can be derived from the cadastral maps, data obtained during the preparation of draft LARP, and the legal status of the assets affected by the Project.

57. The scope of the DMS and assets inventory included the identification, classification, measurement, and valuation of the following assets or attributes:

- (i) Land (agricultural, residential, industrial and commercial plots), including improvements on those plots;
- (ii) Buildings/structures (including classification by building category and construction type);
- (iii) Legal status of the AP's land and structures' occupancy;
- (iv) Area and type of crops;
- (v) Number and type of trees;
- (vi) Affected business (impact type and legal status);
- (vii) Employment losses; and

(viii) Number, type and area of affected community/public assets.

58. The DMS included measurement of existing real estate plots and buildings/structures built on them and determination of their targeted purpose, ownership, forms of use, quality and quantity, appearances, and types. The measurements were taken in accordance with the requirements of Annex 1 of Order No 75-N (directive on real estate measurement registration) of 8 April 2021, issued by the Head of the Cadaster Committee (CC) adjunct to the GoA. The measurements were also taken using satellite positioning stations, electronic tachymeters and laser range finders. According to ADB policy requirements, the current ground situation measured is based on the actual size of the assets used by AHs at the moment of measurement¹¹. The APs were informed of the measurement date and time by telephone, one day prior to the field visit. This procedure ensured the measurement process was monitored by the APs (Details are provided in Appendix 2).

2.3 Impact on Land

2.3.1 Land Classification by the Armenian Land Code

59. The Land Code of the RA (May 2, 2001) classifies land into the following nine categories based on target use: (i) agricultural, (ii) settlements/residential, (iii) industrial, mining and production (iv) power, transport, communication and utility infrastructure facilities (v) protected land for special purposes, (vi) special significance, and (vii) forested, (viii) water and (ix) reserve lands.

60. The Project is located in an urban setting. Almost all of the affected plots are categorized as settlements/residential land by Cadaster Committee. For the sake of clarity, and in keeping with actual usage, affected lands under this LARP are grouped into the following categories:

- (i) **Residential land**, which is used for residential houses, adjacent auxiliary buildings and gardening.
- (ii) **Orchards/agricultural land**, which is used to grow fruit or wood/decorative trees and bushes.
- (iii) **Commercial land**, which is used for businesses such as shops.
- (iv) **Various construction land**, residential and commercial lands and those of common use that have been formed in such a combination where none of those has prevailing significance, are considered lands of various construction.

61. Affected lands are concentrated in Kentron, Malatia Sebastia and Shengavit administrative districts of Yerevan. In total, there are **59 affected** land plots covering a surface area of **36,865.2m²** in the Project area. Overall, 45 households will have some land impact. Affected land plots are mostly residential (33 land plots) and commercial (14 land plots).

62. The affected land plots are grouped into the following two types, based on their ownership status:

- (i) **Private-titled land** - 25 land plots (18,554.72m²) belong to persons with legal title of the affected land parcels. 2 privately owned land plots with area of 204.3m² are illegally used by other APs as parking areas. Both the owners and illegal users of the said 2 land plots will be compensated. 15 out of 25 affected privately owned land plots are residential. The total area of privately owned residential land plots is 2,973.42m². There is 1 industrial privately owned land plot which is not used, with affected area of 6,629.5m².
- (ii) **Community land** - land that belongs to YM. A total of 34 community owned plots (18,310.90 m²) are affected by the Project. The survey found that 32 out of 34 land plots are used without legal title. The remaining 2 land plots are legally leased and are used for commercial purposes

¹¹ If the actual measurement corresponds to the parameters (taking into account the permissible deviation range, defined by the SCREC) stated in the property certificate issued by the SCREC, the property layouts were prepared for submission to the SCREC during the LARP implementation period.

and various construction. 18 illegally used land plots with total area of 5,336.90m² are used for residential purposes, 10 land plots with total area of 2,853.70m² are used for commercial purposes, 2 land plots with total area of 2067.3 m² are used as orchards, one land plot is used for industrial purposes and one for various construction. The area of affected community land plots ranges from 2.8 m² to 6499.80m² (average of 459.77m²).

63. The owner of the community land (Yerevan Municipality) will not be compensated.
64. All other categories of affected land will be compensated. The land impacts data is summarized in the following table:

Table 2-1 Land Impacts by Category and Ownership/ Occupation Status

Land Category		Commercial		Industrial		Orchard		Residential		Various construction		Total		Remarks
		Plots	Affected Area	Plots	Affected Area	Plots	Affected Area	Plots	Affected Area	Plots	Affected Area	Plots	Affected Area	
		No	m ²	No	m ²	No	m ²	No	m ²	No	m ²	No	m ²	
A. Community	Illegally used	10	2,853.70	1	6,499.80	2	2,067.30	18	5,336.90	1	52.60	32	16,810.30	
B. Community	Leased	1	14.50	-	-	-	-	-	-	1	1,486.10	2	1,500.60	
C. Private	Owned	3	1,943.70	1	6,629.50	-	-	15	2,973.42	6	7,008.10	25	18,554.72	
D. Private	Illegally used	2	204.30	-	-	-	-	-	-	-	-	2	204.30	2 land plots in category D with 204.30m ² affected area are included and are the part of Various construction in Category C.
Total		14	4,811.900	2	13,129.30	2	2,067.30	33	8,310.32	8	8,546.80	59	36,865.20	Total numbers and affected areas are presented without double counting

2.4 Impact on Buildings and Structures

2.4.1 Residential Buildings and Structures

65. In total, the LARP for Isakov-Arshakunyats road link will affect 58 residential buildings and structures. Out of these, 22 (2,048m²) are houses and 36 (919,9m²) are supporting structures. Out of these supporting structures, 31 belong to affected main residential buildings, while 5 supporting structures belong to households whose main residential building will not be affected at all. In total, the impact on all 58 residential buildings and structures located on 26 land plots, will affect 22 households.

66. The area of affected buildings amounts to **2,765.4m²**. The affected buildings, including the supporting structures are mainly made of stone and metal.

Table 2-2 Impact on Residential Buildings and Structures

Name	Material	No	Total	Plots
			m²	No
A. House				
Residential house	pumice block	1	31	1
Residential house	stone	21	2,017	17
Subtotal A.	-	22	2,048	18
B. House				
B. Supporting Structures with Affected Main Building				
Basement under the platform	stone	1	15.7	16
Canopy	metal	1	18.4	
Closet	metal	1	9.9	
Closet	r/f concrete	1	10.8	
Closet	stone	2	10.5	
Flat roof/shed	r/f concrete	1	36.5	
Garage	r/f concrete	1	29.7	
Garage	Stone	3	136.6	
Kennel	Stone	1	3.8	
Loft	Stone	1	62.9	
Platform	r/f concrete	1	95.3	
Platform for residential house	Stone	1	46.5	
Shed	Metal	5	81	
Shed	Stone	1	16.8	
Staircase platform	r/f concrete	1	2.9	
Support structure	pumice block	1	2.8	
Support structure	r/f concrete	1	25	
Support structure	Stone	5	42	
Toilet	Stone	2	16.5	
Subtotal B.	-	31	663.6	
C. Support Structures of HHs without Residential Loss				
Barn	pumice block	2	63.2	5

Name	Material	No	Total	Plots
			m ²	No
Foundation of a residential house	r/f concrete	1	119.3	
Shed	Metal	2	73.8	
Subtotal C.	-	5	256.3	5
Total (A+B+C)	-	58	2967.91	26*
*number of land plots is presented without double counting				

2.4.2 Non-Residential Buildings and Structures

67. In total, 22 non-residential structures will be affected with a total area of 1,750.7m² located on 11 land plots. Out of this 22, 16 belong to businesses (849.9m²) and 6 are non-residential/non-business structures (900.8m²) used by APs for private purposes. In case of affected 9 business structures located on 3 land plots the Project will not cause a suspension of business activity, while in case of affected 7 business structures located on 2 land plots the Project will cause a suspension of business activity. 2 AHs will be affected due to suspension of 3 business activities.

68. From the total affected non-residential structures 12 are illegal with total area of 1002.4m² and 10 are legal with area of 748.3m². All the legal structures are business structures while almost 90% (900.8m²) of illegal structures are nonresidential/non-business structures. The affected structures are mainly made of stone, reinforced concrete and reinforced concrete slabs.

Table 2-3 Impact on Non-Residential Structures

Type of Structure	No	Legal sq.m	Illegal sq.m	Total sq.m.	No of Plots
A. Non Business Structures	6	-	900.8	900.8	6
B. Business Structures without Suspension of Business Activity	9	300.4	98.8	399.2	3
C. Business Structures with Suspension of Business Activity	7	447.9	2.8	450.7	2
Total	22	748.3	1002.4	1750.7	11

Table 2-4 Impact on Non-Residential/Non-Business Structures

No	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq.m.	No of Plots
1	Platform	r/f concrete	2	-	814.9	814.9	6
2	Structure	Stone	2	-	38.4	38.4	
3	Non-functioning café	Stone	2	-	47.5	47.5	
Total			6	-	900.8	900.8	

Table 2-5 Impact on Non-Residential Business Structures

No of Business	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq.m.	No of Plots
A1. Business Structures without Suspension of Business Activity							
1	Support structure	stone	1	243.4	-	243.4	1
	Fuel depot	stone	1	42.6	-	42.6	
	Foundation for structure	r/f concrete	1	9.6		9.6	
1	Barn	r/f concrete slab	1	-	3.6	3.6	2

No of Business	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq.m.	No of Plots
	Guardhouse	stone	1	4.8	-	4.8	
	Shed	metal	2	-	30.5	30.5	
	Toilet	stone	1	-	61.4	61.4	
	Toilet	r/f concrete slab	1	-	3.3	3.3	
2	Subtotal (A1)		9	300.4	98.8	399.2	3
A2. Business Structures with Suspension of Business Activity							
1	Kiosk	m/pl	1	-	2.8	2.8	1
1	Car wash-shop	r/f concrete	1	161	-	161	1
	Shed	metal/ r/f concrete	4	192.2	-	192.2	
	Underground pit	r/f concrete	1	94.7	-	94.7	
2	Subtotal (A2)		7	447.9	2.8	450.7	2
4	Total (A1+A2)		16	748.3	101.6	849.9	5

2.4.3 Movable Structures

69. The LARP fort Isakov-Arshakunyats road link will affect 4 movable structures¹² with 87.25m² surface made of metal. Transportation cost will be paid to the APs to relocate structures. All 4 movable structures are houses.

Table 2-6 Impact on Movable Structures

Type of Affected Structures	Material	Buildings	Affected Surface
		No	m ²
Metal house	Metal	4	87.25
Total	-	4	87.25

2.4.4 Fences and Other Improvements

70. A total of 1513.9m² of walls made from tuff and reinforced concrete on 8 land plots will be affected by the LARP. 10 households will be affected by loss of walls/fences and compensated at replacement cost.

Table 2-7 Impact on Walls

Type	Material	Area
		m ²
Fence A	r/f concrete	79
Fence B	Stone	630.44
Fence B	tuf stone	210.7
Fence C	tuf stone	171
Retaining wall A	r/f concrete	90
Retaining wall B	Stone	332.25
Total	-	1513.39

¹²Movable structures are identified according to the definition of Civil Code of RA. Movable property shall be the property not considered as immovable (Civil Code of RA, article 134, point 2). Immovable property shall be considered land parcels, subsoil parcels, separate water objects, forests, perennial plantings, underground and above-ground buildings, structures and other property fixed to land, namely objects that are impossible to separate from land without damage to that property or land parcel or without change, termination of their purpose or impossibility of their further use by designated purpose (Civil Code of RA, article 134, point 1).

71. The APs have made fences and some other improvements on 41 land plots that have been measured and calculated for compensation. There are 2,256m² asphalt area, 511.5m² concrete, concrete bricks and concrete slab areas, 300m² gravel surfaces, 482m metal mesh and metal fences and other improvements made by APs on the 41 affected lands.

Table 2-8 Impact on Fences and Other Improvements

Type	Material	Plots	Area	Length	No
		No	m ²	M	
Area	Asphalt	7	2,256.00	-	-
Area	Concrete	1	48.50	-	-
Area	concrete bricks	13	363.00	-	-
Area	concrete slabs	1	100.00	-	-
Area	Gravel	1	300.00	-	-
Area	Lawn	1	10.00	-	-
Area	reinstallation repair of billboard and petrol refueling	3	20.50	-	-
Area	tuf slabs	1	15.00	-	-
Barrier	Metal	1	-	-	1
Billboard	Metal	1	-	-	1
Bridge/entrance to land	Metal	1	-	-	1
Construction	Metal	-	-	-	1
Door	Metal	7	-	-	10
Door	metal mesh	1	-	-	1
Fence	Metal	2	-	112	-
Fence	metal mesh	8	-	370	-
Fence	metal mesh/ r/f concrete	1	-	8	-
Fence	Slate	1	-	18	-
Foundation	r/f concrete/ basalt	1	-	7	-
Gate	Metal	6	-	-	6
Gate	metal mesh	3	-	-	3
Handrail	Metal	3	-	63	-
Kerb	basalt slabs	1	-	60	-
Kerb	Concrete	4	25.00	64	-
Kerb	concrete slabs	1	-	24	-
Path	basalt slabs	1	15.00	-	-
Path	concrete slabs	1	5.00	-	-
Pergola for grapes	Metal	6	161.00	-	-
Pipe d=120*2 cm	Metal	1	-	15	-
Platform	concrete/bar	1	7.00	-	-
Railing	Metal	2	-	60	-
Railing	metal/ r/f concrete/ basalt	1	-	30	-
Rebar	Metal	1	-	-	8
Rebar d=10cm	Metal	1	-	-	9
Retaining wall	concrete panels	1	-	80	-
Stairs	basalt slabs	1	2.00	-	-
Stairs	Concrete	2	8.30	-	-
Tandoor	Brick	1	-	-	1
Total		41*	3,336.30	911.00	42
<i>*without double counting</i>					

2.4.5 Buildings Impacts and Relocation Strategy

72. Based on the YUDIP LARF, all buildings, partly or completely affected, will be entirely compensated. The relocation strategy adopted for the Project is based on the principle of compensation at replacement cost (market value of building materials, labor, materials transportation cost and other relevant expenses). In the case of affected legal structures, owners will receive the

replacement cost plus 15%, as required by law. In the case of affected residential buildings, the APs will receive 115% of the replacement cost, irrespectively of their legal status. In the case of affected non-residential illegal structures on private or illegally used land plots, APs will receive the full replacement cost of the building.

73. Under this LARP 22 residential buildings will have to be demolished and 13 AHs (51 APs) relocated. Out of 13 relocated households 8 are titled landowners, 4 are non-titled (illegal) users and 1 AH is losing both legal and illegally used land plots. 4 AHs will lose 8 residential houses. There are 5 AHs who will lose residential houses, but this is not the place of their residence so they will not be relocated. Also 3 businesses will be relocated. 2 of the relocated businesses are managed by the same AH who is legal owner of the land plot. The other business owner is using the land plot illegally. AHs/APs that will be affected by relocation during the Project are shown in the table below. The details of the total impact on these businesses as well as strategies for livelihood restoration are presented in Chapter 7 "Compensation, Relocation and Income Restoration".

Table 2-9 Relocation Impact

Relocation Impact	AHs	APs
	No	No
Residential relocation	13	51
Businesses relocation (permanently affected)	2	2
Total	15	53

74. In order to get a comprehensive and clear picture of the extent of impact on APs, which have to be relocated from their houses, detailed losses are presented in the following table.

Table 2-10 Detailed Impact on Residential Relocation

No	Affected land					Affected structure			Affected improvements			Affected Households		
	Type of owner	Use status	Total area, m ²	Affected area, m ²	Affected % in total	Type of Land	Name	m ²	Name	Material	m ² Im No	No of AHs	No of APs	Residential relocation
1	Community	Illegally used	881.3	881.3	100%	Residential	Residential house	15.6	Area	concrete bricks	17	1	4	Residential relocation
							Shed	16.8		gravel	300			
									Fence	stone	59			
2	Community	Illegally used	1259.6	1259.6	100%	Residential	Residential house	31.4	Fence	metal mesh	120	1	5	Residential relocation
									Path	basalt slabs	15			
									Stairs	basalt slabs	2			
3	Private	Privately owned	225.5	225.5	100%	Residential	Residential house	156	Pergola for grapes	metal	80	1	6	No residential relocation
							Canopy	18.4						
							Closet	10.8						
4	Community	Illegally used	33.3	33.3	100%	Residential			Railing	metal	30			
							Garage	29.7	Fence	tuf stone	47.5			
5	Private	Privately owned	177.8	177.8	100%	Residential	Residential house	152.6	Door	metal	1	1	3	Residential relocation
							Residential house	32.7	Fence	metal mesh	20			
6	Private	Privately owned	181.1	181.1	100%	Residential	Residential house	58.5	Area	concrete bricks	15	1	4	Residential relocation
							Closet	2.8	Gate	metal	1			
							Closet	9.9	Pergola for grapes	metal	5			
							Kennel	3.8	Tandoor	brick	1			
7	Private	Privately owned	174.6	174.6	100%	Residential			Area	concrete bricks	42	1	5	Residential relocation
							Residential house	188.7	Door	metal	3			
							Shed	2.9	Kerb	concrete	10			

N o	Affected land						Affected structure		Affected improvements			Affected Households		
	Type of owner	Usag e statu s	Total area, m²	Affect ed area, m²	Affect ed % in total	Type of Land	Name	m²	Name	Material	m² Im No	No of AH s	No of AP s	Residen tial relocatio n
									Pergola for grapes	metal	5			
									Pipe d=120*2 cm	metal	15			
							Staircase platform	20.1	Fence	tuf stone	82.8			
8	Private	Priva te owne d	505.3	505.3	100%	Residentia l	Residential house	174.3	Bridge/entrance to land	metal	1	1	1	No residenti al relocatio n
							Support structure	23.4	Door	metal	1			
9	Private	Priva te owne d	359.2	359.2	100%	Residentia l	Residential house	137.5	Fence	metal	20	1	1	No residenti al relocatio n
							Residential house	11.9	Gate	metal	1			
							Shed	35.9		metal mesh	1			
									Pergola for grapes	metal	6			
									Platform	concrete/bar	7			
							Support structure	6.3	Railing	metal	30			
10	Private	Priva te owne d	301.22	301.22	100%	Residentia l	Residential house	110	Area	concrete bricks	20	1	3	Residenti al relocatio n
							Platform for residential house	46.15	Door	metal	2			
							Garage	82	Fence	metal mesh	30			
							Toilet	8.9	Gate	metal mesh	1			
							Toilet	7.6	Pergola for grapes	metal	40			
11	Private	Priva te owne d	146.09	146.09	100%	Residentia l	Residential house	80.5	Area	concrete bricks	40	1	6	Residenti al relocatio n
							Residential house	5.1						
							Support structure	2.2	Door	metal	1			
							Support structure	1.2						
							Shed	1.3						

N o	Affected land						Affected structure		Affected improvements			Affected Households		
	Type of owner	Usage status	Total area, m²	Affected area, m²	Affected % in total	Type of Land	Name	m²	Name	Material	m² Im No	No of AHs	No of APs	Residential relocation
12	Private	Private owned	162.07	162.07	100%	Residential	Residential house	71.8				1	1	No residential relocation
							Support structure	25						
13	Private	Private owned	130.45	130.45	100%	Residential	Residential house	166.4	Area	concrete bricks	23	1	4	Residential relocation
									Door	metal	1			
									Fence	metal mesh/ r/f concrete	8			
							Residential house	13.2	Handrail	metal	8			
									Pergola for grapes	metal	25			
14	Community	Illegally used	193.7	193.7	100%	Residential	Residential house	197.1				1	4	Residential relocation
15	Community	Illegally used	66.2	66.2	100%	Residential	Residential house	66.31				1	5	Residential relocation
16	Private	Private owned	188.8	188.8	100%	Residential	Residential house	117	Area	concrete bricks	100	1	3	Residential relocation
							Shed	21.2	Handrail	metal	20			
							Support structure	8.9						
							Basement under the platform	15.7	Kerb	concrete	24			
17	Private	Private owned	18.72	18.72	100%	Residential	Garage	40.5						
18	Community	Illegally used	90.6	90.6	100%	Residential	Support structure	2.8	Area	concrete bricks	5			
									Stairs	concrete	1.3			
				144.3	100%		Residential house	64.2	Area	concrete bricks	35	1	1	

No	Affected land						Affected structure		Affected improvements			Affected Households		
	Type of owner	Usage status	Total area, m²	Affected area, m²	Affected % in total	Type of Land	Name	m²	Name	Material	m² Im No	No of AHS	No of APS	Residential relocation
19	Community	Illegally used	144.3			Residential	Flat roof/shed	36.5	Handrail	metal	35			No residential relocation
									Kerb	concrete slabs	24			
20	Private	Privately owned	183.7	183.7	100%	Residential	Residential house	123.8	Fence	Stone	21.44	1	3	Residential relocation
							Loft	62.9						
							Shed	2.5						
							Closet	7.7						
21	Private	Privately owned	114.35	114.35	100%	Residential	Residential house	73.4	Door	metal mesh	1	1	2	Residential relocation
									Fence	metal mesh	25			
							Garage	14.1	Path	concrete slabs	5			
									Stairs	concrete	7			

2.5 Crops

75. There are no any vegetables grown in the LARP area for Isakov-Arshakunyats road link. There are only 38.9m² lawn and 19m² decorative flowers grown by 8 AHs to be affected.

Table 2-11 Impact on Crop

Type of Crop	Annual Productivity	Affected Area	Total Loss
	kg/ m ²	m ²	kg
Lawn	1.0	38.90	38.9
Decorative flowers	1.0	19.00	19
Total	-	57.90	57.90

2.6 Impact on Businesses and Income

76. 3 permanently affected businesses are identified in this LARP. In all cases business loss is due to demolition of main buildings or permanent displacement of the structure where the business operates. The petrol and gas station and the shop are located on the same land plot. The other business is a metal shop. The owners of the shop and petrol and gas station provided only the tax reports but refused to provide their taxpayers' identification code, so it was not possible to get information from the SRC on reliability of the provided information. Due to this the compensation amount for the first two is calculated based on the available information which needs to be further verified. The owner of the kiosk refused to provide any information, and the compensation amount is calculated based on the minimum salary as defined by Project LARF for businesses without tax declaration.

77. Details on impact and income restoration are presented in Chapter 7 "Compensation, Relocation and Income Restoration".

Table 2-15 Permanent Impact on Business

No	Description	With tax declaration	No of Land Plots	No of AHs
		No		
1	Shop	1	1	1
2	Petrol and gas station	1		
3	Shop (kiosk)	1	1	1
Total		3	2	2

2.7 Impact on Employment

78. As underlined in the previous chapter the owner of the Shop (kiosk) refused to cooperate and provide any information. Due to this the LARP team was not able to obtain any information with regard to registered employees. The owners of the Petrol and gas station and the shop provided only the tax reports according to which each of the businesses has 2 registered employees.

Figure 2-16

Loss	Employees affected
	No
Permanent employment loss	4
Total	4

2.8 Trees and Bushes

79. Under the LARP for Isakov-Arshakunyats, **411** fruit trees and bushes will be affected. Out of these, 18 are fruit bushes and 393 are fruit trees. The majority of affected fruit bushes and trees (308 out of 411) are productive.

80. All of the 18 affected bushes are productive, out of which 15 are dewberries and 3 are currants. Most of the affected trees are grapes, sweet cherries and apricots. In total 23 households will be affected by the loss of fruit trees and bushes. The owners will receive full compensation for the affected trees. A summary of information on the affected fruit bushes and trees is presented in the following table.

Table 2-12 Impact on Fruit Trees

Type of tree	Seedling	Not yet Productive	Productive	Total
	No	No	No	No
A. Fruit bushes				
Currant	-	-	3	3
Dewberry	-	-	15	15
Subtotal (A)	-	-	18	18
B. Fruit Trees				
Cherry	2	2	7	11
Peach	1	3	29	33
Walnut	1	-	4	5
Fig		3	12	15
Mullberry	17	-	19	36
Grape	-	-	103	103
Apple	6	19	8	33
Date	-	-	1	1
Apricotplum	-	-	1	1
Apricot	-	11	38	49
Persimmon	1	4	-	5
Sweet cherry	3	4	35	42
Cornel	-	-	1	1
Blackthorn	1	-	-	1
Almond	-	6	3	9
Pomegranate	2	-	2	4
Plum (shlor)	-	3	2	5
Plum	-	5	16	21
Quince	-	1	3	4
Pear	7	-	4	11

Type of tree	Seedling	Not yet Productive	Productive	Total
	No	No	No	No
Hazelnut	-	1	-	1
Oleaster	-	-	2	2
Subtotal (B)	41	62	290	393
Total (A+B)	41	62	308	411

81. There will be 71 timber/wood trees affected by the LARP. Of the affected timber/wood trees, the most affected are ailanthus and poplar: 31 and 29 respectively. Of all affected trees 29 are seedlings, 4 are trees with medium growth and 38 are full growth trees. 11 households will be affected by loss of wood trees. The owners of affected trees will be compensated without deductions for the value of the wood/timber that can be obtained from the affected trees.

Table 2-13 Impact on Wood Trees

Type of Tree	Seedling	Medium Growth	Full Growth	Total
	No	No	No	No
Acacia	5	-	-	5
Ailanthus	-	3	28	31
Poplar	21	-	8	29
Tilia	-	-	1	1
Maclura	-	-	1	1
Cypress	-	1	-	1
Paulownia	3	-	-	3
Total	29	4	38	71

82. The LARP for Isakov-Arshakunyats will also impact **134** decorative bushes and 2 decorative trees (silver fir and cercis). As shown in the following table, lilac and noble rose are most impacted decorative bushes. All of the affected decorative bushes belong to 13 households.

Table 2-14 Impact on Decorative Trees and Bushes

Type of Decorative Trees/Bushes	Small	Large	Total
	No	No	No
A. Decorative trees			
Silver fir	1	-	1
Cercis	-	1	1
Subtotal (A)	1	1	2
B. Decorative trees			
Rose noble	-	35	35
Ivy	-	4	4
Cornus	1	-	1
Lylac	10	44	54
Thuja	-	4	4
Climbing rose	-	8	8
Yucca	-	17	17
Buxus	-	11	11
Subtotal (B)	11	123	134

Type of Decorative Trees/Bushes	Small	Large	Total
	No	No	No
Total (A+B)	12	124	136

2.9 Severely Affected Households

83. According to the LARF, households which lose 10% or more of their income generating assets such as agricultural income, those who will be relocated from their residential buildings and those who lose commercial/business establishments, are considered severely affected, and therefore entitled to receive an allowance for severely affected APs. A total of 26 AHs will be compensated as severely affected AHs. 21 AHs will lose 10% or more agricultural income from lost fruit trees from the affected land plots. 11 out of 21 AH will also face residential relocation. 3 AHs will lose their business establishments. Regardless of APs' legal status, each AHs losing 10%, or more agricultural income will receive additional crop compensation covering 1 year's yield for severe agricultural income losses. The AHs to be relocated will receive a rehabilitation allowance amounting to six minimum monthly salaries. Details on impact and income restoration are presented in Chapter 7 "Compensation, Relocation and Income Restoration".

Table 2-16 Severity of Impact

No	Degree of Impact	AHs	APs
		No	No
1	AHs losing more than 10% of agricultural income	21	62
2	AHs to be relocated	13	51
3	Business relocation	3	3
Total (without double counting)		26	74

2.10 Impact on Poor and Vulnerable Groups

84. According to the YUDIP LARF, '**vulnerability**' is defined as follows:
- Households registered in the evaluation system of vulnerability of families (ESVF) and receive a family allowance,*
 - households headed by a breadwinning women and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age,*
 - households headed by persons entitled to old age pension and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age.*
 - households headed by persons with disability of 1st and 2nd group and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age.*

85. Under this LARP, there are in total 2 vulnerable AHs, one of which is woman headed household and the other is both women headed and elderly headed. They will be compensated as vulnerable households and will receive a rehabilitation allowance amounting to six minimum monthly salaries. There are no poor AHs identified under this LARP.

Table 2-17 Impact on Poor and Vulnerable Affected Households¹³

Type	AHs	Aps
	No	No
Poor AHs	0	0
Woman headed AHs	2	4
Elderly headed AHs	1	2
Households headed by persons with disability of 1st and 2nd group	0	0
Total AHs without double counting	2*	4*
*1 AH is both woman and elderly headed		

86. Both vulnerable AHs are severely affected¹⁴ as a result of agricultural income loss. One of the woman headed households is also a residential relocatee.

Table 2-18 Severely Affected Vulnerable Households

Type of severe affect	Poor AH	Woman headed	Elderly headed	Woman headed, Elderly headed	Total
Severe impact as a result of residential relocation	-	-	-	-	-
Severe impact as a result of agricultural income loss	-	-	-	1	1
Severe impact as a result of both residential relocation and agricultural income loss	-	1	-	-	1
Total without double counting	-	1	-	1	2

2.11 Summary of Affected Households and Affected Persons

87. The Census identified 50 affected households with a total of 121 members. 13 households are residential relocatees as their main buildings will be demolished. Information on different categories of affected households (AHs) and affected persons (APs) by impact type, as well as net figures, without double counting, are provided in the summary of AHs/APs presented at the end of this section. In total, LARP for Isakov-Arshakunyats will impact the land plots of 45 AHs (without double counting), residential structures of 22 AHs, fruit trees and bushes of 23 AHs and businesses of 3 AHs. 2 AHs are vulnerable.

Table 2-20 Summaries of Affected Households/ Persons by Category of Impact

Impact category	AHs	AHs	APs	Remarks
	No Per Type of Impact	Without Double Counting	Absolute No	
A. Land Impact by Legal Occupancy				
A1. Private	24	24	65	1 AH uses 2 private and 1 community land. To avoid double counting this AH is included in A1.
A2. Community	27	21	51	6 AHs are included in A1.
B. Buildings Impact/ Improvements				
B1. Residential structures	22	0	0	14 AHs are included in A1 8 AHs are included in A2.

¹³ The SES has not identified any poor households. In accordance with the LARF requirements, the list of AHs was shared with the RA Ministry of Labour and Social Affairs (MLSA) to check if there are any households included in the ESVF. MLSA also has approved absence of households included in the ESVF.

¹⁴ The households which are impacted as a residential relocatee and/or have agricultural income loss are considered as a severely affected.

Impact category	AHs	AHs	APs	Remarks
	No Per Type of Impact	Without Double Counting	Absolute No	
B2. Non-residential structures	7	0	0	4 AH are included in A1 3 AHs are included in A2.
B3. Movable structures	3	0	0	1 AH is included in A1 2 AHs are included in A2.
B4. Fences	10	0	0	5 AHs are included in A1 5 AHs are included in A2.
B5. Improvements	33	0	0	17 AHs are included in A1 16 AHs are included in A2.
C. Tree/ Crop Impact				
C1. Fruit trees and bushes	23	0	0	15 AH are included in A1 8 AHs are included in A2.
C2. Wood trees	11	0	0	3 AH are included in A1 8 AHs are included in A2.
C3. Decorative trees, bushes, flowers	13	0	0	9 AH are included in A1 4 AHs are included in A2.
C4. Crop	8	0	0	5 AH are included in A1 3 AHs are included in A2.
D. Business Impact				
D. Permanent with tax declaration	3	1	1	1 AH is included in A1. 1 AH is included in A2.
F. Employment Impact				
F1. Permanent employment loss	4	4	4	AH is included in A2.
G. Vulnerability of AHs				
G. Vulnerable AHs	2	0	0	All AHs are included in A1.
H. Relocation Impact				
H1. Residential relocation	13	0	0	10 AH are included in A1 3 AHs are included in A2.
Total	-	50	121	-

3 SOCIOECONOMIC INFORMATION AND PROFILE

3.1 Background

88. This Chapter presents the findings on the major socio-economic characteristics of the affected population and project communities. The information presented in this chapter is derived from available secondary data and data collected through the Socioeconomic Survey and Census conducted in the Project affected community in areas covered by this LARP. The main objective of the surveys is to understand the existing socio-economic environment and vulnerability of affected people and families in the Project area, to use the data for the preparation of the LARP budget, to identify groups and persons who need additional support and to prepare a baseline for monitoring and evaluation.

89. The results of the Survey of HHs residing in 3 multistory apartment buildings which are out of the RoW are presented at the end of the chapter. The Survey was implemented in June-July 2023 and aims to identify HHs which potentially could be affected due to civil works within the Project.

3.2 Survey Methodology

90. The Socioeconomic Survey (SES) and Census survey of affected households were conducted from August, 2022 to January, 2023 and updated in August-November 2023. 21 out of 50 AHs, including owners and users of affected lands and buildings were surveyed through questionnaires and by telephone (Appendix 3). Each questionnaire took 30-40 minutes to complete. The collected data was processed using the MySQL software. In total, 21¹⁵ affected households (85 APs) were surveyed. This amounts to 42% of the sample.

3.3 Socio-economic Profile of Affected Households and Affected Persons

3.3.1 Gender and Ethnicity of APs

91. Armenian laws and the Constitution grant women and men equal rights including equal entitlement to land and property ownership, education, health care, employment, working conditions and pay, both in public and private-sector enterprises and equal individual and family rights. There is no legal distinction in property, land tenure, inheritance and business ownership rights.

92. The SES data show that the gender distribution of APs is almost equal: out of all APs, 48.24% (41) are females and 51.76% (44) are males (Table 3-2). However, the heads of households profile shows that only 19.05 (4 out of 21) of the heads of households are females (Table 3-1).

¹⁵ Out of the remaining 29 AHs in 13 cases the contact information of the owners is missing, 11 AHs refuse to cooperate (3 AH consider it personal information, 4 AHs are against construction of the Project, 4 AHs were busy and have no time), 1 has passed away and there are no registered heirs, remaining 4 AHs are employees of business and the business owners provided only the tax payment reports and refused to provide any information about the employees.

Table 3-1 Gender Profile of Heads and Members of Affected Households

Gender	Head of AH		AH members	
	No	% of total	No	% of total
Male	17	80.95%	27	42.19%
Female	4	19.05%	37	57.81%
Total	21	100.00%	64	100.00%

Table 3-2 Gender Profile of Affected Persons

Gender	No	% of total
Male	44	51.76%
Female	41	48.24%
Total	85	100.00%

93. The APs surveyed under this LARP are all Armenians.

Table 3-3 Ethnic Profile of Affected Persons

Ethnicity	AH members	
	No	% of total
Armenian	85	100.00%

3.3.2 Family Composition and Socio-economic Classification

94. The Census identified 21 affected households with a total of 64 persons. On average, there are 3 persons per affected household. Data on marital status show that 76.19% of the heads of households and 56.25% of other household members are married, while 18.75% of household members are single. There are 19.05% of heads of households and 1.56% of other members who are widowed. There are no divorced heads of household or family members.

Table 3-4 Marital Status of Heads and Members of Affected Households

Marital status	Head of AH		AH members	
	No	% of total	No	% of total
Married	16	76.19%	36	56.25%
Single	1	4.76%	12	18.75%
Widowed	4	19.05%	1	1.56%
Divorced	-	0.00%	-	0.00%
Not applicable	-	0.00%	15	23.44%
Total	21	100.00%	64	100.00%

3.3.3 Age

95. The age distribution of the surveyed population shows the 56-65 and 66 or more age groups were the most represented group among the heads of households (28.57% and 33.33%), while among household members, the 0-17 and 18-35 groups with 23.44% and 42.019% accordingly are the most represented age groups. The profile of the youth community is even more pronounced if the two age groups (0-17 and 18-35) are combined. Such comparison shows that two nearly thirds of the population is younger than 35.

Table 3-5 Age Distribution of Heads and Members of Affected Households

Age	Head of AH		AH members	
	No	% of total	No	% of total
0 – 17	-	0.00%	15	23.44%
18 – 35	3	14.29%	27	42.19%
36 – 45	1	4.76%	6	9.38%
46 – 55	4	19.05%	5	7.81%
56 – 65	6	28.57%	7	10.94%
66 or more	7	33.33%	4	6.25%
Total	21	100.00%	64	100.00%

3.3.4 Education

96. The following table shows that 33.33% of household heads have a minimum of a secondary level of education while 52.38% have a university degree. The percentage of family members with university degree is also high, 48.44%. There are no illiterate heads of households or family members. Generally, the education of heads of households is higher in all educational categories.

Table 3-6 Education of Heads and Members of Affected Households

Education status	Head of AH		AH members	
	No	% of total	No	% of total
Illiterate	-	0.00%	-	0.00%
Elementary	-	0.00%	4	6.25%
Post-Primary	-	0.00%	2	3.13%
Secondary (10 Years)	7	33.33%	8	12.50%
High School (12 Years)	-	0.00%	-	0.00%
Secondary Professional	3	14.29%	6	9.38%
University Student (Full Time)	-	0.00%	4	6.25%
University Student (Distance)	-	0.00%	-	0.00%
University Degree	11	52.38%	31	48.44%
Incomplete Higher Education	-	0.00%	2	3.13%
Post Higher Education	-	0.00%	-	0.00%
Not Applicable	-	0.00%	7	10.94%
Total	21	100.00%	64	100.00%

3.3.5 Employment and Income Sources

97. Employment and income data were collected from 21 AHs and information is self-reported. All APs participated in the survey and answered the questions.

98. 47.62% of the heads of households are employed out of which 14.29% are also pensioners while 39.06% of other household members are employed. 23.81% of the head of households are pensioners vs only 9.38% of other household members. The next represented group among heads of households and household members are those unemployed and looking for a job, 14.29% and 20.31% respectively. The employment data for the affected households are presented in the following tables.

Table 3-7 Employment Status of Heads and Members of Affected Households

Employment status	Head of AH		AH members	
	No	% of total	No	% of total
Employed	10	47.62%	25	39.06%
Pensioner	5	23.81%	6	9.38%
Employed (Pensioner)	3	14.29%	-	0.00%
Student, pupil	-	0.00%	9	14.06%
Unemployed and not looking for a job	-	0.00%	3	4.69%
Unemployed and looking for a job	3	14.29%	13	20.31%
Army servant	-	0.00%	1	1.56%
Disabled	-	0.00%	-	0.00%
Not applicable/less than 6 years old	-	0.00%	7	10.94%
Total	21	100.00%	64	100.00%

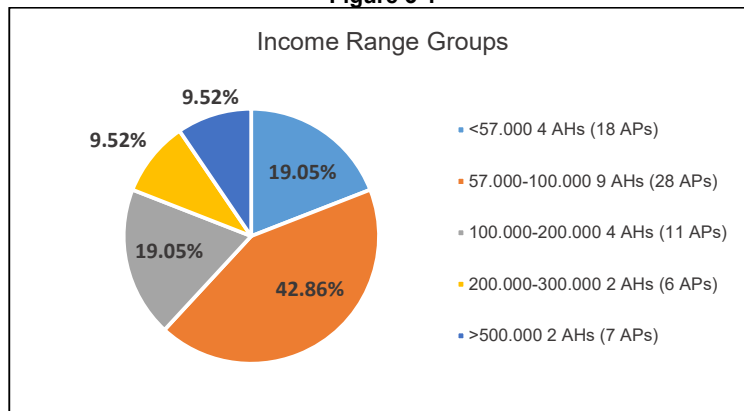
Table 3-8 Type of Employment

Type of employment	Head of AH		AH members	
	No	% of total	No	% of total
Civil servant	3	14.29%	8	12.50%
Private sector employee	7	33.33%	11	17.19%
Self-employed	1	4.76%	2	3.13%
Entrepreneur	-	0.00%	3	4.69%
Employed in agriculture /private/	2	9.52%	1	1.56%
Not applicable	8	38.10%	39	60.94%
Total	21	100.00%	64	100.00%

99. The above table shows, that the majority of heads of households and other family members are private sector employees (33.33% and 17.19%). The second representative group is civil servants 14.29% of heads of households and 12.50% of other family members.

100. Figure 3-1 below presents the data on various main income groups among AH's, starting from below the upper poverty line¹⁶ to the highest incomes, based on the results of Census and SES. 4 AHs with 18 family members have announced incomes below the upper poverty line. The largest group is the group of AHs with income per each adult family member within the range from 57,000-100,000 AMD. Only 2 AHs have announced incomes more than 500,000 AMD per each adult family member.

¹⁶ The following 4 types of poverty lines are calculated by the Statistical Committee of the Republic of Armenia for the year 2021: a) extreme poverty line AMD 26,500 per month, b) lower poverty line AMD 38,548 per month, c) upper poverty line AMD 57,744 per month, d) average poverty line AMD 48,145 per month. The poverty lines are calculated based on the number of adult family members. The amount of families total incomes is divided on the number of adult family members. The data for the year 2022 will be available in October 2023.

Figure 3-1

3.3.6 Income and Expenditure

101. Income and expenses were self-reported by the interviewed AHs representatives. 2 types of income were reported by the APs. A significant amount of money is received as a salary (125,000.00AMD) followed by pensions (51,000.00 AMD). The mean monthly family income in the area was 176,000.00 AMD or around USD 447¹⁷ at the time of the study.

Table 3-9 Income Sources of Affected Households

Type of income	Mean income
	AMD/month
Salary	125,000.00
Pension (Age, other type)	51,000.00
Scholarship	-
Social benefit	-
Remittance from abroad	-
Rental income	-
Total	176,000.00

102. The average monthly expenditure for households was around 355,307.14 (\$902) with the largest portion (43.22%) spent on food and beverage. The next major expenses are utilities, transport and healthcare. The monthly expenditure data are summarized in the following table.

Table 3-10 Average Monthly Expenses of Affected Households

Self-reported monthly expenses	Average	% of monthly income
	AMD	
Food and drinks	153,571.43	43.22%
Private transport /including petrol/	41,904.76	11.79%
Public transport	23,428.57	6.59%
Clothes	15,952.38	4.49%
Healthcare (medicines, service)	17,238.10	4.85%
Education (tuition fees, stationary)	11,428.57	3.22%

¹⁷ Exchange rate on February 15, 2023, Central Bank of the Republic of Armenia: (USD) 1USD=394.10 AMD

Self-reported monthly expenses	Average	% of monthly income
	AMD	
Mobile phone bills	10,190.48	2.87%
Land line bills	785.71	0.22%
Social activities/obligations	8,571.43	2.41%
Electricity, gas, internet and other utilities	43,095.24	12.13%
Property rent /in case of renting	-	0.00%
Property tax	2,664.29	0.75%
Machines (mobile, computer, TV etc.)	6,000.00	1.69%
Other	20,476.19	5.76%
Total	355,307.14	100.00%

3.3.7 Poor and Extremely Poor Households

103. The census has not identified households which are considered as poor within this LARP area. It should be noted that calculation of the poverty level for AH has been based on the income information provided by the AH during the census survey and by applying National Statistical Service calculation methodology. The list of all APs has been submitted to the RA Ministry of Labor and Social Affairs (MLSA) for cross-checking and validation in accordance with the LARF requirements¹⁸. The information provided by the MLSA also approved absence of AH receiving family poverty benefits from the government.

3.3.8 Perceptions of Living Conditions

104. All 21 AHs gave their views on their housing conditions and the surrounding area. The most cited factors were humidity (52.38%), lack of light (42.86%) and lack of heating (23.81%). (Table 3-11).

Table 3-11 Housing Conditions

Housing Conditions (Self-Reported)	Frequency	%
Lack of space	3	14.29%
Lack of light	9	42.86%
Lack of heating	5	23.81%
Leaking roof	4	19.05%
Humidity	11	52.38%
Worn out windows, doors, floor	3	14.29%

3.3.9 Perception of the Project

105. 100% of interviewed AHs already heard about the Project. 93.94% of respondents think that the Project will trigger an environmental impact, 80.30% think that loss of community territories will be an adverse effect of the Project. Other stated adverse effects were worsening road safety and increased risk of traffic accidents, decrease of income and resettlement itself.

¹⁸As the information on poor AHs identified by Census and SES data corresponds to the data provided by the Ministry of Labor and Social Affairs, there is no need to request additional request from the YM.

106. Easier access to other districts of town, opportunities for new workplaces, better appearance of public places and increase in the real-estate are the most cited positive effects of the Project (59.09%, 57.58%, 43.94% and 33.33% respectively).

Table 3-13 Affected Households' Perception of the Project

Type of impact	Yes		No	
	No	%	No	%
Perceived Disadvantages of the Project				
Resettlement	14	66.67%	7	33.33%
Decrease in income	5	23.81%	16	76.19%
Traffic interruption	6	28.57%	15	71.43%
Worsening in road safety, increased risk of traffic accidents	9	42.86%	12	57.14%
Increase in real estate prices	14	66.67%	7	33.33%
Environmental impact	17	80.95%	4	19.05%
Commercialization	12	57.14%	9	42.86%
Loss of social network	16	76.19%	5	23.81%
Loss of community territories	13	61.90%	8	38.10%
No disadvantages	4	19.05%	17	80.95%
Total	110	52.38%	100	47.62%
Perceived Project Benefits				
Opportunities for new workplaces	12	57.14%	9	42.86%
Opportunities for business	6	28.57%	15	71.43%
Increase of real estate prices in the area /region	16	76.19%	5	23.81%
Better appearance of public places	15	71.43%	6	28.57%
Inflow of new inhabitants	9	42.86%	12	57.14%
Easier access to other districts of town	16	76.19%	5	23.81%
No benefit	4	19.05%	17	80.95%
Total	78	53.06%	69	46.94%

3.4 Need Assessment Survey of Affected Households for Identification of Livelihood Restoration and Improvement Activities

107. PIU conducted a Need Assessment Survey of AHs from 11-14 June, 2024. The survey aimed to identify activities which can be implemented by PIU to foster livelihood restoration and improvement of AHs in addition to cash compensation envisaged under this LARP. In total 30 (60%) out of 50 AHs participated in the Survey. 24 out of 30 AHs answered that they don't need any assistance for livelihood restoration activities from PIU/YM side.

108. 2 AHs out of 6 mentioned consultation with PIU/YM for finding new land plot and obtaining construction permission from YM. 2 AHs mentioned participation in English language lessons for their junior family members, 1 AH mentioned training on computer skills, and 1 AH mentioned course on Armenian history. 1 AH has an advanced age family member with impaired mobility.

109. All the AHs who participated in the Survey were informed that YM/PIU will provide legal assistance and advice in case if they apply to PIU with such request. Legal assistance will include also assistance in obtaining of construction permits from YM. For those demanding learning/skills development opportunities, YM will identify existing Government or NGO-driven programs, inform AHs

and help them to roll in as needed. This activity will be performed in parallel with LARP implementation. It was agreed with the family which have an advanced family member with impaired mobility that PIU/YM will provide ambulance with medical stuff for relocation of the AH member if necessary.

Table 3-14: Results of Need Assessment Survey

Group of AHs	No	%
Participated in the survey and did not need any assistance	24	48%
Participated in the survey and mentioned assistance	6	12%
Out of country	3	6%
Did not answer the phone call	5	10%
Phone number is not reachable/PIU does not have the phone number of the AH	9	18%
Other*	3	6%
Total	50	100%
*In one case the owner has passed away and there is a court case between the inheritors and in the other 2 cases owners are the Electric Networks of Armenia and state organization.		

3.5 Survey of Households Residing in Multistory Apartment Buildings out of the RoW

110. A survey of households residing in 3 multistory apartment buildings located out of the RoW within 70-80 meters from the road was conducted in June-July 2023. The main objective of the Survey was to identify all the households that could potentially be affected due to construction of Isakov-Arshakunyats road link and the number and characteristics of all vulnerable and disabled AHs and their members, such as disability, living conditions, sources of livelihood etc.

111. The multistory buildings were located in the following addresses with a total amount of 251 apartments:

- 4 Lazo St., Yerevan – 35 apartments
- 6 Lazo St., Yerevan – 72 apartments
- 30 Arshakunyats avenue, Yerevan – 144 apartments

Figure 3-2: Location of Multistory Residential Buildings



112. Buildings located at 4 Lazo St. and 6 Lazo St. are located some 70-80 meters from the section with LAR impacts, while the building located at 30 Arshakunyats avenue is next to SDDR section.

113. Out of 251 apartments only 174 HHs were surveyed, 65 HHs refused to answer the questions and 12 apartments were closed and were not reachable for the Survey. For the closed apartments the survey team took second and third approaches on different times of the day and completed task.

114. Out of surveyed 174 HHs 50 households (with 54 family members) declared to have disability issues, however only 14 households have registered disability classification.

- 15 members of 14 households have disability classification of 2nd (5 HHs) and 3rd (9 HHs) category. As per YUDIP LARF/LARP entitlement matrix one of the said 14 households is vulnerable (elderly headed).
- 36 households have declared disabilities but don't have registered disability category. Out of those 36 households 2 are vulnerable as per YUDIP LARF/LARP entitlement matrix (elderly headed and woman headed).

115. The survey did not identify any group of AHs with need for special treatment. The results of the survey will be conveyed to the Engineer's and Contractor's Health and Safety specialist and respective mitigation measures will be applied if deemed necessary.

116. Details and description of the disabilities of HHs with disability category of 2nd and 3rd categories are presented in table 3-14 below.

Table 3-15 Households With Disabilities of 2nd and 3rd Categories

No of HHs	No of disabled HH members	Class of disability	Description of disability	Notes
1	1	2	Brain surgery (car accident result), Diabetes, Stoma installation surgery	
3	3	2	Cardiovascular disease, Cardio standee	
1	1	2	Cardiovascular disease, Cardio standee	The household is vulnerable (Elderly headed)
1	1	3	Cardiovascular disease, Cardio standee, vertebra surgery, Hypertension	
2	2	3	Diabetes	
3	3	3	Cardiovascular disease, Cardio standee	
1	2	3	Asthma	
2	2	3	Gallbladder issues	

4 PUBLIC CONSULTATIONS, PARTICIPATION AND DOCUMENTS DISCLOSURE

4.1 Background

117. According to SPS (2009) and the YUDIP LARF, the APs must be fully consulted and provided with opportunities to participate in the planning and implementation of LAR. Under the same principles, the APs must be informed in an appropriate and timely manner of the outcomes of the planning process, as well as the schedules and procedures for the implementation of the LARP. A public information and consultation campaign must be carried out by the Implementing Agency (IA) during all stages of the LAR process. The IA must also organize the disclosure of the Resettlement Plan. Furthermore, it must inform the APs about the payment procedures for compensation and relocation.

118. This chapter describes the mechanisms for the public consultation process with the APs and disclosure of the LARP through distribution of information materials to create awareness among the affected persons of their entitlements, compensation payment procedures and the grievance redress mechanism.

4.2 Public Consultations

119. 2 Public Consultations were conducted in the administrative building of Shengavit district of Yerevan. The announcements for Public Consultations were posted on PIU website and on announcement boards in the administrative buildings of Shengavit, Malatia Sebastia and Kentron districts of Yerevan and visible places in the Project area. Furthermore, most of the APs were notified by phone about the date and place of the Public Consultations.

120. The first PC was conducted for potentially affected people living in the area of LARP of the Isakov-Arshakunyats road link on 6 October 2022. The Project details, Grievance Redress Mechanism and the general phases of LARP preparation, approval and implementation as well as compensation entitlements and the types of losses were presented to the participants of the PC. The procedures of DMS, Census and SES were also presented to APs during the first consultation. In total, 16 APs (5 women and 11 men) which is 32% of affected households participated in the public consultation. The details of PC are presented in the Minutes of meeting of Public Consultation presented in Appendix 4.

121. The second public consultation was conducted on 13 October 2023. Main phases of the LARP preparation and implementation, legal requirements of the RA Government Decree on Acknowledgement of Prevailing Public Interest, compensation entitlements and valuation methodology, the Grievance Redress Mechanism were presented to the participants of the Public Consultation. The cut-off date for the Project was officially announced to the APs. In total 18 APs (3 women and 15 men) which is 36% of affected households participated in the Public Consultation. The details of the Public Consultation held on 13 October 2023 are presented in Appendix 5.

122. All the available AHs have been individually consulted during the census and census update. Information pamphlets were distributed to the available AHs as well.

4.3 Information Disclosure

123. During the public consultation, the Project Information Pamphlet (Appendix 7), Information leaflet with the main phases of land acquisition and resettlement procedures (Appendix 6) were disseminated among the participants. Description of the Project, the Entitlement Matrix, GRM, compensation entitlements, as well as answers to frequently asked questions, were presented in the said documents. Apart from information disclosure through the consultations, a printed pamphlet including the Entitlement Matrix in the Armenian language was distributed to all APs during conducting and updating of the Census and SES.

124. The individual maps of private properties with clear indication of affected/non-affected surface area and main impact (buildings, fence and improvements) were officially submitted to the owners after the GoA decree on acknowledging the exceptional prioritized public interest entered into force in August, 2023.

125. The signed description protocols were submitted to the APs for additional review in October 2023. Information on the cut-off date was also included in the submission letter.

126. During the Project planning, implementation, and monitoring, the following information disclosure actions are planned:

- (i) Uploading of the English version of the LARP on the ADB website,
- (ii) Distribution of copies of the LARP in Armenian in the offices of the heads of Shengavit, Malatia-Sebastia and Kentron administrative districts,
- (iii) Disclosure of LARP in Armenian and all LARP related documents on the PIU website,
- (iv) A final Project Information Pamphlet providing a summary of the impacts, implementation arrangements of the LARP and compensation policy will be provided to all APs immediately after the final approval of the LARP (Appendix 1),
- (v) The draft contracts/agreements on compensation will be submitted to APs after the Government approval of the LARP.

5 GRIEVANCE REDRESS MECHANISM

5.1 Background

127. The LARP includes in its scope the establishment of a responsive, readily accessible and culturally appropriate grievance redress mechanism capable of receiving and facilitating the resolution of affected persons' concerns and grievances about the physical, social and economic impacts of the Project with a particular attention to the impacts on vulnerable groups. The APs will have the right to file complaints and/or queries on any aspect of LAR. Under the adopted grievance mechanism, the APs may appeal any decision, practice or activity connected with the measurement, assessment or valuation of land or other assets, its acquisition and compensation. All possible avenues will be made available to the APs to voice their grievances. The PIU will ensure that grievances and complaints on any aspect of the land acquisition, compensation and resettlement, are timely and effectively addressed.

128. The fundamental objectives of the Grievance Redress Mechanism are:

- (i) To reach mutually agreed solutions satisfactory to both, the Project and the APs, and to resolve any resettlement-related grievances locally, in consultation with the aggrieved party;
- (ii) To facilitate the smooth implementation of the LARPs, particularly to cut down on lengthy litigation processes and prevent delays in Project implementation;
- (iii) To democratize the development process at the local level, while maintaining transparency as well as to establish accountability to the affected people.

129. All APs have been fully informed of their rights and of the procedures for addressing complaints during the public consultations prior to the detailed measurement, assets inventory, census and valuation of assets to be acquired. This was also obtained through careful preparation for the implementation of LARP, by ensuring full participation and consultations of all APs, and by establishing extensive communication and coordination between the APs, the PIU, and the local authorities in general.

5.2 Grievance Procedure

130. Initially the Grievance resolution process began informally during the LARP preparation process when the details of the GRM were presented to the APs during the first PC. A further opportunity for registering complaints or applications will be provided to the APs by the PIU by sending them notifications on Eminent Domain GD. In this phase of LARP preparation the APs could register concerns, complaints or queries in written form directly to the PIU/YM.

131. In order to ensure that grievances and complaints are addressed in a timely, transparent and satisfactory manner, and that all possible avenues are available to the APs to air their grievances, the PIU has established a formal complaints and grievance redress mechanism. Several parties are involved in this formal grievance redress mechanism, such as the PIU, Grievance Review Group and YM. Attempts will be made to resolve complaints at the PIU level with the help of a Grievance Review Group (GRG) with the involvement of all stakeholders. The GRG will establish fairness and transparency in the registration and resolution of grievances of the project affected persons.

132. The existence of a GRM was disclosed to the APs in the LARP preparation stage during the public consultation. After the approval of LARP the GRM will be disclosed to APs through a LARP Information pamphlet.

133. Complaints and grievances received during the resettlement phase will be addressed through the following steps and actions:

Step 1

134. The person affected by the Project can raise their suggestions/concerns/complaints first of all to the PIU through the submitting of the complaint letter or an email. PIU receives and resolves/replies to the APs' grievances. The PIU will accept the complaints in the first instance. PIU project director redirects the complaints to the respective specialist. The complaint will be signed by the AP and it will contain the following information: (i) the nature of the complaint, (ii) the location and (iii) the complainant's complete address.

135. A settlement will be made within 30 days from the day of receiving the grievance and related documents (if other timeframes are not defined by the RA legislation). The responses to APs will be given in a written manner. If the case is complex and requires an investigation (e.g., scrutiny by technical experts or legal opinion from the state or certified private entities), complaint review period may be extended. In such cases, a written notification will be sent to the complainant, explaining reasons for extension, describing the process and indicating an expected date for delivering the results of the review.

136. If an AP is not satisfied with the response or PIU responsible staff needs additional capacity to response the APs' grievance, the Grievance Review Group (GRG) can be formulated to ensure comprehensive, equitable and transparent discussion of the case. To establish legitimacy of the GRG to review and judge on the substantive merit of the AP's complaint, the composition of the GRG should be balanced and include an independent observer to ensure the impartiality and transparency of the complaint review process. The following composition of the GRG is proposed:

Members	Position
(a) Representative of PIU	Chairperson
(b) Representative of safeguards team (PIU)	Member
(c) Representative of Local Government, as relevant	Member
(d) Certified technical expert, as relevant	Member
(e) Representative of Engineer/Contractor, as relevant	Member
(f) Representative of the Aps	Member
(g) Independent party (for example NGO)	Observer

137. To make for effective complaint processing, the role and responsibilities of each GRG member should be carefully elaborated and explained to them.

138. During the grievance review process by GRG, several experts can be involved such as valuation expert, agronomist, measurement specialist, design engineer etc., as needed for each specific case. Independent party (for example NGO representative) can be invited upon request of AP.

139. A settlement will be made within 30 days from the day of the start of GRG review. The responses to APs will be given in a written manner.

Step 2

140. If an AP does not agree with the PIU's compensation offer or reasons for dismissal, he/she should address their grievance to the YM. The AP must lodge the complaint within one month after receiving a response from the PIU. The documents in support of the claim must be submitted at this stage. YM must respond to the complaint within 30days. YM follows Public Administration RA law for registration, revision and resolving the case.

141. Regardless of the set grievance mechanism and procedures, APs will have the right to submit their cases to a court of law at any point in time of the grievance redress process. All efforts will be made to settle the issues at the PIU level through community consultation. If not possible, attempts will be made to resolve the issues at the YM level to avoid/minimize litigation as much as possible. All complaints and resolutions will be properly documented by the PIU and made available for review, monitoring and evaluation purposes.

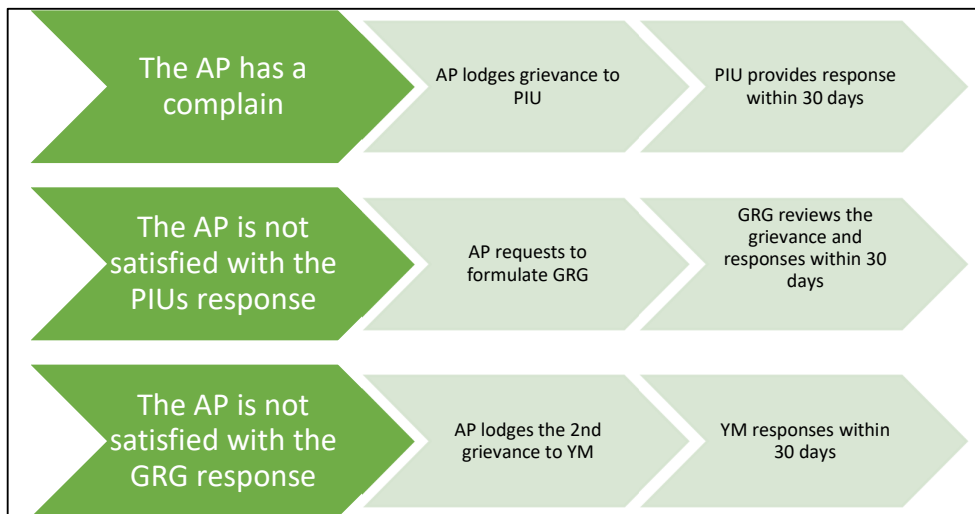
142. All complaints received and addressed will be documented regardless of the outcome. All records of grievance cases will be entered in the LARP GRM Database. A template for recording grievance has been developed and is available to the APs when they lodge the complaint.

143. The GRM implementation will be monitored through internal and external monitoring. Main indicators for monitoring of GRM are number and type of complaints, resolved cases, timing for the resolution, etc. The results of GRM functioning will be monitored by PIU and EMA and will be presented in the Semiannual Social Monitoring Reports (SSMR), Quarterly Progress Reports (QPR) and Compliance Reports with the monitoring results.

144. The institutional scheme of GRM is presented in Figure 5-1.

Figure 5-1 Grievance Resolution Process Scheme

145. A site-level GRM including Contractor and Supervision Consultant will be established by the Contractor prior to commencement of construction activities. GRM focal points will be appointed by the Contractor and Supervision Engineer and those will be informed to public during the pre-construction public consultation to ensure GRM handling during construction phase.



5.3 Access to Information and Grievance Resolution Services

146. In order to maintain transparency and accountability to affected communities and to make information, assistance and grievance resolution services accessible to the Affected Persons, the PIU considered the following additional avenues:

A PIU Website

147. A website will be established and run by the PIU. Project related documents will be available on the web and will be updated regularly. Stakeholders, project affected people and wider community members can post questions, opinions, and suggestions, receive answers to their questions and acquire any information about the Project. There is an agreement with YM that the LARP and any other documents will be disclosed on YM website in case if the PIU site will not be established in due time.

A Special Email

148. In order to make Project information accessible to the wider community and the APs who prefer electronic communication, the PIU created a specially designated email address for the wider public to

send their grievances, suggestions /opinions/ questions etc. (verabnaketsum@yerevan.am)¹⁹. The email account will remain active for the duration of the Project, including the Defects Notification Period. Information about the email account has been disseminated to the APs during the public consultations, by local authorities, through the Project information leaflet and other available means for the dissemination of information. The account is already operational.

Face to Face Meetings

149. If APs cannot use any of the available avenues, an appointment for a face-to-face meeting with the PIU designated officer will be available. To make an appointment for a face-to-face meeting, the following contacts will be available to APs:

PIU tell: 011-515-012
Contact address: P. Buzand 1/3, 6th floor, 0010 Yerevan,
Armenia.

Mailing Complaints

150. The APs, stakeholders and wider public will have the option to post a letter with their complaints, concerns, opinions and suggestions to the following PIU address:

Investing Projects Implementation Unit Building up of Yerevan PIU CNCO
P. Buzand 1/3, 6th floor, 0010 Yerevan, Armenia

151. Information on all available avenues is communicated to the affected persons during the community consultations. If APs at these consultations suggest other, more effective ways of voicing their views and concerns, their proposals will be incorporated into the grievance mechanism and the public informed accordingly.

¹⁹ "Verabnaketsum" means 'resettlement' in Armenian

6 RA LEGAL AND ADB POLICY FRAMEWORK AND ENTITLEMENTS

6.1 RA Legal and ADB Policy Background

6.1.1 RA Laws on Land Acquisition and Resettlement

152. The Constitution of the Republic of Armenia (2015) guarantees protection of ownership rights. It also provides that in order to ensure the priority of the public and state interest alienation of the property should be carried out in exceptional cases, as determined by law and with prior equivalent compensation. Land acquisition and compensation cases are envisaged in the RA Land Code (2001) Articles 102 and 104, the RA Civil Code (1998) Article and RA Law “On Alienation of the Private Property to Ensure Public and State Interests” adopted on 27 November 2006 (the title of the Law was edited on October 24, 2018), Amendment to the RA Law on “On Alienation of the Private Property to ensure Public and State Interests” was done on 21 June 2014.

153. Under the existing law of RA “On Alienation of the Private Property for Ensuring Prevailing Public Interests” the RA Government will issue a Decree determining the case of prevailing public interests based on the request from relevant state agencies. The government decree on the recognition of an item as prevailing public interest shall set out:

- (i) Prevailing public interest, for which alienation of property shall be executed
- (ii) The party acquiring the alienated property
- (iii) The units constituting the alienated property (addresses, location and/or other information, which makes the property different from other assets) and
- (iv) A final deadline to launch the alienation process.

154. Law of RA “On Alienation of the Private Property for Ensuring Prevailing Public Interests” specifies the land acquisition procedures and compensation rights of titled landowners and owners of immovable property in cases of alienation of their property for public purposes. Upon enactment of the government decree on recognition of property as prevailing public interest, the authorized body shall compile minutes describing the alienated property according to the procedure and deadlines defined by the government; acquiring party, owners and those holding property rights towards the alienated property may participate in the compilation of such minutes if the latter had not been compiled during the preliminary survey of the property. One copy of the minutes describing the alienated property shall be, within no later than three days after its compilation, be duly communicated to the owner and persons holding property rights towards such property, who are entitled to protest it with the authorized body and/or court within ten days after receiving the information.

155. The consideration for the land/property being acquired is established by agreement between YM and APs taking into account the market value of land and damages, including consequential damages, and may include exchange of land/property. Adequate compensation shall be paid to the owner against alienation of his/her property. Adequate compensation shall be the amount 15 percent over and above the market price for the alienated property, as per the law of the country.

156. Assessment of the real estate or the real estate rights shall be made in accordance with the procedure defined under the law of the Republic of Armenia on Assessment Activity of Real Estate in Armenia adopted on October 4, 2005. This should be done by a licensed property valuator.

6.1.2 Asian Development Bank Involuntary Resettlement Policy under the Safeguard Policy Statement

157. The ADB Policy on Involuntary Resettlement is based on the following principles:

- (i) Involuntary resettlement is to be avoided or at least minimized;
- (ii) Compensation/rehabilitation provisions will ensure the maintenance of the APs' pre-Project standards of living;
- (iii) APs should be fully informed and consulted on LAR compensation options;
- (iv) APs' socio-cultural institutions should be supported/used as much as possible;
- (v) Compensation of lost assets at replacement cost or the replacement of land and other lost assets in kind.
- (vi) Compensation will be carried out with equal consideration of women and men;
- (vii) Lack of legal title should not be a bar to compensation and/or rehabilitation;
- (viii) Particular attention should be paid to households headed by women and other vulnerable groups, such as Indigenous Peoples, and appropriate assistance should be provided to help them improve their status;
- (ix) LAR should be conceived and executed as a part of the Project, and the full costs of compensation should be included in Project costs and benefits; and
- (x) Compensation and resettlement subsidies will be fully provided prior to clearance of right of way/ground leveling and demolition.

6.1.3 Comparison of RA Legislation on Land Acquisition and Resettlement and Asian Development Bank Resettlement Policy

158. RA legislation and ADB policies are outlined and compared in the following table.

Table 6Table 6-1 Comparison of RA Legislation on Land Acquisition and Resettlement and ADB Resettlement Policy²⁰

RA Legislation	ADB SPS
Land compensation only for titled landowners	Lack of title is not a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation
All affected houses/buildings are compensated for buildings damages/demolition caused by a Project, with the exception of unregistered commercial structures	ADB Policy includes compensation for unregistered commercial structures as well
Crop losses compensation provided only to registered landowners	Crop losses compensation provided to all APs
Land valuation based on current market value plus 15% of the assessed value.	Land valuation based on current market rate/replacement cost
Information on impacts quantification/costing, entitlements, and amounts of compensation and financial assistance are to be disclosed to the AHs/APs prior to appraisal	The same
No provision for income/livelihood rehabilitation measure, allowances for severely affected APs and vulnerable groups, or resettlement expenses	The ADB policy requires rehabilitation for income/livelihood, for severe losses, and for expenses incurred by the APs during the relocation process

²⁰The first six rows refer to the LARF GAP analysis table, the last row is added manually.

RA Legislation	ADB SPS
RA law does not have a specific project level GRM, but RA legislation envisages mechanisms for the AP's to submit applications, complaints, objections and suggestions to the acquirer and to the relevant authorities as well as filing a complaint to the court, during every stage of the acquisition process. Regardless off the requirement of the RA Law "On Alienation of the Private Property for Ensuring Prevailing Public Interests" every person has a right to an effective remedy before courts and before state authorities according to the RA Constitution. Public consultations with APs are not envisaged by RA legislation. However, the RA legislation defines the requirements and conditions for notification of APs on their actions and rights during different stages of alienation process, particularly: after the government decree on recognition of property as prevailing public interest comes into force, a copy of the description protocol of the property to be acquired, draft contract of the property to be acquired is sent to the property owner and persons possessing property rights. The property acquirer shall provide information on transferring the compensation into the court or notary deposit account. If the acquirer is conducting a preliminary survey on the property to be acquired, adequate information shall be provided to the property owner, the possessor and user on the nature and matter, legal consequences of those proceedings prior to its initiation.	IA/EA should establish a functional mechanism to receive and facilitate the resolution of the APs concerns and grievances regarding physical and economic displacement. IA/EA should conduct meaningful consultation at the beginning of and during the implementation of the project, provides timely disclosure of relevant and adequate information on impact assessment/evaluation, rights, compensation eligibilities and financial aid to AP/AH that is understandable and readily accessible to APs.

159. In general, there are no basic differences between Armenian legislation and ADB policies regarding land acquisition and resettlement. However, Armenian laws and regulations are not very clear on how the rehabilitation of APs is to be achieved. Another issue is that the ADB recognizes as eligible for compensation, or at least rehabilitation, titled and non-titled owners or registered and unregistered tenants. To reconcile these gaps between Armenian legislation and ADB Policy, YM drafted the LARF for the Program, ensuring compensation at full replacement cost of all items and at least rehabilitation of informal/non-titled settlers and unregistered businesses. The LARF also provides rehabilitation packages for vulnerable or severely affected APs that will be relocated.

160. Attempts should first be made to acquire private land on the basis of negotiation with individual affected entities. Should the negotiation fail, the power of eminent domain will be sought and the expropriation process will start. In the event of a negotiated sale, the ADB requires that appropriate due-diligence is applied to ensure that APs are offered a fair price, informed, and allowed sufficient bargaining space and their case is monitored by an external party. These conditions are fully guaranteed by the use of an external monitoring agency and by the Armenian Government practice of engaging professionally licensed independent assessors of property to determine asset compensation rates.

6.1.4 Land Acquisition and Resettlement Framework Principles and Entitlements Adopted for this Project

161. Based on Armenian laws and ADB's Safeguard Policy Statement (SPS), 2009, the following core involuntary resettlement principles are developed for this Project:

- (i) Land acquisition, and other involuntary resettlement impacts will be avoided or minimized exploring all viable alternative Project designs;
- (ii) Where unavoidable, a time-bound LARP (such as this one) will be prepared and APs will be assisted in improving or at least regaining their pre-program standard of living;

- (iii) Meaningful consultation with APs on compensation, disclosure of resettlement information to APs, and participation of APs in planning/implementing sub-Projects, such as providing their views on design alternatives and participating in monitoring activities, will be ensured;
- (iv) Compensation of lost assets at replacement cost or the replacement of land and other lost assets in kind.
- (v) Vulnerable and severely affected APs will be provided with special assistance;
- (vi) Non-titled APs (e.g. informal dwellers or squatters, APs without registration details) will receive a livelihood allowance in lieu of land compensation and will be fully compensated at replacement cost for losses other than land;
- (vii) Legalizable APs will be legalized and fully compensated for land losses;
- (viii) Provision of income restoration and rehabilitation;
- (ix) The LARP will be disclosed to the APs in the local language;
- (x) Payment of compensation, resettlement assistance and rehabilitation measures will be fully provided prior to the contractor taking physical possession of the land and to the commencement of any construction activities on a particular package; and
- (xi) Appropriate redresses mechanisms to solve APs grievances are established.

6.2 Compensation Eligibility

162. APs entitled for compensation or at least rehabilitation provisions under the Project are:

- (i) All APs losing land either covered by legal title/land rights or without legal status;
- (ii) Tenants and sharecroppers whether registered or not;
- (iii) Owners of buildings, crops, plants, or other objects attached to the land; and
- (iv) APs losing business and income.

163. Compensation eligibility will be limited by a cut-off date, which is the same for all APs regardless of their legal status. This is the first day of drawing up of the affected property/assets description protocols (first day of signing of protocols by APs and the Acquirer). APs who settle in the affected areas after the cut-off date will not be eligible for compensation. However, they will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to Project implementation. Their dismantled structures and materials will not be confiscated and they will not pay any fine or suffer any sanction.

6.3 Compensation Entitlements

164. LAR tasks under the Project will be implemented according to a compensation eligibility and entitlements framework in line with both Armenian laws and regulations and ADB Policy. The basis to determine the amount of compensation is the market value or replacement cost of the property and in cases where the cadastral value exceeds the market value of the property, the cadastral value will be taken as basis. For specific details, please refer to the entitlement matrix below.

Table 6-2 Entitlement Matrix

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
1. Land loss	AP/AH losing land regardless of impact severity	Owners	Compensation at replacement value +15% either in cash at market rates or cadastral values (whichever the highest). When there are no active land markets cash compensation will be based on the value of the yearly product of the land for a sufficient number of years to ensure the affected parties' rehabilitation for the loss of their land.
		Legalizable AP/AH	Legalizable AP/AH will be legalized and paid the same compensation as owners in case of registration the ownership right towards the land.
		Leaseholder (lease and sublease of community or state land)	Leaseholder will be legalized and compensated as full owners at market rates or cadastral values (whichever the highest) or will be given a new lease. If this is not possible, they will receive compensation equal to "the market or cadastral value of affected land (whichever the highest) + 15%" in the following proportions according to the length of the lease:1) < 1 year 5%; 2) <15 years 14%; 3) < 25 years 20%;4)>25 years -25%.
		Leaseholder (lease and sublease of private land)	Compensation for already paid but unused lease and for integral improvements made with the lessor's consent.
		Non-legalizable AP/AHs	These AP/AH will receive a rehabilitation allowance equal to 25% of the affected land market or cadastral value (whichever the highest)
2. Residential buildings		All AP/AH regardless of legal status	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		Relocated Renters	Severe impact and Relocation allowances as entitlements 9, 10 and 11 below
			Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
3.Non-residential buildings/assets		AP/AHs with valid registration	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		AP/AHs with non-legal	Cash compensation for loss of building at full replacement

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
		buildings/structures built on legal or non-legal land	cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials.
		Relocated Renters	Relocation and severe impact allowance as entitlement 9, 10 and 11 below Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
4.Common property Loss	Community/Public Assets	Community/State	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities.
5.Public Utilities (Gas, water, electricity and etc.) and infrastructure structures owned by private organizations	Private Property	Owners or operator of the utility or infrastructure	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities and the utility owner or operator (if applicable). All such infrastructures will be reflected in the detailed design and in the scope of works of the General Contractor and will be relocated within the Project budget.
6.Crop Losses	Standing crops affected	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status)	One year crop compensation in cash at market rate at gross crop value of expected harvest.
7.Tree Losses	Trees affected	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status)	Cash compensation at market rate based on type, age and productive value of the trees.
8.Business or Employment Losses	Business, employment loss	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status).	Owner: (i). <u>(permanent impact)</u> cash indemnity of 1 year net income; (ii) <u>(temporary impact)</u> cash indemnity of net income for months of business stoppage up to 1 year. Assessment will be based on tax declaration. In absence of tax declaration the AH will receive a rehabilitation allowance based on the maximum non-taxable salary for the number of months of business stoppage up to 1 year. The maximum nontaxable salary is equal to minimum salary. Permanent Worker/Employees: Indemnity equal to: (i) Permanent job loss 6 months of average monthly salary; (ii) Temporary loss average monthly salary for the number of months of job loss up to 6 months.
9. Transportation allowance	Allowance for transportation	All APs having movables on the affected land / building	Cash allowance to cover transportation, loading/unloading costs (will be determined based on the market research in the area and provided as a single payment).

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
		to be relocated regardless of ownership rights	
10. Allowances for Severe Impacts	AHs with loss of 10% or more income generating productive assets loss or to be relocated	All severely affected households including informal settlers and relocated renters	Additional crop compensation covering 1 year yield from affected land part. A rehabilitation allowance of 6 months at minimum monthly salary (defined by the RA legislation).
		AHs losing commercial/business establishments or other income generating property	A rehabilitation allowance of 6 months at minimum monthly salary (defined by the Ra legislation).
11. Relocation allowances		All relocated AH including relocated renters	Provision of funds to cover transport costs and livelihood expenses for 1 month.
12. Vulnerable People Allowances		AHs headed by women, or elderly, or disabled persons and AHs living below the poverty line	Allowance equivalent to 6 months of minimum monthly salary (defined by the RA legislation) and employment priority in project-related jobs.
13. Temporary impacts		All AP/AHs	Due rent and rehabilitation for temporarily affected assets will be provided.
14. Temporary impacts due to utility relocation	All AHs' losses based on their legal status	Owners	Compensation will be provided both for land and improvements as in case of permanent impacts.
		Non-legalizable AHs	Compensation will be provided only for improvements added to the affected land by users such as trees, crops, fences etc. In these cases, no allowance will be paid to users for illegal land use; however, these lands should be covered and returned to the user.
15. Unforeseen LAR impacts, if any		All AP/AHs	YM will consider the unforeseen LAR impacts (including unanticipated access restrictions) during project implementation and will compensate/rehabilitate based on the above provisions and in accordance with SPS 2009 and LARP methodology. The damage caused by Contractor (or subcontractor) during the construction works will be compensated in accordance with this LARF.
16. Compensation for improvements	Improvements that are not included in this Entitlement Matrix but exist on the	AP/AHs who have done the improvements regardless of legal status	Cash compensation at replacement cost.

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
	affected land (except the moveable property)		

165. Entitlement provisions for APs losing land, houses, and income and rehabilitation subsidies include provisions for permanent or temporary land losses, buildings losses, crops and trees losses, a relocation subsidy, and a business losses allowance based on tax declarations and/or lump sums. These entitlements are detailed below:

- (i) **Agricultural and non-agricultural land impacts** are to be compensated in cash at current market rates or cadastral value (whichever the highest) plus a 15% allowance according to the law to the titled landowner. When >10% or more of an AP's income generating assets is affected, AP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to the market value of a year's gross yield of the land lost.
- (ii) **For actually possessed and used lands, which are non-legalizable, APs** are to be compensated with one-time self-relocation allowances in cash equal to 25% of the market or cadastral value of the affected land (whichever is highest).
- (iii) **Residential buildings/structures** are to be compensated to all APs irrespective of the house registration status in cash at replacement cost (not less than the market value) plus a 15% allowance. Compensation is free of deductions for depreciation, transaction costs and salvageable materials. In case of partial impacts and unwillingness of the owner to relocate, building impacts cover only the affected portion of a building and its full rehabilitation to previous use. Relocated renters will be given all relocation and severe impacts allowances (see below).
- (iv) **Non-residential buildings/structures** are to be compensated in the following ways:
 - a. **AHs with valid registration** - Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials.
 - b. **AHs with non-legal buildings/structures built on the legal or non-legal land** – Rehabilitation allowance equal to replacement cost (free of depreciation/transaction costs and salvaged materials). There is no need to legalize these buildings/structures. Relocated renters will be given all relocation and severe impacts allowances (see below).
- (v) **Crops:** Cash compensation at current market rates for the gross value of 1 year's harvest by default. Crop compensation is to be paid both to landowners and tenants based on their specific sharecropping agreements.
- (vi) **Trees:** Cash compensation at market rate based on type, age and productivity of trees.
- (vii) **Permanent Business losses:** Permanent losses (1 year or more) will be compensated in cash equal to 1-year of net income based on tax declaration;
- (viii) **Relocation subsidy:** APs forced to relocate (including renters) will receive a relocation subsidy sufficient to cover transport costs and living expenses for 1 month amounting to the minimum salary (75,000 AMD²¹).

²¹ The minimum salary is defined by Article 1 of "RA Law on minimum salary" (ՌՕ-66-Ն), adopted on 17.12.2003 and changed on 07.12.2022

- (ix) **Community structures:** are to be fully replaced or rehabilitated so as to restore their pre-Project functions.
- (x) **Severe impacts allowances:** These are to be given to AH losing >10% or more of income generating productive assets (see above) and AH to be relocated from residential structures (including renters). Additional crop compensation covering 1 year yield from affected agricultural land part and a rehabilitation allowance of 6 months at minimum monthly salary (defined by the RA legislation) for other income generating assets will be calculated.
- (xi) **Vulnerable people livelihood:** Vulnerable people (APs below poverty line and women or elder headed households, or households headed by persons with disability of 1st and 2nd group) will be given a rehabilitation allowance equal to 6 months at minimum salary and employment priority in Project-related jobs.

6.4 Assessment of Compensation Unit Values

166. Assessment of the real estate or the real estate rights was made in accordance with the procedure defined under *the Act on Assessment of Real Estate in Armenia*. ADB methodology for assessing unit compensation values of different items is as follows:

- (i) **Agricultural Land** was valued at market rates based on a survey of land sales in the year before the impact survey.
- (ii) **Houses/Buildings** were valued at replacement rate based on construction type, materials cost, labor, transport/other construction costs. No deduction for depreciation/transaction costs. If an AP does not wish to relocate, partial impacts may be paid only for the affected portion of the building or for repairs.
- (iii) **Annual Crops** were valued at net market rates at the farm gate for the first-year crop. In the event that more than one-year compensation is due to the APs, the crops after the first year are to be compensated at gross market value.
- (iv) **Trees** were valued according to different methodologies depending on whether the tree lost was a wood tree or a productive tree.
 - a. Wood trees were valued based on age category (a. seedling; b. medium growth and c. full growth) and wood value and volume;
 - b. Fruit/productive trees were valued based on age (a. seedling; b. adult-not yet fruit bearing; and c. fruit bearing). Stage (a) and (b) trees are compensated based on the value of the investment made; stage (c) trees are compensated at net market value of 1 year income x number of years needed to grow a new fully productive tree.

167. The compensation unit rates were assessed by a certified independent evaluator based on clear and transparent methodologies acceptable to the ADB. The assessed compensation rates then were verified and certified by the PIU.

6.5 Conditions for Expropriation

168. Acquisition of land through expropriation proceedings entails lengthy procedures and often may be resisted. Such approach will thus be pursued under the Program only in extreme cases when negotiations between APs and YM fail and no alternative land is available. However, in these cases when an AP refuses to accept the compensation or other administrative and judicial obstacles prevent the timely payment of compensation, YM will not occupy the needed plots until: (i) the compensation/rehabilitation amounts are deposited in an escrow account; (ii) the proper judicial process as defined by the law is initiated; (iii) a court decision on expropriation has been obtained and properly communicated to the APs.

6.6 Conditions and Mechanisms for Legalization

169. In principle all occupants of untitled-plots can be legalized as long as they do not occupy areas classified as "Red Zones", the areas officially reserved for a specific public use, such as military areas, hospital areas, school areas or areas that are not ecologically fit for settlement (river beds, radioactive terrains or other dangerous or unfit lands).²²The Law of the Republic of Armenia has set detailed procedure for legalization of legalizable assets.

170. However, the approach adopted for this Project envisaged an easier procedure for legalization of legalizable assets, which is followed by fair and equal compensation as titled assets. In case of non-titled residential buildings, the APs have to initiate the legalization process in accordance with pertinent administrative regulations. The approach to the legalization issue set out in the YUDIP LARF is the following:

- (i) In the case of affected illegal residential construction, APs will not go through the legalization procedure but will be given compensation as rightful owners (115% of the replacement cost);
- (ii) In case of affected non-residential constructions, APs will not need to go through the legalization procedure. The compensation amount will be paid at replacement value;
- (iii) In case of legalizable affected non-titled land, APs will be legalized and paid as titled owners;
- (iv) In case of non-legalizable affected land, APs will be compensated with one-time self-relocation allowances in cash equal to 25% of the market or cadastral value of the affected land (whichever the highest).

6.7 Legalization Requirements

171. All APs eligible (person who has the documents certifying his rights on acquired property, but who has not still registered his ownership right) for the acquired property shall register their ownership and other property rights related to the acquisition of the property in compliance with the procedure established by RA legislation.

172. APs that have rights on acquired property recognized by the law, but have not ensured its proper formalization or state registration in accordance with law, are entitled either to acquire lawful rights towards the affected property and receive the compensation corresponding to their newly formalized (state registered) rights till the Acquisition contract conclusion or till the rendering of judicial act, in a result of legalization procedure.

²² See Land Code of the Republic of Armenia (2nd of May, 2001) article 60.

7 COMPENSATION, RELOCATION AND INCOME RESTORATION

7.1 Background

173. In order to explore additional assistance to the affected households necessary for their livelihood restoration, the PIU and the Consultant conducted interviews and consultations with the APs and the relevant local authorities. Also, during the collection of data for the socioeconomic survey, APs were given the opportunity to assess their chances for restoration of livelihood with the compensation they are entitled to receive according to the YUDIP LARF, and to suggest additional measures, which, in their opinion, would ensure, as a minimum, the same level of livelihood they had before the Project.

174. The census identified 50 affected households in the area covered by the LARP. In accordance with the YUDIP LARF, all AHs are considered for appropriate compensation for income losses that were measured during the preparation of this LARP. The Census and Socioeconomic Survey show that the key impact will be the loss of agricultural land and trees.

7.2 Affected Agricultural Income

175. There are 21 AHs who will lose more than 10% of agricultural income from the affected land plots.

176. In order to help APs to restore their livelihoods, 21 severely affected AHs whose agricultural income loss is more than 10% will receive allowance in addition to the compensation for the trees in accordance with the YUDIP LARF. In addition, the illegal land users will be provided with additional allowance in the amount of 25% of land cadastral value or market rate whichever the highest to assist the restoration of their livelihoods.

Table 7-1 Compensation and Assistance for Affected Persons Losing Income

No of Ahs	Description of loss	Compensation details	Assistance provided
21	Agricultural income loss (including for self-consumption)	Compensation for all affected crops and trees at replacement cost based on asset affected	Rehabilitation allowance amounting to 25% of land cadastral or market value in case of illegally used land plots. Compensation at replacement cost + 15% in case of owned land plots.
		Compensation for all assets, as well as improvements done on the land	Allowance as severe affected household for fruit trees losses in amount of 1 year's yield

7.3 Residential Relocation

177. There are 13 AHs (51 APs) who will face residential relocation. All 13 relocatees are losing the only place of their residence. In addition to the applicable compensation of land and non-land assets in accordance with the Entitlement Matrix the APs will receive a set of appropriate allowances such as relocation allowance, rehabilitation allowance and allowance for severe impact. The details are shown in the following table 7-2.

178. Besides the envisaged allowances, APs will be provided with the consultancy regarding approaches in search of replacement housing, registration of deals in notary, registration in state cadaster as well as consultancy regarding possible options in the arrangement for transportation by the PIU based on APs request. Information regarding this possibility to be consulted by the PIU will be disclosed through the information pamphlet to all the AHs after LARP approval by ADB and before the start of LARP implementation.

Table 7-2 Compensation and Assistance for Residential Relocates

No of Ahs	Description of loss	Relocation	Compensation details	Assistance provided	Time for relocation
13	Residential /home	Self-relocation	Compensation for all affected assets at replacement cost based on asset affected. For legal land: market rate or cadastal value (whichever higher) +15% For structures replacement cost +15%	Rehabilitation allowance for illegally used land in amount of 25% of land market value where applicable	30 calendar days after the delivery of full compensation
				Relocation allowance covering livelihood at minimum salary x 1 month.	
				Allowance as severe AH in amount of 6 x minimum salary,	
				Allowance as severe affected household for fruit trees, crops losses in amount of 1 year yield were applicable	
				Transportation cost for the assets to be moved	
				Consultancy regarding approaches in search of replacement housing, registration of deals in notary, registration in state cadaster, consultancy regarding possible options in the arrangement for transportation by the PIU based on APs request.	

7.4 Affected Businesses

179. In total, 3 businesses will be affected permanently by the Project. Owners of 2 businesses with tax declaration provided only the tax reports but refused to provide their taxpayer's identification numbers so it was not possible to get information from the SRC on reliability of the provided information. Due to this the compensation amount for the first two is calculated based on the available information which will be further verified during LARP implementation. The owner of the third business refused to provide any information and therefore the business is considered without tax declaration.

180. All households losing their businesses, regardless of legal status, will be assisted (consulted) in restoration of the affected business. According to the LARF the owners of the businesses with tax declaration that will suffer a permanent impact will be given cash indemnity of 1-year's net income in addition to compensation for all affected assets. APs whose permanently affected business has no tax declaration, will receive a cash indemnity at the rate of the minimum salary for 12 months, in case of temporary affected businesses the APs will receive cash indemnity at the rate of the minimum salary for 1 month. Details are presented in Table 7-3.

Table 7-3 Compensation and Assistance for Businesses

No of Ahs	Description of loss	Compensation details	Assistance provided	Time of relocation
Permanently Affected Businesses				
1 without tax declaration	Business loss	Compensation for all affected assets at replacement cost based on asset affected	Allowance for income loss in amount of 12 x of minimum salary	30 calendar days after the delivery of full compensation
			Relocation allowance covering transport costs	
			Rehabilitation allowance for illegally used land in the amount of 25% of land market value	
2 with tax declaration	Business loss	Compensation for all affected assets at replacement cost based on asset affected	Annual net income compensation	30 calendar days after the delivery of full compensation
			Relocation allowance covering transport costs	
			Relocation allowance covering transport costs	

7.5 Employment loss

181. Due to permanent business closure, 4 employees of 2 businesses will permanently lose their employment. They will be compensated in the amount of his/her average salary for 6 months of business stoppage. The owners of the third affected businesses refused to provide any information therefore there is no information about registered employees who will lose employment.

Figure 7-4 Employment loss

Loss	Employees affected
	No
Permanent employment loss	4

8 RESETTLEMENT BUDGET

8.1 Background

182. This chapter describes the methodology adopted for the determination of unit rates, cost of LAR and compensation that will be paid to APs for resettlement impacts caused by Project. The compensation entitlements of different categories of APs presented in this chapter have been defined according to the principles adopted in the YUDIP LARF. The compensation rates were determined by a certified independent valuator using a transparent methodology that was accepted by ADB, the PIU/YM and GoA. The LARP budget is summarized at the end of the chapter.

8.2 Sources and Allocation of Funds

183. LARP preparation and implementation costs, including compensation and administration costs will be financed from the following sources:

- (i) For land located in Yerevan, the compensation for the private land and the rehabilitation allowance for illegal usage of land belonging to YM and Government of RA fees for provision of address will be financed from funds provided for this Project in the Yerevan Community budget.
- (ii) Other land acquisition expenses, including taxes, duties, fees, and transaction costs (cadaster fees, fees for the provision of common reference on encumbrances on property, state registration fee for remaining parts of land, state sales contract registration for affected parts, cadaster fees for remaining parts of land, court expenses etc.) will be covered by the co-financed part of the RA state budget.
- (iii) Compensation for remaining assets, including allowances, will be covered by the RA state budget, from the ADB²³ loan provided for this project.

184. The PIU should request funds from the relevant financing sources needed for the implementation of the LARP and timely allocate them to APs, by transferring funds to the AP's individual account opened in his/her name in a commercial bank operating in the RA.

8.3 Compensation for Acquired Land

8.3.1 Valuation Approach

185. Valuation for affected assets was conducted at LARP preparation stage and was updated in January 2024 during the LARP update period. According to the LARF, land owners, lease holders and land users subject to legalization will receive compensation for affected land. Illegal users of land are not entitled to compensation for affected land. However, the LARF envisages to provide illegal users with livelihood restoration/rehabilitation allowances for the affected land. The compensation details are presented in the following table.

Table 8-1 Compensation/ Rehabilitation Allowances for Agricultural and Non-agricultural Land

Owner	Land user subject to legalization	Illegal land user
Replacement cost + 15%	Replacement cost + 15% (after legalization)	25% of the replacement cost
Leaseholders for the remaining years of lease		
Up to 1 year - (replacement cost +15%) * 0.05		
Up to 15 years - (replacement cost +15%) * 0.14		

²³Agreement between GoA and ADB has been reached and covenanted in the Loan Agreement signed on 27 November 2023.

Owner	Land user subject to legalization	Illegal land user
Replacement cost + 15%	Replacement cost + 15% (after legalization)	25% of the replacement cost
Leaseholders for the remaining years of lease		
Up to 25 years - (replacement cost +15%) * 0.20		
25 years - (replacement cost +15%) * 0.25		

186. The basis for the compensation and rehabilitation allowance calculation is the cadaster value or the market rate of the land whichever is higher. The market value of the land was assessed by using a comparative valuation method. The comparative method²⁴ is based on the comparison of reliable market information on the sale of similar plots (at least three sales examples). Based on this method, the adjusted average sale price of recently sold lands (within the same location and the same/similar application purpose/features) is determined. The price for each land plot is determined separately as many factors influence differences in land price. (For detailed valuation methodology, please see Appendix 2).

8.3.2 Compensation to Legal Land Owners

187. The compensation to be paid to legal landowners was calculated as the replacement cost plus 15%, which is in accordance with the RA Law on Eminent Domain. The total cost for the compensation to legal landowners is **2,938,808,455.93 AMD**. Out of this amount 1,970,540,830.90 AMD is allocated for the various construction land plots. The total amount of affected land plots is 25, out of which 15 are residential. Private landowners will be compensated from the YM budget for the land loss.

Table 8-2 Land Compensation for Private Land

Land Category	Land plots	Affected Area	Average Unit Price	Toal Land Cost	Total Land Compensation (including 15%)
	No	m ²	AMD/m ²	AMD	AMD
Commercial	3	1,943.70	108,460.14	210,813,977.0	242,436,073.6
Industrial	1	6,629.50	58,908.3	390,532,574.9	449,112,461.1
Residential	15	2,973.42	80,925.4	240,625,296.0	276,719,090.4
Various construction	6	7,008.10	244,504.8	1,713,513,766.0	1,970,540,830.9
Total	25	18,554.72	-	2,555,485,613.9	2,938,808,455.9

8.3.3 Rehabilitation Allowance for Illegally used Land

188. The rehabilitation allowance for illegally used land will amount to 25% of the land cost. In total **402,208,655.45 AMD** will be paid to the illegal users of 34 land plots with total area of **17,014.60m²** as a rehabilitation allowance for their livelihood losses. Out of these 34 land plots 32 (16,810.30m²) are owned by Yerevan municipality. The rehabilitation amount for illegal users of community land will amount to 390,213,691.70 AMD. 2 land plots with area of 204.3m² are privately owned and are illegally used by other parties as parking areas. Rehabilitation allowance for illegal users of these 2 land plots amounts to 11,994,963.75 AMD. Owners of the 2 private land plots will be also compensated and are included in the table 8-2 above.

²⁴ RA Law on Real Property Assessment, Article 11

Table 8-3 Rehabilitation Allowance for Illegally Used Private Land

Land Category	Land plots	Affected Area	Average Unit Price	Total Land Cost	Total Rehabilitation Amount (25% of the Land Cost)
	No	m ²	AMD/m ²	AMD	AMD
Commercial	2	204.30	234,850.0	47,979,855.0	11,994,963.8
Total	2	204.30	-	47,979,855.0	11,994,963.8

Table 8-4 Rehabilitation Allowance for Illegally Used Community Land

Land Category	Land plots	Affected Area	Average Unit Price	Total Land Cost	Total Rehabilitation Amount (25% of the Land Cost)
	No	m ²	AMD/m ²	AMD	AMD
Commercial	10	2,853.70	206,704.1	589,871,537.0	147,467,884.3
Industrial	1	6,499.80	59,710.0	388,103,058.0	97,025,764.5
Orchard	2	2,067.30	24,888.6	51,452,202.7	12,863,050.7
Residential	18	5,336.90	96,386.8	514,406,609.0	128,601,652.3
Various construction	1	52.60	323,600.0	17,021,360.0	4,255,340.0
Total	32	16,810.30	-	1,560,854,766.78	390,213,691.70

8.3.4 Compensation to Land Leaseholders

189. Leaseholders' compensation was calculated based on the cadaster value of the affected land plot + 15%, and adjusted in the following proportions based on the remaining years of lease: i) < 1 year 5%; 2) < 15 years 14%; 3) < 25 years 20%; 4) > 25 years 25%. The total compensation to be paid to 2 leaseholders is 45,366,378.75 AMD.

Table 8-5 Compensation for Legal Leaseholders

Land Category	Land plots	Affected Area	Average Unit Price	Market Value of the Land	Leaser Remaining Years	Applied Coefficient	Total for Compensation (including +15%)
	No	m ²	AMD/m ²	AMD	No	%	AMD
Commercial	1	14.50	334,070.0	4,844,015.0	<15	14	779,886.4
Various construction	1	1,486.10	186,350.0	276,934,735.0	<15	14	44,586,492.3
Total	2	1,500.60	-	281,778,750.0	-	14.00	45,366,378.7

8.4 Compensation for Buildings, Structures and Improvements

8.4.1 Valuation Approach

190. The compensation for alienated structures was calculated for both the owners of legal structures and the users of illegal ones. For each group, the YUDIP LARF defines a special approach for the calculation of compensation. The general approach is presented in the following table.

Table 8-6 Compensation for Residential and Non-residential Structures

Legal and non-legal residential structures	Legal non-residential structures	Non-legal non-residential structures
Replacement cost +15%	Replacement cost +15%	Replacement cost

191. The replacement costs for buildings and structures were determined by calculating the construction cost of similar new buildings/structures, of the same use and materials, or a substitute that meets modern requirements, based on market prices as of the assessment date. (For detailed valuation methodology, please see Appendix 2)

8.4.2 Residential Buildings

192. In total, **727,308,425.4 AMD** (including 15%) will be paid for affected residential buildings and structures with an area of 2,967.91m² to owners and non-legal users of buildings and structures as a result of land acquisition. From this amount, **639,353,515.9 AMD** will be paid for affected residential houses and **74,135,555.0 AMD** for supporting structures.

Table 8-7 Compensation for Residential Buildings

Name	Material	N o	Total	Average Unit Price	Toal Cost	Total Compensatio n (including 15%)
			m²	AMD/m²	AMD	AMD
A. House						
Residential house	pumice block	1	31.4	177,300.0	5,567,220.0	6,402,303.0
Residential house	stone	2016.1	2016.61	272,929.5	550,392,359.0	632,951,212.9
Subtotal A.	-	2017.2	2048	-	555,959,579.0	639,353,515.9
B. House						
B. Supporting Structures with Affected Main Building						
Basement under the platform	stone	1	15.7	73,500.0	1,153,950.0	1,327,042.5
Canopy	metal	1	18.4	35,000.0	644,000.0	740,600.0
Closet	metal	1	9.9	50,600.0	500,940.0	576,081.0
Closet	r/f concrete	1	10.8	123,900.0	1,338,120.0	1,538,838.0
Closet	stone	2	10.5	84,300.0	885,150.0	1,017,922.5
Flat roof/shed	r/f concrete	1	36.5	45,500.0	1,660,750.0	1,909,862.5
Garage	r/f concrete	1	29.7	123,900.0	3,679,830.0	4,231,804.5

Name	Material	N o	Total	Average Unit Price	Toal Cost	Total Compensatio n (including 15%)
			m ²	AMD/m ²	AMD	AMD
Garage	stone	3	136.6	125,209.6	17,103,630.0	19,669,174.5
Kennel	stone	1	3.8	114,000.0	433,200.0	498,180.0
Loft	stone	1	62.9	332,500.0	20,914,250.0	24,051,387.5
Platform	r/f concrete	1	95.3	25,000.0	2,382,500.00	2,739,875.0
Platform for residential house	stone	1	46.5	25,900.0	1,204,350.0	1,385,002.5
Shed	metal	5	81	34,630.9	2,805,100.00	3,225,865.0
Shed	stone	1	16.8	34,500.0	579,600.0	666,540.0
Staircase platform	r/f concrete	1	2.9	17,300.0	50,170.0	57,695.5
Support structure	pumice block	1	2.8	68,200.0	190,960.0	219,604.0
Support structure	r/f concrete	1	25	107,300.0	2,682,500.00	3,084,875.0
Support structure	stone	5	42	92,515.5	3,885,650.0	4,468,497.5
Toilet	stone	2	16.5	143,700.0	2,371,050.0	2,726,707.5
Subtotal B.	-	31	663.6	-	64,465,700.0	74,135,555.0
C. Support Structures of HHs without Residential Loss						
Barn	pumice block	2	63.2	93,000.0	5,877,600.0	6,759,240.0
Foundation of a residential house	r/f concrete	1	119.3	31,200.0	3,722,160.0	4,280,484.0
Shed	metal	2	73.8	32,751.6	2,417,070.0	2,779,630.5
Subtotal C.	-	5	256.3	-	12,016,830.0	13,819,354.5
Total (A+B+C)	-	58	2967.91	-	632,442,109.0	727,308,425.4

8.4.3 Non-residential Buildings

193. In total, 841,181,916.0 AMD for 22 affected non-residential buildings and structures with an area of 1750.7m² will be paid to owners and non-legal users of buildings and structures as a result of land acquisition, from which 39,016,950.0 AMD will be paid for the non-business structures, 29,289,386.0 AMD for business structures without suspension of business activity and 772,875,580.0 AMD for business structures with suspension of business activity.

Table 8-8 Compensation for Non-Residential Structures

Type of Structure	N o	Legal sq.m	Illega l sq.m	Total sq.m.	Average Unit Price	Total Cost	Total Compensation*
					AMD/m2	AMD	AMD
A. Non Business Structures	6	-	900.8	900.8	43,313.7	39,016,950.0	39,016,950.0
B. Business Structures without	9	300.4	98.8	399.2	66,633.3	26,600,000.0	29,289,386.0

Type of Structure	No	Legal sq.m	Illegal sq.m	Total sq.m.	Average Unit Price	Total Cost	Total Compensation*
					AMD/m2		
Suspension of Business Activity							
C. Business Structures with Suspension of Business Activity	7	447.9	2.8	450.7	1,491,231.6	672,098,080.0	772,875,580.0
Total	22	748.3	1002.4	1750.7	-	737,715,030.0	841,181,916.0

* For legal structures +15% is applied, for illegal ones no. Total compensation includes both figures

Table 8-9 Compensation for Non-Residential Non-Business Structures

No	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq.m.	Average Unit Price	Total Cost	Total Compensation
							AMD/m2		
1	Platform	r/f concrete	2	-	814.9	814.9	24,300.0	19,802,070.0	19,802,070.0
2	Structure	stone	2	-	38.4	38.4	138,200.0	5,306,880.0	5,306,880.0
3	Non-functioning café	stone	2	-	47.5	47.5	292,800.0	13,908,000.0	13,908,000.0
Total			6	-	900.8	900.8	-	39,016,950.0	39,016,950.0

Table 8-10 Compensation for Non-Residential Business Structures

No of Business	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq. m.	Average Unit Price	Total Cost	Total Compensation
							AMD/m2	AMD	AMD
A1. Business Structures without Suspension of Business Activity									
1	Support structure	stone	1	243.4	-	243.4	52,000.0	12,656,800.0	14,555,320.0
	Fuel depot	stone	1	42.6	-	42.6	100,600.0	4,285,560.0	4,928,394.0
	Foundation for structure	r/f concrete	1	9.6	-	9.6	31,200.0	299,520.0	344,448.0
1	Barn	r/f concrete slab	1	-	3.6	3.6	90,700.0	326,520.0	326,520.0
	Guardhouse	stone	1	4.8	-	4.8	143,200.0	687,360.0	790,464.0
	Shed	metal	2	-	30.5	30.5	34,500.0	1,052,250.0	1,052,250.0
	Barn	stone	1	-	61.4	61.4	114,500.0	7,030,300.0	7,030,300.0
	Toilet	r/f concrete slab	1	-	3.3	3.3	79,300.0	261,690.0	261,690.0

No of Business	Type of Structure	Material	No	Legal sq.m	Illegal sq.m	Total sq. m.	Average Unit Price	Total Cost	Total Compensation
							AMD/m2	AMD	AMD
2	Subtotal (A1)		9	300.4	98.8	399.2	-	26,600,000.0	29,289,386.0
A2. Business Structures with Suspension of Business Activity									
1	Kiosk	m/pl	1	-	2.8	2.8	88,600.0	248,080.0	248,080.0
1	Car wash-shop	r/f concrete	1	161	-	161	1,500,000.0	241,500,000.0	277,725,000.0
	Shed	metal / r/f concrete	4	192.2	-	192.2	1,500,000.0	288,300,000.0	331,545,000.0
	Underground pit	r/f concrete	1	94.7	-	94.7	1,500,000.0	142,050,000.0	163,357,500.0
2	Subtotal (A2)		7	447.9	2.8	450.7	-	672,098,080.0	772,875,580.0
4	Total (A1+A2)		16	748.3	101.6	849.9	-	698,698,080.0	802,164,966.0

8.4.4 Fences and Improvements

194. All improvements done by APs, regardless of their status, are subject to compensation. In total, **32,838,850.0AMD** will be paid for different types of improvements. Compensation for affected walls amounts to **36,507,502.5AMD**.

Table 8-11 Compensation for Improvements

Type	Material	Plots	Area m ²	Length M	No	Unit Price	Compensation
		No				AMD	AMD
Area	asphalt	7	2,256.00	-	-	8,000.0	18,048,000.0
Area	concrete	1	48.50	-	-	4,500.0	218,250.0
Area	concrete bricks	13	363.00	-	-	4,927.0	1,788,500.0
Area	concrete slabs	1	100.00	-	-	6,000.0	600,000.0
Area	gravel	1	300.00	-	-	50.0	15,000.0
Area	lawn	1	10.00	-	-	6,000.0	60,000.0
Area	re-installation repair of billboard and petrol refueling	3	20.50	-	-	40,000.0	820,000.0
Area	tuf slabs	1	15.00	-	-	8,000.0	120,000.0
Barrier	metal	1	-	-	1	10,000.0	10,000.0
Billboard	metal	1	-	-	1	700,000.0	700,000.0
Bridge/entrance to land	metal	1	-	-	1	50,000.0	50,000.00
Construction	metal	-	-	-	1	200,000.0	200,000.00
Door	metal	7	-	-	10	44,000.0	440,000.00

Type	Material	Plots	Area	Length	No	Unit Price	Compensation
		No	m²	M		AMD	AMD
Door	metal mesh	1	-	-	1	20,000.00	20,000.00
Fence	metal	2	-	112	-	4,000.00	448,000.00
Fence	metal mesh	8	-	370	-	3,831.08	1,417,500.00
Fence	metal mesh/ r/f concrete	1	-	8	-	17,000.00	136,000.00
Fence	slate	1	-	18	-	4,000.00	72,000.00
Foundation	r/f concrete/ basalt	1	-	7	-	60,000.00	420,000.00
Gate	metal	6	-	-	6	366,666.67	2,200,000.00
Gate	metal mesh	3	-	-	3	35,000.00	105,000.00
Handrail	metal	3	-	63	-	3,500.00	220,500.00
Kerb	basalt slabs	1	-	60	-	9,000.00	540,000.00
Kerb	concrete	4	25.00	64	-	4,875.00	432,500.00*
Kerb	concrete slabs	1	-	24	-	5,000.00	120,000.00
Path	basalt slabs	1	15.00	-	-	4,000.00	60,000.00
Path	concrete slabs	1	5.00	-	-	6,000.00	30,000.00
Pergola for grapes	metal	6	161.00	-	-	2,245.3	361,500.00
Pipe d=120*2 cm	metal	1	-	15	-	6,500.00	97,500.00
Platform	concrete/bar	1	7.00	-	-	30,000.00	210,000.00
Railing	metal	2	-	60	-	3,000.00	180,000.00
Railing	metal/ r/f concrete/ basalt	1	-	30	-	60,000.00	1,800,000.00
Rebar	metal	1	-	-	8	4,000.00	32,000.00
Rebar d=10cm	metal	1	-	-	9	4,000.00	36,000.00
Retaining wall	concrete panels	1	-	80	-	7,000.00	560,000.00
Stairs	basalt slabs	1	2.00	-	-	10,000.00	20,000.00
Stairs	concrete	2	8.30	-	-	6,096.4	50,600.00
Tandoor	brick	1	-	-	1	200,000.00	200,000.00
Total		41**	3,336.30	911.00	42	-	32,838,850

* calculation is based on both sqm and length
**number of land plots is presented without double counting

Table 8-12 Compensation for Fences

Material	Material	Area	Unit Price	Market Value	Compensation for Legal (Market Value + 15%)	Compensation for Illegal (Market Value)	Total for Compensation
		m ²	AMD/m	AMD	AMD	AMD	AMD
Fence A	r/f concrete	79	13,800.0	1,090,200.0	-	1,090,200.0	1,090,200.0
Fence B	Stone	630.4	22,500.0	14,184,900.0	2,081,385.0	12,375,000.0	14,456,385.0
Fence B	tuff stone	210.7	22,500.0	4,740,750.0	5,451,862.5	-	5,451,862.5
Fence C	tuff stone	171	29,200.0	4,993,200.0	5,742,180.0	-	5,742,180.0
Retaining wall A	r/f concrete	90	29,200.0	2,628,000.0	3,022,200.0	-	3,022,200.0
Retaining wall B	Stone	332.2	20,300.0	6,744,675.0	-	6,744,675.0	6,744,675.0
Total	-	1513.4	-	34,381,725.0	16,297,627.5	20,209,875.0	36,507,502.5

8.5 Compensation for Crops and Trees

8.5.1 Crops

195. Crop compensation will be paid in cash at market rates at the gross crop value of the expected annual harvest. The unit rates were determined based on the yield and prices of major crops for a 3-year period. Total crop compensation is **62,815.0AMD**.

Table 8-13 Compensation for Crops

Type of Crop	Annual Productivity	Affected Area	Total Loss	Price	Compensation
	kg/ m ²	m ²	Kg	AMD/m ²	AMD
Lawn	1.0	38.90	38.9	550.0	21,395.0
Decorative flowers	1.0	19.00	19	2,180.0	41,420.0
Total	-	57.90	57.90	-	62,815.0

8.5.2 Fruit Trees

196. Compensation for fruit trees is different for productive, not yet productive trees and seedlings:

- (i) **Fruit-bearing trees:** compensation at replacement cost for lost income based on the net market value of 1-year's income multiplied by the number of years needed to grow a fully productive tree.
- (ii) **Not-yet-fruit-bearing trees:** regardless of their age these trees will be compensated at replacement cost of productive inputs for the number of years needed to grow a tree to the productive age.
- (iii) **Seedlings: compensation** at the market value of the seedling.

197. In total, all fruit trees and bushes, including seedlings, immature fruit-bearing trees and fruit-bearing trees will be compensated with **28,201,101.0AMD**. Out of this, **78,100** AMD will be paid for seedlings, **808,401** AMD for not yet productive trees and **27,314,600** AMD for fruit bearing trees and

bushes. The particulars of compensation for the affected fruit-bearing trees and bushes are summarized in the following tables.

Table 8-14 Compensation for Seedlings

Type of tree	Trees	Unit Cost	Compensation
	No	AMD/tree	AMD
Fruit Trees			
Cherry	2	1,100	2,200
Peach	1	1,650	1,650
Walnut	1	2,200	2,200
Mulberry	17	2,200	37,400
Apple	6	1,100	6,600
Persimmon	1	3,300	3,300
Sweet cherry	3	1,650	4,950
Blackthorn	1	1,650	1,650
Pomegranate	2	3,300	6,600
Pear	7	1,650	11,550
Total	41	-	78,100

Table 8-15 Compensation for Not-yet Productive Trees

Type of tree	Trees	Unit Cost	Compensation
	No	AMD/tree	AMD
Fruit Trees			
Cherry	2	8,976	17,952
Peach	3	5,347	16,041
Fig	3	13,409	40,227
Apple	19	12,166	231,154
Apricot	11	15,928	175,208
Persimmon	4	16,401	65,604
Sweet cherry	4	5,938	23,752
Almond	6	18,806	112,836
Plum (shlor)	3	12,881	38,643
Plum	5	10,131	50,655
Quince	1	14,773	14,773
Hazelnut	1	21,556	21,556

Total	62	-	808,401
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Table 8-16 Compensation for Fruit-bearing Trees

Type of tree	Annual yield	Unit cost	Years to re-grow to productive level	Unit Cost per Tree	Affected Trees	Compensation
	kg	AMD/kg	No	AMD	No	AMD
A. Fruit bushes						
Currant	3	660	3	5,940	3	17,820
Dewberry	0.2	1200	3	720	15	10,800
Subtotal (A)	-	-	-	-	18	28,620
B. Fruit Trees						
Cherry	20	352	4	28,160	7	197,120
Peach	40	363	3	43,560	29	1,263,240
Walnut	30	1364	6	245,520	4	982,080
Fig	40	880	4	140,800	12	1,689,600
Mulberry	90	462	4	166,320	19	3,160,080
Grape	25	363	4	36,300	103	3,738,900
Apple	50	385	6	115,500	8	924,000
Date	20	880	7	123,200	1	123,200
Apricotplum	50	390	5	97,500	1	97,500
Apricot	80	528	6	253,440	38	9,630,720
Sweet cherry	30	605	4	72,600	35	2,541,000
Cornel	20	528	4	42,240	1	42,240
Almond	15	1166	5	87,450	3	262,350
Pomegranate	10	1133	5	56,650	2	113,300
Plum (shlor)	25	286	5	35,750	2	71,500
Plum	30	341	4	40,920	16	654,720
Quince	25	935	6	140,250	3	420,750
Pear	60	792	6	285,120	4	1,140,480
Oleaster	40	583	5	116,600	2	233,200
Subtotal (B)	-	-	-	-	290	27,285,980
Total (A+B)	-	-	-	-	308	27,314,600

8.5.3 Wood Trees

198. The compensation for wood trees is different for seedlings, medium growth and fully grown trees:

- (i) **Seedlings:** compensation at replacement cost of productive inputs. Seedlings are defined as trees with a diameter up to 12 cm.
- (ii) **Medium and fully-grown trees:** compensation at replacement cost of the wood value of the tree to be calculated based on the volume of the wood. Medium growth trees are defined as trees with a 13-22 cm diameter and fully grown trees as those with a diameter greater than 22 cm.

199. Wood trees compensation amounts to **66,990.0** AMD for seedlings, **146,880.0** AMD for medium growth trees and **1,132,200.0** AMD for fully-grown trees with total compensation amounting to **1,346,070.0 AMD**, as indicated in the following table.

Table 8-17 Compensation for Wood Trees

Type of tree	Seedling (up to 12cm diameter)				Medium Growth (up to 13-22cm diameter)				Full Growth (22+cm diameter)				Total	
	No	Unit cost	Diameter	Subtotal	No	Unit cost	Diameter	Subtotal	No	Unit cost	Diameter	Subtotal	No	AMD
		AMD	Cm	AMD		AMD	cm	AMD		AMD	cm	AMD		
Acacia	5	2,310	5	11,550.0	-	-	-	-	-	-	-	-	5	11,550.0
Ailanthus	-	-	-	-	3	8,960	14	26,880.0	28	29,900	32	837,200.0	31	864,080.0
Poplar	21	2,310	7	48,510.0	-	-	-	-	8	29,900	45	239,200.0	29	287,710.0
Tilia	-	-	-	-	-	-	-	-	1	29,900	45	29,900.0	1	29,900.0
Maclura	-	-	-	-	-	-	-	-	1	25,900	25	25,900.0	1	25,900.0
Cypress	-	-	-	-	1	120,000	15	120,000.0	-	-	-	-	1	120,000.0
Paulownia	3	2,310	5	6,930.0	-	-	-	-	-	-	-	-	3	6,930.0
Total	29	-	-	66,990.0	4	-	-	146,880.0	38	-	-	1,132,200.0	71	1,346,070.0

8.5.4 Decorative Trees and Bushes

200. There are only 2 affected decorative trees and 134 decorative bushes in this particular LARP area. Calculation of compensation for decorative tree and bushes was based on the replacement cost. In total **501,500.0 AMD** will be compensated for these losses.

Table 8-18 Compensation for Decorative Trees and Bushes

Type of Decorative Trees/Bushes	Small			Large			Total	
	No	Unit cost	Compensation	No	Unit cost	Compensation	No	Compensation
		AMD	AMD		AMD	AMD		
A. Decorative trees								
Silver fir	1	75,000	75,000	-	-	-	1	75,000.0
Cercis	-	-	-	1	8,000	8,000.0	1	8,000.0
Subtotal (A)	1	-	75,000	1	-	8,000.0	2	83,000.0
B. Decorative trees								
Rose noble	-	-	-	35	900	31,500	35	31,500.0
Ivy	-	-	-	4	2,000	8,000.0	4	8,000.0
Cornus	1	2,500	2,500.00	-	-	-	1	2,500.0
Lylac	10	500	5,000	44	2,500	110,000.0	54	115,000.0
Thuja	-	-	-	4	9,000	36,000.0	4	36,000.0
Climbing rose	-	-	-	8	3,500	28,000.0	8	28,000.0
Yucca	-	-	-	17	10,000	170,000.0	17	170,000.0
Buxus	-	-	-	11	2,500	27,500.0	11	27,500.0
Subtotal (B)	11		7,500	123		411,000	134	418,500
Total (A+B)	12	-	82,500	124	-	419,000	136	501,500

8.6 Compensation for Business and Income Losses

8.6.1 Business Losses

201. 3 businesses will be permanently affected by the Project. Owners of 2 businesses provided their tax declarations but refused to provide tax payers identification numbers. The reliability of the provided reports will be checked with the SRC during LARP implementation. The third business owner refused to provide any information on the business operation and therefore is considered without tax declaration and a rehabilitation allowance based on the minimum non-taxable salary is calculated. The compensation will be revised for this 3rd business if tax declaration information is provided during the implementation.

202. The calculated compensation for businesses amounts to **4,012,992.00AMD** as presented in table 8-19 below.

Table 8-19 Compensation for Business Losses

No	Business	Income months	Net monthly income	Net annual income	Total	Registration cost/ provision of address	Total compensation including registration costs
	No	No	AMD	AMD	AMD	AMD	AMD
1	1	12	n.a	616,080	616,080.00	3,000.00	619,080.00
2	1	12	n.a	2,493,912	2,493,912.00	-	2,493,912.00
3	1	12	75,000.00	n.a	900,000.00	n.a	900,000.00
Toatal	3	-	-	-	4,009,992.00	-	4,012,992.00

8.6.2 Income Losses

203. There are 4 permanently affected business employees working in 2 affected businesses. For permanent termination (permanent impact) of an entrepreneurial activity, the employees shall receive cash indemnity for six months in the amount of the average monthly salary for each month. Average salary for each AP is calculated in accordance with the procedure defined by the RA Land Code.. Thus, the calculated compensation for 4 permanently affected business employees' amounts to 1,437,993.00 AMD.

204. According to the YUDIP LARF, employees entitled to compensation are registered employees who have worked for an affected organization for at least two months prior to the cut-off date of the impacts assessment/AP census and for whom mandatory social security payments are calculated in accordance with RA law. As mentioned above the owners of 2 businesses provided only their tax declarations and refused to provide any other information. The reliability of provided information will be checked during LARP implementation.

Figure 8-20 Compensation for Employment Loss

Loss	Employees affected	Months	Average compensation	Total
	No			AMD
Permanent employment loss	4	6	359,498	1,437,993

8.7 Rehabilitation Allowances

8.7.1 Severe Impact Allowances

205. Under this LARP AH with loss of 10% or more of income generating productive assets or to be relocated will receive additional severe impact allowances. In particular additional fruit-bearing trees and crop compensation covering 1-year's yield will be paid to 21 severely affected households with losses of more than 10% of their agricultural income. The 13 AHs with residential relocation and 2 relocated businesses will receive an allowance equivalent to 6 months' minimum salary (75,000.00 AMD). The total compensation for all severely impacted 26 AHs amounts to **12,015,525.00AMD**. The details are presented in the following table.

Table 8-20 Allowances for Severely Affected Households

Category	No of AHs	Unit Cost	Total
			AMD
Severely AHs losing more than 10% of agricultural income	21	229,310.71	4,815,525.00
Business relocation	3	450,000.00	1,350,000.00
Severely Affected AHs to be relocated	13	450,000.00	5,850,000.00
Total (without double counting)	26	-	12,015,525.00
* The allowance was calculated individually for each AH. The unit costs in this table represent the average amounts.			

8.7.2 Allowances to Vulnerable Groups

206. Additional allowances are allocated for vulnerable groups, particularly for AHs headed by women, elderly people as well as poor AHs. Such allowance amounts to the equivalent of 6 months' minimum salary (75,000 AMD). The total allowance to be paid to 2 vulnerable AHs amounts to **900,000.00 AMD**.

Table 8-21 Allowances to Socially Vulnerable People

Type	No	Allowance Amount	Total AMD
Poor AHs	-	-	-
Woman-headed AHs	2	-	-
Elderly-headed AHs	1	-	-
Households headed by persons with disability of 1st and 2nd group	-	-	-
Total	2*	450,000.00	900,000.00
*1 AH is both woman and elderly headed			

8.7.3 Relocation Allowances

207. The relocation allowances were calculated taking into account the costs that will be incurred for the transportation of movable assets. Transportation costs were determined according to the average cost of such services offered by several freight shipping organizations available in the market. The calculation allows the AP to move his/her property within a 20 km radius. The allowance is calculated for all APs that need to relocate their assets. In total **360,000.00 AMD** will be paid for the relocation of 4 movable metal structures (Table 8-22), **3,102,000.00 AMD** will be paid for the relocation of movable assets of small gabarites and **90,000.00 AMD** will be paid for the relocation of movable assets of big gabarites (Table 8-23). The total compensation for movable assets amounts to **3,192,000.00 AMD**.

208. Also, the livelihood restoration allowance was calculated for 13 relocated AHs equivalent to 1 month minimum salary (75,000 AMD). The total livelihood restoration allowance to be paid for 13 AHs amounts to **975,000.00 AMD**.

Table 8-22 Transportation Costs for Movable Structures

Type of Affected Structures	Construction Type	Buildings	Affected Surface	Unit cost	Trip	Total for compensation
		No	m ²	AMD	No	AMD
Metal house	Metal	4	87.25	90,000.00	1	360,000.00
Total	-	4	87.25	-	1	360,000.00

Table 8-23 Transportation Costs for Movable Assets

Type of allowance for transportation assets	Trips required	Unit rate	Total
	No	AMD	AMD
Small gabarites	88	35,250	3,102,000.00
Big gabarites	1	90,000	90,000.00
Total	89	-	3,192,000.00

Table 8-245 Livelihood expenses for relocated AHs

Livelihood restoration allowance	AHs	Unit cost	Total
	No	AMD	AMD
Severely affected AHs to be relocated	13	75,000.00	975,000.00

8.8 Registration Costs and Applicable Taxes

209. Under the YUDIP LARF there will be no deductions from the compensation paid to APs. During the signing of acquisition contracts and the re-registration of properties, certain mandatory fees and taxes are payable according to RA legislation. All fees are lump sums of different amounts based on the category of land (residential or agricultural) and structures (residential, or non-residential). The particulars of the payable registration fees and duties are presented in the valuation methodology. The following fees and taxes are payable under Armenian laws:

- (i) Fee for the state registration of rights to the real estate unit, changes in rights and delegation²⁵;
- (ii) Fee for the provision of a common reference for a real estate unit²⁶;
- (iii) State duties for the registration of real estate²⁷ and of real estate alienation contracts²⁸;
- (iv) Notary service fee for the ratification of real estate division contracts and of real estate alienation contracts²⁹;

210. In total, **3,974,000 AMD** is calculated for the registration of properties and court expenses (Table 8-25).

²⁵ State Registration Of Rights To The Property Act.

²⁶ Ibid

²⁷ State Duties Act.

²⁸ Ibid.

²⁹ Study Of Services Of Notary Offices

Table 8-25 Fees for Property Registration and Court Expenses

Land/ building category per Cadaster Certificate	Unified reference on restriction s	Cadastral expenses State registratio n service fee	Cadastral expenses State registratio n fee	Fees for the service of a notarized contract	Notarial fees for notarize d contract	Fees for the service of a notarized agreemen t	Notarial fees for notarized agreemen t	Notarial expenses (Power of attorney, inheritanc e)	Court expense s	Subtotal (Registratio n Cost per 1 Property)	N	Total Registratio n*
Commercial	10,000.00	50,000.00	1,000.00	30,000.00	10,000.00	10,000.00	2,000.00	18,000.00	20,000.00	151,000.00	14	1,064,000.00*
Industrial	10,000.00	75,000.00	1,000.00	45,000.00	15,000.00	10,000.00	2,000.00	18,000.00	20,000.00	196,000.00	2	246,000.00
Orchard	-	-	-	-	-	10,000.00	2,000.00	-	20,000.00	32,000.00	2	64,000.00
Residential	10,000.00	25,000.00	-	15,000.00	5,000.00	10,000.00	2,000.00	18,000.00	20,000.00	105,000.00	33	1,898,000.00
Various construction	10,000.00	50,000.00	1,000.00	30,000.00	10,000.00	10,000.00	2,000.00	-	20,000.00	133,000.00	8	702,000.00
Total	-	-	-	-	-	-	-			-	59	3,974,000.00

* The total amount is not calculated by multiplying 151,000*15. It is calculated based on calculations for each property. For example we have only 4 legal commercial land plots, for which we need to pay state registration.

211. In cases defined under the RA tax legislation related to property alienation of APs, owners, legal entities, private entrepreneurs and individuals who are not entrepreneurs may have tax commitments. In this regard, Article 11, part 5 of the “RA Law On Alienation of the Private Property to Ensure Public and State Interests” disposes that the acquirer compensates to the expropriated property owner all the financial responsibilities (taxes, mandatory fees etc.) related to property expropriation.

212. However, it shall be considered fact that under point ‘2’ of article 14 of the RA Tax Code, unless otherwise provided by tax legislation, taxpayers are obligated to calculate the due amount of taxes themselves and pay them to the budget. The abovementioned provision implies that taxpayer APs shall themselves calculate the taxes arising from property acquisition and pay them to the state budget within the terms defined by law. The acquirer is responsible for compensating the AP for all taxes arising from the property acquisition.

213. Profit tax, VAT and Income tax with total amount of **715,120,995.32 AMD** are calculated and included in the LARP budget. Profit tax and VAT arise for acquisition of 8 properties which belong to legal entities and Income tax is calculated for acquisition of 15 properties which belong to individuals. The types and amounts of calculated taxes are presented in table below.

Table 8-27 Taxes included in the LARP

Type of the tax	Number of properties	Tax amount (AMD)
VAT (20%)	8	298,445,668.81
Profit Tax (20%)	8	298,445,668.81
Income Tax (10%)	15	118,229,657.70
Total		715,120,995.32

8.9 Budget (Cost) Summary

214. The total, implementation cost of the LARP for the Project amounts to **7,304,999,421.53 AMD** which is equivalent to **\$ 18,131,948.52**, as shown in the following table. Out of the total amount, Yerevan Municipality will provide 4,066,962,638.09 AMD and the GoA will provide 920,888,788.78 AMD. The remaining 2,317,147,994.66 AMD for implementing the LARP will be covered from the ADB loan. Yerevan Municipality will ensure that the compensation funds for land acquisition and resettlement are approved by all sources and allocated in time for implementation of this LARP.

215. The LARP budget also includes miscellaneous expenses for administrative costs that will be incurred during the implementation of the LARP. This expense has been estimated and included in the budget as a single lump sum.

216. The table below presents the budget summary per source of financing.

Table 8-26 Budget Summary

Item	Source of Finance	Total/AMD	Total/USD
I. Compensation Budget, Including Allowances			
Compensation for private land (including 15% surcharge)	YM	2,938,808,455.93	7,294,500.73
Rehabilitation allowance for illegally used land	YM	402,208,655.45	998,333.64
Compensation for leased land	YM	45,366,378.75	112,605.19
Compensation for residential buildings	ADB Loan	727,308,425.35	1,805,273.10
Compensation for non-residential buildings	ADB Loan	841,181,916.00	2,087,921.75
Compensation for fences	ADB Loan	36,507,502.50	90,616.32

Item	Source of Finance	Total/AMD	Total/USD
Compensation for improvements	ADB Loan	32,838,850.00	81,510.25
Compensation for crops	ADB Loan	62,815.000	155.91
Compensation for fruit trees and bushes seedlings	ADB Loan	78,100.00	193.85
Compensation for not yet productive trees and bushes	ADB Loan	808,401.00	2,006.56
Compensation for fruit-bearing trees	ADB Loan	27,314,600.00	67,798.35
Compensation for wood trees	ADB Loan	1,346,070.00	3,341.12
Compensation for decorative trees and bushes	ADB Loan	501,500.00	1,244.79
Compensation for business losses	ADB Loan	4,012,992.00	9,960.76
Compensation for employment losses	ADB Loan	1,437,993.00	3,569.28
Allowances for severely affected households	ADB Loan	12,015,525.00	29,824.08
Allowances for socially vulnerable people	ADB Loan	900,000.00	2,233.92
Transportation costs for movable assets	ADB Loan	3,552,000.00	8,816.52
Livelihood expenses for relocated AHs	ADB Loan	975,000.00	2,420.08
Fees for registration services	GoA	3,974,000.00	9,863.98
Taxes	GoA	715,120,995.32	1,775,022.33
Subtotal I.		5,796,320,175.30	14,387,212.51
II. Administrative Costs			
Direct administration costs (5% of Subtotal)	ADB Loan (83.33%)	241,503,608.10	599,443.21
	GoA (16.67%)	48,312,328.66	119,917.42
Subtotal II.		6,086,136,184.06	15,106,573.13
Contingency 20%	ADB Loan	384,802,624.71	955,129.63
	YM	680,579,147.96	1,689,285.02
	GoA	153,481,464.80	380,960.74
Total LAR Budget		7,304,999,421.53	18,131,948.52

Exchange rate on December 1, 2023, Central Bank of the Republic of Armenia: (USD) 1USD=402.88 AMD

Table 8-27 Budget Summary per Source of Financing

Source of Finance	AMD	USD
Yerevan Municipality	4,066,962,638.09	10,094,724.58

Source of Finance	AMD	USD
ADB loan	2,317,147,994.66	5,751,459.48
State Budget	920,888,788.78	2,285,764.47
Total	7,304,999,421.53	18,131,948.52

9 INSTITUTIONAL ARRANGEMENTS

9.1 Background

217. Planning and implementation of the LAR activities involve distinct processes and dynamics of different actors. This chapter will present the details on all the parties and their roles during the LAR activities.

9.2 Core Agencies and Organizations

9.2.1 Asian Development Bank

218. The Asian Development Bank (ADB) is the funding agency of the Project. In addition to funding, ADB will periodically review the Project and LARP implementation as well as provide clearance to contract awards and signing/initiation of civil works on the Project.

9.2.2 The RA Ministry of Territorial Administration and Infrastructure

219. The RA Ministry of Territorial administration and infrastructure (MTAI) is the executing agency (EA) for the project. It implements general functions for the Project including cross-agency coordination.

9.2.3 The Municipality of Yerevan and Project Implementation Unit

220. The Municipality of Yerevan (YM) has the overall responsibility for the Project. This includes preparation, implementation and financing of all LAR tasks and cross-agency coordination. YM exercises its functions with respect to the Project through the Project Implementation Unit. The PIU Resettlement Specialists (RS) is responsible directly to the Project lead for the general management of the planning and implementation of all LAR tasks.

221. The RS will be responsible for: (i) cooperation with cadastral services; (ii) assisting the consultants in mapping, surveying and title verification activities; (iii) issuing the LARP to ADB for review, (iv) disclosing the LARP; (v) planning and management of LARP implementation and the distribution of compensation; (vi) assisting in case of complaints; (vii) ensuring proper internal monitoring. The RS will also provide all needed documentation to ensure the prompt allocation of LAR budgets to the APs and will maintain the coordination of all LAR related activities. In addition, the PIU RS will serve as a liaison between the resettlement specialists of the DESC, YM, PSC, EA, the Cadaster Committee, ADB and will develop and maintain direct relationships with government authorities with respect to LAR tasks. Depending on the scope and complexity of works during the LARP implementation the PIU will engage more specialists when required.

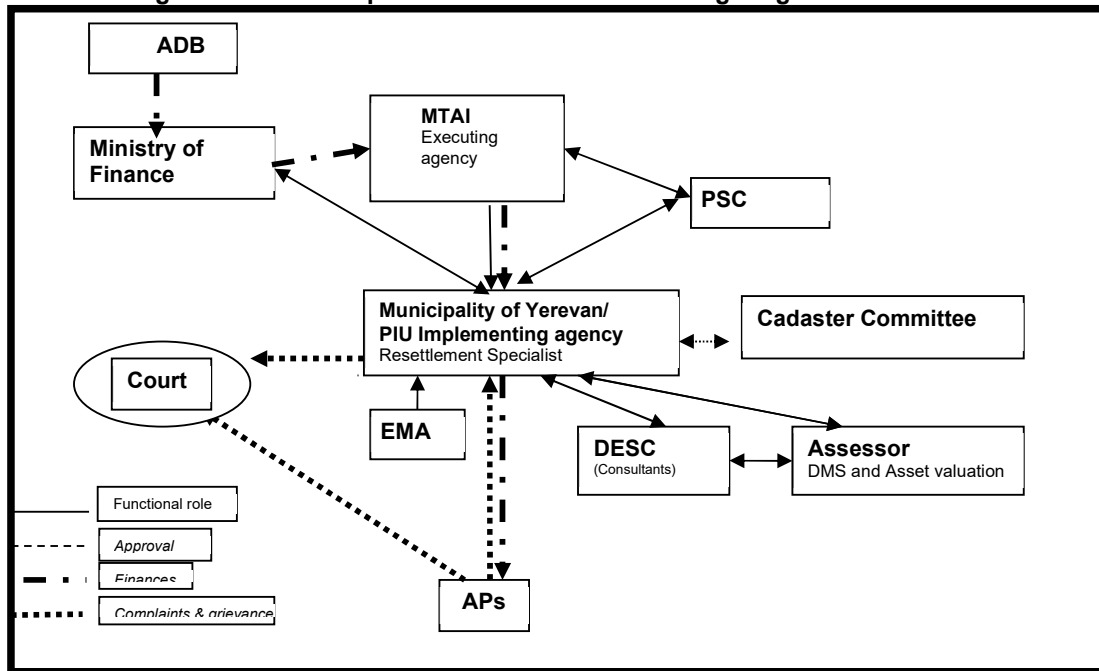
9.2.4 Consultants

222. Different consultants have been involved in the preparation and implementation of the LARP.

- (i) **Detailed Engineering and Construction Supervision Consultant (DESC)** - includes international and local LAR capacity and survey teams which carried out activities necessary for preparation of this LARP. DESC will assist in the implementation of LAR activities.
- (ii) **External Monitoring Agency (EMA):** This consultant will be hired by PIU and approved by ADB for the Project. The EMA will conduct the external monitoring and evaluation of the implementation of this LARP

- (iii) **Independent Detailed Measurement and Asset Valuators:** This is an accredited private firm hired by DESC for measurement and assets inventory as well as evaluation of the affected assets during the preparation of this LARP.

Figure 9-1 Land Acquisition and Resettlement Organogram and Actions



9.3 Other agencies and Institutions

223. Several other Government agencies play instrumental roles in the LAR processes. These are:

- (i) **The RA Ministry of Finance:** The budget funds for the implementation of the LARPs (apart from the budget for land compensation and land acquisition related taxes, duties, fees and transaction costs) will be provided to YM by the RA Ministry of Finance after the official approval of the final LARP by RA Government;
- (ii) **The RA Ministry of Labor and Social affairs:** is responsible for providing information about vulnerable AHs registered in the evaluation system of vulnerability of families (ESVF) and receive a family allowance;
- (iii) **Cadaster Committee of the GoA:** is responsible for providing information about the status of real estate ownership, and is in charge of the state registration of ownership;
- (iv) **Head of the administrative district of Yerevan:** is responsible for approval of references of illegally used land plots;
- (v) **Local Courts:** In case of expropriation issues. YM will have to rely on the Yerevan City Court which, based on due legal process, will have to review the expropriation cases, carry out a hearing and decide whether the land can be expropriated and if so, what would be fair price.

9.4 LARP Implementation Capacity

224. The EA/PIU gained experience for LARP implementation during the preparation and implementation of LARPs for other projects and has sufficient capacity now for implementation of this LARP. An experienced Implementation team will be hired and mobilized by PIU for the implementation of this LARP, as well as provision of on-the-job capacity building to PIU safeguards staff (ToRs for LARP implementation consultants are attached

in Annex 12). Besides ADB periodically organizes training workshops on aspects of LARP implementation in which the PIU safeguards staff are invited to participate.

10 LAND ACQUISITION AND RESETTLEMENT PLAN IMPLEMENTATION PROCESS

10.1 Background

225. This Chapter describes the steps taken to prepare this LARP and the future activities required to ensure its successful implementation. A timeline and implementation schedule is presented at the end of the chapter.

10.2 Land Acquisition and Resettlement Plan Preparation Actions

226. The IA will begin the implementation of the LARP immediately after its approval by the ADB and Government of the Republic of Armenia. In order to implement the LARP effectively, the PIU will hire additional LARP implementation specialists, depending on the workload. The PIU has already initiated some actions as groundwork, and certain preparatory tasks regarding the implementation of the LARP have been successfully completed. The following are the particulars of the main preparatory tasks completed to date:

- (i) Establishment of the Project Implementation Unit (PIU);
- (ii) Adoption of the Government Decree on Preliminary Study by the Government (GD 1002-N, 30.06.2022)³⁰;
- (iii) Adoption of the Government Decree on Eminent Domain Interest by the Government (GD 1357-N, 11.08.2023)
- (iv) Identification and calculation of impacts. AP numbers and costs data based on the existing LARF provisions;
- (v) Conducting of 2 public consultations;
- (vi) Preparation and signing with the AP of asset description protocols;
- (vii) Establishment of Project Cut-off date and its disclosure;
- (viii) Conducting need assessment and survey of affected households for identification of livelihood restoration and improvement activities;
- (ix) Endorsement of this LARP by the PIU and its submission to the ADB for review in the form of this document.

227. The asset description protocols were signed by the APs and submitted to the APs officially after the GD on Eminent Domain was adopted by the Government. The cut-off date for the project is 11 October 2023. It is the date of signing of the first description protocol by AP and PIU.

10.3 Land Acquisition and Resettlement Plan Implementation Milestones

228. The IA will provide adequate advance notice to the APs and pay their due compensation based on the eligibility criteria defined in this LARP for resettlement, including relocation and income restoration/assistance prior to the start of construction work.

229. The following process of compensation disbursement to the APs in accordance with the Project LARF and Armenian Laws and Regulations is described below:

- (i) **Sending of Draft Acquisition Contracts and agreements.** As soon as the LARP is approved by ADB and RA Government, the PIU will send the draft contracts and agreements to APs. APs should incorporate their bank account numbers in the draft contracts and agreements if needed. The IA should sign a final contract/agreement with APs within 3 months after dissemination of the draft contract/agreement.
- (ii) **Signing of the contracts and agreements.** The PIU will sign contracts with APs for disbursement of compensation for legal properties and will sign agreements without notary verification for disbursement of allowances.
- (iii) **Expropriation procedure.** In case the acquisition contracts are not signed by APs (owners and other property right holders) within 3 months after dissemination of the draft contract for some reason (disagreement of APs, unresolved issue etc.), the amount of compensation will be pledged in the names of the APs on the court deposit account. The AP has the right to take the amount from a deposit account within 7 days. In this case, the contract will be considered as signed. Otherwise, the PIU will initiate expropriation procedures and will transfer the case to the court. In case of expropriation, the subject of a court's discussion can only be the compensation amount. The court's decision on compensation amount for the property and other assets to be acquired will be the basis for the acquisition of land. In such cases, no construction works on the particular plot will start until a court decision is obtained and enters into force.
- (iv) **Payment of Compensation/Allowances.** 85% of the compensation amount will be paid within 25 days of the signing of the contract and registration of the acquired property in the State Cadaster (if applicable) the 15% will be paid after the AP hands over the property, according to a handing over act. The compensation will be transferred to the AP's bank account.
- (v) **Vacation of Site.** The APs will have 30 days to relocate from the date of delivery of full compensation/allowances. Within this time, they should manage to dismantle and remove all salvageable material for the rebuilding of houses and re-establishment of businesses. The IA reserves the right to demolish such structures if the AP has not done this by the agreed deadline.

230. Grievances or objections (if any) will be redressed as per the grievance redress procedure adopted in this LARP. All activities related to LAR will be completed prior to commencement of civil works.

231. After implementation of the LARP the compliance report will be prepared and submitted to ADB approval prior to commencement of construction works in LAR-affected sections.

10.4 Legalization Action Plan

232. There were no legalization issues identified during preparation of the LARP. A Legalization Action Plan will be developed under this LARP in case if any legalization issues occur.

10.4.1 Impacts during the construction period

233. If during the construction period any impacts emerge due to the Contractors' activities, particularly if a business is affected due to temporarily blocked access or access to any other income generating sources, or if any APs' improvements, assets (crop, tree etc.) are damaged, the compensation to APs will be covered by the Contractor through the following procedure:

- (i) The impact will be assessed and protocolled by the Contractor and signed with APs with involvement of representative of Supervision Consultant.
- (ii) The compensation to APs will be assessed in accordance with the entitlements set in the YUDIP LARF and valuation methodology defined by this LARP.
- (iii) The AP will be properly informed about this by the Contractor with provision of copies to the Employer and the Supervision Consultant.
- (iv) A compensation agreement will be signed with the AP. All actions carried out will be reported to the Employer and DESC, providing a copy of the signed protocol and agreement.

10.5 Land Acquisition and Resettlement Plan Implementation Schedule

234. The timeline presented in the following table shows the distinct stages of the LARP preparation, finalization and implementation.

Table 10-3 Timeline for Land Acquisition and Resettlement Plan Preparation, Finalization and Implementation

Task Name	Responsibility	Start	Finish
STEP 1 DRAFT LARP PREPARATION			
Approval of GoA Decree on Preliminary study of affected properties (30.06.2022 N 1002-У)	PIU/YM	30/06/2022	30/06/2022
The GoA Decree on Preliminary study enters into force	PIU/YM	11/07/2022	11/07/2022
Detailed Measurements of Assets	DESC	01/08/2022	29/11/2022
Inventory of Assets	DESC	01/08/2022	29/11/2022
Preparing the draft Maps (plans)	DESC	10/08/2022	08/12/2022
Collection of documents of APs	DESC	15/08/2022	13/11/2022
Conducting of Census and SES	PIU/YM	15/08/2022	12/01/2023
Valuation of assets	DESC	06/08/2022	03/01/2023
Public Consultation	DESC/PIU	06/10/2022	06/10/2022
Entering data in the Data Base	DESC	15/08/2022	17/01/2023
Obtaining updated information from Cadaster Committee about affected properties for GoA Decree on Eminent Domain	PIU/YM	31/10/2022	03/11/2022
Data analyses	DESC/PIU	16/11/2022	05/01/2023
Obtaining information from the MLSA about families registered in the evaluation system of vulnerability of families (ESVF) and receiving family allowance.	PIU/YM	24/01/2023	08/02/2023
DRAFT LARP preparation	DESC/PIU	20/01/2023	25/02/2023
Submission of DRAFT LARP to ADB	PIU	25/02/2023	25/02/2023
Initiation of GoA Decree on Eminent Domain by PIU	PIU/YM	21/02/2023	25/02/2023
Preparation of Description protocols	DESC	21/02/2023	23/03/2023
ADB comments on the Draft LARP	ADB	05/04/2023	05/04/2023
Submission of revised Draft LARP to ADB	PIU	05/06/2023	05/06/2023
Posting of the Draft LARP on ADB website	ADB	16/06/2023	16/06/2023
STEP 2 LARP FINALIZATION			

Task Name	Responsibility	Start	Finish
Survey of Households Residing in Multistory Apartment Buildings out of the RoW	DESC	15/06/2023	15/07/2023
Approval of GoA Decree on Eminent Domain (11.08.2023, N1357-Ն)	GoA	11/08/2023	11/08/2023
Submission of Maps to APs for notification about affected/not affected part	PIU	25/08/2023	25/08/2023
Update of DMS, Census and SES results	DESC	25/08/2023	10/11/2023
Signing of description protocols with APs	DESC	11/10/2023	25/10/2023
Identification of potential expropriation cases	PIU	11/10/2023	22/01/2025
Public Consultation (disclosure of the cut-off date)	PIU/DESC	13/10/2023	13/10/2023
Notification of signed description protocols to APs	PIU	13/10/2023	28/10/2023
Final valuation of all affected assets	DESC	25/10/2023	20/11/2023
Finalization of the LARP	DESC	21/11/2023	05/12/2023
Submission of the final LARP to ADB	PIU	06/12/2023	06/12/2023
ADB comments on final LARP	ADB	08/01/2024	08/01/2024
Survey on livelihood restoration with 60% of AHs	PIU	13/06/2024	17/06/2024
Submission of revised Final LARP to ADB	PIU	21/06/2024	21/06/2024
Procurement of EMA	PIU/ADB	20/10/2024	20/12/2024
Procurement of LARP implementation team	PIU/ADB	20/10/2024	20/12/2024
STEP 3 LARP IMPLEMENTATION			
Approval of the final LARP by ADB	ADB	20/10/2024	27/10/2024
Armenian version of final LARP	DESC	27/10/2024	03/11/2024
Initiation of Government Decree on approval of the LARP	PIU/YM	29/10/2024	05/11/2024
RA Government approves LARP	GoA	12/01/2025	19/01/2025
Posting approved LARP document on ADB and YM websites	ADB/PIU	13/01/2025	20/01/2025
Disclosure of LARP information pamphlet to APs	Imp. Team	22/01/2025	29/01/2025
Draft contracts/agreements sent to APs	Imp. Team	22/01/2025	29/01/2025
Signing contracts/agreements	Imp. Team	24/01/2025	29/04/2025

Task Name	Responsibility	Start	Finish
Disbursement of compensation	PIU/YM	26/01/2025	14/05/2025
Transfer of compensation amounts to the Courts deposit account	PIU/YM	22/04/2025	22/05/2025
Initiating of Court procedures	PIU/Imp. Team	22/05/2025	21/06/2025
Preparation of LARP Compliance Report	EMA	14/05/2025	13/06/2025
Submission the LARP Compliance Report to ADB	PIU	14/06/2025	15/06/2025
ADB reviews the LARP Compliance Report	ADB	16/06/2025	01/07/2025
Submitting the LARP final Compliance Report to ADB	PIU	11/07/2025	21/07/2025
ADB approves the LARP Compliance Report	ADB	21/07/2025	05/08/2025
Handing over of the site to the Contractor	PIU	06/08/2025	06/08/2025
Commencement of civil works	Contractor	07/08/2025	17/08/2025
Monitoring	EMA/PIU	Ongoing	
Grievances redress	PIU	Ongoing	

11 MONITORING AND EVALUATION

11.1 Background

235. The implementation of LARP will be subjected to both internal and external monitoring. Internal monitoring will be conducted by the PIU. External monitoring will be carried out by External Monitoring Agency (EMA) which will be hired by YM/PIU and approved by the ADB.

11.2 Internal Monitoring

236. Internal monitoring will be carried out routinely by PIU both directly and with the support of additional specialists hired for the LARP implementation. The results will be communicated to ADB through the quarterly Project implementation reports as well as through the semi-annual social safeguards monitoring report(s). Indicators for the internal monitoring will be those related to processes immediate outputs and results which allow for the assessment of the progress and results of LARP implementation and the adjustment of the work program if necessary. Specific monitoring benchmarks will be:

- (i) The information campaign and consultation with APs;
- (ii) Status of land acquisition and payments on land compensation;
- (iii) Compensation for affected structures and other assets;
- (iv) Relocation of APs;
- (v) Payments for loss of income;
- (vi) Selection and distribution of replacement land areas; and
- (vii) Income restoration activities.

237. The above information will be collected by PIU which is responsible for monitoring the day-to-day resettlement activities of the Project through the following instruments:

- (i) Review of census information for all APs;
- (ii) Consultation and informal interviews with APs;
- (iii) In-depth case studies;
- (iv) Sample survey of APs;
- (v) Key informant interviews; and
- (vi) Community consultation meetings.

11.3 External Monitoring

238. External monitoring will be carried out by the consulting company which is an External Monitoring Agency (EMA) selected by the YM and approved by ADB³¹.

³¹ See Appendix 12 for EMA ToR

239. External Monitoring entails two types of activity: a) short term-monitoring and evaluation of LARP implementation and compensation delivery and b) a long-term evaluation of the rehabilitation effects of the LARP program.

11.3.1 Short term Monitoring and Evaluation of Land Acquisition and Resettlement Plan Implementation

240. The short-term monitoring or the Compliance Review of the LARP implementation will be carried out in parallel with the implementation of LARP and will entail extensive field visits and communication with APs. External monitoring will involve the verification of monitoring information of the IA's internal monitor and will be reported bi-annually until all LAR activities have been completed in compliance with the LARP requirements as well as local law and the SPS 2009. This task will result in a Compliance Report for the LARP indicating whether the compensation program has been carried out based on the provisions of the YUDIP LARF and ADB policy, and with the satisfaction of the APs. The Compliance Report will be communicated to the PIU, implementing agency (YM) and ADB. Approval of Compliance Report by ADB will be a condition to start civil works. Short-term monitoring task of the EMA includes the following specific methods and activities:

- (i) Desk review and secondary data analysis. On the first stage of LARP implementation the completeness of the profiles for all the affected land plots/structures/businesses should be checked.;
- (ii) Observations of LAR related activities (consultations, meetings, implementation etc.) as well as conditions of livelihood of affected people. Particularly, verification of the claims/grievances not only through desk review but also through checking at the field level should be done to assess whether it works in accordance with GRM established for the project.
- (iii) Household survey of AHs will address the overall process of land acquisition and resettlement (its duration, compliance with the requirements of the ADB SPS-2009, RA regulations, LARF, and the LARP, payment of compensations, grievances, status of affected vulnerable groups, etc.) and the extent of the accomplishment of the objectives.
- (iv) Participatory rapid appraisal. The EMA will apply the participatory rapid appraisal (PRA) tool with the purpose of complementing the data collected via continuous desk review and household survey with rather qualitative information mainly on the APs' perception towards specific aspects of LARPs' implementation.

11.3.2 Long-term Evaluation of the Rehabilitation Effects of the Land Acquisition and Resettlement Plan

- (i) The long-term evaluation will be carried out before and after the LARP implementation to find out if the LARP rehabilitation objectives have been attained or not, as well as for the assessment of the LARP implementation impact on the AHs. The Census and the SES included in this LARP will serve as Baseline survey.
- (ii) Post-LARP implementation Evaluation. In about a year after completion of the LARP implementation, a Post-LARP Evaluation shall be carried out to evaluate outcomes of LARP implementation against the baseline data of the census/SES and to find out if the objectives of the LARP have been attained. The Post-LARP Evaluation will address the following major topics: (1) Assessment of the impact of the LARP implementation on the AHs; (2) Assessment of the satisfaction of AHs with the appraisal of assets and entitlements, timing of payments, fund availability and disbursements, etc.; (3) Assessment of the efficiency of the LARP implementation; and (3) Lessons learned.



**Land Acquisition And Resettlement Plan
Project Information Pamphlet For
Isakov-Arshakunyats Road Link**



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ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected Households
AP	Affected Person
LARF	Land Acquisition & Resettlement Framework
LARP	Land Acquisition & Resettlement Plan
YM	Yerevan Municipality
YDPIU	Investing Projects Implementation Unit Building up of Yerevan
PIU	Project Implementation Unit

DEFINITION OF TERMS

Affected Household (AH)	The affected household as a whole. This unit operates as a single economic and domestic unit and may consist of an individual, a single nuclear family or an extended family. This is the significant unit receiving compensation/rehabilitation.
Affected Person (AP)	Any person (individual) affected by Project-related changes in use of land, water, natural resources, or income losses.
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.
Expropriation	Government's action in taking or modifying property rights in the exercise of the right of Eminent Domain.
Rehabilitation	Compensatory measures provided under the Policy Framework on involuntary resettlement other than payment of the replacement cost of acquired assets.
Relocation	The physical relocation of a AP/AH from her/his pre-Project place of residence requiring the rebuilding of housing or assets, in another location.
Replacement Cost	The value necessary to replace an affected asset/item with an equal asset of same value and quality free of transactions and other costs. Replacement value can be determined differently based on type of affected item and project conditions as follows: a) Land - current market value determined by a survey of land transactions or, if land markets are absent, productive value/reproduction cost of affected plot; b) buildings – full reproduction cost of affected building, inclusive of materials, labor and transport costs and free of depreciation/salvaged materials; c) crops - current market value and; d) trees – income losses at market rate (for productive/wood trees) and reproduction costs (for non-productive trees/seedlings).
Resettlement Plan	A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation.
Vulnerable Affected Households (AH)	Vulnerable AH are households that are: (a) Poor AH registered in the evaluation system of vulnerability of families (ESVF); (b) headed by a breadwinning women and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age, (c) households headed by persons entitled to old age pension and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age, (d) households headed by persons with disability of 1st and 2nd group and not including other adult, working-age person with stable employment providing at least minimum monthly salary except for persons doing compulsory military service or full-time students under twenty-three years of age

PROJECT BACKGROUND

1. The Yerevan Urban Development Investment Program (YUDIP), financed by ADB is being implemented by the RA Ministry of Territorial Administration and Infrastructure (MTAI) as the Executing Agency (EA), and the Municipality of Yerevan (YM), as the Implementing Agency (IA) working directly with the PIU. YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. The improved main road network and public transport in Yerevan will improve access to social services, mobility of people and goods and increase general economic dynamics. YUDIP will be focused on construction of Isakov-Arshakunyats Road Link. The detailed design of Isakov-Arshakunyats road link was done by the Detailed Engineering and Supervision Consultant (DESC) under Sustainable Urban Development Program (SUDIP) Tranch 1.
2. The land acquisition and resettlement plan (LARP) for YUDIP was prepared by DESC for PIU. The LARP addresses the land acquisition and resettlement impact of the Isakov-Arshakunyats road link.
3. Screening for involuntary resettlement impacts under the Project has identified 3 sections without any LAR related impacts. These sections are included in the Social Safeguards Due Diligence Report (SSDDR) which was submitted to ADB.

IMPACTS SUMMARY

4. AH/AP Census Survey and DMS of all affected assets was carried out from August 2022 to January 2023 and was updated in August-November 2023.
5. The Census identified 50 project affected households, including owners and users of the lands/buildings, business owners with a total of 121 household members. In total, the section will impact 59 land plots, 80 residential and non-residential buildings and structures and 3 businesses. The details are presented in the following paragraphs.
6. LARP identifies 59 affected land plots (36,865.62m²). From which:
 - (i) 25 are privately owned by 24 AHs (18,554.72m²),
 - (ii) 32 land plots (16,810.3m²) owned by YM, which are illegally used by 27 AHs
 - (iii) 2 land plots (1,500.6m²) owned by YM, which are legally leased by 2 AHs.
7. In total, 58 residential buildings and structures (2,967.91m²) and 22 non-residential buildings and structures (1,750.70m²) will be demolished. Additionally, 4 structures (87.25m²) will be removed. There are 1,513.9m² of walls made from tuff and reinforced concrete, 2,256m² asphalt area, 511.5m² concrete, concrete bricks and concrete slab areas, 300m² gravel surfaces and other improvements.
8. 57.9m² of lawn and decorative flowers, 401 fruit trees and bushes, 51 wood trees and 131 decorative trees and bushes will be affected. 3 businesses and 4 employees of businesses will be affected permanently.
9. Out of 50 AHs (121 APs), 26 AHs (74 APs) are severelly affected. 2 AHs (4 APs) are vulnerable.
10. Information on different categories of affected households (AHs) and affected persons (APs) by impact type, as well as net figures without double counting are provided in the summary of AHs/APs, presented below.

Table E.0 Summary of Affected Households/ Persons by Category of Impact

Impact category	AHs	AHs	APs	Remarks
	No Per Type of Impact	Without Double Counting	Absolute No	
A. Land Impact by Legal Occupancy				
A1. Private	24	24	65	1 AH uses 2 private and 1 community land. To avoid double counting this AH is included in A1.
A2. Community	27	21	51	6 AHs are included in A1.
B. Buildings Impact/ Improvements				
B1. Residential structures	22	0	0	14 AHs are included in A1 8 AHs are included in A2.
B2. Non-residential structures	7	0	0	4 AH are included in A1 3 AHs are included in A2.
B3. Movable structures	3	0	0	1 AH is included in A1 2 AHs are included in A2.
B4. Fences	10	0	0	5 AHs are included in A1 5 AHs are included in A2.
B5. Improvements	33	0	0	17 AHs are included in A1 16 AHs are included in A2.
C. Tree/ Crop Impact				
C1. Fruit trees and bushes	23	0	0	15 AH are included in A1 8 AHs are included in A2.
C2. Wood trees	11	0	0	3 AH are included in A1 8 AHs are included in A2.
C3. Decorative trees, bushes, flowers	13	0	0	9 AH are included in A1 4 AHs are included in A2.
C4. Crop	8	0	0	5 AH are included in A1 3 AHs are included in A2.
D. Business Impact				
D. Permanent with tax declaration	3	1	1	1 AH is included in A1. 1 AH is included in A2.
F. Employment Impact				
F1. Permanent employment loss	4	4	4	AH is included in A2.
G. Vulnerability of AHs				
G. Vulnerable AHs	2	0	0	All AHs are included in A1.
H. Relocation Impact				
H1. Residential relocation	13	0	0	10 AH are included in A1 3 AHs are included in A2.
Total	-	50	121	-

COMPENSATION ELIGIBILITY AND ENTITLEMENTS

11. All affected persons that as a result of the Project are losing land and/or any assets linked to the land (structures, trees, crops or other improvements) and/or income sources related to the land lost are eligible for compensation and/or rehabilitation. Lack of legal rights to the assets lost or social or economic status, do not bar an AP from his/her entitlements to compensation and/or rehabilitation.

12. Any person, who settles in the affected areas or builds/expands houses/structures or makes any other improvements on the affected plot, after the cut-off date, will not be eligible for compensation. They will, however, be given sufficient advance notice, and requested to vacate premises and dismantle affected structures prior to project implementation. Taking into account that by the moment of preparation of this LARP the signing of description protocols by APs is still in process, therefore the cut-off date for this Project will be set in the revised

LARP as soon as the Acquirer sign the first description protocol. The Matrix below summarizes loss types and relative compensation/allowances entitlements.

Table 1: Entitlement Matrix

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
1. Land loss	AP/AH losing land regardless of impact severity	Owners	Compensation at replacement value +15% either in cash at market rates or cadastral values (whichever the highest). When there are no active land markets cash compensation will be based on the value of the yearly product of the land for a sufficient number of years to ensure the affected parties' rehabilitation for the loss of their land.
		Legalizable AP/AH	Legalizable AP/AH will be legalized and paid the same compensation as owners in case of registration the ownership right towards the land.
		Leaseholder (lease and sublease of community or state land)	Leaseholder will be legalized and compensated as full owners at market rates or cadastral values (whichever the highest) or will be given a new lease. If this is not possible, they will receive compensation equal to "the market or cadastral value of affected land (whichever the highest) + 15%" in the following proportions according to the length of the lease: 1) < 1 year 5%; 2) <15 years 14%; 3) < 25 years 20%; 4) >25 years -25%.
		Leaseholder (lease and sublease of private land)	Compensation for already paid but unused lease and for integral improvements made with the lessor's consent.
		Non-legalizable AP/AHs	These AP/AH will receive a rehabilitation allowance equal to 25% of the affected land market or cadastral value (whichever the highest)
2. Residential buildings		All AP/AH regardless of legal status	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		Relocated Renters	Severe impact and Relocation allowances as entitlements 9, 10 and 11 below
			Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
3. Non-residential buildings/assets		AP/AHs with valid registration	Cash compensation + 15% for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		AP/AHs with non-legal buildings/structures built on legal or non-legal land	Cash compensation for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials.
		Relocated Renters	Relocation and severe impact allowance as entitlement 9, 10 and 11 below

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
			Cash refund of unused rent already paid and for integral improvements made with the lessor's consent.
4.Common property Loss	Community/Public Assets	Community/State	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities.
5.Public Utilities (Gas, water, electricity and etc.) and infrastructure structures owned by private organizations	Private Property	Owners or operator of the utility or infrastructure	Reconstruction of lost structure and restoration of their functions in consultation with community/state authorities and the utility owner or operator (if applicable). All such infrastructures will be reflected in the detailed design and in the scope of works of the General Contractor and will be relocated within the Project budget.
6.Crop Losses	Standing crops affected	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status)	One year crop compensation in cash at market rate at gross crop value of expected harvest.
7.Tree Losses	Trees affected	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status)	Cash compensation at market rate based on type, age and productive value of the trees.
8.Business or Employment Losses	Business, employment loss	All AP/AH regardless of legal status (including owners subject to obtaining legal status and users having no residency status).	Owner: (i). <u>(permanent impact)</u> cash indemnity of 1 year net income; (ii) <u>(temporary impact)</u> cash indemnity of net income for months of business stoppage up to 1 year. Assessment will be based on tax declaration. In absence of tax declaration the AH will receive a rehabilitation allowance based on the maximum non-taxable salary for the number of months of business stoppage up to 1 year. The maximum nontaxable salary is equal to minimum salary. Permanent Worker/Employees: Indemnity equal to: (i) Permanent job loss 6 months of average monthly salary; (ii) Temporary loss average monthly salary for the number of months of job loss up to 6 months.
9. Transportation allowance	Allowance for transportation	All APs having movables on the affected land / building to be relocated regardless of ownership rights	Cash allowance to cover transportation, loading/unloading costs (will be determined based on the market research in the area and provided as a single payment).
10. Allowances for Severe Impacts	AHs with loss of 10% or more income generating productive assets loss or to be relocated	All severely affected households including informal settlers and relocated renters	Additional crop compensation covering 1 year yield from affected land part. A rehabilitation allowance of 6 months at minimum monthly salary (defined by the RA legislation).
		AHs losing commercial/business establishments or	A rehabilitation allowance of 6 months at minimum monthly salary (defined by the RA legislation).

Type of Loss	Application	Definition of AP/AHs	Compensation and Livelihood Restoration Entitlements
		other income generating property	
11. Relocation allowances		All relocated AH including relocated renters	Provision of funds to cover transport costs and livelihood expenses for 1 month.
12. Vulnerable People Allowances		AHs headed by women, or elderly, or disabled persons and AHs living below the poverty line	Allowance equivalent to 6 months of minimum monthly salary (defined by the RA legislation) and employment priority in project-related jobs.
13. Temporary impacts		All AP/AHs	Due rent and rehabilitation for temporarily affected assets will be provided.
14. Temporary impacts due to utility relocation	All AHs' losses based on their legal status	Owners	Compensation will be provided both for land and improvements as in case of permanent impacts.
		Non-legalizable AHs	Compensation will be provided only for improvements added to the affected land by users such as trees, crops, fences etc. In these cases, no allowance will be paid to users for illegal land use; however, these lands should be covered and returned to the user.
15. Unforeseen LAR impacts, if any		All AP/AHs	YM will consider the unforeseen LAR impacts (including unanticipated access restrictions) during project implementation and will compensate/rehabilitate based on the above provisions and in accordance with SPS 2009 and LARP methodology. The damage caused by Contractor (or subcontractor) during the construction works will be compensated in accordance with this LARP.
16. Compensation for improvements	Improvements that are not included in this Entitlement Matrix but exist on the affected land (except the moveable property)	AP/AHs who have done the improvements regardless of legal status	Cash compensation at replacement cost.

COMPLAINTS AND GRIEVANCE REDRESS

13. The following grievance redress mechanism is established for the Project.

Step 1

14. The person affected by the Project could raise their suggestions/concerns/complaints first of all to the PIU through the submitting of the complaint letter, an email or the local focal point. PIU receives and resolve/replies the APs' grievances. The PIU will accept the complaints in the first instance. PIU project director redirects the complaints to the respective specialist. The complaint will be signed by the AP and it will contain the following information: (i) the nature of the complaint, (ii) the location and (iii) the complainant's complete address.

15. A settlement will be made within 30 days from the day of receiving the grievance and related documents (if other timeframes are not defined by the RA legislation). The responses to APs will be given in a written manner. If the case is complex and requires an investigation (e.g. scrutiny by technical experts or legal opinion from the state or certified private entities) complaint review period may be extended. In such cases, a written notification will be sent to the complainant, explaining reasons for extension, describing the process and indicating an expected date for delivering the results of the review.

16. If an AP is not satisfied with the response or PIU responsible staff needs additional capacity to response the APs' grievance, the Grievance Review Group (GRG) can be formulated to ensure comprehensive, equitable and transparent discussion of the case. To establish legitimacy of the GRG to review and judge on the substantive merit of the AP's complaint, the composition of the GRG should be balanced and include an independent observer to ensure the impartiality and transparency of the complaint review process. The following composition of the GRG is proposed:

Members	Position
(a) Representative of PIU	Chairperson
(b) Representative of safeguards team (PIU)	Member
(c) Representative of Local Government, as relevant	Member
(d) Certified technical expert, as relevant	Member
(e) Representative of Engineer/Contractor, as relevant	Member
(f) Representative of the APs	Member
(g) Independent party (for example NGO)	Observer

17. To make for effective complaint processing, the role and responsibilities of each GRG member should be carefully elaborated and explained to them.

18. During the grievance review process by GRG, several experts can be involved such as valuation expert, agronomist, measurement specialist, design engineer etc., as needed for each specific case. Independent party (for example NGO representative) can be invited upon request of AP.

19. A settlement will be made within 30 days from the day of the start of GRG review. The responses to APs will be given in a written manner.

Step 2

20. If an AP does not agree with the PIU's compensation offer or reasons for dismissal, he/she should address their grievance to the YM. The AP must lodge the complaint within one month after receiving response from the PIU. The documents in support of the claim must be submitted at this stage. YM must respond to the complaint within 30 days. YM follows Public Administration RA law for registration, revision and resolving the case.

21. Regardless of the set grievance mechanism and procedures, APs will have the right to submit their cases to a court of law at any point in time of the grievance redress process. All efforts will be made to settle the issues at the PIU level through community consultation. If not possible, attempts will be made to resolve the issues at the YM level to avoid/minimize litigation as much as possible. All complaints and resolutions will be properly documented by the PIU and made available for review, monitoring and evaluation purposes.

22. All complaints received and addressed will be documented regardless of the outcome. All records of grievance cases will be entered in the LARP GRM Database. A template for recording grievance has been developed and is available to the APs when they lodge the complaint.

23. The GRM implementation will be monitored through internal and external monitoring. Main indicators for monitoring of GRM are number and type of complaints, resolved cases, timing for the resolution, etc., more indicators for internal/external monitoring and evaluation will be developed by PIU and EMA and will be presented in the Semiannual Social Monitoring Reports (SSMR), Quarterly Progress Reports (QPR) and Compliance Reports with the monitoring results.

FREQUENTLY ASKED QUESTIONS

- ***Can civil works start before compensations are paid?***

Contractors will not commence civil works in any section of the Project with LAR impacts until

(a) the LARP is fully implemented;

(b) agreed compensation is provided and rehabilitation assistance is in place, and

(c) the affected areas are free of all obstructions. There are 3 sections without LAR impact which are included in the Social Safeguards Due Diligence Report. Civil works in this section can start upon signing of the construction contract.

➤ ***If I do not have a bank account, should I pay to open a new one to receive compensation?***

You can receive compensation on your private bank account. If you do not have a bank account, PIU will open the one for you free of charge.

➤ ***If the owner is not in Armenia, how can he/she receive compensation?***

If the owner is not in Armenia, he/she can send a power of attorney to a relative or close friend to sign the land acquisition contract and receive compensation. Please, consult with notaries or PIU lawyers with respect to the format of the power of attorney and procedure to adopt. If no representative is appointed, the property will be legally expropriated through a Court procedure and the compensation will be transferred to the Court deposit account. The Court may subsequently pay this compensation to any person who establishes their legal entitlement to receive it.

➤ ***If the owner is deceased, how will the compensation be provided?***

If the owner has any heirs, the compensation will be paid to them after registration of all legal inheritance documents. In the absence of heirs, the property will be expropriated and the compensation will be transferred on the Court or Notary deposit account. Please, consult with local notaries or PIU lawyers about the process of registration.

➤ ***How will the compensation be paid?***

The steps envisaged are as follows.

- PIU will send the draft contracts to legal APs, including renters as soon as GoA and ADB endorsed the LARP. PIU will sign the final contracts within 3 months after it.
- 85% of the compensation amount will be paid within 25 days after the acquired property is registered in State Cadastre and the 15% will be paid after the AP hands over the property according to a handing act. The compensation/allowances will be transferred to the AP's bank account.

➤ ***What will happen if the owner refuses to sign the contract?***

In this case the expropriation procedure through the court will be initiated. YM will not occupy the needed plot until:

- the proper judicial process as defined by the law is initiated;
- a court decision has been obtained and properly communicated to the AHs/APs;
- the compensation/rehabilitation amounts are deposited in a court deposit account.

CONTACTS

*If you still have questions or need consultation,
please, do not hesitate to contact PIU representatives.*

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DMS, Census, SES And Valuation Methodology

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1 MAPPING AND DMS METHODOLOGY

1.1 Factual Measurement

1. The measurement was conducted in accordance with the requirements of the Asian Development Bank (ADB) Policy and RA Cadaster Committee (CC) Head's directive N75-N dated April 8, 2021 (Directive).
2. In accordance with ADB policy requirements, the ground situation assessment was based on the actual size of assets used by the AH at the moment of measurement. If the obtained measurements corresponded to the parameters (accounting for the permissible deviation range, defined by the CC) detailed in the property certificate issued by the CC, the property plans were prepared for submission to the CC.
3. If the obtained measurement did not correspond to the parameters (taking into account the permissible deviation range) stated in the property certificate issued by the CC, the owner of the given property was informed. If the owner wished a new layout was prepared for submission to the CC. After a corresponding correction in the ownership certificate was made, a final layout was prepared for submission to the CC in order to re-register the real estate prior to the signing of an asset acquisition contract

1.2 Measurement Procedure

4. Measurements were obtained in the presence of APs. The APs were informed of the measurement date and time by phone, a day prior to the field visit. This procedure ensured the measurement process was monitored by the APs.

1.2.1 Measurement of plots

5. The following steps were used to measure land plots:
 - (i) The land plot's borders were outlined.
 - (ii) All segments of the plot including turning points, plot coordinates and border line break points were marked, numbered and recorded.
 - (iii) Names, surnames and (titles, if known) of the property owners were recorded.If the area was fenced, the fence-line was taken as the reference for measurement. If there was no fence, the plot borders were established by the APs using the land plot.

1.2.2 Measurement of structures

6. Structures were measured in the following steps:
 - (i) The structures were measured both externally (from outside the structure) and internally (from inside the structure). An outline of the externally measured structure was drawn according to its position on the plot. Areas located within the structures were then measured. Internal measurements were taken from the floor of the structure at a height of 1,20-1,30 meters
 - (ii) The length, width and internal height of each area were measured as well as the thickness of the bearing walls and partitions. The location of doors and windows were marked. Apartments and non-residential areas located in multi-unit residential buildings as well as public and
 - (iii) Industrial facilities were measured only internally. Enclosures and improvements on the plot were also measured.

1.2.3 Quantitative and qualitative registration of property

7. The plots of land and structures built on them were described qualitatively and quantitatively:
 - (i) The quantitative data included length, width, height, surface area and volumes.
 - (ii) The qualitative data included the operational purpose (land categories) of the plot and the actual usage of the plot. The actual use of structures, date of construction, exterior design, degree of completion, construction material types (walls, floor slab, roof), etc were recorded.

1.3 Measurement Results

8. Draft layouts based on the obtained measurements were prepared, where the total property, affected parts and legal status of the property (ownership, rental) were distinguished by conventional symbols. For properties with ownership certificates, layouts of measured plots and structures were also prepared in addition to the draft layout, according to the layout templates and mandatory layout requirements approved by the Directive.

2 REAL ESTATE, CROPS AND TREES SURVEY

2.1 Real Estate Survey

9. Survey forms reflecting the main characteristics of the plots and structures were completed on the basis of a simple visual examination by the evaluator and a completed survey among the APs. The following descriptions were included:

(i) General description of the property

- ☐ existence of infrastructures, including access to potable water, electricity, sewage, telephone lines, natural gas, etc.
- ☐ access to basic services, including distance from the subway, healthcare institutions and trade halls,
- ☐ the existence of a road, as well as an assessment of the environment.

(ii) Description of the plot

- ☐ targeted, operational and actual purpose
- ☐ type of entitlement such as owned, rented or illegally used
- ☐ width, length and geometric structure
- ☐ transport availability and railway access
- ☐ location, position, stone content etc.
- ☐ existence of improvements and a description of the improvement

(iii) Description of structures and improvements

- ☐ name, targeted, operational and actual purpose of the structure
- ☐ availability of infrastructure
- ☐ materials used for the foundation, floor slabs, external walls
- ☐ existence of doors and windows
- ☐ presence of furniture and household goods to be transported etc.

10. At this stage, the movable or immovable status of the property was determined. Properties that were impossible to separate from the land without damaging the property or the plot were qualified as immovable. The rest of the properties were considered movable.

11. At this stage, photographs of plots as well as external and internal structures were taken. All topography forms were completed and signed by the APs (or legally authorized representatives) and the evaluator.

2.2 Crops and Trees

12. A qualified and experienced agronomist registered the existing trees and crops on the affected parts of the land. All crops, shrubs, fruit bearing trees, decorative trees and trees used for timber were registered.

2.2.1 Fruit Trees and Shrub Types

13. The age of fruit trees was determined by an experienced agronomist based on his expert opinion and classified into the following groups:

- (i) seedlings
- (ii) non fruit bearing trees
- (iii) fruit bearing trees

2.2.2 Decorative Trees, Timber Trees and Shrubs

14. The agronomist measured the thickness of timber tree trunks and the height of decorative trees, ornate shrubs and trees and fruit bushes.

2.2.3 Crops

15. Since the detailed measurement surveys were undertaken from June 2016 to January 2017, the identification of one-year-old crops become problematic. In some cases, the agronomist was able to identify the type of crop planted a year ago based on remaining roots. In such cases, the sowing surface area of the crops was measured. In other cases, where previous crop identification was not determinable with certainty, the information presented for that particular plot in the Draft LARP was used.

3 ASSESSMENT AND CALCULATION OF COMPENSATIONS

16. Compensable property evaluation activities were carried out prior to measurement, topography, crops and tree registration and photography activities.

3.1 Process Regulating Documents

17. The methodology for compensation calculations and unit price calculations was developed in accordance with the following documents:

- (i) Safeguard Policy Statement, Asian Development Bank, 2009
- (ii) Draft Land Acquisition and Resettlement Framework (LARF) for YUDIP³²
- (iii) The “RA Law 20-189-N on Real Estate Assessment Activities” adopted on 04.10.2005
- (iv) The RA National Standard on Real Estate Assessment in the Republic of Armenia
- (v) The RA Urban Development State Committee Heads “Decree N 35-N (dated 03.04.2009) on Approving the Construction of Buildings, Structures in the RA Territory and the Collection of the Increased Indicators of the Construction Work Type Cost.”
- (vi) References on prices mentioned in the construction contracts for the construction of similar type of buildings and structures in current market conditions.

3.2 Scope of Assessment

18. Within the program the following were assessed:

- (i) All affected legitimate private and community lands which individuals use on lease or in an arbitrary manner. Buildings, structures and enclosures located on the alienated and total parts of the affected plot
- (ii) Improvements located on the alienated and total parts of the affected plot
- (iii) Crops, fruit, decorative and ornate trees and shrub types located on the alienated and total parts of the affected plot.

³² <chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://www.adb.org/sites/default/files/project-documents/54172/54172-002-rf-en.pdf>

4 LAND VALUATION METHODOLOGY

4.1 General Approach

19. Under the LARF, land owners, leaseholders, land users subject to legalization and illegal users will receive compensation for the affected land. A special compensation calculation approach was defined for each group. It is presented below in a generalized form:

Chart 1
Compensation for agricultural and non-agricultural land

Owner	Land user subject to legalization	Illegal land user
Replacement cost + 15%	Replacement cost + 15% (after legalization)	25% of the replacement cost
Leaseholders for the remaining years of lease		
Up to 1 year - (replacement cost +15%) * 0.05		
Up to 15 years - (replacement cost +15%) * 0.14		
Up to 25 years - (replacement cost +15%) * 0.20		
25 years - (replacement cost +15%) * 0.25		

4.2 Assessment of the Land Substitution Cost

20. Land valuation was carried out at replacement cost based on market values. Market values were assessed through the comparative method as defined by government regulations. Based on this method a plot value was determined by taking into account the adjusted price of at least three recently sold or put up for sale comparable plots with a similar location and use/features. If acceptable comparators in the same location of the valued plot were not available, one or more comparator plots were drawn from a different location.

21. In order to reflect differences between the characteristics/quality of the assessed land and comparator lands, the market prices of the comparator lands were adjusted according to several comparison parameters and corresponding coefficients.

4.3 Assessment Procedure

22. The land assessment comparative method was applied as follows:

- (i) similar real estate markets were analyzed
- (ii) at least three comparison units were elected
- (iii) necessary comparison elements were distinguished
- (iv) the cost of comparison units was adjusted according to comparison elements and several adjusted cost indicators averaged for the compared real estate
- (v) obtained market cost was compared with the cadastral cost
- (vi) the plot value was defined.

Example of land assessment

Step 1

23. To analyze similar real estate markets and choose reliable information for the analysis, the Evaluator used public sources (professional journals, websites, external advertisements), a personal database³³, notary contracts and information obtained from the CC. Based on the obtained information, the Evaluator used the most compatible/relevant information (by its comparison elements).

Step 2

24. Standards/norms formed in the real estate market are admitted as comparison units. In the frames of this valuation the price for unit of land is admitted as a comparison unit.

Step 3

25. The price is compared and adjusted based on parameters which impact market value. Within the frames of valuation the price is adjusted with the following parameters:

26. Bargaining. In case when sale offers are used for valuation, bargaining coefficient is used as market analyses show that the owners sell their properties at lower price than the initially released price. In this case based on market analyses as well as information obtained from owners 10% deduction coefficient is used.

27. Time. These are the market price changes which occurred between the market sales of comparator lands and the evaluation period. Since the review of market real estate sales was based on the most recent and adjusted information, a coefficient of 1,0 was applied.

28. Targeted and operational purpose. These elements describe the usage for which a given plot has been approved, i.e. for residential construction, public construction, agricultural purposes, etc. The evaluator didn't make any corrections due to this parameter since, according to ADB policy, the assessment is based on the actual usage of the plot.

29. Actual usage. This shows how the given plot is actually used, irrespective of its cadastral, targeted and operational purpose. The Evaluator didn't make a correction in cases where the actual purpose of the assessed plot was that of an orchard, for example, but the plot was officially categorized as residential construction, since s/he considered the plots free of any improvement, as well as from trees and crops³⁴. Qualifying the actual purpose of the plot as an orchard, the Evaluator intends to indicate that there are trees on the given plot. In this case the assessed land plot is compared with agricultural land.

30. Location and position. Location is the location of the assessed and comparator land plots by districts. Position is the position of the land plot within the said district with regard to the main road. In this case, 10% step decrease or increase coefficients were applied.

31. Total surface area. In cases when the size of the total surface area of the affected plots was significantly different from the comparable plots, an adjustment coefficient was applied. In this particular case 1,10 magnifying coefficient was applied.

32. Property entitlements. Plot prices were different depending on whether the entitlement was ownership, lease or illegal usage. The Evaluator didn't apply an entitlement adjustment coefficient since, according to Decision 273-N (LARF), the plots were assessed as private, then, depending on the type of entitlement, the compensation amount was determined.

Step 4

33. The market price unit of the plots was adjusted according to the listed comparison elements. The adjustment logic is presented in the table below:

³³ In his/her office, the Evaluator kept a database, where both the prices of the property subject to sale and the sales data (that became known to the Evaluator, as a result of implemented transactions with the Evaluator's participation) are entered.

³⁴ The assessment of trees and crops is carried out separately and is added to the compensation cost. This provides a possibility to avoid double calculation of trees and puts the APs in socially fair and equal conditions. If, during the evaluation, the plot had been compared with the plots with actual orchards, the price of the latter would have also included the cost of the trees as land improvement

Table1
Calculation of cost of 1 square meter of the total plot

Comparison elements	Assessed real estate	Similar real estate	Similar real estate	Similar real estate
Price for 1 square meter (AMD)		6,932	6,138	7,733
Bargaining (Sales condition)		Offer	Offer	Offer
Adjustment coefficient		0.90	0.90	0.90
Adjustment by AMD		-693	-614	-773
Time (Market state)	07.2021	07.2021	07.2021	07.2021
Adjustment coefficient		1.00	1.00	1.00
Adjustment by AMD		0	0	0
Targeted purpose	Residential	Agricultural	Agricultural	Agricultural
Adjustment coefficient		1.00	1.00	1.00
Adjustment by AMD		0	0	0
Operational purpose	Other land	Arable	Arable	Arable
Adjustment coefficient		1.00	1.00	1.00
Adjustment by AMD		0	0	0
Actual purpose	Arable	Arable	Arable	Arable
Adjustment coefficient		1.00	1.00	1.00
Adjustment by AMD		0	0	0
Location	Good	Satisfactory	Satisfactory	Satisfactory
Adjustment coefficient		1.10	1.10	1.10
Adjustment by AMD		624	552	696
Position	Satisfactory	Satisfactory	Satisfactory	Satisfactory
Adjustment coefficient		1.00	1.00	1.00
Adjustment by AMD		0	0	0
Physical characteristics: including				
Affected surface area (m²)	1,800.00	8,500.00	2,000.00	2,000.00
Adjustment coefficient		1.10	1.00	1.00
Adjustment by AMD		624	0	0
General adjustment (AMD)		555	-61	-77
Price for 1 adjusted square meter		7,486	6,076	7,656
Weight coefficient		0.34	0.33	0.33
Assessed real estate value for 1 unit		7,077		

Step 5

34. The final decision on the value of the assessed property was determined through the sales comparison method by analyzing adjusted prices of comparator real estate sales. The Evaluator averaged the adjusted prices of three similar plots after establishing that all the three comparator plots are similar to the assessed plot and that the sources for obtaining data are credible.

Step 6

35. The market value obtained through this method was compared with the cadastral value. In cases when the market value obtained by the comparative method was lower than the cadastral value of the plot, cadastral values were taken as a basis.

Step 7

36. Then, the market price of the plot was calculated by the following formula:

$$P_{MC} = P_{SA} \times S_{MC}$$

where:

P_{MC} – is the market price of the plot,

P_{SA} - is the surface area of the plot,

S_{MC} -is the adjusted market price for 1 square meter of similar plots.

4.4 Methodology for Determination of Allowances for Illegally Used Land at the condition of non-compliance with the RA legislative requirements

37. Under the adopted LARF, the YM is committed to provision of rehabilitation allowances to all APs for the parts of illegally used land in Yerevan, affected by the Project. The purpose of this allowance is to assist APs restore their livelihood.

38. A list of affected illegal land users was prepared during the field works /measurement and survey/. In terms of illegal land usage, it was accepted under LARP that such APs are persons who, during the measurement surveys presented themselves as the current users of the land over which they do not have a legal title, and that fact is confirmed by their neighbors. The list of such APs was updated continuously and finalized after several visits. The maps and lists created based on the measurements were examined by the local community authorities for verification and clarification of the information and identification of real land users.

39. The verification was based on certified forms issued to APs for the collection of signatures of neighboring users and witnesses living in the neighborhood. Each AP was required to collect three to five witness signatures which certify that s/he is the user of an affected part of land plot. The correctness of the signed forms was confirmed by the local community representatives.

40. Eligibility for compensation of the users of land without legal title was determined based on the following principles:

- (i) **Land for which there is no evidence of actual usage**, i.e. there are no existing structures (including fence) and/or trees (fruit bearing, decorative, wood), crops or other agricultural or any signs of works, improvements will be excluded from the lists of compensable APs.
- (ii) **Land on which usage is evident** - that is the land on which there were either existing structures (including fences) and/or trees (fruit bearing, timber and decorative trees), crops or other agricultural produce, or any signs of works will be compensated to APs.
- (iii) **Only an existing structure (e.g. a shop), located on a piece of land is used** - in this case, the part of the surface area occupied by such structure, and the area necessary for its maintenance (taken as equivalent to the external surface area of the existing commercial/business structure) will be compensated. For example, if external area of a building is 100m², then its illegal user will be entitled to compensation for 200m² of land, or for part less than 200m² as shown by the AP.
- (iv) **Land with some fruit bearing, timber or decorative trees for which the use of the remaining land by inhabitants is not evident (is doubtful)** - in such cases, the existence of fruit bearing, decorative or timber trees was taken as valid proof that the plot is actually used. The local agricultural standard (Agricultural University) envisages different areas for different types of trees. Under this standard, walnuts need the largest area of 72m². In order to avoid complicated calculations and disputes for every type of a tree grown on an illegally used land plot, the YM decided to compensate 100m² of land for each tree. To define the portion of the plot to be compensated, 100m² of land per tree was set as a standard. For example, if the whole land plot area is 600 m² and there are 3 existing fruit bearing trees, then each tree will entitle the illegal land user to compensation for 100m² of land, that is 100 m² x 3 = 300 m². Therefore out of 600m² of a land plot, an illegal AP will be paid compensation for 300m² of land.
- (v) **A land plot is smaller than 100m² and it has one or more trees on it** - the exact area will be compensated regardless of the number of trees on the plot. For example, if the area of the land plot is 90 m² and there are 2 fruit bearing trees on the plot, only 90 m² will be eligible for compensation.
- (vi) **There is a residential building on a land plot** – external surface area of the building should be multiplied by 2 to calculate the area of the land compensation. For example, if the area of a residential building is 100 m², then the land compensated will be 200 m². The affected part of the land will be considered for compensation of an area up to 1000 m².
- (vii) **There is an industrial building on a land plot** - external surface area of the building should be multiplied by 3 to calculate the area of the land for compensation. For example, if the area of an

industrial building is 100 m², then the land compensated will be 300 m². The affected part of the land will be considered for compensation of an area up to 1000 m².

5 BUILDING/STRUCTURE VALUATION METHODOLOGY

5.1 General Approach

41. The compensation for alienated buildings and structures was calculated for both the owners of legal structures and users of illegal structures. For each group, Decree 273-N (LARF) defines a special approach for compensation calculation. It is presented in the chart below in generalized formed.

Chart 2
Compensation for residential and non-residential structures

Legal and non-legal residential structures	Legal non-residential structures	Non-legal non-residential structures
Replacement cost +15%	Replacement cost +15%	Replacement cost

5.2 Determination of Replacement Cost of Buildings/Structures

42. The valuation of building/structures was carried out at replacement cost +15% based on the methodology/parameters recommended by the Information and Calculation Center for Pricing (CJSC) at the RA Ministry of Urban Development. Replacement cost is here understood as the total cost to reconstruct a building/structure comparable in area, materials and features to the building/structure to be replaced, free of deductions for transaction costs and amortization. The calculation of the replacement cost was based on the following factors:

- (i) current market value of materials
- (ii) current cost of transportation of materials
- (iii) current labor costs, and
- (iv) cost of specific structural/esthetic features of the affected building.

43. Calculations were made in compliance with official valuation indicators and adjustment coefficients established for the whole RA territory, as well as according to Aggregative Indicators for Civil Works (AICW), which were defined in the relevant parameters for evaluation of construction works

44. The replacement costs of buildings and structures were determined on the basis of

- (i) data presented in relevant specialized normative bulletins (INCC) and other reliable sources
- (ii) data on costs mentioned in construction contracts for similar structures in market conditions.

45. For the assessment of real estate, the replacement costs of structures were calculated as the sum of direct and indirect expenses and business (constructor's) profit. The required expenses, for constructing 1 square meter of real estate with similar use and purpose, were defined by the following formula:

$$S_E = D_E + I_E + BP$$

where:

S_E – required expenses for construction of 1 square meter of real estate with similar use and purpose
D_E –sum of direct expenses,
I_E– sum of indirect expenses, and
BP - business (constructor's) profit.

46. Direct expenses included the following expenses directly associated with construction:

- (i) expenses for purchasing materials, products, engineering networks and systems, and constructors' salaries
- (ii) expenses for operation of construction vehicles and machinery
- (iii) expenses related to temporarily constructed structures, safety measures, other expenses considered the norm in the transport and local market
- (iv) expenses related to financing the construction, and
- (v) contractor's overhead expenses and profit.

47. Indirect expenses were defined based on market tariffs for works and services. The following expenses arising from the construction of structures were considered indirect expenses and were not included in the cost of construction:

- (i) design, estimate preparation, technical and other control expenses
- (ii) payments for consulting, legal, accounting and audit services
- (iii) expenses related to advertising, marketing and object sale
- (iv) entrepreneur's administrative and other expenses.

48. The amount of business profit was determined on the basis of market analysis. According to Decree 273-N (LARF), depreciation deductions were not implemented. In the event the market price for 1 square meter of construction was higher than the price obtained with a comparative method, the business profit was applied.

Structure replacement expenses were determined using the following formula:

$$R_E = B_S \times S_E$$

where:

R_E - Structure reproduction (or replacement) expenses

B_S –floor surface area of assessed buildings and structures

S_E– expenses required for the construction of 1 square meter of real estate with similar use and purpose.

49. An example of calculation of structure replacement costs is given in the following table:

Table 5.1
Sample calculation of replacement cost of a residential building

N	Name of Buildings and Structures	Residential house
	Measurement unit	M ²
1	1 unit expenses (presented in INCC 2009) directly related to implementation of works (absolute value),	
	INCC 2009, volume I, line 34	29,780
2	Height between the interfloor ceilings of the assessed real estate (m)	3.2
	(Reference: Ownership certificate and/or topography or measurement results)	
3	1 unit expenses (presented in INCC 2009) directly related to implementation of works: salary, cost of materials, operation cost of vehicles and machinery, social contributions, management apparatus maintenance (overhead) expenses, profit of contractor organizations (absolute value),	95,296
	Reference: Standard point 7.7.4 1 st part subpoints a., b., c. and e.; section 6 to section 8 of the Urban Development Minister's Decree N 05-Ü, dated 14.01.2008	
4	Exchange rate change coefficient (Ä/305,0) (absolute value),	1.610
	Reference: INCC 2009, general provisions, point 5	

5	Reproduction expenses (3x4) (absolute value),	153,41
6	Difference between the construction material (used during the assessed real estate construction) and work prices considered in the expenses (presented in INCC 2009) directly related to implementation of works: depending on the quality and/or completion degree (%).	45.0
Reference: private analysis, format: electronic version, Excel, "tarberutyun", sheet 1		
7	Reproduction expenses (5+/-6) (absolute value)	222,44
8	Real expenses of buildings and structures that are of temporary, household purpose (moveable or constructible), warehouses, temporary engineering networks (electricity, water, connecting roads and platforms, etc.) * (%)	1.83
9	Line 8 with absolute value (7*8)	4,071
Reference: Table of section 3 of the "Decree N 69 (dated 21.08.2001) on Approving Estimate Norms of Temporary Buildings and Structures Built for Construction," RA Ministry of Urban Development, arithmetical average of points a. and b. of line 24, line 34		
10	Additional expenses related to climatic conditions impact on construction works * (%)	1.2
11	Line 10 with absolute value	2,669
Reference: Table of the "Decree N 68 (dated 21.08.2001) on Approving Estimate Norms Taking Into Account the Climatic Conditions Impact on Construction Works," RA Ministry of Urban Development, arithmetical average of points a. and b. of line 24, line 34, then columns 1, 2, 3 of the mentioned lines		
12	Work implementation expenses in cramped conditions (%)	0
13	Line 12 with absolute value	0
Reference: EPEP-85 collection		
14	Expenses necessary for mandatory examination of design/ estimate documents of objects **	7.94
15	Line 14 with absolute value	562
Reference: Decree N 41-N dated 16.06.2008, section 14, arithmetical average of lines 1-9 of table 4		
16	Additional expenses envisaged for construction and mounting works of small volume (%)	1.5
17	Line 16 with absolute value (7x16)	3,337
Reference: Decree N 41-N dated 16.06.2008, section 15, table 15, arithmetical average of lines		
18	Expenses related to activities for transferring waste (not current) formed after construction and mounting works (%)	0.15
19	Line 18 with absolute value	334
Reference: Decree N 41-N dated 16.06.2008, section 16, table 6		
20	Object technical control service expenses (%)	1.41
21	Line 20 with absolute value	3,136
Reference: Decree N 41-N dated 16.06.2008, section 17, arithmetical average of lines 1-7 of table 7		
22	Object author's control service expenses (%)	0.5
23	Line 22 with absolute value	1,112
Reference: Decree N 41-N dated 16.06.2008, section 18, arithmetical average of lines 1-2, table 8		
24	Expenses required for preparation of design estimate documents (%)	3.18
25	Line 24 with absolute value	7,074
RA Urban Development Minister's "Decree N 19-N (dated 15.02.2008) on Approving the Procedure of Calculating the Preparation Work Cost of Urban Documents (project and architectural)," arithmetical average of lines 1-13, then columns 1-5 of table 8 of the annex (to (hereinafter) the Urb. Dev. Minister's "Decree N 19-N dated 15.02.2008)		
26	Expenses related to payments for consulting, legal, accounting and audit services	0
Reference: Standard, subpoint b. of point 2 of section 7.7.4		
27	Expenses related to construction funding	0
Reference: Standard, subpoint c. of point 2 of section 7.7.4		
28	Expenses related to advertising, marketing, and object sale	0
Reference: Standard, subpoint d. of point 2 of section 7.7.4		
29	Entrepreneur's administrative and other expenses	0
Reference: Standard, subpoint e. of point 2 of section 7.7.4		

30	Not envisaged expenses (%)	3.50
31	Line 30 with absolute value	7,786
	Reference: Decree N 41-N dated 16.06.2008, table 1, arithmetical average of points c, d, e, f of section 1 and a, b, c, d of section 2	
32	Equipment cost (ventilation, heating, etc.) (absolute value)	10,000
	Reference: INCC 2009, general provisions, point 3, subpoint 1.1	
33	Taxes: VAT (%)	20.0
34	Line 33 with absolute value	44,489
	Reference: INCC 2009, general provisions, point 3, subpoint 1.1, Decree N 41-N dated 16.06.2008, section 12, RA Law on Value added Tax, clause 2 of Article 6, Article 9	
35	Business profit (%)	0.00
36	Line 35 with absolute value $(7+9+11+13+15+17+19+21+23+25+26+27+28+29+31+32+34) \times 35$	0
	Reference: Standard, point 3 of section 7.7.4, Analysis	
37	Reproduction (or replacement) expenses $(7+9+11+13+15+17+19+21+23+25+26+27+28+29+31+32+34+36)$	307,015

6 TREE AND CROPS COMPENSTATION METHODOLOGY

6.1 Assessment of Seedling and Mature Non Fruit Bearing Trees

50. The compensation for seedlings and non-fruit bearing trees was based on the amount of money invested. The baseline data required for the assessment were:

- (i) Tree type
- (ii) Tree age
- (iii) The region where the tree is located.

6.1.1 Seedling Assessment Process

51. The seedling price of a given tree type was defined. The seedling market price was determined based on average prices in the RA seedling market. A study of the prices in the seedling market at the entrance to Arinj village was carried out and the information obtained from several different sellers was averaged.

52. The following formula was applied for the seedling assessment:

$$TS = SMC + PE$$

Where:

TS – (Standing) market price of the seedling

SMC – Seedling market price (without planting)

PE - Seedling planting expenses

6.1.2 Non fruit-bearing tree assessment process

53. For the assessment of the non-fruit-bearing trees, the following formula was applied:

$$T_{MNB} = S_{MC} + P_{MC} \times A_G$$

Where:

T_{MNB} – Market price of the tree

S_{MC} – Seedling market price

P_{MC} – Expenses needed for the annual activities to protect the tree

A_G – tree age

54. After defining the seedling price of the tree type, expenses needed for annual activities to protect the mature non fruit-bearing tree were calculated. Those expenses were defined as a combination of expenses accepted in the given area, which is detailed in the following table.

#	Activity name	Annual quantity
1.	Tree pruning	Once
2.	Whitening of the tree trunk	Once
3.	Irrigation	3-8 times (depends on the region)
4.	Fertilization	Once
5.	Cultivation	Once
6.	Tree sprinkling	Once
7.	Hoeing of cups	Once

6.1.3 Fruit Tree Assessment Methodology

55. The compensation for fruit trees took into account the net market value of the trees' annual income multiplied by the quantity of years needed for the cultivation of a new complete fruit tree. For the assessment of fruit trees, the necessary baseline data were:

- (i) Tree type
- (ii) Age at which the tree provides industrial harvest
- (iii) Yield
- (iv) Harvest cost
- (v) Region where the tree is located.

Step 1 Age, when the tree provides industrial harvest

56. Professional literature and surveys from specialized institutions, especially the Armenian National Agrarian University, were used to establish the number of years needed for the complete cultivation of a given fruit tree.

Step 2 Market value of 1 kg of fruit

57. The net annual value of the fruit tree was defined as the market income from the annual harvest gained from the tree. To define this, the price of 1 kg of fruit gained from a given tree type was determined. While calculating this, the following factors were taken into account:

- (i) Information obtained from the National Statistical Service of the Republic of Armenia for the last 3 years (2019, 2020, 2021) on the average annual sales prices of RA agricultural goods producers.
- (ii) Averaged retail prices (of the agricultural products) published in all the 2013 and 2014 current issues of the Agropress ten-day newspaper.⁵ A private survey was conducted to establish the price of certain types of fruit, since it was not possible to verify their prices from the above-mentioned official sources

Step 3 Tree type yield

58. The yield (productivity) of the tree type was determined. The yield was defined based on professional literature as well as surveys from various specialized institutions such as the Armenian National Agrarian University.

Step 4 Calculation of compensation

59. The following formula was applied for the assessment of fruit trees:

$$TF = QY \times NMCI$$

Where:

TF – Fruit tree market price

QY – Number of years needed for the complete cultivation of a new fruit tree

NMCI – Net market annual income

⁵

Founding publisher, the RA Ministry of Agriculture, "Agricultural Support Republican Centre" CJSC

6.1.4 Timber Tree Assessment Methodology

60. Timber trees were assessed based on age category (seedlings, trees of average maturity, mature trees), as well as the quality and volume of the wood. For the assessment of timber trees, the considered baseline data were:

- (i) Tree type
- (ii) Tree diameter in centimeters, measured at a height of 1.3 m from the ground, including the bark
- (iii) Length of the trunk subject to processing (height in meters)⁶.

Step 1 Tree volume definition

61. Timber trees were classified by volume as well as type (building timber or fuel wood) based on the availability of baseline data. To define the trees' volume, they were classified by diameter as:

- (i) small (seedlings): 3,0-11,0 cm
- (ii) average (trees of average maturity): 12,0-24,0 cm
- (iii) large (mature trees): trunk thickness of 25,0 cm and more.

62. A tree classification example is shown in the following table. Waste was defined as the sum of the tree cutting residues and peel volumes. The volume of fuel wood gained from building-timber trees is equal to the volume of the trunk with bark minus the volumes of building timber and waste (column 3- (7+8)).

63. If the tree was completely used for fuel wood, the total trunk volume was moved from column 3 to 9. The volume of such a tree (11) is defined by the sum of the trunk (9) and foliage (10) volume. The total building timber tree volume: the total liquidity (11), is formed from the sum of column 7, 9 and 10.

Dimensions of the tree trunk			Solid volume in cubic meters							
D _{1,3}	H	with the peel	Building timber				Waste Wood			
			Large	Average	Small	Total		From the trunk	from the foliage	Total liquidity
1	2	3	4	5	6	7	8	9	10	11
12	15	0,084	-	-	0,03	0,03	0,03	0,02	0,01	0,06
Column 1- is the tree trunk diameter at the chest height: D _{1,3} ; i.e. the diameter at the height of 1,3 m from the ground, expressed by cm. Column 2- is the tree trunk height: H, by m. Column 3- is the volume of the tree trunk with the peel V, by cubic meter. Reference: "Forester's brief handbook," Hayk Hakhinyan, Vanadzor 1996										

Step 2 Timber market cost definition

64. The timber market price was defined on the basis of average prices in the RA timber market at the time of assessment. A study of prices in the fuel wood market located in the Malatia-Sebastia and Erebuni communities was carried out and information obtained from several different sellers was averaged.

⁶ This datum is not necessary for a trunk (subject to processing), the length of which is less than 1,0 m, as well as for trees, the diameter of which is less than 13,0 cm

Step 3 Calculation of compensation

65. For the assessment of timber trees, the following formula was applied:

$$T_{TC} = T_{BC} \times T_{BV} + T_{FC} \times T_{FV}$$

Where:

T_{TC} – Timber tree market price,

T_{BC} – Market price of 1 cubic meter of building timber,

T_{BV} – building timber volume,

T_{FC} – Market price of 1 cubic meter of fuel wood,

T_{FV} – Fuel wood volume.

6.1.5 Crop/harvest Assessment Methodology

66. The compensation for crops was determined on the basis of their net annual market value. The following are the necessary baseline data used for the assessment of crops:

- (i) Crop type
- (ii) Yield
- (iii) Harvest cost
- (iv) Region, where the crop is located.

Step 1 Determination of the net annual market value

67. The net market annual value of crops was determined as the market income from the harvest gained from the crop in one year. The market price of 1 kg of harvest gained from the given crop was defined. While calculating this, the following were taken into account:

- (i) Information obtained from the National Statistical Service of the Republic of Armenia for the last 3 years (2019, 2020, 2021) on the average annual sales prices of RA agricultural goods producers.

Step 2 Crop yield determination

68. The yield was defined based on:

- (i) Professional literature,
- (ii) Average yield indicators published⁸ by the National Statistical Service of the Republic of Armenia analyzed for the last 3 years (2019-2021), as well as
- (iii) Surveys with various specialized institutions such as the Armenian National Agrarian University. The market cost of 1 kg of harvest was multiplied by the yield indicator.

Step 3 Calculation of compensation

69. For the assessment of crops the following formula was applied:

$$CMC = MCAI \times S$$

where:

CMC – Crop market price,

$MCAI$ – Net market price of the annual income per unit,

S – Crop sowing surface area.

8

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7 VALUATION METHODOLOGY FOR COMPENSATION ENTREPRENEURIAL ACTIVITY

70. Compensation to affected parties presenting Tax calculation or other tax information/statements

- 1) Legal person or individual entrepreneur paying value added tax (entity liable to pay value added tax) shall receive the compensation at the rate of annual net profit/income (In the event of permanent impact - for one year, in the event of temporary impact - up to one year), which is calculated at the rate of difference between the amount of taxable profit (taxable income) and amount of profit tax (income tax) which are recorded in tax declaration on profit (annual income) presented to tax authorities for previous year by applying a specific weight/ ratio of income from gross revenue of taxpayer received from economic activities undertaken in the impact zone.
- 2) Turnover taxable commercial companies will receive compensation only at the amount of annual net profit for the economic/business activities undertaken in the affected area (in the event of permanent impact - at the amount of one year and in the event of temporary impact - at the amount of up to one year), which is calculated by the sum of tax amounts for turnover calculated for the reporting periods of the previous year and based on the estimated size of the statutory income tax rate of taxable income, as per the amount equal to the difference between the amount of taxable profit and the estimated tax for the previous year, by applying a specific weight/ ratio of taxpayer's share of turnover taxable object within the economic/business activities undertaken by the taxpayer in the impacted zone.
- 3) Legal person paying presumptive payment (patent fee) shall receive the compensation at the rate of annual net profit (in the event of permanent impact - for one year, in the event of temporary impact – up to one year) which is calculated in the sum of tax amounts for presumptive payments calculated for the reporting periods of the previous year and based on the estimated size of the statutory profit tax rate of taxable profit, as per the amount equal to the difference between the amount of taxable profit and the estimated tax for the previous year.
- 4) Individual entrepreneurs (physical persons) paying turnover tax and (or) presumptive payment and (or) patent fee shall receive the compensation at the rate of annual net income (in the event of permanent impact - for 1 year, in the event of temporary impact - up to 1 year) only for economic activity undertaken in the zone of impact, which is calculated on the base of the previous year's reporting periods calculated for turnover tax and (or) presumptive payment and (or) patent fee amounts to the sum of statutory value-added tax estimated value based on the gross income of the previous year (without VAT) at the difference between the amounts of 25% estimated taxable income and turnover tax and (or), and turnover tax, and (or) a patent fee.

71. Compensation to affected parties not presenting **Tax declaration or other tax information/statements**

- 1) *Legal persons or individual entrepreneurs subject to permanent impact*, who do not present to tax authorities tax declaration or other tax information/statement, shall receive cash indemnity at the rate of minimum wage for 12 months.
- 2) *Legal persons or individual entrepreneurs subject to temporary impact*, who do not present to tax authorities tax declaration or other tax information/statement, shall receive cash indemnity at the rate of minimum wage for the months when entrepreneurial activity will be terminated. Number of months of terminated entrepreneurial activity is calculated according to duration of such type of planned road works, on some sections of the road, which impacts entrepreneurial activity.

72. If termination of entrepreneurial activity will be extended due to implementation of project works, then additional compensation will be provided for additional months of construction works, but not more than for 12 months.

73. Compensation of sums spent on obtaining licenses and state registration for entrepreneurial activities

- 1) In the event of permanent termination of entrepreneurial activity, those legal or individual entrepreneurs who present to tax authorities tax declaration or other tax information/statements, shall receive also compensation at the rate of total amount they've paid for obtaining licenses and state registration for entrepreneurial activities within the scope of defined state duty (duties). Amounts that were spent on re-registration, as per state duty specified for that procedure, will be fully compensated for licenses that were granted according to RA "Law on Licensing" for carrying out entrepreneurial activity only in given district/location (types of activities marked with letter <A>) and will not be suspended, and instead will be re-registered to another address of entrepreneurial activity carried out by legal person (individual entrepreneur).
- 2) In the event of temporary termination of entrepreneurial activity, legal persons or individual entrepreneurs, who present to tax authorities tax declaration or other tax information/statements, shall receive the compensation for the licenses, which are subject to annual state fee. Compensation amount is calculated at the rate derivative from 1/12 of annual state fee and total months of temporary termination of entrepreneurial activity.

8 VALUATION METHODOLOGY FOR LOSS OF EMPLOYMENT

74. The employees entitled to this compensation are the registered employees who have worked for an affected organization during at least two month prior to the start-day of the impacts assessment/AP census (9 December, 2016) and who are liable to pay income tax in accordance with RA law.

75. The compensation will be calculated based on the following principles:

- 1) In the event of permanent termination (permanent impact) of an entrepreneurial activity the employee shall receive cash indemnity for six months in the amount of the average monthly salary for each month.
- 2) In the event of temporary termination (temporary impact) of an entrepreneurial activity the employee shall receive a cash indemnity at the rate of average monthly salary for each month of termination of entrepreneurial activity, but cumulatively not more than for six months.

9 TRANSPORTATION COSTS

76. Transportation costs were determined according to the average price of services offered by several freight shipping companies in the market. Prices were calculated in a manner allowing the AP to move his/her property within a radius of 20 km.

77. Studies showed that such companies offer small trucks (Gazelle) and large trucks (GAZ -52 or ZIL131) for moving furniture and household items, MAZ auto cranes and a KAMAZ drive unit with an ODAZ semi-trailer for moving assets with non-standard dimensions). The services were calculated on the basis of the following criteria:

- (iv) routing quantity
 - (i) quantity of assets to be moved
 - (ii) apartment floor level
 - (iii) availability of an elevator
 - (iv) dimensions of one piece assets.

10 TRANSACTION COSTS

78. The costs related to the transaction are calculated on the basis of tariffs on implementation of real estate state registration defined by the RA legislation, payments and state duties defined by the notaries offices. Also the fact of the possibility to divide one piece of assets into 2 or 3 parts (as a result of partial alienation of assets) is taken into account.

11 CENSUS AND SOCIO-ECONOMIC SURVEY

11.1 Census

79. The aim of the census was to provide a detailed description of Affected Households in terms of gender, age and ethnicity. Data on vulnerability was submitted to the Ministry of Labor and Social Affairs for verification against a list of vulnerable AHs. During the survey, an Entitlement Matrix was distributed to all surveyed AHs.

11.2 Socio-Economic Survey

80. The SES aimed to describe AH's:

- (v) socio-economic state
- (v) access to social services and transport, incomes and expenditures, use of legitimate, rented and arbitrarily-used lands and structures
- (vi) apartment state and general conditions, attitude towards the program, perceptions of resettlement consequences, etc.

81. AH's compensation perceptions, life sustenance issues and possible need for additional support were addressed by a separate group of questions. The SES was implemented through the application of both qualitative and quantitative methodologies in order to develop a comprehensive picture.

11.2.1 Qualitative Survey Methodology

82. The following groups were surveyed by in-depth interviews and focus group interviews:

- (vi) Respondents, who lost a permanent and temporary business
- (vii) Respondents, who lost a permanent job
- (viii) Vulnerable Ahs
- (ix) Respondents, who lost residential structures.

83. All the interviews were recorded and transcribed. Interview durations varied from 25 minutes to 1.5 hours. The table below presents the number of conducted interviews by respondent type.

11.2.2 Quantitative Survey Methodology

84. The socio-economic surveys were conducted for 21 AHs (64APs) within Isakov-Arshakunyats LARP area. Surveys were conducted for the period of time from August, 2022 to January, 2023 and updated in August-November 2023. Representatives of owners, leaseholders, unauthorized users, permanently affected small businesses as well as employees took part in the survey. Persons who were most familiar with the socio-economic situation of the family completed the survey. The interview was conducted with AHs that had a relevant loss according to the following 4 questionnaires:

- (vii) AH questionnaire: for affected lands, owners of buildings and other assets, leaseholders and users
- (x) AH questionnaire: for AHs that lost a job at the affected businesses
- (xi) AH questionnaire: for respondents, who lost affected SM

(xii) AH questionnaire: for respondents, who lost affected big business

85. All questionnaires were verified one day after returning from the field. Identified inconsistencies were checked through a phone call with the respondent. Only questionnaires that underwent a logical verification were entered. Data entry was conducted in Excel. Each deviation that occurred during the data cleaning process was corrected according to the information specified in the questionnaire. Entered data was analyzed in SPSS and output tables were prepared according to pre-defined formats.

12 PREPARATION OF PROTOCOLS

86. Description protocols were prepared (based on data collected through a detailed measurement study - census) as specified in Annex N3 and in a format approved by Government Decision N 739-Ն dated July 14, 2016. Land, structure and business description protocols were prepared. Protocols were prepared for both legitimate and illegitimate assets.
87. For affected assets, the description protocols were prepared and signed by the owners/leaseholders and by the Investing Projects Implementation Unit Building up of Yerevan PIU on 11.10.2023 and 26.10.2023 and submitted to the APs. A change of the description protocol was prepared, if necessary, and signed by the owners in the planned procedure.
88. A program was developed by professional programmers to create protocols automatically. This approach ensured that the information available in the protocols was identical with the information presented in the LARP and the database to be used during the LARP implementation external and internal monitoring was identical to the information of the protocol to be sent to the AP.
89. In cases when it was not possible to meet the owner/user/, leaseholder, an act was prepared on failure to sign the protocol, where the reason for the failure to sign is pointed out.

Affected Household Questionnaire For Owners, Renters And Users Of Affected Land, Buildings And Other Assets

Questionnaire N_____

Dear Sir/Madam,

RA Government, Yerevan Municipality and the Asian Development Bank are implementing a Project aiming to improve traffic and public transport in Yerevan. In the frames of the Project a new Iakov-Arshakunyats road link will be constructed in Yerevan. In order to minimize adverse effects of the Project and to prepare program for rehabilitation of affected livelihoods, before the commencement of construction, it is required to conduct a survey. Your opinion is of a great importance for the Project. We would appreciate if you give us a few answers about your household, give your views, opinions and suggestions, so we could address current situation and suggest appropriate strategies for the Project. The necessary personal data will be used only for the statistical analysis of the survey. We assure you that no personal data will be given or revealed to any third party under any circumstances. We thank you in advance for your collaboration.

Name and surname of the respondent (indicate relationship with AP) _____
 Address of the affected property (*INDICATION* : in case the address is missing enter code 98) _____
 AP's residence address _____
 Identification number in data base (*INDICATION* : to be filled in by checking person) _____
 Lot code of the affected land _____
 Respondent's phone number _____
 Code of interviewer _____
 Date of the interview (day, month, year) _____
 Start time of the interview _____
 End of the interview _____

No	Type of affect	1.Yes 2.No
1	Loss of Land	
2	Loss of structure/residential	
3	Loss of structure/ non-residential	
4	Loss of business	
5	Loss of employment	
6	Fruit trees	
7	Crops	
8	Decorative and Wood trees	
9	Other	

1 STRUCTURE OF THE HOUSEHOLD AND ITS SOCIOECONOMIC STATUS

I'd like to make a list of all members of your household – present and living away from home. Under household we mean people living under the same roof and the same family budget. Let's start to record data on head of household and then on the spouse, children and other members of the household.

1.1 CHARACTERISTICS OF HOUSEHOLD

No	Name, Surname	Relationship to HH head	Ethnicity	Age	Gender	Marital status	Education
		1.Head 2.Husband/wife 3.Daughter 4.Son 5.Mother 6.Father 7.Sister 8.Brother 9.Grandmother 10.Grandfather 11. Daughter-in-law 12.Son-in-law 13.Grandson 14.Grand-daughter 15.Husband's mother 16.Husband's father 17. Wife's mother 18. Wife's father 99.Other ____	1.Armenian 2.Yezdi 3.Russian 99. Other		1. Male 2. Female	1.Married 2.Single 3.Widowed 4.Divorced 98. Not applicable /till 18 years old/	1.Illiterate 2. Elementary 3. Post-primary 4. Secondary (10 yeras) 5. High school (12 years) 6. Secondary professional 7. University student (Permanent) 8.University student (distance) 9. University degree 10. Post-graduate 98.Not applicable (till 6 years old)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							

1.2. EMPLOYMENT STATUS/INCOME SOURCE

No	1.Name / Surname (Write the code from table 1.1)	2. Employment status/ source of income	3. Occupation	4. Type of work	5. The source of average monthly income for last 6 months	6. Average monthly income for last 6 months	7. Social group
		1. Employed 2. Pensioner → 5 3. Student, pupil → 5 4. Unemployed and not looking for a job → 5 5. Unemployed and looking for a job → 5 6. Army Servant → 7 7. Incapable → 5 8. Other 98. Not applicable till 6 years old → 7	1. Civil servant 2. Employee in private sector 3. Self-employed, entrepreneur 4. Employer 5. Occupied in private agricultural HH 6. Occupation in other agricultural sector 99. Other 98. Not applicable	1. Permanent 2. Seasonal 3. Temporary 4. Time to time 98. Not applicable	1. Salary 2. Old age pension 3. Scholarship 4. Other pension 5. Social benefit 6. Remittance from abroad 7. Remittance from Armenia 8. Rental income 99. Other		1. Disabled worker 1 st group 2. Disabled worker 2 nd group 3. Disabled worker 3 rd group 4. Disabled from birth, 5. Orphan child 6. Single parent 7. Single pensioner 8. Refugee 98. None of mentioned
		1 2	1 2		1 2	1 2	1 2
1							
2							
3							
4							
5							
6							
7							

(Please, insert data about all HH members)

1.3 Identify, please, those income sources which are common for your Household?

5. The source of average monthly income for last 6 months	6. Average monthly income for last 6 months
1. Other pension 2. Social benefit 3. Remittance from abroad 4. Remittance from Armenia 5. Rental income 99. Other	

1		
2		
3		
4		
5		

1.4. Who in your HH provides the main portion of finances to family budget?

INDICATION: enter the respective number of a relevant family member reflected in Table 1.2.

1.5. What kind of assistance did you or your family members receive from the state in 2012?

INTERVIEWER – ACCEPT ALL POSSIBLE ANSWERS GIVEN BY THE RESPONDENTS

1.5 Social assistance		1. Yes	2. No
1.	Old age pension		
2.	Invalidity pension		
3.	Benefit for the loss of a breadwinner		
4.	Child care benefit for up to 2 years old children		
5.	Child birth benefit		
6.	Poverty family benefit		
7.	Lump sum benefit, aid		
1.	Other /identify/		

1.6 In case you wish, would you or your household members to

		1. Yes	2. No
1	Maintain appropriate heating in the house		
2	Pay annually for one week holiday/rest		
3	Change worn-out furniture		
4	Buy new clothing		
5	Buy meat, chicken, fish at least once in two days		
6	Host friends /at least once in a month		
7	Buy two pairs of shoes for each season		
8	Implement home interior decoration/design		

1.7. Do you have any loan or debt at present?

1. Yes	1.1 The amount of money			1.2 Currency 1. AMD 2. US Dollar 3. Euro 4. Russian Ruble			1.3 Source /Several answers are possible/ 1. bank/credit organization 2. private person 99.other			1.4 Have you pledged the land or building subject to acquisition against debt / loan. Applicable only for own property 1. Yes 2. No	
Total amount											
2. No											

2 SELF-ESTIMATED HOUSEHOLD EXPENDITURES

2.1 Kindly indicate approximate monthly expenditure on different items.

Expenditure	Average monthly expenditure (AMD)
1. Food	
2. Personal transport /included petrol/	
3. Public transport	
4. Clothing	
5. Health (medicines, services)	
6. Education (tuition, services)	
7. Mobile phone	
8. Fixed telephone	
9. Social functions/obligations	
10. Power bills (electricity, gas and other utilities etc.)	
11. Revenue rent	
12. Property rent /if applicable/	
13. Machinery (mobile, computer, TV etc.)	
14. Other/current costs	
Total	

3 ACCESSIBILITY TO TRANSPORT

3.1 What mode of transport do you generally use and for what purpose?

Purpose of transportation use	Mode of transport								
	1. Fixed-run minibus	2. Bus	3. Trolley-buses	4. Metro	5. Taxi	6. Personal car	7. On foot	8. Other (please specify)	98. Not applicable
1. Work									
2. Market									
3. Hospital									
4. Pharmacy									
5. School/University									
6. Other educational facility									
7. Religious facility									
8 Recreational									
9. Shop, market center									
99 Other									

3.2 What is the longest distance you generally covered using transportation (km): _____

3.3 What is average monthly cost of transportation for your household (AMD): _____

4 AFFECTED LAND PLOTS AND STRUCTURES

4.1 Could you please tell me about land plots and structures owned/used by your household, including legal and illegal properties?

Type of property	1.Land									2.Building/structure								
	1.Own			2.Rented			3.Illegal			1.Own			2.Rented			3.Illegal		
	Quantity	Surface (m ²)	Using Card 1	Quantity	Surface (m ²)	Using Card 1	Quantity	Surface (m ²)	Using Card 1	Quantity	Surface (m ²)	Using Card 2	Quantity	Surface (m ²)	Using Card 2	Quantity	Surface (m ²)	Using Card 2
	1.1.1	1.1.2	1.1.3	1.2.1	1.2.2	1.2.3	1.3.1	1.3.2	1.3.3	2.1.1	2.1.2	2.1.3	2.2.1	2.2.2	2.2.3	2.3.1	2.3.2	2.3.3
1. Just Land										x	x	x	x	x	x	x	x	x
2. Land with buildings																		
3. Residential Building	x	x	x	x	x	x	x	x	x									
4. Apartment	x	x	x	x	x	x	x	x	x									
5. Non-residential Building	x	x	x	x	x	x	x	x	x									
6. Other (specify)																		

4.2 How many rooms does your apartment consist of? (TO INTERVIEWER : to exclude only bathroom).

--	--

4.3 Is your residence:

1. Fully owned
2. Still being repayed / purchased by mortgage/hypothecary loan
3. Leased
4. Used (rented without rental fee)
5. Illegal
99. Other_____

4.4 Current condition of your residence	Yes	No
1. Insufficiency of space	1	2
2. Noise /neighbours	1	2
3. Other noise (traffic, plant, business)	1	2
4. Insufficient lighting	1	2
5. Lack of heating	1	2
6. Leaking roof	1	2
7. Walls, floor, fundament humidity	1	2
8. Rotten window frames, and / or floor	1	2
9. Waste problem /included traffic and industrial waste	1	2
10. Threat of crime in the area	1	2
99. Other (please specify)		

5.PERCEPTION ABOUT THE PROJECT AND RELATED ISSUES

5.1 Have you ever heard about this Project? 1. Yes (Describe) 2. No

5.2 Are you familiar with the available grievance procedure? 1. Yes (Describe) 2. No

5.3 Please indicate any of the following advantages / positive impacts from the proposed Project:

No	Advantages from the Project	1. Yes 2. No	Remarks
1	Employment opportunities		
2	Business opportunities		
3	Increase in real estate value		
4	Overall appearance of the area		
5	Influx of new residents		
6	Easier access to services, other parts of the city		
7	No advantages		
99	Other: (specify)		

5.4 Please indicate any of the following disadvantages / adverse effects from the Project within your area:

No	Disadvantages from the Project	1. Yes 2. No	Remarks
1	Relocation		
2	Income reduction		
3	Traffic congestion		
4	Traffic safety deterioration, accidents risk increase		
5	Increase in real estate costs		
6	Environmental effects		

7	Commercialization		
8	Loss of social interaction with relatives, neighbors, friends		
9	Loss of community places		
10	No disadvantages		
99	Other: (specify)		

6 RELOCATION, COMPENSATION AND LIVELIHOOD ISSUES

6.1 In case of acquisition of your own land plot, what kind of compensation do you prefer to receive?

(INDICATION: Answers can be multiple. INDICATION: In terms of illegal, enter 98)

1. To get the land of the same category
2. To receive in cash the compensation for the land and at market value rate
3. Do not know, haven't decided yet
98. No applicable (not the owner of that land)
99. Other (please describe)_____

In the absence of buildings/structures, proceed

6.2 If affected residence/structure is located on the affected land plot, please state how will you prefer to use/spend the compensation?

(INDICATION: Answers can be multiple)

1. To rebuild that structure(s) on the remaining part of the same land plot, after acquisition.
2. To rebuild that structure(s) on the other land plot belonging to you.
3. To rebuild that structure(s) on another land plot, which you will buy
4. To purchase an apartment close to current location
5. To purchase an apartment somewhere else
6. Did not decide yet
99. Other (please describe)_____

The information provided by me is accurate and corresponds to the true facts. With my signature I confirm that I have received the entitlement matrix with the information about the Project.

Signature and name of Interviewee

Minutes Of Meeting

Yerevan Urban Development Investment Program Public Consultation on Land Acquisition and Resettlement Isakov-Arshakunyats Road Link

Date/time: 06 October, 2022, 11:00

Venue Yerevan, Administrative Building of the Shengavit administrative district

The meeting was conducted by;

Mr. Sirak Gyulbudaghyan, Land acquisition and resettlement specialist, “Investing Projects Implementation Unit Building up of Yerevan PIU” CNCO, Sustainable Urban Development Investment Program.

Participants were:

1. Sirak Gyulbudaghyan, Land acquisition and resettlement specialist, “Investing Projects Implementation Unit Building up of Yerevan PIU” CNCO, Sustainable Urban Development Investment Program,
2. Tigran Grigoryan, Director of AM LLC (DMS, Census, SES Implementation Company).
3. Gayane Metsoyan, AM LLC (field work coordinator)
4. Davit Soghomonyan, AM LLC (licensed measurement specialist)
5. Aharon Aharonyan (engineering team)

In total 16 APs attended the public consultation; 5 women and 11 men (the list of participants with respective signatures is attached to the Minutes of Meeting of the public consultation). All APs were notified by phone calls about the consultation. The announcement on public consultation was posted on SUDIP website and on the announcement boards in administrative buildings of Shengavit, Kentron and Malatia Sebastia districts. Announcement leaflets were posted in visible places in the LARP area.

The following issues were presented in the agenda of the session:

- Grievance Redress Mechanism for the Project
- Main LAR phases of the Project Implementation, legal requirements of the RA Government Decree on Preliminary study
- Planning and Implementation procedure of preliminary DMS
- Questions and Answers

Tigran Grigoryan presented in detail the Grievance redress mechanism for the Project and the general phases of LARP preparation, approval and implementation. He emphasized that construction activities in areas with LARP impact will commence only after LARP implementation and approval of the Compliance report on LARP implementation by ADB. The compensation entitlements and the types of losses were also introduced to the participants. Tigran Grigoryan elaborated on organization and implementation procedure of DMS, Census and social-economic surveys. He also highlighted importance of active participation and support of APs in the process of measurement and protocol drafting, which will enable relevant specialists to develop precise database. Tigran Grigoryan presented also main principals of compensation. Representative of the Engineering team Aharon Harutiunyan presented the design of Isakov-Arshakunyats road link. At the end of the public consultation, the participants had the opportunity to review the design with relation to their properties on google earth.

Questions & Answers

H. A.

Question 1. Which are vulnerable groups.

Answer 1. Those families, which are registered in the evaluation system of vulnerability of families and receive a family allowance or are headed by women or pensioner.

Question 2. Will you pay compensation for a 3-story house accordingly?

Answer 2. The logic of calculation of compensation amount is that the AP will be able to construct a new house with the same sizes and the same materials. In the case with residential buildings, 115% of replacement cost is paid as compensation.

Question 3. The overpass will pass very close from our house. If such cases are compensated?

Answer 3. Only affected houses are subject for compensation. If the house is close to the overpass this not subject for compensation. There may be cases when the houses are damaged because of construction. The contractor will compensate such cases. If there is evidence that there are issues with sunlight (insolation) such cases will be studied additionally by experts.

Question 4. We have cleaned the territory from waste. If existence of invoices will be considered during valuation.

Answer 4. Such expenses are usually included in the market value of the land. However, every case will be reviewed separately.

Question 5. How much is the market value.

Answer 5. A qualified valuator in accordance with RA legislation calculates the market value. Currently we have not calculated the market values.

T. Z.

Question 1. Is amortization considered during calculations?

Answer 1. Amortization is not calculated.

Question 2. How do you calculate the compensation of income loss in case of operating business? I mean the business structure.

Answer 2. The building and the business are compensated separately. The building is compensated as building, i.e. compensation is paid so you will be able to build a new building. In case of business with tax declaration we provide you with compensation amount equal to your income for last year based on your past tax declarations. If the business is permanently affected the compensation amount is paid for 1 year, in case of temporary closure of the business the compensation amount will be calculated for the months of stoppage up to 1 year. In absence of tax declaration, the compensation amount is calculated based on the amount of minimum salary in the RA.

Question 3. We provide tax declarations but we also have business plan which can be provided. The property is pledged based on that business plan.

Answer 3. Business plan is not subject for compensation.

A. H.

Question 1. If the child rehabilitation center affected by the project.

Answer 1. Yes some land used by the center is affected, but not the buildings.

H. A.

Question 1. In the past we were told that in Noragyugh houses will not demolished. Based on that we have done huge expenses for collecting the waste. How this will be compensated. The houses are mainly build on illegal land plots. We have collected hundreds of machines of waste.

Answer 1. This may be considered as an improvement done to the land, i.e you will see increase in the value of the land plot.

Question 2. Near the American street there are parking areas build on illegal land plots. How this will be compensated.

Answer 2. According to the LARF the head of administrative district should approve the illegal usage of the land plots. If the head of the administrative district approves the usage of the land plot, you will receive compensation equal to 25% of the calculated value of land.

M. V.

Question 1. The house was built in 1930s. How this will be compensated.

Answer 1. The year when the house is build does not affect the compensation. The logic of calculation of compensation amount is that the AP will be able to construct a new house with the same sizes and the same materials. In the case with residential buildings, 115% of replacement cost is paid as compensation.

Question 2. When the compensation contracts will be signed and compensations paid.

Answer 2. ADB and the Government must approve the LARP. Only after that we can sign contracts and pay compensations.

PHOTOS OF PUBLIC CONSULTATION

PARTICIPANT LIST

Minutes Of Meeting

Yerevan Urban Development Investment Program Public Consultation on Land Acquisition and Resettlement Isakov-Arshakunyats Road Link

Date/time: 13 October, 2023, 11:00

Venue Yerevan, Administrative Building of the Shengavit administrative district

The meeting was conducted by;

Mr. Sirak Gyulbudaghyan, Land acquisition and resettlement specialist, “Investing Projects Implementation Unit Building up of Yerevan PIU” CNCO, Sustainable Urban Development Investment Program.

Participants were:

6. Sirak Gyulbudaghyan, Land acquisition and resettlement specialist, “Investing Projects Implementation Unit Building up of Yerevan PIU” CNCO, Sustainable Urban Development Investment Program,
7. Tigran Grigoryan, Director of AM LLC (DMS, Census, SES Implementation Company).
8. Aharon Aharonyan (engineering team)

In total 18 APs attended the public consultation; 3 women and 15 men (the list of participants with respective signatures is attached). All APs were notified by phone calls about the consultation. The announcement on public consultation was posted on SUDIP website and on the announcement boards in administrative buildings of Shengavit, Kentron and Malatia Sebastia districts. Announcement leaflets were posted in visible places in the LARP area.

The following issues were presented in the agenda of the session:

- Main LAR phases of the LARP preparation and implementation
- Legal requirements of the RA Government Decree on Acknowledgement of Prevailing Public Interest
- Presentation of the cut-off date
- Compensation entitlements for the Project
- Grievance Redress Mechanism
- Questions and Answers

Sirak Gyulbudaghyan presented the short description of the Project, main phases of LARP preparation and implementation. The GD on Acknowledgement of Prevailing Public Interest as well as steps following the GD were presented in detail. This includes also the APs rights with regard to the GD and restrictions imposed by the approval of the GD. Sirak Gyulbudaghyan emphasized that 11 of October 2023 is set as the cut-off date for the Project and the improvements done after that are not subject for compensation. The purpose of the cut-off date was presented in detail. The Project GRM was also presented in detail.

Tigran Grigoryan presented in detail the compensation entitlements, the types of losses and valuation methodology for the Project. He highlighted importance of active participation and support of APs in the process of protocol signing. Representative of the Engineering team Aharon Harutiunyan presented the design of Isakov-Arshakunyats road link. At the end of the public consultation, the participants had the opportunity to review the design with relation to their properties on google earth.

Questions & Answers

V. Z.

Question: Does compensation amount include also the taxes.

Answer: The Compensation amount does not include the taxes. All the taxes which occur from the compensation process are paid by the PIU/YM. This refers also to the cadastral and notary payments.

Question: How is evaluation of structures done? What are your criteria?

Answer: As it was already mentioned the logic of calculation of compensation amount is that the AP will be able to construct a new building/house with the same sizes and the same materials. In the case with residential buildings, 115% of replacement cost is paid as compensation regardless of legal status. In case of non residential buildings 100% of replacement cost is compensated for illegal structures and 115% for legal structures.

A. B.

Question: Our land plot is affected partially. The affected part should be separated from the not affected part. When are you going to separate those 2 parts. We are planning to do construction on the not affected part. Can we separate it now?

Answer: The LARP is not approved yet and we are not authorized for land acquisition. We have provided the maps indicating affected and not affected parts. You or the owner of the land plot may separate the affected and not affected parts and use the not affected part.

V.M.

Question: When you will provide the compensation.

Answer: The compensations will be provided after approval of the LARP by ADB and the Government. You will receive draft agreements/contract where you can find the compensation amounts for your assets. PIU and the AP will sign a compensation agreement/contract prior to the payment of compensation. Compensation will be transferred to your bank account within 10-15 days, upon signing of the agreement/contract.

G.D.

Question: Will we be able to buy a house with the compensation amount.

Answer: Yes you will be able to buy a property similar to yours. 115% of replacement cost is provided for structures and 115% for legal land (in case of illegal land you will receive 25% of valuated price). You will receive compensation also for different improvements and trees, if any and allowance for residential relocation. In any case construction can commence only after all the APs have received their compensation amounts and the compliance report is approved by ADB.

L. B.

Question: When will we have to relocate from our houses.

Answer: According to our law on Eminent Domain you will have 1 month to relocate after receiving the compensation. But actually after receiving the draft contracts you have 3 month time to sign the compensation amount and during this period you can find appropriate houses in the market.

PARTICIPANTS LIST

PHOTOS OF PUBLIC CONSULTATION

Information leaflet (LARP phases) Disclosed to APs during PC**A. DESIGN**

- The design of the Isakov-Arshakunyats road link is ready, but may be revised based on the results of preliminary study.

B. ORGANIZATION OF PUBLIC CONSULTATION

- Specialists from Project Implementation Unit will visit your community.
- You will be informed on the phases of acquisition procedure, your rights in acquisition procedure and principals of compensation, as well as on the discussion mechanism in case of potential grievances.

C. PRELIMINARY STUDY

- Preliminary study of land plots and property in the bus depot area will be conducted. A Government decree on preliminary is initiated by PIU.

PRELIMINARY STUDY

1. Internal and external measurements of properties and land plots.
2. Site inventory of properties and land plots, photo and video recording
3. Site inventory and calculation/registration of trees and crops.
4. Inventory and registration of improvements.
5. Conducting a census and socio-economic survey.
6. Collection and scanning of necessary documents related to APs properties and land plots.
7. Clarification of list of affected properties.
8. Drawing up the description protocols on the properties and land plots.

1. MEASUREMENT OF LAND PLOTS AND STRUCTURES

- Your structures and land plots are measured.
- During the measurement process your presence is kindly requested.
- As a result of measurement may be discovered newly affected land plots and some of land plots may be eliminated from the list of expropriated land plots.

2. CENSUS AND SOCIO-ECONOMIC SURVEY**Census**

- All your family members are described.
- The information does not impact on the size of compensation.

Socio-economic survey

- Questionnaire for description of affected households will be filled in with all the affected families.
- The survey is anonymous.
- Results of surveys will not impact on the size of compensation.

3. DESCRIPTION OF PROPERTY

- Described are properties, land plots, buildings/structures, crops, fruit trees and decorative trees that are subject to expropriation.

D. EMINENT DOMIAN

- The properties, which are clarified to be affected in the result of preliminary study, will be recognized by the RA Government decree as Eminent Domain.

AKNOWLEDGMENT OF EMINENT DOMIAN AND PREPARATION OF LARP

1. Conduction of Public consultations

2. Checking and updating of data on measurement, property inventory and census.
3. Singing of property description protocols and their notification.
4. Valuation of property and calculation of compensation.
5. Preparation of land acquisition and resettlement plan.

1. CONDUCTION OF PUBLIC CONSULTATIONS

☐

2. DESCRIPTION OF PROPERTY, PREPARATION AND SIGNING OF PROTOCOL

☐

- Based on the information provided by you, and according to the results of the surveys conducted in the community, there will be prepared the property (land, building/structure, business) description protocols.
- Make sure that you provided copies of all the required documents.
- Protocol will be provided to you for your signature. Make sure that your property is properly/correctly described.
- A copy of the official notification will be sent to you via post mail after the implementing agency will sign the document.

3. VALUATION OF PROPERTY, CALCULATION OF COMPENCATION

☐

- Based on your property description protocol, which was signed by you, the property valuation process will commence.
- Your questions about principals of valuation process you can ask during Public consultation meeting.

4. PREPARATION OF LAND ACQUISITION AND RESETTLEMENT PLAN (LARP)

☐

- In the plan will be presented general principals of compensation, possible impact of the plan and total compensation budget.

- LARP approval by Asian Development Bank

☐

- LARP approval by RA Government

☐

E. IMPLEMENTATION OF LAND ACQUISITION AND RESETTLEMENT PLAN

- The implementation of LARP means signing the alienation contracts with all the APs described in the LARP and provision of compensations to the APs as per the following phases:

1. Preparation of property alienation draft contract/agreement and its notification.
2. Signing/entering into force of the property alienation contract/agreement and transfer of compensation.
3. In the event of not signing/entering into force the property alienation contract, the expropriation of property judicially/via court.

1. PREPARATION OF PROPERTY ALIENATION DRAFT CONTRACT AND ITS NOTIFICATION

☐

- Preliminary contract will be presented to you.
- Check the content of the contract and present your objections within the period of time prescribed by the law.
- Fill out the required information, for example bank account.
- If information on your bank account is missing, Project Implementation Unit will open bank account registered in your name.

2. SIGNING THE PROPERTY ALIENATION CONTRACT AND TRANSFER OF THE COMPENSATION

☐

- The contracts will be signed with you.
- Compensation amount will be transferred to your bank account.

3. EXPROPRIATION OF PROPERTY JUDICIALLY/VIA COURT

☐

- The expropriation of property judicially/via court will be implemented in case if:

- (1) AP announces his/her disagreement and refuses to sign the property alienation contract; and/or (2) signing of the contract is not possible due to absence of conditions prescribed in the legislation
- expropriation of property judicially/via court will be implemented in the following phases:
 - compensation amount will be transferred to the court's deposit account.
 - in case if acquirer/recipient will not withdraw the amount from the account during 7 days period of time, he/she has to apply to the court with a claim on expropriation.
 - the land will be expropriated by the court decision.

F. COMMENCEMENT OF CONSTRUCTION

- Construction of the bus depot will not commence until all APs receive on their bank accounts the compensation amounts, or ☐
- Court decision on expropriation is registered in the Cadastre Committee of the RA

Contact details

Project Implementation Unit of «Urban Sustainable Development Investment Project »

Asian Development Bank
Armenia Resident Mission

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Land Acquisition And Resettlement Plan

Project Information Pamphlet



October 2022

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ABBREVIATION

ADB	Asian Development Bank
AH	Affected Household
AMD	Armenian Dram
AP	Affected Person
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
DMS	Detailed Measurement Survey
SES	Socioeconomic Survey
YM	Yerevan Municipality
YM PIU	Yerevan Municipality “Investing projects Implementation Unit Building up of Yerevan”
IA	Implementing Agency

1. PROJECT BACKGROUND

RA Government has requested a loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Program (YUDIP). The RA Ministry of Territorial Administration and Infrastructure (MTAI) is the Executing Agency (EA), and the Municipality of Yerevan (YM), as the Implementing Agency (IA) working directly with the PIU. YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. The improved main road network and public transport in Yerevan will improve access to social services, mobility of people and goods and increase general economic dynamics. YUDIP will be focused on construction of Isakov-Arshakunyats Road Link. The detailed design of Isakov-Arshakunyats road link was done by the Detailed Engineering and Supervision Consultant (DESC) under Sustainable Urban Development Program (SUDIP) Tranch 1.

The land acquisition and resettlement plan (LARP) for YUDIP was prepared by DESC for PIU. The LARP addresses the land acquisition and resettlement impact of the Isakov-Arshakunyats road link.

Screening for involuntary resettlement impacts under the Project has identified 3 sections without any LAR related impacts. These sections are included in the Social Safeguards Due Diligence Report (SSDDR) which was submitted to ADB.

RA Government has approved decree on preliminary study of the properties affected by Isakov-Arshakunyats road link, which will be followed by drafting of Land Acquisition and Resettlement Plan (LARP).

LARP evaluates Project's impact and details the implementation plan for compensation/rehabilitation measures. LARP preparation is based on the relevant RA rules and regulations, ADB Safeguards Policy 2009 and Project's Land Acquisition and Resettlement Framework (LARF). LARP will include: 1) Detailed Measurement Survey (DMS), consisting of affected lands/buildings/structures and other assets' precise description/measurement; 2) a census of all affected people (AP) and households (AH); 3) Socio-Economic Survey (SES) of the AHs; 4) Detailed Valuation Survey of affected assets 5) consultation with the APs.

2. COMPENSATION ELIGIBILITY AND ENTITLEMENTS

All APs residing, working, doing business and cultivating land within the project impacted areas are entitled to compensation for their affected assets, based on the finalized design of the bus depot and consequent census and detailed measurement survey of losses. They are also entitled to rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels.

Lack of legal rights to the assets lost or adversely affected tenure status or social or economic status, will not bar APs from entitlements to such compensation and rehabilitation measures or resettlement objectives.

Compensation eligibility is limited by a cut-off date, which is the date of signing the first property description protocol of the affected properties by the APs and the Acquirer. It is the same for all APs regardless of their legal status. Any person, who settles in the affected areas or build/ expand their houses/ structures or make any other improvements on the affected area, will not be eligible for compensation after the cut-off date.

The Entitlement Matrix below classifies the types of loss and compensation eligibility, also provides allowances for severe impacts, for AHs below poverty line or headed by women or elderly people.

Table 1. Entitlement Matrix

Type of Loss	Application	Definition of APs	Compensation Entitlements
1. Agricultural land Loss	AH losing agricultural land regardless of impact severity	Owners	Compensation at replacement value +15% either in cash at market rates or cadastral values (whichever is higher). When there are no active land markets cash compensation will be based on the value of the yearly product of the land for a sufficient number of years to ensure the affected parties rehabilitation for the loss of their land.
		Leaseholder(comm unity/state)	Leaseholder will be legalized and compensated as full owners at market rates or cadastral values (whichever the highest) or will be given a new lease. If this is not possible they will receive compensation equal to "the market or cadastral value of affected land (whichever the highest) + 15%" in the following proportions according to the length of the lease:1) < 1 year 5%; 2) < 15 years 14% ; 3) < 25 years 20%;4)>25 years -25%.
		Non-legalizable AHs	These APs will receive a rehabilitation allowance equal to 25% of the affected land market or cadastral value (whichever the highest)
2. Non-Agricultural Land loss	AH losing their commercial/ residential land	Owner	Compensation at replacement value +15% either in cash at market rates or cadastral values (whichever the highest).
		Leaseholder(comm unity/state)	Leaseholder will be legalized and compensated as full owners at market rates or cadastral values (whichever the highest) or will be given a new lease. If this is not possible they will receive compensation equal to "the market or cadastral value of affected land (whichever the highest) + 15%" in the following proportions according to the length of the lease:1) < 1 year 5%; 2) < 15 years 14% ; 3) < 25 years 20%;4)>25 years -25%.
		Non-legalizable AHs	These APs will receive a rehabilitation allowance equal to 25% of affected land market or cadastral value whichever the highest.
3. Residential buildings		All AH regardless of legal status.	Cash compensation + 15% for loss of building at full replacement cost (not less than market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
4. Non-residential buildings/ assets		AHs with valid registration	Cash compensation + 15% for loss of building at full replacement cost (not less than the market value) free of depreciation/transaction costs and salvaged materials. Partial impacts will entail the compensation of the affected portion of the building plus repairs (with agreement of APs).
		AHs with non-legal buildings/structures built on the legal land	Cash compensation for loss of building at full replacement cost (to be not less than the market value) free of depreciation/transaction costs and salvaged materials.
		AHs with non-legal buildings/structures built on the non-legal land	Rehabilitation allowance equal to replacement cost (free of depreciation/transaction costs and salvaged materials) minus the legalization cost of up to 20% of market value.
5. Crop Losses	Standing crops affected	All AH regardless of legal status (including owners subject to obtaining legal status and residents having no residency status)	One year crop compensation in cash at market rate by default at gross crop value of expected harvest.
6. Tree Losses	Trees affected	All AH regardless of legal status. (including owners subject to obtaining legal status and residents having no residency status)	Cash compensation at market rate based on type, age and productive value of the trees.
7. Business or employment Losses	Business employment loss	All AH regardless of legal status (including owners subject to obtaining legal status and residents having no residency status).	Owner: (i). (permanent impact) cash indemnity of 1 year net income; (ii) (temporary impact) cash indemnity of net income for months of business stoppage up to 1 year. Assessment to based on tax declaration. In absence of tax declaration the AH will receive a rehabilitation allowance based on the maximum non-taxable salary for the number of months of business stoppage up to 1 year. The maximum non taxable salary is equal to minimum salary. Permanent Worker/Employees: Indemnity equal to: (i) Permanent job loss 6 months of average monthly salary; (ii) Temporary loss average monthly salary for the number of months of job loss up to 6 month.

8. Allowances for Severe Impacts	AH with >10% agricultural income loss or to be relocated	All severely affected AHs including informal settlers and relocated renters	i) 1 additional crop compensation covering 1 year yield for APs affected by severe agricultural income losses ii) a rehabilitation allowance of 6 months at minimum salary for relocated AHs
9. Relocation allowances	Transport/transition costs	All relocated AH including relocated renters	Provision of funds to cover transport costs and livelihood expenses for 1 month.
10 Vulnerable People Allowances		AHs below poverty line or headed by women or elderly people	Allowance equivalent to 6 months of minimum salary and employment priority in Project-related jobs
11. Temporary impacts		All AHs	Due rent and rehabilitation for temporarily affected assets will be provided.
12. Temporary impacts due to utility relocation	All AHs' losses based on their legal status	Owners	Compensation will be paid both for land and improvements as in case of permanent impacts
		Non-legalizable AHs	Compensation will be paid only for improvements added to the affected land by users such as trees, crops, fences etc. In these cases, no allowance will be paid to users for illegal land use; however, these lands should be covered and returned to the user.
13. Unforeseen LAR impacts, if any			YM will consider the unforeseen resettlement impacts during Project implementation and will compensate/ rehabilitate based on the above provisions.

3. COMPENSATION RATES

Assessment of Compensation Unit Values

Assessment of the real estate or the real estate rights shall be made in accordance with the procedure defined in the Law of the Republic of Armenia on Assessment of Real Estate in Armenia. ADB methodology for assessing unit compensation values of different items is as follows:

1) Agricultural land will be valued at cadastral values or market rates (whichever is higher) based on a survey of land sales in the year before the impact survey.

2) Houses/Buildings will be valued at replacement rate based on construction type, materials cost, construction type, labor, transport and other construction costs. No deduction will be applied for depreciation/transaction costs. If an AP does not wish to relocate, partial impacts may be paid only for the affected portion of the building or repairs.

3) Annual Crops will be valued at net market rates at the farm gate for the first year crop. In the event that more than one-year compensation is due to the APs the crops after the first year will be compensated at gross market value.

4) Trees will be valued according to different methodologies depending whether the tree lost is a wood tree or a productive tree.

a. Wood trees will be valued based on age category (a. seedling; b. medium growth and c. full growth) and wood quality and volume.

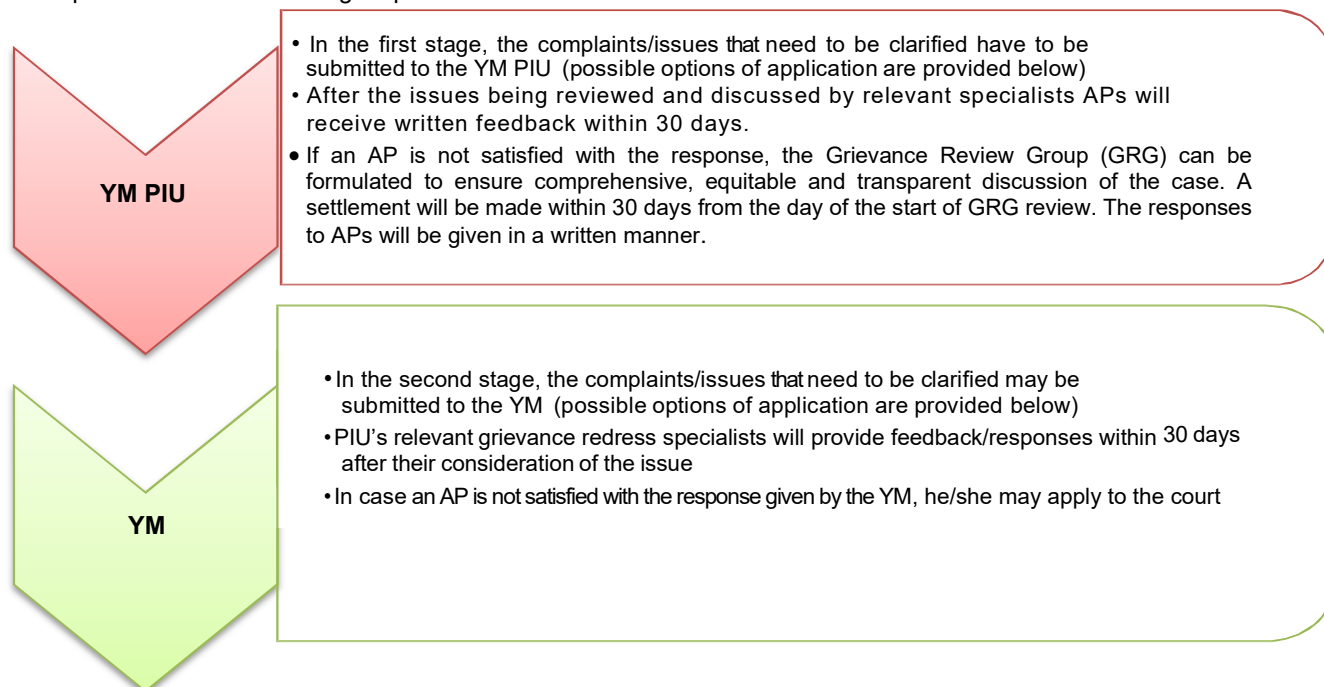
b. Fruit/productive trees will be valued based on age (a. seedling; b. adult-not fruit bearing; and c. fruit bearing). Stage (a) and (b) trees will be compensated based on the value of the investment made; stage (c) trees will be compensated at net market value of 1 year income x number of years needed to grow a new fully productive tree.

The unit compensation rates will be assessed by a certified independent evaluator based on clear and transparent methodologies acceptable to ADB. Assessed compensation rates will then be verified and certified by the YM PIU.

4. COMPLAINTS AND GRIEVANCE REDRESS MECHANISM

A grievance mechanism will be available to allow an AP appealing any disagreeable decision, practice or activity related with land acquisition and resettlement process. To ensure this right a grievance redress mechanism is developed.

A grievance redress mechanism throughout the stages of LARP preparation and implementation operates with the following steps:



Nevertheless, above mentioned grievance mechanism does not limit the citizen's right to submit the case to the court of law. You may apply to the court at any time.

How to apply to YM PIU:

PIU office

- Address: Buzand st. 1/3, 5th floor, (tel.) + 374 10 54 09 73/52 09 73

e-mail

- verabnaketsum@yerevan.am

How to apply to Yerevan Municipality (YM):

- Address: Argishti st. 1, Buzand st. 1/3 / working hours 9.00-18.00/
- We kindly ask to attach PIU's response and claim supporting documents.

5. TO LEGALIZABLE LAND USERS AND ILLEGAL STRUCTURES USERS

All occupants of untitled-plots can be legalized as long as they do not occupy areas which in accordance with Article 60 (02.05.2001) of the Land Code of the Republic of Armenia are classified as "Red Zones" (areas that are officially reserved for specific public use such military areas, hospital areas, school areas or areas that are not fit for settlement (river beds, radioactive terrains or other dangerous or ecological unfit lands) and corresponds to Armenian legislation other conditions. All APs eligible (person who has the documents certifying his rights on acquired property, but who has not still registered his ownership right) for the acquired property shall register their ownership and other property rights related to the acquisition of the property in compliance with the procedure established by RA legislation.

6. FREQUENTLY ASKED QUESTIONS

- **Can civil works start before compensation is provided?**

Contractors will not commence civil works in any section of the Project with LAR impacts until (a) the LARP is fully implemented; (b) agreed compensation is provided and rehabilitation assistance is in place, and (c) the affected areas are free of all encumbrances.

Acquisition of land through expropriation proceedings entails lengthy procedures often may be resisted. Such an approach will thus be pursued under the Program only in extreme cases when negotiations between APs and YM fail and no alternative land is available to implement a subproject. In these cases, however, YM will not occupy the needed plots until: (i) the proper judicial process as defined by the law is initiated; (ii) a court injunction has been obtained and properly communicated to the APs; and (iii) the compensation/rehabilitation amounts are deposited in an escrow account.

- **If I do not have a bank account, should I pay to open new one to receive compensation?**

You can receive compensation on your private bank account. That account should be mentioned in the contract for land acquisition. If you do not have bank account, then the compensation money will be transferred to the temporary account (opened in your name) of the bank with which YOM PMU will cooperate.

- **If the owner is not in Armenia, how can he/she get the compensation?**

If the owner is not in Armenia, he/she can send power of attorney to a relative or close friend to sign land acquisition contract and receive compensation. Please, consult with notaries or PIU lawyers about the format of the power of attorney. As soon as somebody is authorised, please inform YM PIM and provide the copy of the authorisation and the contact details to the relevant specialists. If acquisition contract is not signed, then your property will be legally expropriated through a Court process and the compensation will be transferred to the Court deposit account.

- **If the owner is dead, how will the compensation be provided?**

If the owner has any heirs, the compensation will be paid to them after registration of all proper inheritance documents. If there are no any heirs, the property will be expropriated and the compensation will be transferred on the Court deposit account. Please, consult with local notaries or PMU lawyers about the process of registration.

- **How will the compensation be paid?**

The compensation payment is one of the critical phases in LARP implementation. The steps envisaged are as follows.

- a. Selection of commercial Banks with the best conditions for APs. APs can also operate through their existing bank accounts.
- b. Signing of the land acquisition contracts with APs.
- c. Transfer of the compensation and allowances to the bank accounts of APs
- d. RA taking possession of the land/structure.
- e. Vacating of the property within time period specified in the Contract.

- **What should I have with me during signing of the contract for land acquisition?**

All persons holding registered rights towards the real estate shall be present at the notary's office. If a right holder cannot be present then proper Power of Attorney shall be presented instead.

The following original documents shall be presented:

1. Passport/ID
2. Ownership certificate
3. If there are right holders other than owners, then the respective right certificate (for example: certificate of lease, certificate of lien) should be submitted.
4. Marriage certificate.

Spouse of the owner is deemed to be co-owner, even if his/her name is not mentioned in the ownership certificate.

- **What will happen if the owner refuses to sign the contract?**

In this case the expropriation procedure will be initiated. Expropriation proceedings for the Project will be pursued only in extreme cases when negotiations between APs and YM PIU failed. YM will not occupy the needed plots until:

- the proper judicial process as defined by the law is initiated;
- the compensation/rehabilitation amounts are deposited in an court/escrow account;
- a court decision comes into force.

In accordance to the Armenian Law on Eminent Domain the procedures to be followed to initiate expropriation proceedings are as follows:

- The Acquirer must transmit the Draft Contract for Property Acquisition to the property owner, and to all other persons having rights or entitlements of any kind related to the property to be acquired.
- If the Land Acquisition Contract is not signed within 3 months of the date of transmission of the draft Contract, YM may begin the process of applying to the Court for a decision confirming the right of the Acquirer to the transfer of ownership.
- YM must transfer to the deposit account of the the Court, the calculated value of the compensation which is due to be paid to the AP and must notify the owner, and those having rights to the property, that the deposit has been so lodged. If the AP withdraws deposited funds, then it is treated by the Court as equivalent to acceptance and signing of the Acquisition Contract.
- If the Acquisition Contract is not signed within 7 days of depositing the compensation, YM must submit a Property Expropriation Claim to the Court, within 1 month of the date of the deposit. In hearing the Claim, only the amount of proposed compensation can be disputed at the Court.
- The YM has the right acquire ownership rights for the expropriated property as soon as Court decision enters into force.

- **Where can I get the Land Acquisition and Resettlement Plan?**

A copy of the Land Acquisition and Resettlement Plan is available at YM PIU. A copy will be also posted on the YM PIU and ADB's websites as soon as it is approved. Details of the relevant contacts can be seen at the end of this Information Pamphlet.

7. CONTACT DETAILS

If you still have any questions or need consultation, please, do not hesitate to contact YM PIU and ADB

Representatives

YM PIU

Yerevan Urban Deveopment
Investment program, Tranche2

1/3 Buzand st., 5th floor
0001, Yerevan, Armenia
Tel.: + 374 10 52 09 73/54 09 73

Asian Development Bank

2 Vazgen Sargsyan St, 7th floor,
Kamar Business Center, Yerevan,
Armenia
Tel +374 10 512300
Fax +374 10 546374
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APPENDIX 8

ID

"Appendix 3 of
the RA Government Decree N 739-Ն
as of July 14, 2016 "

Protocol Format

ON DESCRIPTION OF PROPERTY ALIENATED FOR PUBLIC AND STATE NEEDS (LAND PLOT, BUILDING, STRUCTURE AND IMPROVEMENTS)

INTRODUCTION

This Protocol is made based on the RA Law on "Alienation of Property for Public and State Needs", according to which:

Upon entering into force of the Government Decree on public eminent domain the authorized body, within the terms and manner defined by the Government, prepares the description protocol of the property under acquisition. The acquirer, the owner and property right holders are entitled to participate in the mentioned process if during the initial investigation of the property protocols were not prepared. The owner of the property subject to acquisition or the actual holder of the property shall allow the authorized body to prepare the description protocol of the property to be acquired.

If the owner of the property to be acquired or the actual holder of the property hinders the preparation works of description protocols, the authorized body makes the description protocols based on the available opportunity, which is considered as basis for valuation of existing improvements.

One copy of the description protocol of the property to be acquired, no later than within 3 days after its preparation, is duly sent to the owner or the actual holders of the property who have the right to appeal to the authorized body or the court within 10 days after receiving the protocols.

PART 1. LEGAL STATUS AND DESCRIPTION OF LAND

1. MARZ, COMMUNITY, ADDRESS OF PROPERTY	2. LAND CADASTER CODE

3. INFORMATION ON AFFECTED PERSONS AND LEGAL STATUS OF LAND

Physical person, legal	Owner / other			Certificate of state registration of rights	Authoriz ed person	Note s
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entity community/th e RA (state)/, other	propert y right /actual user	Passpor t /tax code	Registration address/lega l address	Numbe r	Issuanc e date	Ter m		

4. DESCRIPTION OF AFFECTED LAND

Affected person /filled in only in case of user	Land surface as per the certificate	Land surface as per refraction angles coordinates of actual land plot	Affected surface	Actually used surface	Used surface of affected land	Land significance as per state registration certificate		Actual land operational significance
						Target	Operational	

5. DESCRIPTION OF ASSETS ON LAND SUBJECT TO RELOCATION (MOVABLE)

Affected person	1. Name	2. Material	3. Length	4. Width	5. Height	6. located on affected part of the land
	4. Economic, household items, objects					

6. DESCRIPTION OF IMPROVEMENTS ON LAND (without buildings, structures)

Affected person	1. Name	2. Material	3. Surface, m ²		4. Volume, m ³		5. Linear meter, m.		Other	
			Total	Affected	Total	Affected	Total	Affected	Total	Affected

7. LIMITATIONS TO LAND

Available ☐

Not available ☐

Information on limitation to assets based on data provided by State Committee of the Real Estate Cadastre adjunct to the RA Government
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8. CROPS ON LAND (Part 2)

1. Available ☐

2. Not available ☐

9. TREES ON LAND (Part 3)

1. Available ☐

2. Not available ☐

10. BUILDINGS, STRUCTURES FIXED ON LAND (Part 4)

1. Available ☐

2. Not available ☐

11. BUSINESS ACTIVITIES ON LAND (Part 5)

1. Available ☐

2. Not available ☐

NOTE. In case of «available» in points 8, 9, 10, 11, it is necessary to fill in the corresponding part of the protocol.

PART 2. DESCRIPTION OF CROPS ON LAND

Affected person	Crop type	1. Surface of crop on the total surface of the land plot	2. Surface of crop on the part of land to be acquired
		<i>m²</i>	<i>m²</i>

PART 3. DESCRIPTION OF TREES ON LAND

1. PRODUCTIVE TREES, BUSH TYPES

Affected person	Types of trees, bushes	1. Trees available on the total surface of land			2. Trees on the affected part of land		
		1. seedling	2. not yet productive	3. productive	1. seedling	2. not yet productive	3. productive
		<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>

2. TYPE, NUMBER AND DIAMETER OF WOOD TREES

Affected person	Type of tree	1. Trees available on the total surface of land			2. Trees on the affected part of land		
		1. Small	2. Medium	3. Mature	1. Small	2. Medium	3. Mature
		<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>

3. TYPE AND NUMBER OF WOOD TREES

Affected person	Type of tree	1. Trees available on the total surface of land			2. Trees on the affected part of land		
		1. Small	2. Medium	3. Mature	1. Small	2. Medium	3. Mature
		<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>

PART 3. LEGAL STATUS AND DESCRIPTION OF BUILDINGS, STRUCTURES

1. INFORMATION ON LEGAL STATUS OF AFFECTED BUILDINGS, STRUCTURES

Structure cadastre code/reference number *	Right	Target significance as per certificate	Operational significance as per certificate	Actual operational use	Surface as per certificate	Actual inner surface	Illegal inner surface	Affected surface	Actual availability as of the survey date
Illegal structures unregistered in state registration certificate									
*If the shed is missing, then number it with reference numbers.									

2. DESCRIPTION OF ELEMENTS OF AFFECTED BUILDINGS, STRUCTURES

Structure cadastre code/reference number *	Foundation	Structural frame	Main walls	Inner interfloor height	Roof material	Number of floors	Interfloor covering (ceiling)	The stage of completion according to the certificate
Illegal structures unregistered in state registration certificate								
* If the lot code is missing it can be numbered with conditional reference numbers:								

3. ACTUAL HOLDER OR USER OF BUILDINGS/STRUCTURES *(fill in only if different from persons mentioned in point 1 of parts 1 and 3 of the protocol)*

Structure code /reference number	Name, surname of actual holder/user	Name, surname of the owner
-	-	-

4. HOUSEHOLD ITEMS, OBJECTS IN THE STRUCTURE SUBJECT TO TRANSPORTATION *(on "other" indicate assets of special volume which can affect the change of type of vehicle required for transportation)*

1. Structure code /reference number	2. Type	3. On the affected part (indicate)

5. LIMITATIONS TO ASSET

1. Available ☐	1. Not available ☐
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Information on limitation to assets based on data provided by [State Committee of the Real Estate Cadastre](#) adjunct to the RA Government

PART 5. DESCRIPTION OF BUSINESS ACTIVITIES

1. ORGANIZATIONAL FORM AND REQUISITES OF BUSINESS

1.	Full name of the organization, (IE name,surname or name) (if not registered, indicate)	
2.	Taxpayer identification number (TIN)	
3.	Number of state registration certificate	
4.	Legal address	
5.	Actual activity address	
6.	Registration date	
7.	Director	
8.	Contact	

2. FIELD OF ACTIVITY

Field Of Activity	Type of Activity
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3. TYPE OF IMPACT (indicate) _____

(Temporary or permanent)

12.1.1 Notes

4. IN CASE OF TEMPORARY IMPACT INDICATE MINIMUM AND MAXIMUM NUMBER OF MONTHS

Minimum	Maximum

5. DECLARATION OF FINANCIAL ACTIVITIES

Submitting or not submitting of tax declaration, other required data (certificate) (indicate)	
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6. TAXATION TYPE (indicate)

(VAT payer, VAT not payer, payer of fixed fees, license fee payer)

1. 7. EMPLOYEES OF A COMPANY /IE (indicate data of persons registered or working for already 2 months before drawing up of protocols)

Name surname	Position	Passport details	Date of recruitment	Working at the time of survey (indicate:yes or no)

8. INFORMATION ON AVAILABILITY OF BRANCHES OF A COMPANY

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ADDITIONAL DATA

LIST OF ENCLOSED DOCUMENTS

1. Measurement layout of land plot, building, structure (including illegal structure) with indication of part subject to acquisition.
2. Photos of described assets
3. Copy of power of attorney (if the protocol is signed by an authorised person)

4. Other (any documents or information not reflected in the protocol which will be provided by affected person, community, acquirer or preparatory of the protocol).

The description protocol was prepared by:

_____	_____	seal
	(signature)	

Real estate owner (co-owner):

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

Person holding other property right to the real estate

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
(name, surname)	(signature)	Authorized person	

_____	_____	_____	seal
-------	-------	-------	-------------

(name, surname)

(signature)

Authorized person

Actual holder of real estate:

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

Actual user of real estate:

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

_____ **seal**

(name, surname)

(signature)

Authorized person

Entrepreneur

_____ **seal**

(name, surname)

(signature)

Director

_____	_____	_____	seal
(name, surname)	(signature)	Director	

_____	_____	_____	seal
(name, surname)	(signature)	Director	

_____	_____	_____	seal
(name, surname)	(signature)	Director	

Acquirer:

_____	_____	_____	
—	—	—	
(name, surname and position of the signatory)	(name, surname)	(signature)	seal

State Authorized Body:

_____	_____	_____	
—	—	—	
(name, surname and position of the signatory)	(name, surname)	(signature)	seal

_____ 20____

APPENDIX 9

List of APs with Corresponding Losses

ID	Affected Land			Affected Structure			Affected Fence		Affected Improvements			Trees/Crops			Business			Assets and structures to be relocated	Affected Households				
	Type of owner	Usage Status	Area, M2	Type of Land	Name	m2	Material	Affected l.m/m2	Name	Material	Area m², m³, no	Type	Subtype	No/M2	Name	Description	Employees		No of AHs	No of APs	Vulnerability Status	Severely AH	Residential Relocatee
202	Private	Directly held by the owner	2,742.20	Various construction															1	1			
203	Private	Directly held by the owner	1,760.00	Various construction	Car wash-shop	161			Area	asphalt	1000	Fruit	fruit-bearing	5	I/E Tigran Zatikyan	Shop	2	Assets to be relocated	3	3			
					Underground pit	94.7			Area	concrete slabs	100	Wood	Large	11	Grand Petrolium LLC	Petrol and gas station	2	Assets to be relocated	3	3			
					Shed	118.6			Kerb	Basalt slabs	60	Wood	small	5									
					Shed	20.1			Billboard	metal	1	Décor	Large	18									
					Shed	32.9																	
					Shed	20.6																	
204	Private	Directly held by the owner	26.90	Various construction					Area	asphalt	15	Crop	0	26.9					3	3			
204									Foundation	r/f concrete/ basalt	7												
204									Area	lawn	10												
205	Community	Illegally used	52.60	Various construction					Area	asphalt	20								Same as 204	Same as 204			
									Railing	metal/ r/f concrete/ basalt	30												
210	Private	Directly held by the owner	857.20	Various construction															1	1			
210		Illegally used	183.20	Commercial															1	9			

[illegible]

ID	Affected Land				Affected Structure		Affected Fence		Affected Improvements			Trees/Crops			Business				Assets and structures to be relocated	Affected Households				
	Type of owner	Usage Status	Area, M2	Type of Land	Name	m2	Material	Affected l.m/m2	Name	Material	Area m², m³, no	Type	Subtype	No/M2	Name	Description	Employees		No of AHs	No of APs	Vulnerability Status	Severely AH	Residential Relocatee	
233	Community	Illegally used	48.50	Residential	Shed	48.5			Area	concrete	48.5	Wood	large	4					1	4				
234	Community	Illegally used	56.50	Residential					Fence	metal mesh	25	Fruit	fruit-bearing	2					1	5		Severly AH		
234												Fruit	seedling	2										
234												Wood	large	15										
235	Community	Illegally used	163.20	Residential	Shed	25.3			Fence	metal mesh	40	Wood	small	5					1	2				
237	Private	Directly held by the owner	21.80	Various construction					Area	tuf slabs	15								Same as 237	Same as 237				
									Kerb	concrete	30													
238	Community	Illegally used	8.60	Residential														Assets to be relocated	1	6				
242	Community	Illegally used	1,550.00	Orchard					Fence	metal mesh	100	Fruit	fruit-bearing	29					1	3		Severly AH		
242												Fruit	not-yet-productive	15										
242												Fruit	seedling	1										
243	Private	Directly held by the owner	6,629.50	Industrial	Foundation for building	9.6	Stone	332.25	Construction	metal	1	Fruit	fruit-bearing	4				Assets to be relocated	1	1				
243					Fuel depot	42.6			Gate	metal	1													
243					Support structure	243.4																		
244	Community	Illegally used	33.30	Residential	Garage	29.7	tuf stone	47.5	Railing	metal	30	Fruit	fruit-bearing	1				Assets to be relocated	1	6		Severly AH		
245	Private	Directly held by the owner	226.73	Residential	Residential house	156			Pergola for grapes	metal	80	Fruit	fruit-bearing	4				Assets to be relocated	Same as 244	Same as 244				
					Canopy	18.4																		
					Closet	10.8																		
					Platform	95.3																		

ID	Affected Land		Area, M2	Type of Land	Affected Structure		Affected Fence		Affected Improvements			Trees/Crops			Business			Assets and structures to be relocated	Affected Households			Severely AH	Residential Relocatee
	Type of owner	Usage Status			Name	m2	Material	Affected l.m/m2	Name	Material	Area m², m³, no	Type	Subtype	No/M2	Name	Description	Employees		No of AHs	No of APs	Vulnerability Status		
246	Private	Directly held by the owner	184.80	Residential	Residential house	152.6			Door	metal	1	Fruit	fruit-bearing	21				Assets to be relocated	1	3		Severely AH	Residential Relocatee
					Residential house	32.7			Fence	metal mesh	20												
247	Private	Directly held by the owner	209.80	Residential	Residential house	58.5			Area	concrete bricks	15	Fruit	fruit-bearing	3				Assets to be relocated	1	4		Severely AH	Residential Relocatee
					Closet	2.8			Gate	metal	1	Décor	large	5									
					Closet	9.9			Pergola for grapes	metal	5	Décor	small	10									
					Kennel	3.8			Tandoor	brick	1												
248	Private	Directly held by the owner	174.72	Residential	Residential house	188.7	tuf stone	82.8	Kerb	concrete	10	Fruit	fruit-bearing	3				Assets to be relocated	1	5		Severely AH	Residential Relocatee
					Shed	20.1			Area	concrete bricks	30	Fruit	not-yet-productive	1									
					Staircase platform	2.9			Door	metal	3	Décor	large	4									
									Area	concrete bricks	12												
									Pipe d=120*2 cm	metal	15												
									Pergola for grapes	metal	5												
249	Private	Directly held by the owner	505.30	Residential	Residential house	174.3			Bridge/entrance to land	metal	1							Assets to be relocated	1	1			
					Support structure	23.4			Door	metal	1												
250	Private	Directly held by the owner	359.16	Residential	Residential house	137.5			Platform	concrete/bar	7	Fruit	fruit-bearing	24				Assets to be relocated	1	1	Woman and Elderly headed	Severely AH	
					Residential house	11.9			Gate	metal mesh	1												

[illegible]

ID	Affected Land				Affected Structure		Affected Fence		Affected Improvements			Trees/Crops			Business				Assets and structures to be relocated	Affected Households				
	Type of owner	Usage Status	Area, M2	Type of Land	Name	m2	Material	Affected l.m/m2	Name	Material	Area m², m³, no	Type	Subtype	No/M2	Name	Description	Employees		No of AHs	No of APs	Vulnerability Status	Severely AH	Residential Relocatee	
260	Private	Directly held by the owner	114.35	Residential	Residential house	73.4			Door	metal mesh	1	Fruit	fruit-bearing	15				Assets to be relocated	1	2		Severly AH	Residential Relocatee	
					Garage	14.1			Fence	metal mesh	25	Fruit	not-yet-productive	3										
									Path	concrete slabs	5	Fruit	seedling	1										
									Stairs	concrete	7	Décor	large	10										
												Décor	small	1										
261	Private	Directly held by the owner	18.72	Residential	Garage	40.5												Assets to be relocated	Same as 257	Same as 257				
262	Community	Illegally used	106.00	Residential					Gate	metal mesh	1	Fruit	fruit-bearing	45					Same as 257	Same as 257				
												Fruit	not-yet-productive	4										
												Fruit	seedling	10										
263	Community	Illegally used	35.60	Commercial	Structure	35.6													1	1				
264	Community	Illegally used	40.50	Commercial	Non-functioning café	33			Area	concrete bricks	40	Fruit	fruit-bearing	11				Assets to be relocated	Same as 242	Same as 242				
												Fruit	not-yet-productive	1										
												Fruit	seedling	1										
												Wood	large	1										
												Wood	medium	1										
												Décor	large	14										
265	Community	Illegally used	112.00	Commercial	Non-functioning café	14.5			Area	asphalt	35								Same as 242	Same as 242				
									Kerb	concrete	25													
266	Community	Illegally used	2,164.00	Commercial	Platform	489.2			Area	asphalt	1080								1	1				

ID	Affected Land				Affected Structure		Affected Fence		Affected Improvements			Trees/Crops			Business			Assets and structures to be relocated	Affected Households				
	Type of owner	Usage Status	Area, M2	Type of Land	Name	m2	Material	Affected l.m/m2	Name	Material	Area m², m³, no	Type	Subtype	No/M2	Name	Description	Employees		No of AHs	No of APs	Vulnerability Status	Severely AH	Residential Relocatee
267	Community	Illegally used	325.70	Commercial	Platform	325.7													Same as 266	Same as 266			
268	Community	Leased	14.50	Commercial					Area	asphalt	6								1	1			
									Area	re-installation repair of billboard and petrol refueling	8												
269	Community	Illegally used	3.30	Commercial					Area	re-installation repair of billboard and petrol refueling	3.3								Same as 268	Same as 268			
270	Community	Illegally used	9.20	Commercial					Area	re-installation repair of billboard and petrol refueling	9.2								Same as 268	Same as 268			
271	Community	Illegally used	90.60	Residential	Support structure	2.8			Area	concrete bricks	5							Assets to be relocated	Same as 257	Same as 257			
									Stairs	concrete	1.3												
272	Community	Illegally used	2.80	Commercial	Kiosk	2.8									*T-T* LLC	Shop/kiosk	-	Assets to be relocated	1	1			
274	Community	Illegally used	2.80	Commercial	Structure	2.8													Same as 263	Same as 263			
278	Private	Directly held by the owner	91.30	Commercial															1	1			

Questionnaire On Need Assessment Survey Of Affected Households For Identification Of Livelihood Restoration Activities

Questionnaire N_____

Dear Sir/Madam,

RA Government and Yerevan Municipality are implementing the Yerevan Urban Development Project with financing from Asian Development Bank. Construction of Isakov-Arshakunyats road link is envisaged within the scope of the Project. As you know provision of monetary/ financial compensation and allowances is envisaged by the Project for Project affected households. Within the scope of the Project you and your family members also will have opportunity to be involved in the construction works.

This query aims to check if there are any non-financial/non-monetary types of assistance which you and your family would like to receive for restoration of your livelihood within the frames of the Project.

Name and surname of the AP _____

Address of the affected property _____

AP's residence address _____

Identification number in data base _____

Lot code of the affected land _____

Respondent's phone number _____

Code of interviewer _____

Date of the interview (day, month, year) _____

Start time of the interview _____

End of the interview _____

1. What kind of non-financial assistance whould you like to receive for your and you families livelihood restoration. Please mention the most important 3 types of activities for your family.

2. Whould you like to be participate in any trainings or professional retraining which will help you to restore your livelihood?

1. Yes (If yes, please specify what training or professional retraining will you suggest).

2. No (If no, please mention the reason)

3. Would you like to receive consultation?

1. Yes (If yes, please specify what kind of consultation you need).

2. No (If no, please mention the reason)

Terms Of Reference For LARP Implementation Team Specialists

TERMS OF REFERENCE FOR LARP IMPLEMENTATION TEAM RESETTLEMENT SPECIALIST

A. Introduction

RA Government has received 65.17 M USD loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Project (YUDIP). The loan agreement was signed on 27 November 2023. 22 May, 2024 is the date of loan effectiveness. YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and Government priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities.

YUDIP is focused on construction of Isakov-Arshakunyats Road Link. The final detailed design of Isakov-Arshakunyats Road Link was done by the Detailed Engineering and Supervision Consultant (DESC) for Project Implementation Unit (PIU) of the Municipality of Yerevan (YM) under Sustainable Urban Development Investment Program (SUDIP) Tranche 1. The construction of the Isakov-Arshakunyats Road Link will involve land acquisition and resettlement, for which a Land Acquisition and Resettlement Plan (LARP) was also prepared by DESC for SUDIP.

Census Survey and Detailed measurements survey (DMS) of all affected assets was carried out from August 2022 to January 2023 and was updated in June-November 2023 for preparation of the LARP.

The Census identified 50 project affected households, including owners and users of the lands/buildings, business owners with a total of 121 household members. In total, the Isakov-Arshakunyats Road Link will impact 59 land plots (out of which 25 are privately owned), 80 residential and non-residential buildings and structures and 3 businesses and 4 business employees.

LARP was prepared and provided to ADB for review in December 2023, after which it was revised based on ADB comments and resubmitted to ADB in June 2024. The document will be translated to Armenian and approved by the RA Government upon approval by ADB.

It is estimated that a total of 5 person-months of Implementation Specialist's (IS) services would be required by the Client/PIU to accomplish the tasks. Livelihood restoration-related activities may go beyond the land acquisition/compensation process, so the contract duration may be adjusted in line with the schedule of livelihood restoration assistance measures. IT can start work only when the implementation ready LARP is prepared and approved by the ADB and the RA Government. The consultancy services contract is expected to commence in January 2025.

PIU have a land acquisition and resettlement specialist under YUDIP (YUDIP RS) who coordinated LARP preparation and implementation tasks under SUDIP and is experienced in LARP planning and

implementation under ADB financed projects. PIU have also resettlement specialists (RS) who are involved in LAR processes implemented by Yerevan Municipality under projects financed by the Government but lack experience of working in ADB financed project. Due to recent structural changes in PIU, it was decided that PIU RSs also will be involved in LARP implementation processes under YUDIP. For this purpose, On Job Training of those RSs is included under this ToR aiming to enhance PIU capacity and to avoid outsourcing of IT for future projects. The On Job Training will be organized in 2 stages, Theoretical Training and Practical Training.

B. Objective

The PIU requires a qualified national team of individual consultants to implement the LARP, as well as CAPs/Addendums if the need will arise and to provide On Job Training for PIU RSs.

During the LARP implementation the IT shall follow the requirements set by the RA Law on Alienation of the Property for Prevailing Public Interest (Law) and all related laws of the Republic of Armenia, ADB Safeguard Policy Statement 2009 (SPS 2009) and Project's LARF, as well as the Government Decree approving the LARP for Isakov-Arshakunyats Road Link.

During the LARP implementation IT shall cooperate with PIU in a coordinated manner providing the daily reporting. PIU YUDIP RS will lead the process and manage reporting IT activities.

The LARP for Isakov-Arshakunyats Road Link envisages that a LARP Implementation specialists will be hired by PIU for smooth and timely implementation of the LARP. The IT will act as a link between PIU and APs and will assist PIU in full implementation of LARP, supporting the APs during the resettlement and rehabilitation process and shall ensure that all of the provisions of the legalization and income restoration programs are implemented appropriately and effectively. The IT will initiate expropriation procedures in cases defined by the Law. During the implementation of this assignment, the IT will work in the name of Yerevan Municipality (YM) under the overall lead and supervision of the PIU YUDIP RS. In particular the IT should:

- i. Provide On Job Training for PIU resettlement specialists;
- ii. Provide all needed activities for the overall implementation of LARP for Isakov-Arshakunyats Road Link according to the requirements of RA legislation;
- iii. Carry out all needed actions for the full implementation of Legalization/Correction and Rehabilitation plans defined under the LARP;
- iv. Carry out all needed actions for the smooth relocation of the APs and their businesses;
- v. Assist PIU to undertake public information campaigns related to Resettlement Policies and entitlement packages;
- vi. Consult and educate APs/AHs regarding their entitlements and obligations under the LARP;
- vii. Assist the PIU to ensure that APs/AHs obtain their full entitlements under the LARP. Where options are available, the IT shall provide advice to APs on the relative benefits of each option and link the APs to the employment, self-employment, training and other respective programs (as defined under the LARP);
- viii. Assist APs in resolving their grievances through the grievance redress mechanism set out in the LARP;
- ix. Initiate expropriation procedures in cases defined the Law. The IT will pass the expropriation cases to PIU/YM legal team and the PIU/YM legal team will participate in further Court hearings;
- x. Provide all needed information/data to PIU for the preparation of LARP Implementation Compliance report and provide the proper implementation of all corrective measures defined by the Compliance report.

C. Tasks

The specific tasks for LARP implementation include:

- 1) Notification and consultation of APs
 - (i) Proper notification of APs on LARP commencement and implementation stages, procedures, including but not limited to the provision of LARP information pamphlet, other informative materials.
 - (ii) Preparation of acquisition contracts and agreements, cover letters, the arrangement and implementation of each AP notification procedure in accordance with the requirements of RA legislation (including the provision of information to APs on their right, obligations and needed documents required for the signature of acquisition contracts). The notification forms, letters and leaflets shall be agreed with PIU beforehand.
- 2) Data collection, updating and database management
 - (i) Collection and updating of all the documents of APs required by LARP. This task includes also the assistance to APs towards the correction, update and restoration of their incomplete or incorrect documents (including the verification of all co-owners, heirs and other required conditions prescribed by law for the signing of acquisition contracts (e.g. attendance and consent of all co-owners, existence and validity of required documents, the list of missing documents etc.)).
 - (ii) Preparation of separate package of relevant documents for each AP based on updated data for the implementation of respective cadastral and notarial operations aimed at acquisition defined by RA legislation.
- 3) Contract/Agreement signing process (including the state registration of rights)
 - (i) Organize the state registration of the acquired part of land in Cadaster Committee (in case of acquisition of affected part only, organize the process of due separation, division and state registration of affected part from the total property), provision of required applications and other ground required for state registration and support in the hand-over of the entitlement certificates of the non-acquired parts registered by the Cadaster Committee after the separation procedure to the co-owners and leaseholders.
 - (ii) Organize the submission of the applications to obtain the Common references regarding the real estate item and the registered rights and restrictions toward it from Cadaster Committee and obtainment of said references from the Cadaster Committee.
 - (iii) The submission of information to the PIU on the communal and mandatory payments debts of APs to the local and state budget for the acquired property and implementation of required measures towards the payments by APs before the signing of acquisition contracts.
 - (iv) Organize the opening of bank accounts for the APs ensuring the collection of required data from APs.
 - (v) The submission of documents package required for the conclusion of acquisition contracts/agreements to the relevant notarial offices and organize the acquisition contract/agreement conclusion itself with APs.

- (vi) The submission of payment applications to PIU in order to proceed with the payment of compensation arising of the contracts and agreements by Acquirer (including the submission of original copies of concluded acquisition contract/agreement to PIU).
- (vii) Organization of the state registration process of RA ownership rights towards the acquired property after the conclusion of acquisition contract; obtainment and submission of the RA entitlement state registration certificates (with attached maps/plans) to the PIU with proper documentation.
- (viii) Organization of the acceptance-hand over of the alienated properties (including the buildings).

4) Legalization and correction plan

- (i) Organization and implementation of the measures approved by LARP's Legalization plan for the legalization cases providing APs with respective legal consultation, particularly: the support to the heirs to open the inheritance for the lands and its state registration; organize the provision of power of attorney for absent owners; support to the APs for the extension of validity of passports or obtainment of new passports; organizing of process to correct and clarify the clerical mistakes and discrepancies in all the documents required for the conclusion of acquisition contracts.
- (ii) In the name and guidance of YM/PIU implement any possible legal measures to implement property acquisition via contract and not via litigation/expropriation. IT shall make satisfactory efforts to minimize cases of alienation of the property by court (expropriation). Where possible, avoid the expropriation, giving priority to alienate the property by contracts through the successful negotiations and implementation of necessary rehabilitation measures.

5) Grievance redress

- (i) Ensure the awareness of APs on the Project's Grievance Redress Mechanism (GRM) and its availability for APs.
- (ii) Ensure recording of APs complaints in the grievance logbook.
- (iii) Ensures proper documenting of complaints hard and soft copies to submit them to PIU assisting the latter throughout the whole process of the examination and solution thereof.

6) Expropriation stage

In case of non-conclusion of the acquisition contract, the YM/PIU will initiate property alienation procedure in terms and by procedure established by Law. The IT will organize the process of transferring of compensation amount to the deposit account and initiating the litigation/expropriation process keeping the requirements of procedures established by the Law, in particular:

- (i) Organizing the procedure of the transfer of the compensation amount to be given to the AP for alienation of the property to the deposit account of the court.
- (ii) Proper notification and guidance to each AP about the transfer of compensation amount to the deposit account of court or notary public.
- (iii) Assisting APs to obtain the compensation amount from the deposit account.
- (iv) In case the AP did not obtain the compensation amount from the deposit account within the term defined by the Law, prepare and submit the lawsuit to the court for each property acquisition case with guidance of PIU legal expert.

- (v) Assist PIU/YM legal team during the court hearings. PIU/YM legal team will be in charge of participation in court hearings and further procedures.

7) Database management

The IT should ensure the proper management of LARP database, including:

- (i) Correspondence of the data in the LARP database with the data on every AP recorded in the paper-based packages(folders).
- (ii) Entry and updating of collected data and results in database in each stage of LARP implementation.
- (iii) Import and update of the checked data in the database as well as import an update of the information on the different stages of the implementation process.
- (iv) Providing of the comprehensive monitoring data on the LARP implementation process and results.
- (v) Assists PIU and external monitoring agency's specialist to receive necessary monitoring data from the database.

8) Implementation of Corrective measures

- (i) The IT shall ensure the implementation of all LAR correction action plan(s), which will be revealed and established as a result of monitoring of LARP implementation compliance.
- (ii) The IT shall be liable for correction at its own account and within the terms required by PIU of the mistakes for which the IT is responsible and which were uncovered after the completion of LARP implementation services until the all-registration certificates in the name of RA are submitted to PIU.

9) On job training for PIU LARP implementation team

The IT will organize On Job Training for PIU RSs. The On Job Training will be implemented in 2 stages:

- (i) Theoretical Training will be organized prior to commencement of LARP implementation activities. This will include presentations and handout of printed materials. RA laws and regulations, provisions of ADB SPS-2009 and LARF and LARP of the Project including GRM settlement and negotiations, as well as procedural actions and timelines for completion of acquisition process should be presented in detail. Detailed scope of the Theoretical Training will be agreed with YUDIP RS.
- (ii) Practical training will be conducted alongside the LARP implementation. The implementation team will collaborate with the PIU resettlement specialists to carry out tasks 1 to 8, ensuring that all resettlement specialists from the PIU who participated in the theoretical training are actively involved in all LARP implementation activities.

10) Other related tasks

Taking into consideration the peculiarities of the LARP preparation and implementation process, the IT shall consider his functions as implementation of one complete project and demonstrate flexibility to propose solutions for the problems that may arise in the process, which, even if not literally indicated in this ToR, will fairly derive from the IT's main functions and obligations. The terms and conditions of the Contract related to the IT's activities and responsibility are subject to the regulation by RA legislation.

In case of the changes in the framework of the scope outlined in the ToR of this Contract (hereinafter: scope), the IT shall implement the required additional activities by its own expenses in case if such changes do not exceed 10% of the scope. In case if the scope changes exceed the range of 10%, the IT shall provide a written variation proposal with the proper justifications for the review of the Employer.

D. Composition and Qualification Requirements for the Resettlement Specialist

The implementation of the assignment assumes involvement of Resettlement Specialist, Lawyer and Social/Interviewer Specialist. Tentative duration for involvement of each specialist is estimated 5 person months. Qualification requirements and responsibilities of the IT Resettlement Specialist are presented below.

Qualifications/Education:

- Bachelor's degree in social science, economics, statistics, finance, law, or related fields.
- 5 years of relevant experience in management and coordination of multi-functional teams is preferable.
- At least 3 years of experience in Land Acquisition and Resettlement (LAR)-related works.
- Good working knowledge of land acquisition processes in the RA.
- Familiar with institutions involved in LARP preparation and implementation.
- Familiar with ADB SPS 2009.
- Proficiency in English (both written and spoken).

Responsibilities:

- Lead the Team and take overall responsibility for all tasks related to LARP implementation.
- Prepare the inception report for LARP implementation.
- Prepare monthly reports and LARP implementation completion report.
- Provide leadership and coordination to the team in managing LAR-related activities.
- Ensure compliance with RA land acquisition regulations and ADB SPS (2009)
- Communicate with institutions involved in the LARP process.

E. Reporting Requirements and Time Schedule for Deliverables

The following deliverables has to be submitted to PIU:

- (i) Inception report including the Action Plan and On Job Training Plan describing all methodologies, actions and time schedules, manpower deployment and outline of the reports to be submitted within 15 days of the commencement of the assignment. The Action Plan should be submitted based on prior consultations with PIU.
- (ii) Monthly progress reports should be submitted by the IT within first 10 days of each next month in the outline agreed with PIU through the approved Inception report, as well as other reports by request of PIU (if needed).
- (iii) LARP implementation Completion Report (CR) with attached original certificates of state registration of rights towards the acquired lands in the name of RA. The CR should present the status of the LARP implementation, comparative tables with LARP defined and actual implementation data, legalization actions and corrective measures implemented, expropriation cases initiated and other related data. The Completion Report should summarize the results of LARP implementation in main indicators and tasks implemented by the IT. Completion Report should be prepared after approval of the LARP Implementation Compliance Report prepared by External Monitoring Agency and approved by ADB.

The IT shall report directly to the PIU. The IT shall submit the deliverables in Armenian in electronic and two hard copies along with a cover letter (if not specified in the list of deliverables). The Completion Report shall be submitted also in English. IT shall ensure the regular photography of implementation process (meetings, contract signing, field visits, etc.) and properly documentation for further monitoring and reporting purposes. All written documents (including the photos), acts, RA entitlement state registration certificates and maps/plans, as well as other related materials should be properly documented and provided with 1 cope for each item.

F. Payment Schedule

- (i) 25% of the Contract Cost will be paid to the IT after approval of Inception Report (including Action Plan and On-the-job training plan)
- (ii) 10% of the Contract Cost will be paid to the IT after approval of the 1st monthly report
- (iii) 10% of the Contract Cost will be paid to the IT after approval of the 2nd monthly report
- (iv) 10% of the Contract Cost will be paid to the IT after approval the 3rd monthly report
- (v) 10% of the Contract Cost will be paid to the IT after approval the 4th monthly report
- (vi) 35% of the Contract Cost will be paid to the IT after approval of the LARP Implementation Completion Report.

Deliverable	2025				
	Jan	Feb	Mar	Apr	May
Inception Report	X				
Monthly Progress Report		X	X	X	X
LARP Implementation Completion Report					X

TERMS OF REFERENCE FOR LARP IMPLEMENTATION TEAM LAWYER

A. Introduction

RA Government has received 65.17 M USD loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Project (YUDIP). The loan agreement was signed on 27 November 2023. 22 May, 2024 is the date of loan effectiveness. YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and Government priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities.

YUDIP is focused on construction of Isakov-Arshakunyats Road Link. The final detailed design of Isakov-Arshakunyats Road Link was done by the Detailed Engineering and Supervision Consultant (DESC) for Project Implementation Unit (PIU) of the Municipality of Yerevan (YM) under Sustainable Urban Development Investment Program (SUDIP) Tranche 1. The construction of the Isakov-Arshakunyats Road Link will involve land acquisition and resettlement, for which a Land Acquisition and Resettlement Plan (LARP) was also prepared by DESC for SUDIP.

Census Survey and Detailed measurements survey (DMS) of all affected assets was carried out from August 2022 to January 2023 and was updated in June-November 2023 for preparation of the LARP.

The Census identified 50 project affected households, including owners and users of the lands/buildings, business owners with a total of 121 household members. In total, the Isakov-Arshakunyats Road Link will impact 59 land plots (out of which 25 are privately owned), 80 residential and non-residential buildings and structures and 3 businesses and 4 business employees.

LARP was prepared and provided to ADB for review in December 2023, after which it was revised based on ADB comments and resubmitted to ADB in June 2024. The document will be translated to Armenian and approved by the RA Government upon approval by ADB.

It is estimated that a total of 5 person-months of Implementation Specialist's (IS) services would be required by the Client/PIU to accomplish the tasks. Livelihood restoration-related activities may go beyond the land acquisition/compensation process, so the contract duration may be adjusted in line with the schedule of livelihood restoration assistance measures. IT can start work only when the implementation ready LARP is prepared and approved by the ADB and the RA Government. The consultancy services contract is expected to commence in January 2025.

PIU have a land acquisition and resettlement specialist under YUDIP (YUDIP RS) who coordinated LARP preparation and implementation tasks under SUDIP and is experienced in LARP planning and implementation under ADB financed projects. PIU have also resettlement specialists (RS) who are involved in LAR processes implemented by Yerevan Municipality under projects financed by the Government but lack experience of working in ADB financed project. Due to recent structural changes in PIU, it was decided that PIU RSs also will be involved in LARP implementation processes under YUDIP. For this purpose, On Job Training of those RSs is included under this ToR aiming to enhance PIU capacity and to avoid outsourcing of IT for future projects. The On Job Training will be organized in 2 stages, Theoretical Training and Practical Training.

B. Objective

The PIU requires a qualified national team of individual consultants to implement the LARP, as well as CAPs/Addendums if the need will arise and to provide On Job Training for PIU RSs.

During the LARP implementation the IT shall follow the requirements set by the RA Law on Alienation of the Property for Prevailing Public Interest (Law) and all related laws of the Republic of Armenia, ADB Safeguard Policy Statement 2009 (SPS 2009) and Project's LARF, as well as the Government Decree approving the LARP for Isakov-Arshakunyats Road Link.

During the LARP implementation IT shall cooperate with PIU in a coordinated manner providing the daily reporting. PIU YUDIP RS will be the focal point for managing and reporting IT activities.

The LARP for Isakov-Arshakunyats Road Link envisages that a LARP Implementation specialists will be hired by PIU for smooth and timely implementation of the LARP. The IT will act as a link between PIU and APs and will assist PIU in full implementation of LARP, supporting the APs during the resettlement and rehabilitation process and shall ensure that all of the provisions of the legalization and income restoration programs are implemented appropriately and effectively. The IT will initiate expropriation procedures in cases defined by the Law. During the implementation of this assignment, the IT will work in the name of Yerevan Municipality (YM) under the overall lead and supervision of the PIU YUDIP RS. In particular the IT should:

- i. Provide On Job Training for PIU resettlement specialists;
- ii. Provide all needed activities for the overall implementation of LARP for Isakov-Arshakunyats Road Link according to the requirements of RA legislation;
- iii. Carry out all needed actions for the full implementation of Legalization/Correction and Rehabilitation plans defined under the LARP;
- iv. Carry out all needed actions for the smooth relocation of the APs and their businesses;
- v. Assist PIU to undertake public information campaigns related to Resettlement Policies and entitlement packages;
- vi. Consult and educate APs/AHs regarding their entitlements and obligations under the LARP;
- vii. Assist the PIU to ensure that APs/AHs obtain their full entitlements under the LARP. Where options are available, the IT shall provide advice to APs on the relative benefits of each option and link the APs to the employment, self-employment, training and other respective programs (as defined under the LARP);
- viii. Assist APs in resolving their grievances through the grievance redress mechanism set out in the LARP;
- ix. Initiate expropriation procedures in cases defined the Law. The It will pass the expropriation cases to PIU/YM legal team and the PIU/YM legal team will participate in further Court hearings;
- x. Provide all needed information/data to PIU for the preparation of LARP Implementation Compliance report and provide the proper implementation of all corrective measures defined by the Compliance report.

C. Tasks

The specific tasks for LARP implementation include:

- 1) Notification and consultation of APs
 - (i) Proper notification of APs on LARP commencement and implementation stages, procedures, including but not limited to the provision of LARP information pamphlet, other informative material¹⁹

- (ii) Preparation of acquisition contracts and agreements, cover letters, the arrangement and implementation of each AP notification procedure in accordance with the requirements of RA legislation (including the provision of information to APs on their right, obligations and needed documents required for the signature of acquisition contracts). The notification forms, letters and leaflets shall be agreed with PIU beforehand.

2) Data collection, updating and database management

- (i) Collection and updating of all the documents of APs required by LARP. This task includes also the assistance to APs towards the correction, update and restoration of their incomplete or incorrect documents (including the verification of all co-owners, heirs and other required conditions prescribed by law for the signing of acquisition contracts (e.g. attendance and consent of all co-owners, existence and validity of required documents, the list of missing documents etc.).
- (ii) Preparation of separate package of relevant documents for each AP based on updated data for the implementation of respective cadastral and notarial operations aimed at acquisition defined by RA legislation.

3) Contract/Agreement signing process (including the state registration of rights)

- (i) Organize the state registration of the acquired part of land in Cadaster Committee (in case of acquisition of affected part only, organize the process of due separation, division and state registration of affected part from the total property), provision of required applications and other ground required for state registration and support in the hand-over of the entitlement certificates of the non-acquired parts registered by the Cadaster Committee after the separation procedure to the co-owners and leaseholders.
- (ii) Organize the submission of the applications to obtain the Common references regarding the real estate item and the registered rights and restrictions toward it from Cadaster Committee and obtainment of said references from the Cadaster Committee.
- (iii) The submission of information to the PIU on the communal and mandatory payments debts of APs to the local and state budget for the acquired property and implementation of required measures towards the payments by APs before the signing of acquisition contracts.
- (iv) Organize the opening of bank accounts for the APs ensuring the collection of required data from APs.
- (v) The submission of documents package required for the conclusion of acquisition contracts/agreements to the relevant notarial offices and organize the acquisition contract/agreement conclusion itself with APs.
- (vi) The submission of payment applications to PIU in order to proceed with the payment of compensation arising of the contracts and agreements by Acquirer (including the submission of original copies of concluded acquisition contract/agreement to PIU).
- (vii) Organization of the state registration process of RA ownership rights towards the acquired property after the conclusion of acquisition contract; obtainment and submission of the RA entitlement state registration certificates (with attached maps/plans) to the PIU with proper documentation.
- (viii) Organization of the acceptance-hand over of the alienated properties (including the buildings).

4) Legalization and correction plan

- (i) Organization and implementation of the measures approved by LARP's Legalization plan for the legalization cases providing APs with respective legal consultation, particularly: the support to the heirs to open the inheritance for the lands and its state registration; organize the provision of power of attorney for absent owners; support to the APs for the extension of validity of passports or obtainment of new passports; organizing of process to correct and clarify the clerical mistakes and discrepancies in all the documents required for the conclusion of acquisition contracts.
- (ii) In the name and guidance of YM/PIU implement any possible legal measures to implement property acquisition via contract and not via litigation/expropriation. IT shall make satisfactory efforts to minimize cases of alienation of the property by court (expropriation). Where possible, avoid the expropriation, giving priority to alienate the property by contracts through the successful negotiations and implementation of necessary rehabilitation measures.

5) Grievance redress

- (i) Ensure the awareness of APs on the Project's Grievance Redress Mechanism (GRM) and its availability for APs.
- (ii) Ensure recording of APs complaints in the grievance logbook.
- (iii) Ensures proper documenting of complaints hard and soft copies to submit them to PIU assisting the latter throughout the whole process of the examination and solution thereof.

6) Expropriation stage

In case of non-conclusion of the acquisition contract, the YM/PIU will initiate property alienation procedure in terms and by procedure established by Law. The IT will organize the process of transferring of compensation amount to the deposit account and initiating the litigation/expropriation process keeping the requirements of procedures established by the Law, in particular:

- (i) Organizing the procedure of the transfer of the compensation amount to be given to the AP for alienation of the property to the deposit account of the court.
- (ii) Proper notification and guidance to each AP about the transfer of compensation amount to the deposit account of court or notary public.
- (iii) Assisting APs to obtain the compensation amount from the deposit account.
- (iv) In case the AP did not obtain the compensation amount from the deposit account within the term defined by the Law, prepare and submit the lawsuit to the court for each property acquisition case with guidance of PIU legal expert.
- (v) Assist PIU/YM legal team during the court hearings. PIU/YM legal team will be in charge of participation in court hearings and further procedures.

7) Database management

The IT should ensure the proper management of LARP database, including:

- (i) Correspondence of the data in the LARP database with the data on every AP recorded in the paper-based packages(folders).
- (ii) Entry and updating of collected data and results in database in each stage of LARP implementation.

- (iii) Import and update of the checked data in the database as well as import an update of the information on the different stages of the implementation process.
 - (iv) Providing of the comprehensive monitoring data on the LARP implementation process and results.
 - (v) Assists PIU and external monitoring agency's specialist to receive necessary monitoring data from the database.
- 8) Implementation of Corrective measures
- (i) The IT shall ensure the implementation of all LAR correction action plan(s), which will be revealed and established as a result of monitoring of LARP implementation compliance.
 - (ii) The IT shall be liable for correction at its own account and within the terms required by PIU of the mistakes for which the IT is responsible and which were uncovered after the completion of LARP implementation services until the all-registration certificates in the name of RA are submitted to PIU.
- 9) On job training for PIU LARP implementation team

The IT will organize On Job Training for PIU RSs. The On Job Training will be implemented in 2 stages:

- (i) Theoretical Training will be organized prior to commencement of LARP implementation activities. This will include presentations and handout of printed materials. RA laws and regulations, provisions of ADB SPS-2009 and LARF and LARP of the Project including GRM settlement and negotiations, as well as procedural actions and timelines for completion of acquisition process should be presented in detail. Detailed scope of the Theoretical Training will be agreed with YUDIP RS.
- (ii) Practical training will be conducted alongside the LARP implementation. The implementation team will collaborate with the PIU resettlement specialists to carry out tasks 1 to 8, ensuring that all resettlement specialists from the PIU who participated in the theoretical training are actively involved in all LARP implementation activities.

10) Other related tasks

Taking into consideration the peculiarities of the LARP preparation and implementation process, the IT shall consider his functions as implementation of one complete project and demonstrate flexibility to propose solutions for the problems that may arise in the process, which, even if not literally indicated in this ToR, will fairly derive from the IT's main functions and obligations. The terms and conditions of the Contract related to the IT's activities and responsibility are subject to the regulation by RA legislation.

In case of the changes in the framework of the scope outlined in the ToR of this Contract (hereinafter: scope), the IT shall implement the required additional activities by its own expenses in case if such changes do not exceed 10% of the scope. In case if the scope changes exceed the range of 10%, the IT shall provide a written variation proposal with the proper justifications for the review of the Employer.

D. Composition and Qualification Requirements for the Lawyer

The implementation of the assignment assumes involvement of Resettlement Specialist, Lawyer and Social/Interviewer Specialist. Tentative duration for involvement of each specialist is estimated 5 person months. Qualification requirements and responsibilities of the IT lawyer are presented below.

Qualifications/Education:

- Bachelor's degree in law.
- 4 years of relevant experience, with advocate experience being required.
- Good working knowledge of land acquisition processes in the RA.
- Familiar with institutions involved in LARP preparation and implementation.
- Familiar with ADB SPS 2009.

Responsibilities:

- Handle institutional and legislative issues related to LARP.
- Be responsible for court cases related to land acquisition and resettlement.
- Ensure compliance with RA legal requirements concerning land acquisition.
- Provide legal support throughout the LARP implementation process.

During implementation of this assignment the IT shall use its office, vehicles and equipment.

E. Reporting Requirements and Time Schedule for Deliverables

The following deliverables has to be submitted to PIU:

- (i) Inception report including the Action Plan and On Job Training Plan describing all methodologies, actions and time schedules, manpower deployment and outline of the reports to be submitted within 15 days of the commencement of the assignment. The Action Plan should be submitted based on prior consultations with PIU.
- (ii) Monthly progress reports should be submitted by the IT within first 10 days of each next month in the outline agreed with PIU through the approved Inception report, as well as other reports by request of PIU (if needed).
- (iii) LARP implementation Completion Report (CR) with attached original certificates of state registration of rights towards the acquired lands in the name of RA. The CR should present the status of the LARP implementation, comparative tables with LARP defined and actual implementation data, legalization actions and corrective measures implemented, expropriation cases initiated and other related data. The Completion Report should summarize the results of LARP implementation in main indicators and tasks implemented by the IT. Completion Report should be prepared after approval of the LARP Implementation Compliance Report prepared by External Monitoring Agency and approved by ADB.

The IT shall report directly to the PIU. The IT shall submit the deliverables in Armenian in electronic and two hard copies along with a cover letter (if not specified in the list of deliverables). The Completion Report shall be submitted also in English. IT shall ensure the regular photography of implementation process (meetings, contract signing, field visits, etc.) and properly documentation for further monitoring and reporting purposes. All written documents (including the photos), acts, RA entitlement state registration certificates and maps/plans, as well as other related materials should be properly documented and provided with 1 cope for each item.

F. Payment Schedule

- (i) 25% of the Contract Cost will be paid to the IT after approval of Inception Report (including Action Plan and On-the-job training plan)
- (ii) 10% of the Contract Cost will be paid to the IT after approval of the 1st monthly report
- (iii) 10% of the Contract Cost will be paid to the IT after approval of the 2nd monthly report
- (iv) 10% of the Contract Cost will be paid to the IT after approval the 3rd monthly report

- (v) 10% of the Contract Cost will be paid to the IT after approval the 4th monthly report
- (vi) 35% of the Contract Cost will be paid to the IT after approval of the LARP Implementation Completion Report.

Deliverable	2025				
	Jan	Feb	Mar	Apr	May
Inception Report	X				
Monthly Progress Report		X	X	X	X
LARP Implementation Completion Report					X

TERMS OF REFERENCE FOR LARP IMPLEMENTATION TEAM SOCIAL/INTERVIEWER SPECIALIST

A. Introduction

RA Government has received 65.17 M USD loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Project (YUDIP). The loan agreement was signed on 27 November 2023. 22 May, 2024 is the date of loan effectiveness. YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and Government priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities.

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Census Survey and Detailed measurements survey (DMS) of all affected assets was carried out from August 2022 to January 2023 and was updated in June-November 2023 for preparation of the LARP.

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LARP was prepared and provided to ADB for review in December 2023, after which it was revised based on ADB comments and resubmitted to ADB in June 2024. The document will be translated to Armenian and approved by the RA Government upon approval by ADB.

It is estimated that a total of 5 person-months of Implementation Specialist's (IS) services would be required by the Client/PIU to accomplish the tasks. Livelihood restoration-related activities may go beyond the land acquisition/compensation process, so the contract duration may be adjusted in line with the schedule of livelihood restoration assistance measures. IT can start work only when the implementation ready LARP is prepared and approved by the ADB and the RA Government. The consultancy services contract is expected to commence in January 2025.

PIU have a land acquisition and resettlement specialist under YUDIP (YUDIP RS) who coordinated LARP preparation and implementation tasks under SUDIP and is experienced in LARP planning and implementation under ADB financed projects. PIU have also resettlement specialists (RS) who are involved in LAR processes implemented by Yerevan Municipality under projects financed by the Government but lack experience of working in ADB financed project. Due to recent structural changes in PIU, it was decided that PIU RSs also will be involved in LARP implementation processes under YUDIP. For this purpose, On Job Training of those RSs is included under this ToR aiming to enhance PIU capacity and to avoid outsourcing of IT for future projects. The On Job Training will be organized in 2 stages, Theoretical Training and Practical Training.

B. Objective

The PIU requires a qualified national team of individual consultants to implement the LARP, as well as CAPs/Addendums if the need will arise and to provide On Job Training for PIU RSs.

During the LARP implementation the IT shall follow the requirements set by the RA Law on Alienation of the Property for Prevailing Public Interest (Law) and all related laws of the Republic of Armenia, ADB Safeguard Policy Statement 2009 (SPS 2009) and Project's LARF, as well as the Government Decree approving the LARP for Isakov-Arshakunyats Road Link.

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- xi. Provide On Job Training for PIU resettlement specialists;
- xii. Provide all needed activities for the overall implementation of LARP for Isakov-Arshakunyats Road Link according to the requirements of RA legislation;
- xiii. Carry out all needed actions for the full implementation of Legalization/Correction and Rehabilitation plans defined under the LARP;
- xiv. Carry out all needed actions for the smooth relocation of the APs and their businesses;
- xv. Assist PIU to undertake public information campaigns related to Resettlement Policies and entitlement packages;
- xvi. Consult and educate APs/AHs regarding their entitlements and obligations under the LARP;
- xvii. Assist the PIU to ensure that APs/AHs obtain their full entitlements under the LARP. Where options are available, the IT shall provide advice to APs on the relative benefits of each option and link the APs to the employment, self-employment, training and other respective programs (as defined under the LARP);

- xviii. Assist APs in resolving their grievances through the grievance redress mechanism set out in the LARP;
- xix. Initiate expropriation procedures in cases defined the Law. The It will pass the expropriation cases to PIU/YM legal team and the PIU/YM legal team will participate in further Court hearings;
- xx. Provide all needed information/data to PIU for the preparation of LARP Implementation Compliance report and provide the proper implementation of all corrective measures defined by the Compliance report.

C. Tasks

The specific tasks for LARP implementation include:

- 1) Notification and consultation of APs
 - (i) Proper notification of APs on LARP commencement and implementation stages, procedures, including but not limited to the provision of LARP information pamphlet, other informative materials.
 - (ii) Preparation of acquisition contracts and agreements, cover letters, the arrangement and implementation of each AP notification procedure in accordance with the requirements of RA legislation (including the provision of information to APs on their right, obligations and needed documents required for the signature of acquisition contracts). The notification forms, letters and leaflets shall be agreed with PIU beforehand.
- 2) Data collection, updating and database management
 - (i) Collection and updating of all the documents of APs required by LARP. This task includes also the assistance to APs towards the correction, update and restoration of their incomplete or incorrect documents (including the verification of all co-owners, heirs and other required conditions prescribed by law for the signing of acquisition contracts (e.g. attendance and consent of all co-owners, existence and validity of required documents, the list of missing documents etc.).
 - (ii) Preparation of separate package of relevant documents for each AP based on updated data for the implementation of respective cadastral and notarial operations aimed at acquisition defined by RA legislation.
- 3) Contract/Agreement signing process (including the state registration of rights)
 - (i) Organize the state registration of the acquired part of land in Cadaster Committee (in case of acquisition of affected part only, organize the process of due separation, division and state registration of affected part from the total property), provision of required applications and other ground required for state registration and support in the hand-over of the entitlement certificates of the non-acquired parts registered by the Cadaster Committee after the separation procedure to the co-owners and leaseholders.
 - (ii) Organize the submission of the applications to obtain the Common references regarding the real estate item and the registered rights and restrictions toward it from Cadaster Committee and obtainment of said references from the Cadaster Committee.
 - (iii) The submission of information to the PIU on the communal and mandatory payments debts of APs to the local and state budget for the acquired property and implementation of required measures towards the payments by APs before the signing of acquisition contracts.
 - (iv) Organize the opening of bank accounts for the APs ensuring the collection of required data from APs.
 - (v) The submission of documents package required for the conclusion of acquisition contracts/agreements to the relevant notarial offices and organize the acquisition contract/agreement conclusion itself with APs.
 - (vi) The submission of payment applications to PIU in order to proceed with the payment of compensation arising of the contracts and agreements by Acquirer (including the submission of original copies of concluded acquisition contract/agreement to PIU).

- (vii) Organization of the state registration process of RA ownership rights towards the acquired property after the conclusion of acquisition contract; obtainment and submission of the RA entitlement state registration certificates (with attached maps/plans) to the PIU with proper documentation.
- (viii) Organization of the acceptance-hand over of the alienated properties (including the buildings).

4) Legalization and correction plan

- (i) Organization and implementation of the measures approved by LARP's Legalization plan for the legalization cases providing APs with respective legal consultation, particularly: the support to the heirs to open the inheritance for the lands and its state registration; organize the provision of power of attorney for absent owners; support to the APs for the extension of validity of passports or obtainment of new passports; organizing of process to correct and clarify the clerical mistakes and discrepancies in all the documents required for the conclusion of acquisition contracts.
- (ii) In the name and guidance of YM/PIU implement any possible legal measures to implement property acquisition via contract and not via litigation/expropriation. IT shall make satisfactory efforts to minimize cases of alienation of the property by court (expropriation). Where possible, avoid the expropriation, giving priority to alienate the property by contracts through the successful negotiations and implementation of necessary rehabilitation measures.

5) Grievance redress

- (i) Ensure the awareness of APs on the Project's Grievance Redress Mechanism (GRM) and its availability for APs.
- (ii) Ensure recording of APs complaints in the grievance logbook.
- (iii) Ensures proper documenting of complaints hard and soft copies to submit them to PIU assisting the latter throughout the whole process of the examination and solution thereof.

6) Expropriation stage

In case of non-conclusion of the acquisition contract, the YM/PIU will initiate property alienation procedure in terms and by procedure established by Law. The IT will organize the process of transferring of compensation amount to the deposit account and initiating the litigation/expropriation process keeping the requirements of procedures established by the Law, in particular:

- (i) Organizing the procedure of the transfer of the compensation amount to be given to the AP for alienation of the property to the deposit account of the court.
- (ii) Proper notification and guidance to each AP about the transfer of compensation amount to the deposit account of court or notary public.
- (iii) Assisting APs to obtain the compensation amount from the deposit account.
- (iv) In case the AP did not obtain the compensation amount from the deposit account within the term defined by the Law, prepare and submit the lawsuit to the court for each property acquisition case with guidance of PIU legal expert.
- (v) Assist PIU/YM legal team during the court hearings. PIU/YM legal team will be in charge of participation in court hearings and further procedures.

7) Database management

The IT should ensure the proper management of LARP database, including:

- (i) Correspondence of the data in the LARP database with the data on every AP recorded in the paper-based packages(folders).
- (ii) Entry and updating of collected data and results in database in each stage of LARP implementation.
- (iii) Import and update of the checked data in the database as well as import an update of the information on the different stages of the implementation process.
- (iv) Providing of the comprehensive monitoring data on the LARP implementation process and results.

(v) Assists PIU and external monitoring agency's specialist to receive necessary monitoring data from the database.

8) Implementation of Corrective measures

- (i) The IT shall ensure the implementation of all LAR correction action plan(s), which will be revealed and established as a result of monitoring of LARP implementation compliance.
- (ii) The IT shall be liable for correction at its own account and within the terms required by PIU of the mistakes for which the IT is responsible and which were uncovered after the completion of LARP implementation services until the all-registration certificates in the name of RA are submitted to PIU.

9) On job training for PIU LARP implementation team

The IT will organize On Job Training for PIU RSs. The On Job Training will be implemented in 2 stages:

- (i) Theoretical Training will be organized prior to commencement of LARP implementation activities. This will include presentations and handout of printed materials. RA laws and regulations, provisions of ADB SPS-2009 and LARF and LARP of the Project including GRM settlement and negotiations, as well as procedural actions and timelines for completion of acquisition process should be presented in detail. Detailed scope of the Theoretical Training will be agreed with YUDIP RS.
- (ii) Practical training will be conducted alongside the LARP implementation. The implementation team will collaborate with the PIU resettlement specialists to carry out tasks 1 to 8, ensuring that all resettlement specialists from the PIU who participated in the theoretical training are actively involved in all LARP implementation activities.

10) Other related tasks

Taking into consideration the peculiarities of the LARP preparation and implementation process, the IT shall consider his functions as implementation of one complete project and demonstrate flexibility to propose solutions for the problems that may arise in the process, which, even if not literally indicated in this ToR, will fairly derive from the IT's main functions and obligations. The terms and conditions of the Contract related to the IT's activities and responsibility are subject to the regulation by RA legislation.

In case of the changes in the framework of the scope outlined in the ToR of this Contract (hereinafter: scope), the IT shall implement the required additional activities by its own expenses in case if such changes do not exceed 10% of the scope. In case if the scope changes exceed the range of 10%, the IT shall provide a written variation proposal with the proper justifications for the review of the Employer.

D. Composition and Qualification Requirements for the Social/Interviewer Specialist

1. The implementation of the assignment assumes involvement of Resettlement Specialist, Lawyer and Social/Interviewer Specialist. Tentative duration for involvement of each specialist is estimated 5 person months. Qualification requirements and responsibilities of the IT Social/Interviewer Specialist are presented below.

Qualifications/Education:

- Bachelor's degree in social science, economics, management, statistics, finance, law, or related fields.
- 3 years of professional experience.
- Experience in data collection, analysis, and reporting is preferable.

Responsibilities:

- Organize the contract signing process with affected people.
- Collect additional documentation where needed and verify documents.
- Maintain communication with affected individuals and local authorities.
- Assist the resettlement specialist in preparing the final completion report.
- Manage and update databases related to LARP implementation.

E. Reporting Requirements and Time Schedule for Deliverables

The following deliverables has to be submitted to PIU:

- (i) Inception report including the Action Plan and On Job Training Plan describing all methodologies, actions and time schedules, manpower deployment and outline of the reports to be submitted within 15 days of the commencement of the assignment. The Action Plan should be submitted based on prior consultations with PIU.
- (ii) Monthly progress reports should be submitted by the IT within first 10 days of each next month in the outline agreed with PIU through the approved Inception report, as well as other reports by request of PIU (if needed).
- (iii) LARP implementation Completion Report (CR) with attached original certificates of state registration of rights towards the acquired lands in the name of RA. The CR should present the status of the LARP implementation, comparative tables with LARP defined and actual implementation data, legalization actions and corrective measures implemented, expropriation cases initiated and other related data. The Completion Report should summarize the results of LARP implementation in main indicators and tasks implemented by the IT. Completion Report should be prepared after approval of the LARP Implementation Compliance Report prepared by External Monitoring Agency and approved by ADB.

The IT shall report directly to the PIU. The IT shall submit the deliverables in Armenian in electronic and two hard copies along with a cover letter (if not specified in the list of deliverables). The Completion Report shall be submitted also in English. IT shall ensure the regular photography of implementation process (meetings, contract signing, field visits, etc.) and properly documentation for further monitoring and reporting purposes. All written documents (including the photos), acts, RA entitlement state registration certificates and maps/plans, as well as other related materials should be properly documented and provided with 1 cope for each item.

F. Payment Schedule

- (i) 25% of the Contract Cost will be paid to the IT after approval of Inception Report (including Action Plan and On-the-job training plan)
- (ii) 10% of the Contract Cost will be paid to the IT after approval of the 1st monthly report
- (iii) 10% of the Contract Cost will be paid to the IT after approval of the 2nd monthly report
- (iv) 10% of the Contract Cost will be paid to the IT after approval the 3rd monthly report
- (v) 10% of the Contract Cost will be paid to the IT after approval the 4th monthly report
- (vi) 35% of the Contract Cost will be paid to the IT after approval of the LARP Implementation Completion Report.

Deliverable	2025				
	Jan	Feb	Mar	Apr	May
Inception Report	X				
Monthly Progress Report		X	X	X	X
LARP Implementation Completion Report					X

APPENDIX 12

TERMS OF REFERENCE AND REPORTING REQUIREMENTS FOR EXTERNAL MONITORING AGENCY UNDER YUDIP

A. BACKGROUND

The Government of Armenia (GoA) has received a loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Program (YUDIP). The loan agreement for YUDIP was signed on 27 November 2023 for a loan amount of €60.06 million from ADB's Ordinary Capital Resources. Date of Loan Effectiveness is 22 May 2024.

YUDIP sees the development of transport systems as a necessary platform for economic and social development and therefore, one of the vital agents for poverty reduction. This is in line with ADB's Strategy 2020, the country operations business plan, and GoA priorities. The improved main road network and public transport in Yerevan will enable regional development which would decrease regional differences in poverty incidents. It would improve access to social services, mobility of people and goods and increase general economic dynamics for both Yerevan and the project adjacent communities.

The Project Implementation Unit (PIU) on behalf of the Yerevan Municipality (YM) is the project implementing and disbursing agency, as well as the Client of the current assignment. The YM will work in close coordination with the Ministry of Territorial Administration and Infrastructure (MTAI); the executing agency (EA) for the loan.

YUDIP will be focused on construction of Isakov-Arshakunyats Road Link. The detailed design of Isakov-Arshakunyats road link was done by the Detailed Engineering and Supervision Consultant (DESC) under Sustainable Urban Development Program (SUDIP) Tranche 1 and is final.

Construction of Isakov-Arshakunyats Road will entail land acquisition and resettlement (LAR). It requires LAR with 50 affected households (AH) and 121 affected people (AP). Out of 50 AHs, 26 AHs (74 APs) are severely affected. Due to its level of LAR impact, the YUDIP is classified as Category B for involuntary resettlement.

The Land Acquisition and Resettlement Framework (LARF) for YUDIP was prepared by YM and submitted to ADB in April 2023. The Draft LARF for YUDIP is posted on ADB website. The LARF was approved by ADB on 4 April, 2024. A Government Decree on approval of the LARF by the GoA is initiated by PIU/YM.

The Land Acquisition and Resettlement Plan (LARP) for Isakov-Arshakunyats road link was prepared by the DESC under SUDIP Tranche 1 for the PIU. The final LARP was approved by ADB on 30 October, 2024. A Government Decree on approval of the LARP by GoA is initiated by PIU/YM. The LARP will be implemented upon approval by the GoA.

The main objective of the LARP is to make a social impact assessment and identify persons affected by the construction of Isakov-Arshakunyats road link, compensate them for their losses and to assist them to restore their livelihoods. The LARP complies with the Armenian legislations and the requirements of ADB's Safeguard Policy Statement (SPS) 2009.

The scope of the LARP includes: (i) a profile of the APs, (ii) detailed measurement survey (DMS) of all affected assets, (iii) information disclosure and public consultations with APs, (iv) the policy and framework for compensation payments and rehabilitation, (v) complaints and grievance redress mechanism, (vi) resettlement budget, (vii) the institutional framework (viii) LARP implementation schedule, and (ix) arrangements for monitoring of LARP implementation.

AH/AP Census Survey and DMS of all affected assets was carried out from August 2022 to January 2023 and was updated in June-November 2023. The Census identified 50 project affected households, including owners and users of the lands/buildings, business owners with a total of 121 household members. In total, the Isakov-Arshakunyats road link will impact 59 land plots, 80 residential and nonresidential buildings and structures and 3 businesses and 4 business employees. 26 out of 50 AHs are severely affected. 2 AHs are vulnerable.

The implementation of the LARP as well as Corrective Action Plans (CAP) under the LARP (if any) is subjected to both internal and external monitoring. Internal monitoring is to be conducted by the PIU. External monitoring of LARP/CAP has to be done by an external monitoring agency (EMA). External monitoring of the LARP for Isakov-Arshakunyats road link and CAPs is under the task of the Consultant to be engaged by the YM under this TOR.

B. OBJECTIVES OF THE ASSIGNMENT

The ADB involuntary resettlement (IR) policy and the LARF for YUDIP require the EMA to carry out the external monitoring in parallel with the implementation of LARP. The main goal of external monitoring is to assess relevance, efficiency, effectiveness and impact of the LARP processes and to suggest any corrective measures, if necessary. The EMA will provide an independent review of resettlement implementation to determine whether intended goals are being achieved, and if not, what corrective actions are needed. Particularly, the EMA should externally review the LAR process with the objective to verify monitoring data, monitor LARP implementation and post implementation processes, identify problems and compliance issues, and suggest respective solutions. The EMA should also monitor and verify LARP implementation to determine whether resettlement goals are achieved, livelihood and living standards are restored (and to what extent) and provide recommendation for improvement.

External monitoring entails two types of activity: a) short term monitoring of LARP implementation and compensation delivery and b) a long term evaluation of the resettlement effects of the LARPs.

In particular, the following objectives should be achieved:

- i. Verification that resettlement has been implemented in accordance with the approved LARF, LARP, SPS (2009) and RA legislation both on substantive and procedural levels;
- ii. Monitoring of LARP implementation process to identify strengths and weaknesses of the implementation strategies, particularly, monitoring and evaluation of LARP implementation schedules and the achievement of targets related to LAR activities;
- iii. Assessment of the effectiveness of LARP implementation approaches applied;
- iv. Evaluation of the consultative process with APs/AHs, particularly those vulnerable, including the adequacy and effectiveness of grievance redress procedures and legal redress available to the affected parties, dissemination of information, public consultations etc. on LARP preparation and implementation stages.

- v. Analysis of the Project impacts on AHs/APs and especially vulnerable groups and assessment of the effectiveness of the mitigation measures adopted, including adequacy of compensation given to the APs; evaluation of APs/AHs livelihoods and living standards restoration;
- vi. Development of recommendations and corrective measures where needed.

The major tasks for the external monitoring will be:

- i. Develop a methodology with indication of detailed objectives and methods to be used, sampling approaches, specific monitoring indicators in compliance with the LARP, reporting requirements etc.;
- ii. Conduct a baseline survey, if adequate baseline is not available in the LARP;
- iii. Review and verify the progress in LARP implementation and prepare quarterly reports for the implementing agency and provide input for the semiannual monitoring report during the process of LARP implementation;
- iv. Conduct evaluation survey to prepare LARP compliance report;
- v. Conduct a post LARP implementation evaluation survey in nearly a year after completion of LARP implementation;
- vi. Provide recommendations and corrective measures if and where needed.

C. SCOPE OF SERVICES, TASKS AND EXPECTED DELIVERABLES³⁵

The EMA activities can be divided into 2 directions: Short term monitoring and Long term evaluation.

Short Term Monitoring

The short term monitoring or the Compliance Review of the LARP implementation will be carried out in parallel with the implementation of LARP activity and will entail extensive field visits and communication with APs. This task will result in a Compliance Report for the LARP indicating whether the compensation program has been carried out based on the provisions of the LARF and ADB policy, and with the satisfaction of the APs. The Compliance Report will be communicated to the PIU, implementing agency (YM) and ADB. Approval of Compliance Report by ADB will be a condition to start civil works. Short term monitoring task of the EMA includes the following specific methods and activities:

- i. Desk review and secondary data analysis;
- ii. Observations;
- iii. Household survey;
- iv. Participatory rapid appraisal.

Desk review

On the first stage of LARP implementation the completeness of the profiles for all the affected land plots/structures/businesses should be checked. In particular, the desk review will address the following major aspects:

- i. Review of the information available at the implementing agency, including 100% of AP's profiles (folder), contracts to be signed etc. and confirm its accuracy, verification of AH and AP numbers,

³⁵ Reservation: The EMA has no mandate to implement tasks that require special licensing in accordance with the Armenian legislation, including appraisal of the assets to be acquired, or measurement of areas. However, in the contract price the provisional sum is envisaged when EMA may approach the independent licensed company in order to make an independent or arguable valuation or measurement case.

- verification that the impacts descriptions in the protocols fit with signed contracts/agreements, verification that the unit compensation rates used in the contracts and agreements fit LARPs provisions;
- ii. Assessment of documentation of the collected information, i.e. protocols, questionnaires, maps, passports and other available information, including completeness and accuracy of the collected data;
- iii. Assessment of consultation and participation as well as information disclosure activities by the implementing agency;
- iv. Assessment of the prescribed GRM procedures and their implementation;
- v. Identification of shortcomings, if any.

Observations

Observations of LAR related activities (consultations, meetings, implementation etc.) as well as conditions of livelihood of affected people should be conducted as needed. Particularly, verification of the claims/grievances not only through desk review but also through checking at the field level should be done to assess whether it works in accordance with GRM established for the project.

Household survey

The household survey of at least 50% of AHs will address the overall process of land acquisition and resettlement (its duration, compliance with the requirements of the ADB SPS-2009, RA regulations, LARF, and the LARP, payment of compensations, grievances, status of affected vulnerable groups, etc.) and the extent of the accomplishment of the objectives. The household survey will use a specially designed questionnaire with the purpose of standardization of the collected information. In particular the questionnaire will address the following major aspects:

- i. AH's profile;
- ii. Awareness on LARP development and implementation process;
- iii. Impacts of the LARP implementation and compensations paid;
- iv. Grievances and overall satisfaction.

Results of the household survey will be compiled in the Compliance Reports that the EMA will prepare for the LARP.

Participatory rapid appraisal

The EMA will apply the participatory rapid appraisal (PRA) tool with the purpose of complementing the data collected via continuous desk review and household survey with rather qualitative information mainly on the APs' perception towards specific aspects of LARP implementation. PRA will apply the following information collection tools:

- i. Stakeholders' interviews (representatives of YM, PIU, DESC, etc.);
- ii. Key informants interviews (heads of affected communities, informal leaders, etc.);
- iii. (Focus) Group discussions or deeper qualitative interviews with special groups of APs, such as vulnerable groups (severely affected, expropriated, relocated AHs, women, etc.);
- iv. In depth case studies of problems, including grievance cases.

Long Term Evaluation

The long term evaluation will be carried out before and after the LARP implementation to find out if the LARP rehabilitation objectives have been attained or not, as well as for the assessment of the LARP implementation impact on the AHs. Long term monitoring task of the EMA includes the following specific activities:

- i. Baseline Surveys,

- ii. Post LARP implementation Evaluation.

Baseline survey

Baseline survey will be conducted based on available baseline information in the LARP and/or LARP preparation data bases, unless the LARP does not have adequate socio-economic baseline information of the AH. In this case, on the stage of inception report (development of survey methodology), EMA should define the surveys needed. Baseline Survey will be conducted by EMA prior to the payment of compensation. The survey will cover a representative sample of AHs based on the census list, stratified according to types and severity of impact. The EMA will sample the AHs for the LARP based on stratification sample; the samples will be designed in a way to include all types of AHs specified by the impact on them.

In the meantime, only quantitative analysis will not be enough for understanding the baseline situation of the AH's living standards. For this purpose the EMA will also conduct qualitative interviews with stakeholders of the project and key informants.

The baseline survey methodology will serve as a basis for the Post LARP evaluation enabling precise comparison of pre and post project implementation. Summarized responses to the questions will serve as a basis for defining certain indicators measuring (quantitatively) various aspects of LARP implementation.

Post LARP evaluation

In about a year after completion of the LARP implementation, a Post LARP Evaluation shall be carried out to find out if the objectives of the LARP have been attained. The Post LARP Evaluation will address the following major topics:

- i. Assessment of the impact of the LARP implementation on the AHs;
- ii. Assessment of the satisfaction of AHs with the appraisal of assets and entitlements, timing of payments, fund availability and disbursements, etc.;
- iii. Assessment of the efficiency of the LARP implementation;
- iv. Lessons learned.

The EMA will collect the above presented information via application of the following methodological instruments:

- i. End Term Survey addressing the AHs' living standards, impact of the LARP implementation, AHs' satisfaction, etc.
- ii. Qualitative expert interviews with stakeholders and key informants;
- iii. Group discussions or qualitative interviews with special groups of vulnerable AHs;
- iv. Desk review of relevant reports and materials.

The EMA will conduct the End Term Survey comprising the number of AHs that will ensure 95% Confidence Level and 5% Confidence Interval. Actually, the End Term Survey will be the extended version of the Baseline Survey conducted in the Pre LARP phase.

C. TEAM COMPOSITION AND QUALIFICATION REQUIREMENTS FOR THE KEY EXPERTS

The Consultant shall have at least 10 years' experience in conducting monitoring, surveys for development projects. Familiarity with ADB Safeguards Policy Statement (2009) and LAR related RA laws and regulations are an advantage.

The Consultant shall mobilize a professional team consisting of competent experts to implement the current assignment. The team shall include at least the following experts:

- i. Team Leader/Social development specialist;
- ii. Sociologist/Surveyor;
- iii. Lawyer.

The Consultant will appoint a Team Leader responsible for coordinating the works, ensuring involvement of relevant experts in the works and timely delivery of high quality outputs.

The estimated requirement for consultancy services is, tentatively from January 2025 till November 2026. During implementation of this assignment the Consultant shall use its office, vehicles and equipment.

Qualification criteria for the key staff members

Title	Min. General Experience (Years)	Project Specific experience (Years)	Area of Specialization	Tasks and Responsibilities
Team Leader / Social development specialist	10	8	Sociology, Monitoring and Evaluation, Economics and Law or related	Coordinating the works, ensuring involvement of relevant experts in the works and timely delivery of high quality outputs
Sociologist/Surveyor	10	8	Sociology or related	Coordinating the collection of information from the field. Reviewing and analyzing received data.
Lawyer	10	8	Law, Legal or related	Reviewing the compliance of the documents to to ADB policy and RA legal requirements

D. REPORTING REQUIREMENTS AND TIME SCHEDULE FOR DELIVERABLES

Once starting its activities the EMA will submit to the implementing agency the following deliverables:

- i. Inception Report and work plan;
- ii. LARP Baseline Survey Report;
- iii. LARP Implementation Compliance Report;
- iv. Post LARP Evaluation Report;
- v. Quarterly Progress Reports;
- vi. CAP Implementation Compliance Reports and inputs to social safeguards monitoring reports.

The tentative schedule for deliverables submission is presented in the table below (the timing of deliverables submission may vary based on the progress of LARP preparation and implementation). The EMA shall submit the deliverables in Armenian and English languages in electronic and 1 hard copy along with the cover letter.

Name of deliverable	2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Inception Report and Work Plan	X							
Baseline Survey Report	X							
LARP Implementation Compliance Report			X					
Post LARP Evaluation Report								X
Quarterly Progress Reports	X	X	X	X	X	X	X	X
CAP Implementation Compliance Report	In accordance with CAP implementation if any							

E. PAYMENT SCHEDULE

The schedule of payment for the Consultant's deliverables will be the following:

- i. 20% of the Contract Cost will be paid to Consultant after approval of Inception Report and Work Plan;
- ii. 45% of the Contract Cost will be paid to Consultant after approval of the LARP Implementation Compliance Report;
- iii. 35% of the Contract Cost will be paid to Consultant after approval of the Post LARP Evaluation Report;
- iv. Payments for CAP Implementation Compliance Reports will be done after approval of each Compliance Report, if any.

Financial Proposal of the Consultant shall include all the taxes envisaged by RA legislation.

VALUATIONS OF AFFECTED ASSETS

APPENDIX 13