

# Semi-annual Social Safeguards Monitoring Report

(January-June 2024)

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Armenia: Sustainable Urban Development Investment Program

Tranche 2

Project Number: 42417

Loan Number: L3293 (T2)

Prepared: August 2024

Prepared by the Yerevan Municipality

Yerevan Project Implementation Unit

## ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected Household
AP	Affected Person
EMA	External Monitoring Agency
GD	Government Decree
LAR	Land Acquisition and Resettlement
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
MEDI	Ministry of Economic Development and Investments
MFF	Multi-tranche Financing Facility
PIU	Project Implementation Unit
PGC	Project Governing Council
RS	Resettlement Specialist
SUDIP	Sustainable Urban Development Investment Program
YM	Yerevan Municipality

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# 1 INTRODUCTION

## 1.1 Objective of the Report

1. This Semi-Annual Social Safeguards Monitoring Report for Tranche 2 of the Sustainable Urban Development Investment Program (SUDIP) of Yerevan Municipality (YM) of the Republic of Armenia (RA) covers the period from January to June 2024. As the implementations of the LARPs under Tranche 2 were already completed in the first half of 2018, this report provides an overview of main steps of LARP preparation and implementation under Tranche 2 and describes safeguard issues raised due to design changes and due to construction activities as well as social impact mitigation measures and Corrective action plans (CAP) prepared by PIU during the reporting period. In all cases where CAPs were prepared the construction works were stopped and re-commenced after approval of the Compliance Reports on Implementation of the CAPs by ADB. Grievances received and redressed during the second half of 2024 are also described in the report.

2. In December 2019 YM applied to ADB with request to utilize loan commitments from SUDIP Tranche 2 for construction of Yerevan bus depots. Also in the first half of 2022, considering savings from construction of Argavand-Shirak road link it was agreed with the Government and proposed to ADB to include in Tranche 2 reconstruction of the existing about 1 km road section of A. Babajanyan Street between Argavand-Shirak and Babajanyan-Ashtarak road links. Works implemented under these assignments are also included in this report.

## 1.2 Background Information

3. The loan agreement for SUDIP- Tranche/Project 1 was signed on 19 May 2011 for a loan amount of \$48.64 million from ADB's Special Funds resources. Date of Loan Effectiveness is 19 July 2011. The date of loan closing was 30 June 2016 which was extended to 18 April 2021 and then to 31 December 2023.

4. The loan agreement for SUDIP- Tranche/Project 2 for a loan amount of \$112.97 million was signed on 13 October 2015. Date of loan effectiveness is 11 January 2016 and the date of loan closing was 18 April 2021 which was extended to 31 December 2023. Figure 1 below represents the map of Tranche/Project 1 and Tranche/Project 2 locations.

5. Tranche/Project 2 subprojects of the first component are focused on three road missing links (Figure 3) to complete the Yerevan Western Ring Road. These three links are divided into five sections (Figure2, Table1)

- (i) Argavand-Shirak road link; (section 5) the construction of a link between Argavand highway and Shirak street West of length approximately 1.3km. The section is covered by LARP 2, originally prepared under Tranche 1 projects.
- (ii) Davtashen-Ashtarak highway; (Section 9) of 2.24 km.
- (iii) Babajanyan-Ashtarak highway 6.9 km long divided into three sections: Section 6 of 2.2 km, Babajanyan street to Tichina street, Section 7 of 2.1km, Tichina street to Old Silikyan highway and Section 8 of around 2.6 km, Old Silikyan highway to Ashtarak highway. Each section will provide dual two or dual three lane carriageways.

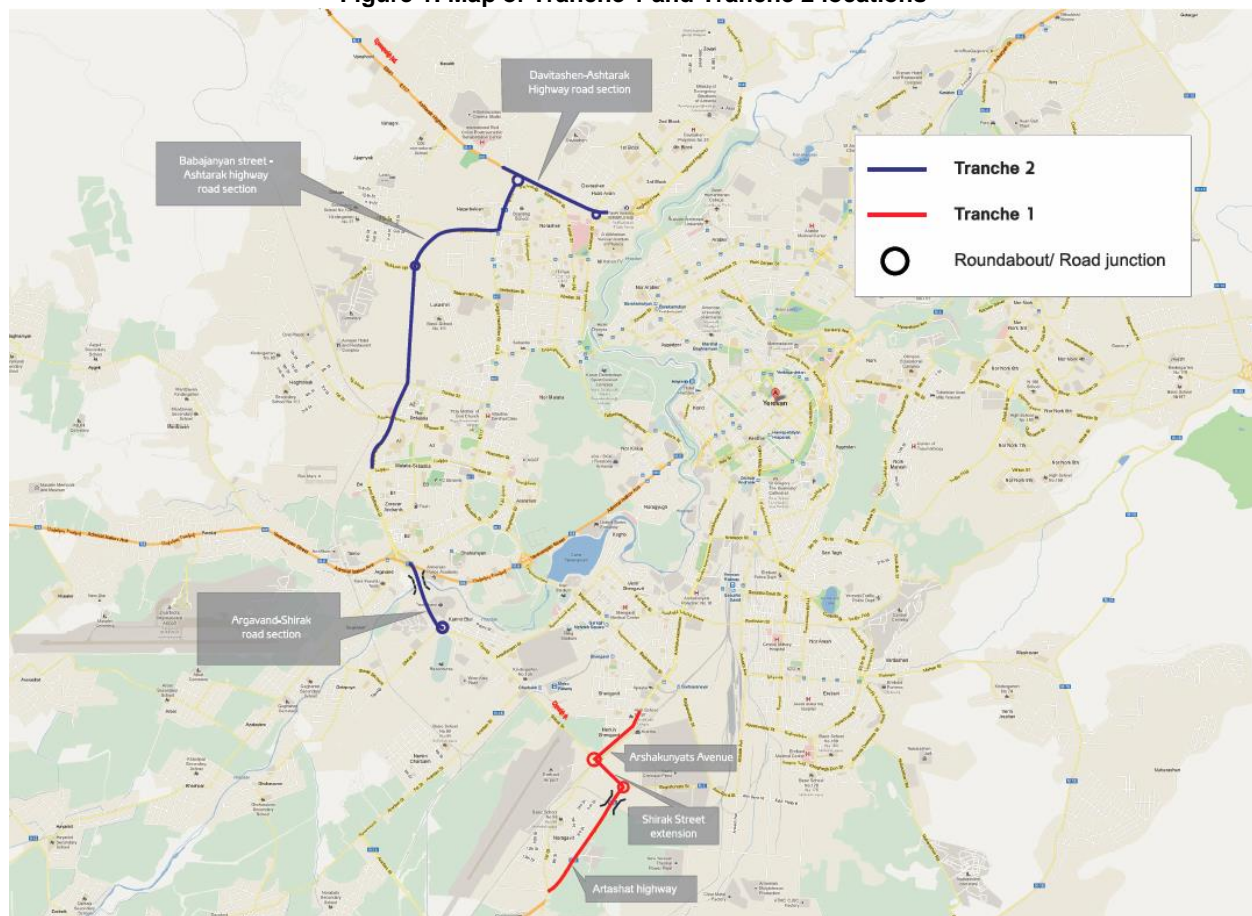
6. In December 2019 YM has requested ADB to utilize loan commitments from SUDIP Tranche 2 for construction of Yerevan bus depots. This includes construction of new bus depot near Shirak Street in the Shengavit administrative district of Yerevan and Construction of refueling and washing facility and reconstruction of parking area at the already existing Yerevan Jrvezh Bus Depot in the Nor Nork administrative district of Yerevan.

7. Construction of Argavand-Shirak road link was completed in June 2022 and considering savings from construction of this section it was agreed with the Government and proposed to ADB to include in Tranche 2 reconstruction of the existing about 1 km road section of A. Babajanyan Street between Argavand-Shirak and Babajanyan-Ashtarak road links (Argavand-Babajanyan, Section 10) which was not included neither in volumes of Argavand-Shirak nor in Babajanyan-Ashtarak road links. Civil works were implemented within existing road limits and did not have any temporary or permanent impact on land plots used or owned by other parties.

### 1.3 LARF

8. The LARF for the MFF approved in 2010 was revised and approved on 7 March 2012 (Government decree N 2731). The revision accounted for an addendum on methodology for the compensation of business losses, employment losses and allowances for the vulnerable people. The final LARF and addendum were approved by the GoA in November 2012 (Government decree N 1432).

**Figure 1: Map of Tranche 1 and Tranche 2 locations**



9. In order to facilitate LARP preparation and implementation, the area of Tranche/Project 1 and Tranche/Project 2 road constructions was divided into several sections numbered from S1 to S9 shown in the Table 1 and the Figure 2 below.

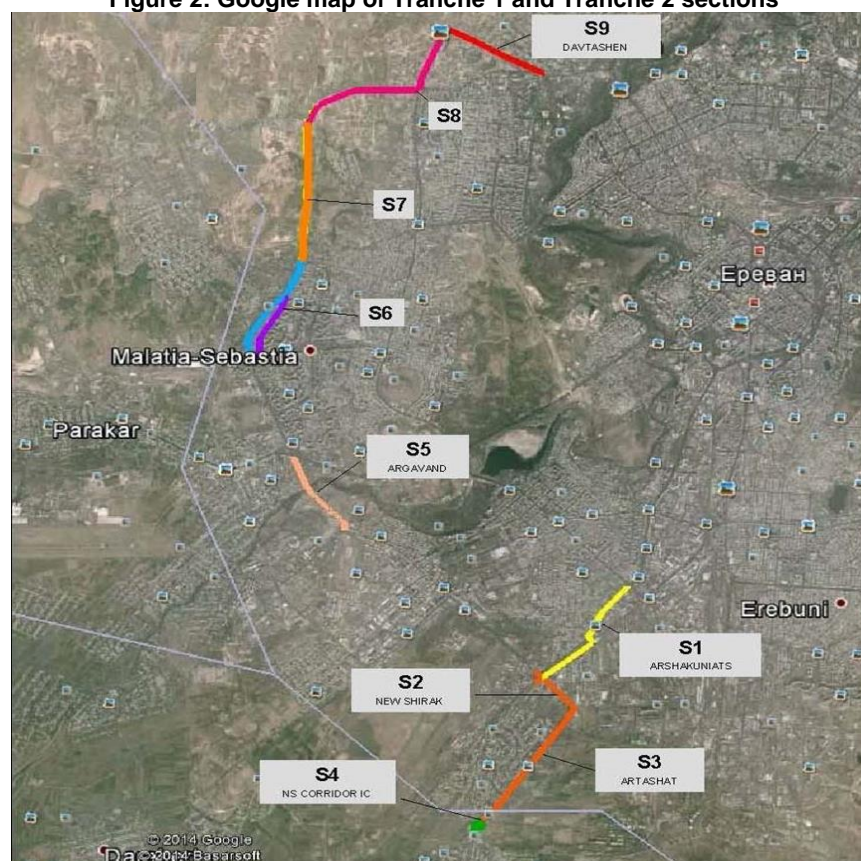
**Table 1: Tranche 1 and Tranche 2 sections**

Tranche/Project	Section	Name	Length
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<sup>1</sup> <http://www.arlis.am/DocumentView.aspx?DocID=99934>

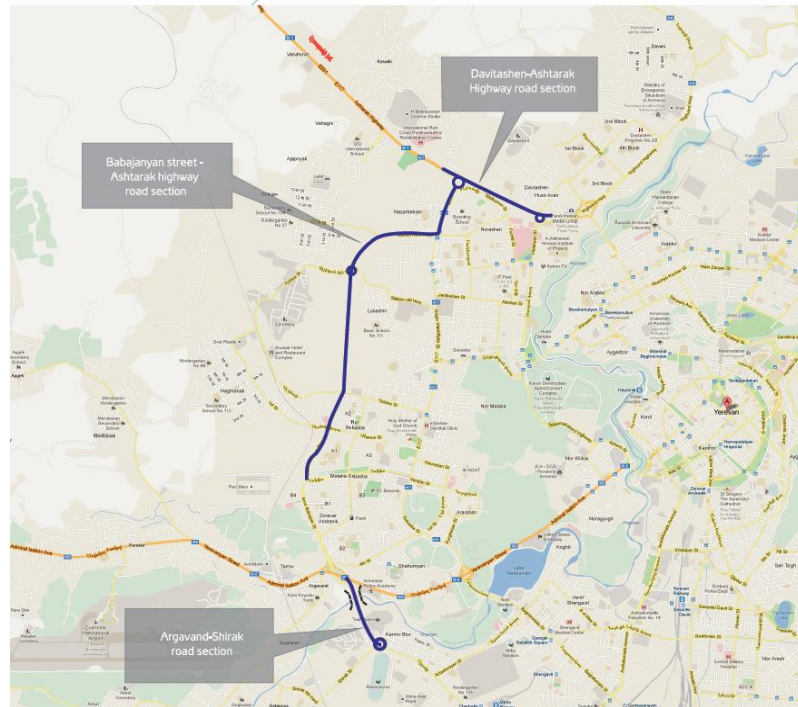
Tranche/Project	Section	Name	Length
Tranche/Project 1	S1	Arshakunyats	1 280 m
	S2	New Shirak	3 200 m
	S3	Artashat	
	S4	Artashat highway -North South Corridor Interchange	
Tranche/Project 2	S5	Argavand-Shirak Road Link	1 350 m
	S6	Babajanyan-Tichina	2 220 m
	S7	Tichina-Old Silikyan	2 060 m
	S8	Old Silikyan-AshtarakRoad Link	2 570 m
	S9	Davtashen-AshtarakRoad Link	2 240 m
	S10	Argavand-Babajanyan Link	1 020 m

Figure 2: Google map of Tranche 1 and Tranche 2 sections





**Figure 3: Map of Tranche 2**



#### **1.4 Land Acquisition and Resettlement Plans**

10. Tranche/Project 2 is categorized by ADB as A for the involuntary resettlement safeguard. To facilitate the implementation of the LARP for Tranche/Project 2, Tranche/Project 2 road areas were divided into the following 4 parts for which separate LARPs were prepared.

- (i) LARP for Argavand - Shirak Road Link<sup>2</sup> (Section 5)
- (ii) LARP for Davtashen - Ashtarak Road Link<sup>3</sup> (Section 9)
- (iii) LARP for Tichina-Ashtarak Road Link<sup>4</sup> (Sections 8, 7)
- (iv) LARP for Tichina - Babajanyan Road Link<sup>5</sup> (Section 6)

11. A separate LARP was prepared for Construction of new bus depot near Shirak Street.

#### **1.5 Social Safeguard Due Diligence Reports**

12. Construction of refueling and washing facility and reconstruction of parking area at the already existing Jrvezh bus depot and Reconstruction of existing Argavand\_Babajanyan section (Section 10) will not cause LAR related impacts. Separate Social Safeguards Due Diligence Reports<sup>67</sup> are prepared for these assignments to demonstrate the absence of LAR-related permanent and temporary impacts.

## **2 LARP Preparation and Implementation**

### **2.1 LARP for Argavand-Shirak Road Link**

<sup>2</sup> <https://www.adb.org/projects/documents/sustainable-urban-development-investment-t2-argavand-shirak-rp>

<sup>3</sup> <https://www.adb.org/projects/documents/arm-sudip-t2-davtashen-ashtarak-highway-jul-2016-rp>

<sup>4</sup> <https://www.adb.org/projects/documents/arm-42417-033-rp>

<sup>5</sup> <https://www.adb.org/projects/documents/arm-42417-033-rp-2>

<sup>6</sup> <https://www.adb.org/projects/documents/arm-42417-033-sddr-0>

<sup>7</sup> <https://www.adb.org/projects/documents/arm-42417-033-sddr-2>



### 2.1.1 LARP Preparation

13. LARP for Argavand-Shirak road link addresses the LAR impact of Section 5 (Figure 2, Table 1), which foresees construction of a link between Argavand highway and Shirak street West of length approximately 1.3km. The alignment passes through the archaeological site known locally as Karmir Blur. This LARP was prepared under Tranche/Project 1 and was approved by ADB on 09 January 2014. The LARP was not sent to the GoA for approval, as Argavand-Shirak section was moved from Tranche/Project1 to Tranche/Project 2 because of shortage of funds. ADB and the PGC gave their no objection on removing this section to Tranche/Project 2 on 14 March 2014 and on 20 June 2014 accordingly.

14. Due to minor changes in design, the LARP was updated in April and May 2015. The updated LARP for Argavand-Shirak road link was approved by ADB on 9 June 2015 and by the Government on 31 August 2015 (GD N 997-Ն)

### 2.1.2 LARP Implementation

15. The Implementation of the LARP for Argavand-Shirak road started in October 2015 after Government Decree (GD) on Eminent Domain (GD N 997-Ն) came into force on 25 September 2015 and was completed in December 2015. The Compliance Report for LARP for Argavand-Shirak was submitted to ADB on 11 February 2016 and was approved by ADB on 18 February 2016.

16. On 16 March 2016 a Contract was signed with Serenissima Costruzioni S.p.A. for the construction of Argavand-Shirak Road Link. Due to Contractor's failure to implement construction works the Contract with Serenissima Costruzioni S.p.A was terminated on 9 March 2017. The new tender for construction of Argavand-Shirak road link was announced on 4 November 2017. In December 2018 all the bids were rejected since the bidders refused to extend the validity of their bids and extend bid security. A new bidding process was initiated in the first quarter of 2019. A contract with Levantina Ingenieria Y Construcccion S.L was signed on 16 July 2019 and the Commencement date of the works is 6 September 2019. Construction works of Argavand-Shirak road link were finalized in June 2022.

### 2.1.3 Social Risks/Impacts and their Mitigation During Construction Period

17. *CAP-1 to the LARP for Argavand-Shirak road link.* Due to some changes in design or/and issues not envisaged during the project preparation unanticipated impacts were identified under the LARP for Argavand-Shirak road link. Due to updating of the utility design needed for the installation of the pylon of tower for electricity one legal land plot with an area of 168.16m<sup>2</sup> was affected in Argavand community. Also one illegally used land plot of 24.22m<sup>2</sup> was identified in the Shirak street area which was not included in the LARP. A Corrective Action Plan (CAP) was prepared and submitted to ADB on 13 October 2016. Based on ADB comments the CAP was revised and resubmitted to ADB on 27 April 2017. PIU received ADB SDSS comments on the CAP on 8 December 2017 and submitted the revised version to ADB on 25 December 2017. The CAP was approved by ADB on 28 February 2018. The CAP was not implemented due to changes in top management of YM as well as to the fact that the contract with Serenissima Costruzioni S.p.A was terminated and the new bidding process was not finalized.

18. After commencement of construction in September 2019 in order to proceed with implementation of the CAP PIU requested the valuation company to carry out revaluation of affected assets as the valuation was done in 2017. Based on the results of the revaluation the CAP was updated and submitted to ADB on 24 January 2020. The CAP was approved by ADB on 20 March 2020. PIU started implementation of the CAP after approval by ADB. 2 land plots are included in the CAP. First is a land plot illegally used by the AP and the second land plot belongs to Argavand community and is not used. A compensation agreement with the illegal user of the land plot was signed on 10 June 2020 and the compensation amount was transferred to the APs bank account. The Contract with the head of Argavand community was signed on 28 October 2020 and the compensation amount was transferred to the bank account on 28 December 2020.

19. CAP-3 to the LARP for Argavand-Shirak road link. PIU has received a complaint from owner of a land plot located in Argavand community. Due to relocation of 220kv electricity transmission lines part of a legally owned commercial land plot overlaps with the safety zone of 220kv transmission lines and the owner of the land plot requests compensation as there are restrictions on usage of lands within electricity line safety zones.

20. Corrective Action Plan (CAP) for alienation of affected land plot was prepared and submitted to ADB on 12 May 2022. CAP-3 was approved by ADB on 29 July 2022. Due to cadastral issues implementation of CAP-3 was delayed. The contract with the AP on alienation of the affected land plot was signed on 22 December 2022 and the compensation amount was transferred to the APs bank account. The Compliance Report on implementation of the CAP will be submitted to ADB in the next reporting period.

#### **2.1.4 Public Consultations and Information Disclosure**

21. No public consultations were held in the reporting period with the APs of Argavand-Shirak road link.

### **2.2 LARP for Davtashen-Ashtarak Road Link**

#### **2.2.1 LARP Preparation**

22. The LARP for Davtashen-Ashtarak road link addresses the LAR impact of Section 9 (Figure 2, Table 1), which foresees construction of a road between Davtashen and Artashat highway of length approximately 2.24km. with average width of 28m. The road provides dual 3 traffic lanes each with width of 3.5-4m, and a service road with width approximately 6m. The LARP was submitted to ADB for comments on 18 April 2016 and was approved by ADB on 7 July 2016 and by the Government on 14.07.2016 (GD N427-Ն<sup>8</sup>).

#### **2.2.2 LARP Implementation**

23. Implementation of the LARP began after approval of the LARP by ADB and the Government in August 2016 and was finalized by the end of May 2017. The Compliance Report for the LARP was prepared and submitted to ADB on 7 June 2017 and was approved by ADB on 13 July 2017. Commencement of construction was granted on 20 July 2017. Construction works of Davtashen-Ashtarak road link were finalized by the end of December 2018.

#### **2.2.3 Court Cases**

24. There are no pending court cases with regard to implementation of the LARP for Davtashen-Ashtarak road link.

#### **2.2.4 Social Risks/Impacts and their Mitigation During Construction Period**

25. Owner of land plot located out of the RoW, approached both the SUDIP PIU and ADB to seek the resolution of his request to dismantle the sewage pipe installed by Contractor on his privately owned land plot without his permission during the construction period.

26. PIU clarified that the sewage pipe existed on the privately owned land plot of the complainant before the construction activities. Due to the bad condition of the existing sewage pipeline and water leakages flowing to the construction area, the Contractor has replaced the damaged part with a new pipeline as a result of which the length of the sewage pipe passing through the complainant's land plot has been decreased.

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<sup>8</sup> <http://www.arlis.am/DocumentView.aspx?DocID=107507>

27. ADB's due diligence on the case based on the clarifications provided by the legal department of YM and the utility owner of "Veolia Jur" CJSC has demonstrated following:

- Replacement of the sewage pipe with new one is a new intervention to the complainant's property resulting from Project needs based on Employer's and Supervision Engineer's instructions.
- As the contractor acted based on an emergency, new utility design for that section has not passed state design examination.
- A new pipeline is not registered in the Cadaster Committee and the compulsory servitude is not considered for that section.
- Moreover, the further maintenance of the pipe is under the responsibility of the utility's owner and in case of any accidents or damages the permission from the land owner will be again required to access the pipe through the complainant's property.

28. Taking into account the above mentioned findings, ADB concluded that the Project cause restriction of further usage of private land which is subject for involuntary resettlement in compliance with requirements of ADB safeguard policy statement 2009 (Scope and Triggers , Involuntary Resettlement Safeguards, page 17). It should be also noted, that Impact assessment for relocation/installation of utilities on privately-owned land plots within whole road links under SUDIP Tranche 2 was carried out based on the approach of the permanent land acquisition.

29. YM has received ADB letter dated 30 May 2023 asking to seek YM concurrence to implement a partially acquisition of the complainant's land plot due to absent of possibility to dismantle and install the pipe in other place and to instruct the PIU to proceed with preparation of the Correction Action Plan on partial land acquisition and provision of compensation to complainant as per Project the Land Acquisition and Resettlement Plan (LARP) accordingly.

30. During implementation of ADB's request PIU revealed that the land owner passed away and the complainant's daughter refuses to expropriate the plot partially and expresses a wish to keep it in memory of her father and offers to move the pipe from their land. Following the created circumstances, the PIU proceed with the following actions:

- To change the ownership status of the adjacent land plot from private to community by YM,
- To relocate the sewage pipe from the complainant owned land plot to that land plot being registered as community-owned.

31. It is expected that the issue will be resolved within next reporting period.

32. During the reporting period PIU did not prepare/implement any CAPs in the area of the LARP for Davtashen-Ashtarak road link.

## **2.2.5 Public Consultations and Information Disclosure**

33. No public consultations were organized with the APs of Davtashen-Ashtarak LARP area during this reporting period.

## **2.3 LARP for Tichina-Ashtarak Road Link**

### **2.3.1 LARP Preparation**

34. The LARP for Tichina-Ashtarak addresses the LAR impact of Sections 8 and 7 of around 4,6km (Figure2, Table1). The road will provide dual 2-3 traffic lanes each with width of 3.5-4m, and a service road with width approximately 6m. The LARP was submitted to ADB on 29 August 2016 and was approved by ADB on 15 November 2016. The Government approved the LARP on 24 November 2016 (GD N 1192-Ն9).

### **2.3.2 LARP Implementation**

35. The Implementation of the LARP began after approval of the LARP by ADB and the Government in November 2016 and was completed in September 2017. The Compliance Report for the LARP was submitted to ADB on 24 November 2017 and was approved by ADB on 6 December 2017. Commencement of construction was granted on 1 February 2018. Construction works in the said area were completed by the end of December 2023.

### **2.3.3 Court Cases**

36. There are no pending court cases with regard to implementation of the LARP for Tichina-Ashtarak road link.

### **2.3.4 Social Risks/Impacts and their Mitigation During Construction Period**

37. During the reporting period PIU did not prepare/implement any CAPs in the area of the LARP for Tichina-Ashtarak road link.

### **2.3.5 Public Consultations and Information Disclosure**

38. No public consultations were organized with the APs of Tichina-Ashtarak LARP area during this reporting period.

## **2.4 LARP for Babajanyan-Tichina Road Link**

### **2.4.1 LARP Preparation**

39. The LARP for Babajanyan-Tichina addresses the LAR impact of Section 6 of around 2.2km (Figure2, Table1) with average width of 28m. The LARP was submitted to ADB on 21 November 2016 and was approved by the Government on 2 March 2017 and by ADB on 2 June 2017.

### **2.4.2 LARP Implementation**

40. The implementation of the LARP began after approval of the LARP by ADB and by the Government. PIU began to submit the draft contracts/agreements to the APs in June 2017. Implementation of the LARP was completed in January 2018. The Compliance Report of the LARP was prepared and submitted to ADB on 19 February 2018 and was approved by ADB on 5 June 2018. Commencement of construction works in the area of the LARP was granted on 8 June 2018. Construction works in the area of Babajanyan-Tichina LARP were completed by the end of December 2023.

### **2.4.3 Court Cases**

41. Several court proceedings have been in place since 2017. The acquisition contract was not signed by AP within 3 months after its notification and PIU transferred the compensation amount to bank deposit equal to 50,672,553.00 AMD (46,001,703.00 of which is from YM budget and 4,670,850.00 AMD is loan portion) for the affected private land on 01.11.2017 and for the impacts on it on 02.11.2017, for the informally used land plot on 08.05.2018 for the impacts on it on 15.05.2018. PIU applied to the Court

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<sup>9</sup> <http://www.arlis.am/DocumentView.aspx?DocID=109707>

of general instance on 27.11.2017 to alienate the affected property by the name of RA and the Court satisfied PIU request on 07.12.2018.

42. The AP applied to the Court of appeal on 14.01.2019 to dispute the fact of revocation of the overriding public interests in his own property justifying that PIU transferred the compensation amount to bank deposit 1 month later than defined by the RA Law "On Alienation of Property for Ensuring Overriding Public Interests". The Court rejected AP's request on 31.05.2019. The AP disputed the decision of Court appeal to the Court of Cassation on 09.07.2019, but it was again rejected by the Court on 11.09.2019.

43. PIU alienated the affected property by the name of RA and registered the right in State Cadaster on 09.07.2020. The construction activities at this location were started on 10.02.2023.

44. The AP applied to the Court of First Instance of General Jurisdiction on 17.10.2022 on acknowledging the termination of the right of the Republic of Armenia for the land, restoration of the plaintiff's right to ownership and, as a consequence, recognition of all legal documents concerning the acknowledgement of the overriding interest in terms of the ownership of the land plot as invalid. At the same day, the court has satisfied the plaintiff's motion on applying a security for the claim and prohibited the respondent and/or third parties to perform any action, including performing any demolition and/or construction works, with respect to the immovable property located at '34/1 Sheram street, Yerevan. The AP applied to the Court of First Instance of General Jurisdiction on 27.04.2023 by the request to apply petition to enforce claim security and the Court put a lien on the property located at '46/1 Sheram Street, Yerevan' address satisfying APs demand.

45. Thus, the construction activity at the said location was stopped by the Contractor on 28.04.2023 due to Court decision to ban any activity related to demolition, construction, acquisition, sale transaction of the property already acquired and registered by the name of RoA until the Court proceedings are concluded. On 24 June, 2024 the Court rejected YM application on removing the ban. The Babajanyan-Ashtarak road link doesn't operate now due to incomplete construction at the said location.

46. The AP did not take his compensation payments, so far. The AP presented the valuation report to ADB and YM on 16.10.2023 conducted by the other licensed company hired by him. Among the other types of impacts such as structures, fence, trees etc., the valuation was conducted only for the whole land plot and not for the part affected by the Project. As per complainant valuation, the compensation for the whole land plot amounts to 595,400,000 AMD, compensation for the non-affected part of the plot after construction of road amounts to 374,500,000 AMD and additional fees for legal services amounting to 20% of total compensation amount is requested as well.

47. At any point in time when Court proceedings are concluded, the YM decides to proceed with provision of compensation to the AP before construction starts at this location, confirming that it will comply with ADB's Safeguards Policy Statement (2009) and will ensure the following actions to be undertaken through the YUDIP PIU:

48. The AP will receive a compensation package as defined and assessed under the Project's LARF and LARP for Babajanyan-Tichina to ensure that the asset's replacement cost is valid at the time of payment.

49. The PIU will continue to update ADB on the status of the case in its semi-annual social monitoring reports.

#### 2.4.4 Social Risks/Impacts and their Mitigation During Construction Period

50. *CAP-7 to the LARP for Tichina-Babajanyan road link.* The first complaint from the AP, resident of Babajanyan Street, PIU has received in January 2019. The AP requested compensation for land plot with area of approximately 1,150m<sup>2</sup> and trees planted along the land plot. The AP's request was rejected by PIU as the site visit conducted on 19 February 2019 revealed that the mentioned land plot was a soil road which served as an entrance for neighboring land plots and houses. There were no fences separating the land plot or any signs of usage, except the trees along the soil road. The cut-off date for the LARP for Tichina-Babajanyan was December 6, 2016 and the LARP preparation team had not found any signs of usage during DMS in 2016. The AP declares that at that time he was out of the RA and raised the issue in 2019 when he came back and the construction had already started. The head of Malatia Sebastia administrative district also did not approve the illegal usage of the land plot by the AP. Except this the fact of illegal usage was checked based on the drone video taken before DMS during preparation of detailed design.

51. The AP did not agree with PIU decision and so far PIU, YM and ADB have received several complaints from the AP.

52. The number of trees which were already damaged during construction and those which were subject to be impacted was inventoried and agreed in 2019-2020 during several site visits and discussions with participation of the AP, PIU and ADB representatives. In August 2020 a methodology for defining the area of the land plot for compensation was agreed with the AP, who farther refused to allow the DMS team to do DMS survey.

53. In May 2023, Yerevan Municipality received a letter form ADB with summary of complaint, received from the AP. The APs trees which were planted in a row in parallel with the soil road were affected during construction. The APs request was:

- to provide compensation for the soil road and trees on it
- to provide access to his illegally used land plot from the main road
- to build retaining wall instead of soil embankment with a slight edge of the road to ensure the return possibility for cars
- to restore utilities.

54. The following actions were taken to address APs requests.

- Google Earth maps from 2013 to 2019 were reviewed and checked which confirm that the soil road has served as an entrance for several land plots and has never served as an orchard, hence only the land under the trees is considered for compensation. Besides, the complainant couldn't provide the supporting documents such as photos and videos with trees he informally used on the claimed area as an orchard.
- Access from the main road is provided. This will allow the AP to have an entrance to his private property from the main road and to have an exit from the other access road already constructed by him on community land for which he obtained the construction permit from YM.
- The APs request for restoration of utilities was communicated with Egis who ensured with official letter to PIU restoration of utilities at non-affected part of land plot.
- CAP-7 under the LARP for Babajanyan-Tichina was prepared for compensation of affected trees and the land plot under the trees.

55. CAP-7 was prepared and submitted to ADB on 28 November 2023. ADB approved the CAP on 27 December 2023. The compensation agreement with the AP was signed on 28 December 2023. PIU transferred the compensation for trees to the APs bank account on 28 December 2023. Due to budgetary constraints the compensation for land was transferred to the APs bank account on 2 February 2024.

56. The Compliance Report on Implementation of the CAP was prepared and submitted to ADB on 21 February 2024. ADB approved the Compliance Report on Implementation of CAP 7 on 11 March 2024.

#### **2.4.5 Public Consultations and Information Disclosure**

57. No public consultations were organized with the APs of Babajanyan-Tichina LARP area during this reporting period.

### **2.5 LARP for Bus Depot Near Shirak Street**

#### **2.5.1 LARP Preparation**

58. The LARP for bus depot near Shirak Street addresses the LAR impact of construction of bus depot at the intersection of Arshakunyats Avenue and Shirak Street with on the area of approximately 12ha. DMS, Census and SES were implemented from 3 June to 25 December 2021. The Census identified 79 project affected households, including owners and users of the lands/buildings, business owners with a total of 348 household members. In total, this LARP will impact 91 land plots, 32 residential and non-residential buildings and structures and 3 businesses.

59. The LARP was prepared and submitted to ADB on 16 March 2022. PIU received ADB comments on 18 July 2022.

60. The Government has postponed the construction of the Bus Depot near Shirak Street. PIU will update the LARP and resubmit to ADB in case if the Government decides to construct the Bus Depot and approves the GD on Eminent Decree.

#### **2.5.2 LARP Implementation**

61. Implementation of the LARP for the bus depot near Shirak Street will start after approval of the LARP by ADB and GoA.

#### **2.5.3 Public Consultations and Information Disclosure**

62. No public consultations were organized with the APs of bus depot area during this reporting period.

### **3 Social Safeguards Due Diligence Reports**

#### **3.1.1 Social Safeguards Due Diligence Report for the Jrvezh Bus Depot**

63. The SSDDR for the existing Jrvezh bus depot refers to the construction of refueling and washing facility, reconstruction of parking area and rehabilitation/renovation of the administrative buildings at the existing Jrvezh Bus Depot in the Nor Nork administrative district of Yerevan. Construction activities will be implemented mainly within the boundaries of the bus depot with an area of 45,390.1m<sup>2</sup>. Additional 620.0m<sup>2</sup> community owned land will be used for the entrance of the bus depot. Screening for LAR impacts was implemented in August 2021 and December 2021 to demonstrate absence of any LAR



impacts. The SSDDR was prepared and submitted to ADB in August 2021 and was approved by ADB on 19 May, 2022<sup>10</sup>.

### 3.1.2 Social Safeguards Due Diligence Report for the Argavand-Babajanyan Link

64. This particular section of A. Babajanyan Street is located in Malatia-Sebastia administrative district of Yerevan, and is connecting Shirak-Argavand and Babajanyan Ashtarak road links under SUDIP Tranche 2. A. Babajanyan Street is a municipal street and is owned by YM. The reconstruction works will be held within the boundaries of the existing carriageway, which consists of 4 traffic lanes with width of 15-16 meters. The screening for involuntary resettlement impacts was done in June 2022. Inventory of businesses operating next to the road has identified 35 businesses. Both permanent and temporary impacts were considered and analyzed during the screening process. The cadastral map of the road section was obtained from the State Cadaster Committee. A Public Consultation with the owners of business and owners of buildings was held on 01 July 2022. The project GRM, traffic management plan, temporary entrances for the businesses were presented to the participants in detail.

65. PIU prepared a SSDDR for this section and submitted to ADB on 29 June 2022. The SSDDR was approved by ADB on 11 August 2022. Commencement of construction works in the area of SSDDR for Argavand-Babajanyan link was granted on 12 August 2022. Construction works were completed in June 2023.

## 4 Grievance Redress Mechanism

66. In the first half of 2024 PIU has not received any complaints related to social safeguards from the residents of Tranche 2 area. The list of complaints received since 2020 are presented in Annex 1 at the end of the document.

## 5 Compliance of Loan Covenants Related to Resettlement

67. Compliance status related to loan covenants concerning resettlement/social issues for the reporting period is provided in Table 2 below:

**Table 2: Project Compliance status to Loan Resettlement/Social Covenants**

Land Acquisition and Involuntary Resettlement  
The Borrower shall ensure that all land and all rights-of-way required for each Subproject are made available to the Works contractor in accordance with the schedule agreed under the related Works contract and all land acquisition and resettlement activities are implemented in compliance with (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the involuntary resettlement safeguards; (c) the LARF; and (d) all measures and requirements set forth in the respective LARP, and any corrective or preventative actions set forth in a safeguards monitoring report.

Being complied with:

The LARF and the addendum were revised and approved by ADB in March 2012 and by the government in November 2012.

The LARP for Argavand-Shirak road link was approved by ADB on 9 January 2014. Due to design changes the LARP for Argavand-Shirak road link was updated. The updated LARP was approved by ADB on 9 June 2015 and by RA government on 31 August 2015. Implementation of LARP 2 started in October 2015 and was completed in December 2015.

The LARP for Davtashen-Ashtarak road link was approved by ADB on 7 July 2016 and by the Government on 14 July 2017. Implementation of the LARP for Davtashen-Ashtarak started in September 2016 and was completed in May 2017.

<sup>10</sup> <https://www.adb.org/projects/documents/arm-42417-033-sddr-0>

The LARP for Tichina-Ashtarak road link was approved by ADB on 15 November 2016 and by the Government on 24 November 2016. Implementation of the LARP for Tichina-Ashtarak started in December 2016 and was completed in September 2017.

LARP for Tichina-Babajanyan road link was approved by ADB on 2 June 2017 and by the Government on 2 March 2017. Implementation of the LARP for Tichina-Babajanyan started in June 2017 and was completed in January 2018.

LARP for Bus Depot near Shirak Street was prepared and submitted to ADB on 16 March 2022. PIU received ADB comments on 18 July 2022. PIU will update the LARP and resubmit to ADB after The Government approves the GD on Eminent Decree

SDDR for Jrvezh Bus Depot was prepared and submitted to ADB in August 2021. The SSSDR was approved by ADB on 19 May, 2022.

SDDR for Argavand-Babajanyan Link was prepared and submitted to ADB on 29 June 2022. ADB approved the SSSDR on 11 August 2022.

A detailed grievance redress mechanism was established through the LARPs to receive and facilitate the resolution of affected persons' concerns and grievances.

Without limiting the application of the involuntary resettlement safeguards, the LARF or the LARPs, the Borrower shall ensure that no physical or economic displacement takes place in connection with the Subprojects until: Compensation and other entitlements have been provided to affected people in accordance with the LARPs; and A comprehensive income and livelihood restoration program has been established in accordance with LARPs.

**Human and Financial Resources to Implement Safeguards Requirements**  
The Borrower shall make available necessary budgetary and human resources to fully implement the EMP, the LARPs and IPP.

Being complied with:  
All AHs of the LARPs for Argavand-Shirak, Davtashen-Ashtarak, Tichina-Ashtarak and Tichina-Babajanyan road links signed the agreements/contracts and were compensated before physical or economic displacement.

Being complied with:  
For the proper implementation of the resettlement and environmental arrangements a resettlement specialist and an environmental specialist have been involved in the project unit. Detailed Engineering Design and Supervision Consultant (DESC) also have environment and resettlement specialists in their staff composition. Constructor's staff also included environmental

and social specialists.

LARP implementation team consisting of team leader, three social specialists and one lawyer was hired on 22 August 2016 to assist the PIU during implementation of the LARP for Davtashen-Ashtarak road link. The Contracts with the members of LARP implementation team were extended to assist PIU also with implementation of the LARPs for Ashtarak-Tichina and Tichina-Babajanyan sections.

Adequate budgetary resources are being available in accordance with the financing plan described in periodic financing request.

#### Safeguards Monitoring and Reporting

The borrower shall do the following

- (a) submit semi-annual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission;
- (b) If any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the project that were not considered in the EIA, the EMP, and the LARP, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan;

Being complied with:

- (a) Semi-annual Social Safeguards Monitoring Reports are being submitted to ADB on semi-annual basis.
- (b)
  - I. CAP-1 on unanticipated impacts under the LARP for Argavand-Shirak was prepared and submitted to ADB on 13 October 2016 and was approved by ADB on 28 February 2018.
  - II. CAP-2 to the LARP for Argavand-Shirak was prepared and submitted to ADB 17 February 2020 and was approved by ADB on 20 March 2020.
  - III. CAP-3 to the LARP for Argavand-Shirak was prepared and submitted to ADB on 12 March, 2022. ADB approved CAP-3 on 29 July 2022.
  - IV. CAP-1 to the LARP for Davtashen-Ashtarak was prepared and submitted to ADB on 20 February 2018 and was approved by ADB on 06 March 2018
  - V. CAP-2 to the LARP for Davtashen-Ashtarak was prepared and submitted to ADB on 12 March 2018 and was approved by ADB on 10 May 2018.
  - VI. CAP-3 to the LARP for Davtashen-Ashtarak was prepared and submitted to ADB on 06 September 2018 and was approved by ADB on 14 December 2018.
  - VII. CAP-1 to the LARP for Tichina-Ashtarak was prepared and submitted to ADB on 8 May 2018 and was approved by ADB on 05 June 2018.
  - VIII. CAP-2 to the LARP for Tichina-Ashtarak was prepared and submitted to ADB on

- 11 July 2018 and was approved by ADB on 17 December 2018.
- IX. CAP-3 to the LARP for Tichina-Ashtarak was prepared and submitted to ADB on 28 December 2020.
  - X. CAP-1 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 6 May 2019 and was approved by ADB on 16 September 2019.
  - XI. CAP-2 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 28 February 2020 and was approved by ADB on 4 May 2020.
  - XII. CAP-3 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 12 June 2020 and was approved by ADB on 4 August 2020.
  - XIII. CAP-4 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 26 November 2020 and was approved by ADB on 16 March 2021.
  - XIV. CAP-5 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 3 March 2021 and was approved by ADB on 13 April 2021.
  - XV. CAP-6 to the LARP for Trichina-Babajanyan was prepared and submitted to ADB on 3 August 2021. ADB approved CAP-6 on 13 October 2022.
  - XVI. CAP-7 to the LARP for Tichina-Babajanyan was prepared and submitted to ADB on 28 November 2023. ADB approved CAP-7 on 27 December 2023.

(c) An external monitoring agency (EMA) was recruited in August 2016.

(d) None

(c) No later than [3 months], engage qualified and experienced external experts or qualified NGO under a selection process and terms of reference acceptable to ADB, to verify information produced

through the Project monitoring process, and facilitate the carrying out of any verification activities by such external experts; and

- (d) Report any actual or potential breach of compliance with the measures and requirements set forth in the EMP or the LARP promptly after becoming aware of the breach.

## Annex 1: List of Complaints Received from January 2020 to June 2024

	Addresses	Type of Complaint	Subject of Complaint	Status
<b>Davtashen-Ashtarak Road Link (Section 9)</b>				
1	Davtashen 4 <sup>th</sup> Street, 10/1	Disagreement with the results of post construction survey.	The APs house was included in the list of post-construction survey and the results of the post construction survey were submitted to the AP by a letter from PIU dated 1 November 2019. In February 2020 the AP expressed disagreement with the results of the survey. The APs complaint was re-addressed to the Contractor with request to take measures and to solve the issue. In August 2020 the Contractor submitted to PIU the protocol signed with the AP on completion of renovation works by the Contractor as well as the photos of the renovation.	Satisfied. Closed
2	Davtashen 2 <sup>nd</sup> Street, 1/3	Request to sell him the adjacent land plot.	The land plot adjacent to the APs house was acquired by the Project but did not fall under the road. The AP requested to sell him the land plot. It was clarified to the AP that all the acquired land plots are ownership of the Republic of Armenia and Yerevan Municipality has no authority to sell abovementioned land plots.	Rejected. Closed. Clarifications provided to the AP
3	Davtashen 4 <sup>th</sup> Street, 16	Complaint due to damages because of construction.	Post construction survey of the house was implemented in October 2019. The results of the Post construction survey were submitted to the AP by a letter dated 01.11.2019 but the APs did not receive the letter from the post. The letter was resubmitted to the AP by a letter dated 26.05.2020. No any further complaints from the AP.	Closed.
4	Iosifyan 3	Request for clarification	The house which belongs to the AP and her husband (the AP and her husband are divorced) was included in the list of eminent domain but due to design changes was excluded from the list and was not alienated. In the meantime, there was a dispute between family members with regard to ownership of the house. The AP requested to clarify if the house was not alienated because of dispute in their family.	Closed. It was clarified to the AP that the house was excluded from the list of eminent domain due to design changes.
5	Samvel Gevorgyan 4	Request to remove the pipeline	The AP approached both the PIU and ADB to seek the resolution of his request to dismantle the sewage pipe, which according to him was installed by Contractor on his privately owned land plot without his permission during construction period. PIU clarified that the sewage pipe existed on the privately owned land plot of complainant before the construction activities. Due to bad condition of existing sewage pipeline and water leakages flowed to the construction area, the Contractor has replaced damaged part with new pipeline as a result of which the length of the sewage pipe passing through the complainant's land plot has been decreased. There is a verbal agreement with the AP that PIU/YM will remove the pipeline from the APs land plot to the adjacent land plot. For this purpose YM has initiated a procedure of land swop after which the said adjacent	Pending.

			land plot will be owned by YM and removal of the pipeline to that land plot will be possible.	
<b>Tichina-Ashtarak Road Link (Sections 7-8)</b>				
6	G. Chaush 2	Request for compensation.	The <<NLG>> LLC is a petroleum station operating at G. Chaush 2. The owner of the petroleum station has applied to the Office of Prime Minister with request for compensation stating that due to COVID 19 the prices for petroleum have declined and he is not able to sell the petroleum and is suffering losses. The AP also complained that the construction of the Ashtarak-Babajanyan road also contributes to his losses. YM provided clarifications to the Office of the Prime Minister that according to the Project LARF only those APs who are directly affected by the Project are entitled for compensation. The said petroleum station is not affected by the Project and temporary access was provided by the Constructor during the construction in front of the petroleum station.	Rejected. Closed. Clarifications provided to the Office of Prime Minister.
<b>Babajanyan-Tichina Road Link (Section 6)</b>				
7	Babajanyan 2/2	Request for additional compensation	The AP complained that the remaining part of his land plot is 6-7 meters above the road and requested to solve the issue. The APs request was rejected. It was clarified to the AP that based on the conciliation agreement approved by a court decision on 26 December 2018 PIU has already provided the access from the road to the land plot.	Rejected. Closed
8	Sheram 34/1	Disagreement with the valuation of the property, request to acquire the whole property.	The AP requested to acquire the whole property and expressed his disagreement with the valuation. The APs request was rejected as there was already a Court decision which has already entered into force and the said property was already registered by the State cadaster as ownership of The RA. The AP has applied to the Court and the court has prohibited any activities in the said area. Details are presented under point 2.4.3. of the Report.	Rejected. Clarifications provided to the AP. The AP has applied to court. Pending.
9	Sheram 4	The AP complained that construction activities were implemented within the boundaries of her property.	The AP requested compensation as according to her the Contractor had entered her property and had implemented construction activities within the boundaries of their property. A joint site visit was organized in July 2020. It was checked and confirmed that the construction activities were within LARP boundaries. This was explained to the AP.	Rejected. Closed. Clarifications provided to the AP.
10	Babajanyan 25/4	Loss of income due to construction activities.	The AP complained that due to construction activities his business is suffering losses and requested compensation. A site visit was organized which revealed that the entrance of the APs shop was not blocked. It was clarified to the AP that according to	Rejected. Closed. Clarifications provided to the AP



			Project LARF compensation is envisaged for cases when the access/entrance to the Business is blocked temporarily or permanently.	
11	Babajan yan 29/4	Loss of income due to construction activities.	The AP complained that due to construction activities her business (dental services) is suffering losses and requested compensation. A site visit was organized which revealed that the entrance of the dental clinic was not blocked. It was clarified to the AP that according to Project LARF compensation is envisaged for cases when the access/entrance to the Business is blocked temporarily or permanently.	Rejected. Closed. Clarifications provided to the AP
12	Sheram 7/7a	Request for compensation	The AP complained that he used to live in a metal kiosk located at Sheram 7/7a and only recently he has allowed his relatives to live in the mentioned address. The AP requested to provide compensation or information to whom the compensation was provided. It was clarified to the AP that the mentioned address was not included in the list of affected properties.	Rejected. Closed. Clarifications provided to the AP
13	Sheram 73	Request for compensation	The AP and her family are out of the country from 2010 and recently were informed that their garage was demolished. The APs lawyer requested compensation for a garage which was demolished. It was clarified to the AP that the garage is not demolished by SUDIP project and during DMS there was no garage in the mentioned address. Google Earth screenshots and photos of he mentioned area, proving absence of the garage at the time of DMS were provided to the APs lawyer.	Rejected. Closed. Clarifications provided to the AP
14	Babajan yan 18/4	Loss of income due to construction activities.	The AP complained that due to construction activities his business is suffering losses and requested compensation. The entrance of the APs auto spare parts shop is blocked.	Satisfied. Closed. CAP prepared and implemented.
15	B4 district	Request to provide access to the garage.	During construction the contractor has blocked entrance of the garage which actually was used as storage by the owner. The owner requested to provide access to his garage.	Satisfied. Closed. The Contractor provided full access to the garage on the same day when the complaint was received.
16	Sherami 88/6	Request for clarification	The Ombudsman of the RA requested clarification from the YM on status of property registered at Sherami 88/6. The property initially was included in the Eminent domain list, but was not alienated as actually it was not affected.	Satisfied. Closed. Clarification provided to the Ombudsman of the RA.
17	Amaran otsayin 2, 14	Request to sell back to him unused part of land plot which was	The APs land plot and buildings were alienated at the stage of LARP implementation. Part of the land plot is not used and the AP requested to sell back him that part of land plot. The APs request was rejected as the project is not finished yet. Also it was clarified to the AP that the land plot is owned by the community and	Rejected. Closed. Clarifications provided to the AP

		alienated under the project.	for future he needs to apply to YM.	
18	Babajan yan 25/4	Loss of income due to construction activities.	The AP complained that due to construction activities his business is suffering losses and requested compensation. A site visit was organized which revealed that the entrance of the APs shop was not blocked. It was clarified to the AP that according to Project LARF compensation is envisaged for cases when the access/entrance to the Business is blocked temporarily or permanently.	Rejected. Closed. Clarifications provided to the AP
<b>Argavand-Shirak Road Link (Section 5)</b>				
19	Argavand,	Request for alienation of land plot.	Due to relocation of 220kv electricity transmission lines part of a land plot owned by the AP overlaps with the safety zone of 220kv transmission lines and the AP requests compensation as there are restrictions on usage of lands within electricity line safety zones.	Satisfied. Closed. CAP prepared and implemented.
<b>Bus Depot Near Shirak Street</b>				
20	Nerqin Shengavit, Street N16, house 16	Request to include in the AP list	The AP was not included in the AP list as at the stage of DMS and census the user of the land plot was not identified by the DMS and Census team. The APs request was satisfied after checking the information with the representatives of the administrative district.	Satisfied. Closed.
21	Nerqin Shengavit, Street N3, house 31/1	Request to include in the AP list	The AP was not included in the AP list as at the stage of DMS and census the user of the land plot was not identified by the DMS and Census team. The APs request was satisfied after checking the information with the representatives of the administrative district.	Satisfied. Closed.
22	Nerqin Shengavit, Street N14, 2nd alley, house 20	Request to include in the AP list	The AP was not included in the AP list as at the stage of DMS and census the user of the land plot was not identified by the DMS and Census team. The APs request was satisfied after checking the information with the representatives of the administrative district.	Satisfied. Closed.
23	Nerqin Shengavit, Street N 6, house 40	Disagreement with the results of DMS	The AP complained that the area of his land plot is 1825sqm but only 1025sqm is considered for compensation. It was clarified to the AP that 1825sqm. is the area of the land plot which he has showed to the DMS team as his land plot, but the land plot is illegal and without any fences or other actual limitation and in such case according to the methodology only the area of actually used land area is considered.	Rejected. Closed. Clarifications provided to the AP

