

Roads Department of Georgia



Upgrading of the Sveneti – Ruisi Section (km 80 – km 95) of the East - West Highway

Resettlement Action Plan

FINAL

July 2, 2009

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ABBREVIATIONS

CPS	=	Country Partnership Strategy
DMS	=	Detailed Measurement Survey
EMP	=	Environmental Management Plan
GDP	=	Gross Domestic Product
HA	=	Hectare
IDA	=	International Development Association
IDP	=	Internally Displaced Persons
NGO	=	Non Government Organisation
PAP	=	Project Affected People
RAP	=	Resettlement Action Plan
ROW	=	Right of Way
RPF	=	Resettlement Policy Framework
RD	=	Roads Department of the Ministry of Regional Development and Infrastructure
TOR	=	Terms of Reference
WB	=	World Bank

1. Introduction

1.1 Background

This Resettlement Action Plan (RAP) has been prepared in accordance with laws and regulations on the Government of Georgia, World Bank Operational Policy 4.12 and policies and procedures set forth under the Resettlement Policy Framework (RPF) prepared for the Third East West Highway Improvement Project (the "Project"). It discusses the scope and scale of the expected impact due to the implementation of the Project, the package of compensation and rehabilitation provisions, implementation procedures, grievance redress mechanisms and cost estimates of all activities to mitigate impacts due to the construction of the Sveneti – Ruisi (km 80 – km 95) road on a new alignment.

The project was originally planned to be financed by the government. Accordingly, a field survey was conducted and the inventory of social and resettlement impact was developed in 2007. However, due to a shortage of financial resources, it was determined in 2009 that a Bank loan would be used for financing the project. An update of the RAP was carried out in 2009 including field surveys to verify land ownership, inventory data and to determine actual market prices in line with World Bank procedures and guidelines.

This RAP seeks to ensure that persons and households which unavoidably lose land, properties, assets or sources of income as a result of the Project, after exerting all effort to avoid and/or minimize displacement and resettlement impacts, will attain equal if not better standards of living than without the project. Detailed compensation and rehabilitation measures, as well as implementation procedures and grievance redress mechanisms, are developed and presented in this report in order to meet this objective. The Roads Department under the Ministry of Regional Development and Infrastructure (RD), which has the lead responsibility for road construction, shall also be responsible for the implementation of this RAP.

The RAP includes the full aspect of project impact due to the construction of the 15 km dual carriageway with two lanes each, interchanges, bridges, and realignment sections. Overall, 5.9ha of privately owned land will need to be acquired from seventy-nine (79) private entities, including 3 businesses. One (1) of the three businesses are currently non-operative, and parts of six (6) commercial areas (three of which are petrol stations¹) and five (5) residential plots will also be acquired. No physical relocation of households is required. Land will be acquired and buildings will be demolished for the three existing businesses (all petrol stations). No other businesses will be affected under the Project. The owners of the affected businesses stated that they would discontinue operation, which will result in redundancy for nine (9) workers. About 940 trees would also need to be cut down. No loss of annual crop yield is expected since the construction schedule will be adjusted so that civil works will start only after farmers have harvested their crops.

1.2 Project Description

The project road runs from Sveneti to Ruisi (from km 80 to km 95) bypassing the villages of Beruki, Otrasheni, Telotsminda and Ruisi. The existing Sveneti – Ruisi section of the Tbilisi – Senaki – Leselidze Highway crosses the Ruisi Plateau at the outer slopes resulting in a steep vertical alignment with slopes up to 8 %. Serious landslides affecting the road could be observed at this section between km 87 and km 88.

¹ The other three commercial plots have not been used for any productive purposes.

Increased traffic volumes on the main East – West Highway of Georgia necessitate a higher geometric standard than provided by the existing road. The existing road was constructed to follow contours in an attempt to restrict the need for earthworks and to minimize the disturbance to slopes. As a result the existing road has high gradients, tight bends and is too narrow for the forecast traffic volumes.

For implementation purposes, the 15 km section of the project road is divided into three sub-sections as follow:

- Sub-section 1, Sveneti – River Liakhvi, km 80 – km 84.75
Project Chainage CH 0+290 – CH 4+750
- Sub-section 2, Liakhvi Bridge, km 84.75 – km 86.2
Project Chainage CH 4+750 – CH 6+200
- Sub-section 3, Liakhvi Bridge - Ruisi, km 86.2 – km 95
Project Chainage CH 6+200 – CH 14+531

According to the SNIP standard, the Sveneti – Ruisi road section is classified as a category I road. In order to bypass landslide affected areas, the existing road will be realigned between km 86 and km 89.3. Minor improvement of the horizontal alignment will be made at km 80.7 and 93.5 to adjust the design parameter to a category I road.

The characteristics of the cross section of the road will be as follows:

Lane width:	4 x 3.75 m
Carriageway width:	2 x 7.50 m
Width of shoulder:	2 x 3.75 m (3.00 m paved)
Median width:	6.00 m (2 x 1.00 m paved)

The main determinants of the standard for the desired road category are summarized below.

Design speed (flat terrain)	120 km/h
Min Radius	650 m
Max gradient	5 %
Min crest curve	12,000 m
Min sag curve	6,000 m

1.3 Options Considered to Minimize Impacts

Several approaches were employed to reduce the impacts. These include:

- (i) undertaking a study to examine various alignment options and selecting the one with the least impact;
- (ii) selecting an interchange design with minimum ROW requirements; and
- (iii) using the cadastral maps and overlaying the alignment to determine minimum impacts on structures and properties in congested areas.

Alignment alternatives

One of the most important issues of the modernization and upgrading of the Sveneti – Ruisi section of the East-West highway is to determine the best alternative for passing the area of the Ruisi plateau in order to avoid the portion of the road that is prone to landslides. Several alternatives were determined in the preliminary road construction plan and the solution has been selected for the detailed design that meets highway design standards and results in minimum environmental and social impact.

The investigated realignment alternatives can be broadly divided into 3 general categories:

- Northern realignment alternatives (“Northern Alternatives”);
- Alignment alternatives crossing the Ruisi Plateau by tunnel or open cut (“Crossing Ruisi Plateau Alternative”); and,
- Alignment alternatives along the existing road (“Southern Alternative”).

The costs and benefits of the different alternatives were analyzed in the realignment study. From the perspective of minimizing the scale of earthworks, the alternative bypassing the Ruisi plateau to the south within the corridor of the existing alignment is most favourable, but this alternative cannot completely avoid the potential landslide area.

The northern alternative passes outside the potential landslide area, but requires large cuttings with large cost and environmental implications.

Crossing of the Ruisi plateau elevation by tunnel solves geo hazard problems by bypassing the landslide prone zone and avoids large cuttings that will require considerable costs.

The impact on land acquisition and local business of different alternatives are summarized in Table 1.1 below. Affected businesses are petrol stations located adjacent to the existing road.

Table 1.1: Comparison of realignment alternatives on land needs and businesses

Realignment Alternative	Sub-Alternative code	Number of Affected Land Plots	Area of affected land plots*	Number of Affected Owners	Number of Affected Business
Northern Alternatives	CL 10	116	413,402 m ²	106	3
	CL 11	117	627,428 m ²	107	3
Crossing Ruisi Plateau	Tunnel CL 51	88	197,575 m ²	80	3
	Open Cut CL 51	98	406,141 m ²	90	3
Southern Alternatives	CL 15	88	107,456 m ²	78	4
	CL 16	88	107,547 m ²	78	4

- Including both private and public land

Because the potential threat of landslides cannot be fully mitigated, the southern alternatives were not recommended from the technical viewpoint. Moreover, with implementation of the southern alternatives the risk of potential landslides increases.

In order to achieve the desired design parameters, the northern alternatives require large scale earthworks with deep cuts. Deep cuts cause erosion problems and require extensive slope protection works and maintenance. Therefore the northern alternatives are not considered as technically preferred either.

Of the remaining alternatives, the open cut sub-alternative of the cross-Ruisi plateau option is environmentally questionable and has the largest land needs. Due to the need for large

earthworks and slope protection, the slightly lower construction and maintenance costs will not outweigh the negative impacts on the environment and land requirements.

The selected alternative consists of the construction of an 800 m long tunnel through the Ruisi plateau, which will minimize the impact on agricultural land and loss of income opportunities in this area. The selected alternative is not environmentally pernicious, and minimises the risks of future landslides. The advantages of the selected alternative are:

- minimising the geotechnical risks by bypassing the existing active landslide prone area and thus improving traffic safety;
- minimising the creation of new land slide risks;
- reducing the number of land owners who will lose land;
- minimising the impact on landscape;
- minimising the maximum depth of required earth cuts and therefore reducing the possibilities of erosion; and,
- the tunnel alternative does not traverse and consequently does not have any impacts on the natural forest in comparison to the northern alternatives;

1.4 Unavoidable Impacts

While the impact on land acquisition and existing businesses is smaller, the selected alternative will nonetheless require the acquisition of some parcels of land along the edges of the motorway in order not to compromise the technical standards with regard to width of pavement, shoulders, heights of embankments and the minimum acceptable radius for road curvature. Moreover, some commercial structures need to be dismantled.

2. Scope of Project Impact

2.1 Approach and Methodology of Impact Assessment

In order to determine the scope of land acquisition, the land cadastral data for the areas adjacent to the existing road and areas which will be crossed by the proposed alternative alignments were collected:

- cadastral data have been obtained from the National Agency for Public Registration (NAPR); and,
- aerial photos of the areas traversed by the various proposed alignments were obtained

From this cadastral data, the information on all publicly and privately owned land parcels within the right-of-way along the road were extracted and mapped. Initial field investigation was undertaken in June 20 – July 31, 2007² to collect the following information.

- property ownership has been identified/rechecked through the conduct of “on-site” surveys in the presence of the affected entities and in cooperation with local administrations;
- profiles for some of the land parcels have been revised/updated;

² As discussed earlier, the survey was done in 2007 with anticipation that the road section would be financed by the state budget. Due to budget constraints, it was later determined that the Bank loan would be used.

- characteristics of all agricultural lands (irrigated and non-irrigated, arable and non-arable, perennial, etc.) have been recorded;
- all non-agricultural properties and facilities have been identified and recorded;
- all houses/buildings have been identified and recorded; and,
- analysis of the non-agricultural property has been conducted.

All of the above data were confirmed by project affected people (PAP) themselves when a demarcation survey was conducted in 2007. The initiation of civil works has been delayed due to financial shortages.

Upon the decision that a World Bank loan would be used to finance the construction of this section, a further reconnaissance was conducted in March 2009 with 30 affected households. Villagers interviewed confirmed that the changes in asset ownership and economic undertakings had been minor since 2007, because they knew that there would be road construction and their land would be affected. Therefore it was decided that an update of the RAP would be prepared according to the original survey, but the census and market survey be redone to update the inventory of impact and the applicable market prices to calculate compensations eligible to individual PAP.

The field surveys for updating the RAP were carried out by representatives of the RD, the Consultant and local Government Organization. The surveys were conducted between 5th and 9th June 2009. The surveys revealed that:

- comparing with the 2007 cadastre data no changes took place for the affected 88 parcel in terms of number and size. In other words, during the last two years no enlargement or division of parcels were done;
- two land owners of affected parcels died and total nine parcels are concerned to be transferred to the heirs;
- perennial fruit trees on affected parcels were adjusted to the appropriate age group and the unit prices for compensation have been increased accordingly;
- no changes in private business activities were observed. Two petrol stations out of three continues operation, whereas the non-operational business remains non-operational; and,
- other/additional potential impacts on affected parcels were not observed.

The exact scale of land to be acquired will be from each PAP will be reconfirmed based on the demarcation survey which will be conducted during the initial part of RAP implementation and in the presence of affected persons themselves and their neighbours. Since the exact amount of compensation for each affected person will be legally established on the basis of the demarcation survey, any changes in the scale and scope of impact, which are overlooked in the survey update of 2009, will be adequately captured during demarcation. In order to ensure that the demarcation is correctly followed and that all impacts will be compensated as per the provisions of this RAP, an independent consultant will participate in the demarcation of randomly selected sites and inspect the Demarcation Acts³.

For the update of the unit market prices, additional field surveys were conducted between March and June 2009. During the field surveys in total 80 households within the Project affected area were interviewed. The households were randomly selected. In order to receive current market price information within the project area, the survey sample comprised both affected and unaffected households. The households were asked questions regarding the type of crops they produce, annual yield and the sales prices at the local market. After processing of the collected

³ See chapter 4.1 of this RAP for detailed description of the Demarcation Act.

information of the household surveys, the average market prices for fruits and annual crops were established.

Additionally, the households were asked questions regarding their opinion on the value of their assets and land. This information was used to determine the range of expected sales price for land.

In order to verify that the expected sales prices are reasonable and compatible with information available on recent transactions in the Project area, the records of the local public registry offices were reviewed. Only limited information on sales transactions exists in the project area, which are not representative for establishing of land market prices. Therefore the information collected from households regarding the size of their cultivated land plot for agricultural purposes, the amount of yield /crop collected annually from the given land parcels and sales price of the agricultural produces were also used to establish the market prices of agricultural land.

Where it was possible, the results have been compared with official data of the Georgian Statistics Department to minimize potential inaccuracies of the market surveys. The difference between the established market price from the updated surveys and the statistical data was at most 10 % and therefore the market survey results were found adequate.

Information on salary levels was also obtained by household interview. The interviewees provided information on their current monthly income, reflecting salary levels as of the first quarter of 2009.

Prices for construction materials and works were updated based on two information sources: (i) the Georgian Statistics Department, and (ii) the Civil Work Union. The Civil Works Union continuously observes the market prices for construction material and works and publishes quarterly the current market prices. For the update of construction prices the data from the first quarter 2009 were used.

The findings of the recent survey conducted in 2009 in comparison to the previous data are as follows:

- market prices for arable plots changed substantially, whereas prices for hay/pasture, residential and commercial plots changed only slightly;
- the amounts of compensation for the petrol stations established in 2007 was adjusted based on currently obtained data for construction prices and works;
- the compensation for loss of workers income was adjusted to the current salary level for employed personnel; and,
- market prices of most of the crops and fruit increased and were adjusted accordingly.

Consultation meetings with affected people had been conducted in Gori district on April 21, 2009 and in Kareri district on April, 24, 2009. The minutes are attached to this RAP. The result of the consultation meetings can be summarised as follows:

- overall, the Project Affected Persons (PAPs) support the construction of the highway because this will be useful for the country;
- special attention should be paid to: (i) avoid damaging the irrigation channels; (ii) access roads should be provided to ensure transportation of crop harvests, movement of heavy agricultural machines and livestock; and (iii) driver safety on the highway;
- job creation under the project is important as a source of income; and,
- measures should be put in place to reduce noise.

The project road was designed to minimize damage to irrigation channels, and overpasses/underpasses will be provided at critical points to allow movement between both sides of the highway. Detailed design of the project road, and the selection of the project alternative itself, has been conducted to maximize road safety. Jobs created under the project will be provided to PAPs, especially those who will lose considerable amounts of land. Noise reduction measures are addressed in the Environmental Management Plan (EMP).

2.2 Scope of Impacts

The following is the categories of PAP: (i) all households and businesses whose land will be acquired; (ii) tenants and sharecroppers; (iii) all owners and employees of the affected businesses; (iv) all owners of buildings, crops, plants, or other assets attached to the acquired land; and (v) all those private entities who use the project affected land to gain income with or without full legal rights to use the land, including squatters.

The field survey including the initial check of legal documentation found all land had been legally owned by natural persons or legal persons, and squatters have not been found within the project road section. Should squatters be found during the implementation of this RAP, rehabilitation measures will be provided to them according to the Entitlement Matrix attached to this RAP.

Compensation eligibility will be determined by the cut-off date which is the day when the demarcation of land is conducted and the Demarcation Act signed for each PAP, and the inventory of assets, properties and income to be affected and compensated be determined and mutually agreed upon.

Persons who settled in the affected areas after the cut-off date will not be eligible for compensation and the modifications made to the property will not be considered. Illegal settlers, if found during project implementation, will be given sufficient time to vacate the premises and dismantle whatever structure they may have constructed without threat of confiscation, fine or sanction during the period of deadline for compliance to vacate; otherwise forced eviction will be instituted. The cost involved in the dismantling of structures will be borne by the RD. They will not be compensated for loss of land, but will be for loss of economic investments made on the land out of their own finance, including standing crops, superstructures and business premises, according to the provisions in the Entitlement Matrix attached to this RAP.

The discussion which follows provides the results of the assessment on the scale and scope of project impact and the description of the temporary impacts expected during the construction period.

The list of the owners of land parcels located within the ROW of final alignment has been obtained from the Public Register, which was then confirmed and amended based on the on-site field survey conducted in June, 2009, to reflect the current land use on the ground. The full list of affected parcels with indications of the scope, location and scale of project impact is given in Annex 1 and 2.

Table 2.1: Summary of Project Impact (June, 2009)

	Private									Public/ state	
	Loss of Land					Loss of Assets		Loss of Income		Loss of Land	
	Affected plots	Affected HHs	Severely impacted HHs	Business	Affected land size (m2)	Affected buildings	Affected perrenials	Affected businesses	Affected employees	Affected plots	Affected land size (m2)
Gori	52	52	28	5	33,584	2	318	1	9	7	130,939
Kareli	28	27	16	1	25,471	1	142	2	0	1	7,572
Total	80	79	44	6	59,055	3	460	3	9	8	138,511

The distribution of affected households and persons by districts, categories (privately- and state-owned) and land tenure status is shown in Table 2.1 above, which was prepared based on the survey conducted in 2007 and updated in 2009. This table will be updated based on the result of demarcation, and the final RAP will include the updated tables.

All project affected land parcels are legally owned based on the documents obtained during the field surveys conducted in 2007, and the 2009 surveys did not find any case of informal land use. However, in order to ensure that the RD would acquire land from current land owners/ users in a legally valid manner, land ownership will be verified for all current land users, and assistance be provided for them to complete registration if necessary, during the early part of RAP implementation and following the demarcation survey. If any disputes over land ownership are found, the RD, together with relevant local governments, will mediate disputing parties and help find solutions.

2.2.1. Impact on land

In total, 5.9ha of land will be acquired from private individuals/ businesses. As Table 2.1 above shows, seventy-nine (79) private entities will lose some part of land. In addition, eight (8) additional plots that belong to the state will be acquired. Part of six (6) plots of land categorized as commercial land would also be acquired, though three of them had not been developed for any commercial purposes. The majority of the acquired land is used for farming, but six (6) households will lose part of the residential plots. No physical relocation will be necessary. Out of the State owned land only one (1) parcel is leased to a private person for the purpose of establishing a market. No development or investment has been made on the leased land.

2.2.2. Impact on structures/buildings

Although the road alignment has been carefully selected to avoid impact on buildings and minimize displacement of businesses, three (3) petrol stations will be completely demolished. Three block fences, two of which belong to a petrol station and are 69m long altogether and another owned by a private individual which is 15m long, will also need to be demolished. Wire-type fences of 1,901m length in total will need to be removed to alternative locations.

The impact on structures and buildings summarised in Table 2.2.

Table 2.2: Category-number of structures and their location (June, 2009)

	Public building	Residential house	Commercial building/structure	Fence(m)			Other
				Total	Block	Wire	
Kareli							

Urbnisi	0	0	0	688	0	688	0
Ruisi	0	0	1	0	0	0	0
Total in Kaspi	0	0	1	688	0	688	0
Gori							
Berbuki	0	0	1	1022	84	938	0
Tiniskhidi	0	0	1	90	0	90	0
Karaleti	0	0	0	185	0	185	0
Total in Gori	0	0	2	1297	84	1213	0
Total	0	0	3	1985	84	1901	0

2.2.3. Impact on harvests and perennials

The detailed survey found that the project will affect a number of perennials (orchards, etc.). Table 2.4 below presents the results of the detailed inventory of perennials by tree species. This table reflects all the fruit bearing perennials to be affected by the road construction activities and includes perennials in their semi-productive, full productive age as well as up to 5 years and over 15 years old. Among them in a separate line under “of which fruit productive trees” reflects the number of trees that currently bears fruits.

2.2.4 Impact on business and income

There are three commercial structures (petrol stations) and nine employees who will be directly affected by the project.

The petrol stations are located at km 81.8, km 85.8 and km 94.5. The petrol station at km 94.5 (near Ruisi) is not functioning and therefore only building structures are affected by the Project.

The main structures of the two functioning petrol stations at km 81.8 and km 85.8 need to be partially removed due to upgrading of the highway. The owners of the petrol stations stated that they would prefer to discontinue the businesses after land acquisition. Access roads will therefore not be provided. Should the owners change their minds and would like to continue to run the petrol stations on the current sites, access roads be provided. The main building of the non-operational petrol station at km 94.5 is not affected. However, access to the petrol station from the main road will not be provided since it has ceased to operate.

All three Petrol Stations have private owners. The owner of the non-operational petrol station near Ruisi (km 94.5) is a local resident. The owners of the two working petrol stations are legal entities (“Vardzia” Ltd. in Berbuki and “A-A” Ltd. in Tiniskhidi). The owners of the petrol stations will receive cash compensation for loss of land, structures and income.

Five (5) workers of the petrol station at 81.8km and further four (4) employed of the petrol station at 85.8km lose their jobs as the petrol stations will be closed following the implementation of the Project.

Impact on crops

No loss of crops is expected since the construction schedule will be carefully adjusted to allow harvesting before construction. If the construction schedule cannot be adjusted and standing crops are to be affected, then the loss of crops will be cash compensated at replacement cost following the valuation methodology mentioned in this RAP.

Table 2.4: Category and number of all fruit bearing perennials by their location (June, 2009)

	Apple	Pear	Quince	Plum	Cherry Plum	Apricot	Peach	Sweet Cherry	Cherry	Walnut	Hazelnut	Vine	Other	Total
Kareli														
<i>Agricultural Lands</i>														
Total number of fruit-bearing perennials (and non fruit bearing trees)	25	1	1	28	10	1	0	6	6	26	0	120	1	225
Of w hich fruit productive trees	0	0	0	12	1	1	0	5	3	0	0	120	0	142
<i>Non agricultural lands</i>														
Total number of fruit-bearing and non fruit bearing trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of w hich fruit productive trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gori														
<i>Agricultural Lands</i>														
Total number of fruit-bearing and non fruit bearing trees	262	44	65	119	19	2	30	22	51	21	11	38	31	715
Of w hich fruit productive trees	23	22	51	84	18	2	26	7	17	12	5	27	24	318
<i>Non agricultural lands</i>														
Total number of fruit-bearing and non fruit bearing trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of w hich fruit productive trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals according to land parcels														
<i>Agricultural Lands</i>														
Total number of fruit-bearing and non fruit bearing trees	287	45	66	147	29	3	30	28	57	47	11	158	32	940
Of w hich fruit productive	23	22	51	96	19	3	26	12	20	12	5	147	24	460

trees														
Non agricultural lands														
Total number of fruit-bearing and non fruit bearing trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of which fruit productive trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0

2.2.5 Other impacts

Temporary impacts

This category of impacts includes: temporary use of agricultural lands, dwelling houses and homesteads or their parts and temporary takeover of public buildings or their parts for project purposes; and temporary commercial and employment losses which may take place during project implementation. Determination of the scope of temporary impacts, negotiation and payment of due compensation and reinstatement of the land are the responsibilities of contractors.

Impact on Utilities and Structures of Cultural Significance

No significant impact of project implementation on public infrastructure or utility lines is expected. New historical-archaeological sites may be revealed during implementation of the road rehabilitation works. All the above require special attention and care on the part of the Contractors. Similarly, special attention will be paid to known or unknown sites of historical and cultural heritage, within the framework laid in the EMP. These particular impacts and the possible risks/results as well as avoidance/mitigation measures are under the responsibility of the contractor.

3. Policy and Legal Framework

3.1 Georgian Legislation

In Georgia the legislative acts given below regulate the issues of obtaining State ownership rights to privately owned land parcels based on necessary public needs due to road construction activities:

- The Constitution of Georgia, August 24, 1995;
- The Law of Georgia on the Rule for Expropriation of Ownership for Urgent Public Necessity, July 23, 1999;
- The Law of Georgia on Compensation of Compensatory Land Cultivation Costs and Sustained Damage in Case of Allocation of Agricultural Land for Non-Agricultural Purposes, October 2, 1997, and the last amendment to this Law made on July 11, 2007;
- The Law of Georgia on the Management and Administration of State-Owned Non-agricultural Land, October 28, 1998;
- The Law of Georgia on Ownership of Agricultural Land, March 22, 1996;
- The Law of Georgia on Registration of Immovable Assets, December 28, 2005 (annulled 19.12.2008 pursuant to # 820 –II s Law);
- The Labour Code of Georgia, May 24, 2006;
- The Civil Code of Georgia, May 24, 1997;
- The Civil Procedural Code of Georgia, November 14, 1997;
- The Law of Georgia on Privatisation of State-owned Agricultural Lands, July 8, 2005;
- The Law of Georgia on Motor Roads, November 11, 1994; and,

- The Law of Georgia on Declaration of Private Ownership Right to the Land Parcels under Possessions (use) of Physical and Legal Persons of Private Law, October 1998, Last Amendment on December 5, 2008.

According to the existing laws, compensation for lost assets, including land, structures, trees and standing crops, should be based on the current market price without depreciation. Income loss due to loss of harvest and business closure will be compensated to cover net loss.

The existing law in Georgia further stipulates that an order for expropriation could be issued by the president based on the request from relevant state agencies. Once the presidential order has been issued, the following procedure will be employed.

- a. Issuance of Presidential decree;
- b. Inventorization of all the properties subject to expropriation;
- c. Publishing of the information on expropriation;
- d. Delivering of the information on expropriation to landowners;
- e. Submission of the Application to the Court and Court Decision, and the approval;
- f. Expropriation;
- g. Court proceedings in case any disputes are raised regarding the amount of compensation.

Relevant regional courts will assess the presidential order and determine the case of public needs, and grant expropriation entities with rights to expropriate land. The court will also appoint a third party expert to assess the market value of lost assets and determine the compensation payable to relevant land owners according to the expert assessment. The table below summarizes the roles of responsible entities in the process of expropriation.

Table 3.1: Responsibilities of responsible bodies in the process of expropriation under Georgian legislation

Measures/activities	Responsible Body
Presidential Decree on Assigning the Right of an Expropriator	The President of Georgia
Right on Undertaking Expropriation	Through the Court Decision
Conducting appraisal (evaluation) of land and real property	Independent expert invited by the Expropriator

Detailed description of expropriation procedures defined under the Georgian laws is provided in Annex 5.

3.2 The World Bank Policy

The project on rehabilitation of the Sveneti - Ruisi section of the east-west highway is being implemented with the financial support of the World Bank and therefore it will comply with the requirements of the World Bank policy documents and regulations, including:

- The World Bank Operations Manual
- OP/BP 4.12 Involuntary Resettlement: <http://Inweb18.worldbank.org/ESSD/sdvext.nsf/52ByDocName/InvoluntaryRese>
- OPN 11.03 Management of Cultural Property in Bank-financed Projects: <http://Inweb18.worldbank.org/ESSD/sdvext.nsf/52ByDocName/CulturalProperty>
- The World Bank Procedures on Information Disclosure

<http://www1.worldbank.org/operations/disclosure/>

The requirement of the World Bank's policy (WB OP4.12) is to avoid involuntary resettlement where feasible. Where displacement is unavoidable the measures shall be implemented to ensure:

- Participation of displaced persons in project implementation;
- Participation of displaced persons in the planning and implementation of the resettlement process;
- Provision of assistance in their efforts to restore their living standards and income levels at least to their pre-settlement levels; and,
- Completion of compensation measures prior to construction activities at specific sections considered by the project.

According to the World Bank procedures (WB OP4.11) cultural property encompasses both remains left by previous human inhabitants and unique natural environmental features. The Bank finances those projects which ensure protection of cultural heritage within the area affected by the project.

3.3 Differences between the Georgian legislation and the World Bank Operational Policy on Involuntary Resettlement and Measures to Bridge the Gaps

Generally, the Georgian legislation is compatible with the approaches of the World Bank Operational Policy 4.12.

- Georgian legislation recognizes that compensation shall be calculated based on market prices and resettlement costs.
- Those affected will be provided compensation for loss of assets as well as income (harvest loss, termination of commercial activities, etc).
- Compensation should be paid prior to the acquisition of land;

The Georgian legislation differs from the World Bank Operational Policy 4.12. in the following points:

- Under Georgian law, those land owners who fail to have their land registered at the Public Registry, including those who occupy land illegally, are not eligible for compensation.
- Georgian legislation does not require specific planning processes and planning instruments that are specified in OP 4.12. No specific measures for public consultation are provided under the Georgian law
- Georgian legislation does not recognize severity of impact as entitlements for additional rehabilitation measures.

Where Georgian laws and Bank OP 4.12 contradict, the latter must take precedence. Specifically, the following measures will be employed in order to bridge the gaps.

- Keep affected people and communities fully informed about the project, the process that will be followed to acquire and compensate for land, and their related rights and avenues for redress.
- Notify PAPs of the project implementation schedule, the principles of land acquisition and loss of or damage to assets.
- Develop a fair and accessible grievance redress mechanism acceptable to the Bank.
- Ensure all PAP receive compensation or support of various kinds, without regard to the status of land registration and ownership, that is sufficient to restore the pre-project level of livelihood after the implementation of respective RAP.
- Ensure loss of income and assets will be compensated free from tax, depreciation or any other deduction.
- Provide additional rehabilitation measures when project impact is considered to be severe, in line with provisions of the Entitlement Matrix attached to this RPF.

Detailed measures have been developed in this RAP to fulfil the gap filling measures.

4. Implementation and Institutional Responsibility

4.1 Implementation Activities

The main activities of the RAP implementation are as follows:

(i) Preparatory stage

- **Information dissemination regarding the project activities and schedule.** Prior to the start of civil works, the PAPs will be informed about the schedule of activities, the likely impact and mitigating measures that will be instituted and the timing of compensation payment and land acquisition. Consultation meetings will be conducted, and details of compensation policies, updated unit prices, implementation procedures, grievance redress mechanisms and the contact telephone numbers of the RD representatives will be shared with participating PAP. The minutes of discussion will be prepared, and concerns raised by participating PAP will be discussed by RD with the Bank task team and the Bank's local consultant, and addressed as per provisions of this RAP. The time and location of the consultation meetings will be announced through local newspapers and radio to ensure the broad participation of PAP. Minutes of discussion and key messages delivered and discussed will be published and made available in village administrative offices. The final revised RAP which incorporates the comments received will be made available at the offices of municipal representatives.
- **Demarcation of the project affected parcels.** The Contractor and RD working jointly as a team will physically demarcate the affected parcels in the presence of land owners and their neighbours as well as representatives of the Rayon to confirm and, if necessary, amend the scope and scale of project impact to reflect changes made since the original survey and census was conducted in 2007. The Demarcation Act will be prepared based on the survey and signed by property owners, which clearly states the scope and scale of impact as agreed between the RD and the property owners. The Demarcation Act, as well as maps and other relevant documents

prepared by contractors, will serve as the basis to establish compensation payable to the respective PAP⁴, and will be registered at the Registry Office of the respective districts. Updated inventory data will be attached to the final RAP and disclosed.

(ii) Land Acquisition Procedures. The acquisition of private lands will follow the five basic sequential activities as follows:

- Establishment of Land Ownership by the Affected Persons.
- Registration of the affected parcels to legitimize ownership.
- Undertaking of Land Purchase Agreement between the concerned PAP and the RD
- Demarcation and Registration of ROW required parcels in the Public Register
- Payment of Compensation

These steps are described in more details below.

- **Preparation of land documents for registration with the Public Register.** To ensure that the land transaction and sale is official and legitimate, the appropriate documentation will be prepared for submission to the Public Register. The RD will assist the landowners, if their plot is not officially registered, with the preparation of documents that will serve as the basis for the official land registration at the Public Register. During RAP implementation, the RD working Team will provide free consultations for PAPs on how to register their property at the state registry and also provide free cadastral maps and drawings (developed during RAP preparation) which is required as part of the registration document. The PAPs will be advised to apply for the primary registration in order to comply with and complete the appropriate documents.
- **Final negotiation on compensation and Undertaking Land Purchase Agreement.** Negotiation on the final compensation is undertaken by the Working Team with the concerned PAPs to institute the procedure for the release of payment. In case of successful negotiations, the land purchase agreement/deed will be signed and registered at the Public Register according to current legislation, which will serve as the basis for paying compensation. In case of negotiation failure, the Working Team will inform the RD's permanent Validation

⁴ By establishing project impacts based on demarcation, not only will the exact and up-to-date scope and scale of impact be fully captured for proper compensation, but any possible errors in the expected impact described in the RAP can be corrected. Past experience from the First and Second East West Highway Improvement projects shows that the exact location and size of the land to be acquired, established based on the GIS based electronic data base, do not always reflect what exactly need to be acquired as the new Right-of-Way, due to poor coordinates. Since the same problem is expected to occur for this project as the electronic cadastral data base had not been updated, it is considered appropriate that the demarcation survey be done in an early phase of RAP implementation and the exact scale of impact and the amount of compensation to be provided be established based on the result.

Commission about the failure of negotiation and recommend the pursuance of expropriation procedure. The Commission will directly meet and negotiate with the PAP and in case negotiation still fails, take a decision on initiating the expropriation procedures.

- **Processing of land purchase agreement and its registration with the Public Register.** Before the commencement of civil works activities, the RD Working Team will alienate the affected lands from each affected mother plot that will be sealed by the Demarcation Act. Such land take or purchase of the affected parcel shall be duly registered with the Public Register for public documentation.
- **Opening of bank accounts for PAPs.** PAPs may open individual bank accounts in local on any other bank according to their preference. In case of missing PAPs, the RD will open an escrow account to deposit the compensation payment. All payments of cash compensation shall be undertaken through the banking system.
- **Payment of compensation.** After the successful negotiation between the PAP and the Working Team on the scale and scope of impact as well as the manner of compensation, the purchase agreement (deed) is signed in witness of notary (it can be also certified at the Public Register according to current legislation). Based on the purchase agreement, the equivalent cash value of compensation will be deposited to the PAP's bank account. The purchase agreement concluded in accordance with the Civil Code of Georgia is the main legal document regulating the deed between RD and the PAP.

(iii) Expropriation Proceedings

- If the RD (through the Permanent Validation Commission and the Working Team) and the PAP fail to reach an agreement on the acquisition of private properties, the Working Team will pursue the expropriation proceedings in accordance with the "Law of Georgia on Procedures for the Expropriation of Property for the Urgent Public Needs" (Rule of Depriving of Property in Case of Urgent Public Need).
- Once the regional court establishes a case of public needs, then the RD will deposit the amount of compensation, as determined by the Court, into an escrow account, and commence civil works.
- In case the ruling by the court regarding the amount of compensation for properties to be expropriated is below the market price assessments as found in the market survey, the RD will provide additional funds, from the contingency budget of the RAP and on top of the compensation determined by the court, in order to close this gap and be consistent with the provisions of the RPF .
- The existing expropriation procedure is presented above in the section 3.1 "Georgian legislation", and described in more detail in the Annex 5.

(iv) Construction Phase

- **Notice to vacate the purchased/sold property will be sent to individual PAPs.** After the release of payment, RD will officially notify the PAPs to vacate or clear properties and provide reasonable deadlines. Once the deadline has been passed, the said property shall be subject to forced takeover by the government.
- **Dismantling/takeover of ROW by RD/Contractor.** After the lapse of the deadline to vacate and clear the compensated property, the Project will physically acquire land or dismantle structures.
- **Start of Construction.** The Contractor may now proceed with the construction after this.

4.2 Institutional Responsibility

The main institution at the government level responsible for the implementation of the resettlement action plan of Sveneti – Ruisi road project is the RD. The RD will also be responsible for supervising the road construction activities undertaken by the Contractor and ensure that RAP related impacts (permanent and temporary) are properly addressed as indicated in the RAP.

(i) Court of Georgia

In case of failure in negotiation between the RD and the PAP concerning the acquisition of private properties, the RD will seek to acquire rights of expropriation. Upon approval by regional courts and following the prescribed procedures, RD can then acquire the concerned properties after having paid compensation set by the third party assessor appointed by the court.

Furthermore, in cases where complaints and grievances regarding the RAP implementation and compensation are not solved at various levels as prescribed in the agreed Grievance and Redress Mechanism for this RAP, the PAPs will have the right to appeal to the Court.

(ii) Sakrebulo

The Sakrebulo serve as the administrative centre of the affected villages. Accordingly, representatives from each village shall be involved in the negotiation and grievance redress procedures. The head of the relevant Sakrebulo, who is the elected representative of villagers, will participate in the mediation of negotiation and provide support to those with grievances.

(iii) Contractor

The civil works contractor appointed by the RD to undertake the construction will be responsible for the institution of mitigating temporary impacts resulting from the construction activities. Based on the RAP and the Technical Design, the parcel of land that has been identified and acquired as part of road ROW shall be demarcated by the Contractor to clearly delineate it from the remaining non affected parts. The construction activities shall be monitored closely by the RD to ensure compliance to the temporary mitigating measures.

5. Grievance and Redress Mechanism

A grievance redress mechanism will be available to allow an affected person to appeal on any disagreeable decision, practice, application, or activity arising from the implementation of the Project. The PAPs will be fully informed of their rights and procedures for addressing complaints whether verbally or in writing during consultation, survey and time of compensation.

The experience of First and Second East – West Highway project is that, by ensuring that PAPs are fully informed of their entitlements and obligations and relying primarily on negotiation to agree on terms of compensation, the number of PAPs with grievances can be minimized. Nonetheless, staff of the RD will be regularly available and accessible for PAPs to raise concerns through a hotline established with Road Development and Resettlement Division. Solutions acceptable to both RD and the PAP with grievances will be sought during negotiation. Should negotiations fail, PAP will lodge their complaints at the relevant regional courts. If the ruling by the court is below the market price assessments as found in the market survey, RD will provide additional funds, from its contingency budget⁵ and on top of the compensation determined by the court, to close this gap and be consistent with the provisions of the RPF. RD's Road Development and Resettlement Division will share with the Bank task team the concerns raised at the public meetings prior to the RAP implementation and jointly seek measures to address them, and keep a record of complaints received during implementation and share it with the Bank task team on request. RD will also keep the Bank's local consultant informed and share Demarcation Acts, the list of concerns raised and legal documents with PAP upon request.

6. Valuation and Compensation for Lost Assets

The valuation methodology for the Third East – West Highway Improvement Project follows the principles set out under the Resettlement Policy Framework developed for the Project. Unit prices for compensation will be calculated on the basis of their market price, which will be updated based on the market survey that will be conducted in the early stage of the RAP implementation. The estimates of compensation amounts described below are based on the market survey update conducted in 2009.

6.1 Compensation for loss of land

Land will be evaluated based on average market prices. The market price on land has been defined based on the Sales Comparative Approach Method. This method is widely used in international practice and considers comparative analyses of the prices of land parcels sold and/or listed for sales. However, information on the transaction of lands is very limited in rural areas. Usually in local communities, transactions occur based on a verbal agreement between the owner and buyer without due documentation to record and normalize the land transaction, which makes the establishment of due market prices difficult.

Under the Project, the unit price to calculate compensation for land acquisition is established based on the actual prices at which land had been transacted in the recent past in the project area, which is further adjusted taking into account the characteristics of the land that was transacted. The detailed methodology to estimate the market price of land, as well as the result of the market survey, is attached in the Annex 4.

⁵ 15% of the total estimated costs is set aside as the contingency budget.

The following unit prices were determined during the market price survey in 2009 and are used to estimate compensation for loss of land under the Project. The unit prices based on the original survey are shown for comparison purposes.

Table 6.1: Compensation price for lost of land (updated)

Land Category	GEL per 1m2 (2007)	GEL per 1m2 (2009)
Agricultural		
Arable Irrigated	3.06	6.76
Arable Non-Irrigated	1.27	2.24
Hay land / Pasture	0.76	0.81
Non-Agricultural		
Residential	9.1	9.10
Commercial	15.8	15.84

Source: RAP of Igoeti – Sveneti Road and the Consultant

The non-agricultural land parcel which is leased from the State has been abandoned. It was intended for leasing for development of a market place but no development and investment has taken place. Therefore no cash compensation will be considered.

6.2 Compensation for loss of perennial fruit trees

The value of perennials will be determined on the basis of their age. The value of fruit trees will be calculated by multiplying the market value of the annual harvest by the number of years needed for bringing new perennials up to the condition of the existing trees.

The valuation of the cost for the standing orchards/fruit trees and grapes has been conducted using the following formula:

$$Q = pY[a_f - x], a_s < x < a_f$$

Where: Q is valued (calculated) cost of the standing trees and grapes;
 p - retail price for the specific fruit/product;
 Y - evaluation of productivity;
 X - current age of standing tree;
 a_s - the starting age of full productivity;
 a_f - the end age of full productivity;

Based on this formula the amount of compensation is calculated for each type of perennial tree that shall be logged due to road construction. The average market price for the specific fruit/product over the last three years is used to establish the retail price to be used. The list of market prices, found as part of the market survey conducted, is attached in the Annex 3

Based on the above methodology and updated market prices, the unit costs of perennials were identified and compensation payable to the owners estimated, which are summarised in the table presented in Annex 3.

The wood/timber resulting from tree cutting, including trees over productive age, as well as of other non-agricultural trees, will be left with the property owners as firewood or for other purposes. The reinstatement and replanting of the other type of trees along the motorway

(wind protecting or other, decorative, etc) will be undertaken by the contractor in accordance with the EMP.

6.3 Compensation for structures/buildings and fences

In case of damage to houses and buildings, its compensation will be based on the appraisal of the value of construction materials (current prices) and the type of building/structure affected as well as labour, transport and construction expenses entailed for its replacement.

Public structures/buildings will not be affected under this project and therefore the evaluation of public structures/buildings is not covered under this RAP.

As for private structures/buildings three block type fences will be demolished. Wire-type fences will be removed from the current premises to outside the ROW by contractors. The cost of transportation will be borne by contractors. Should owners wish to reinstall the wire, then the contractors will do so on their own cost. If owners would rather sell them, contractors will inform potential buyers and arrange transportation.

Three petrol stations will need to be demolished, one of which is not currently operational. The value of buildings and other structures that will be affected is assessed by certified auditors. During the process of determining cash compensation for the petrol stations the auditors utilized International Valuation Standards established by the IVS Committee for the appraisal of compensation, which is accepted practice in Georgia.

The calculation of the compensation values of the two working petrol station at km 81.8 and km 85.8 was conducted based on the so called 'Return Approach', which reflects the direct relationship between the replacement costs and income gained as a result of the commercial use of the structure.

When fixing the market value of the real estate by method of direct capitalization, the following order of operations should be considered:

1. Calculation of potential gross income per year
2. Calculation of efficient gross income
3. Calculation of expected costs (permanent costs, operational costs, reserves)
4. Calculation of net operational income
5. Calculation of the capitalization rate
6. Determination of the market value.

The compensation for the non-operational petrol station at km 94.5 is based on the cost replacement approach. The cost (replacement) approach considers direct and indirect costs of building a similar structure, i.e. the present cost of building a premises with the same physical properties. The costs include:

- Labour costs
- Expenses to purchase building materials
- Preparatory expenses
- Equipment rent of purchase price
- Builder's profit and overhead expenses
- Costs of building/repairs/safety measures
- Costs of arranging temporary buildings

- Costs of service lines (electric power supply, water-supply, gas-supply, etc.)
- Costs of transportation
- Other expenses.

The table of unit costs attached below in the Table 6.2 provides the latest market price of construction materials based on the market survey. The cost for the construction works are estimated as 20 % of the material costs, and transport costs of the material are estimated as 10 % of material costs, which were added to give the replacement costs. 10 % contingencies for unforeseen expenses are added as well as 16 % overhead expenses for design and management of the works.

Based on the result of the market surveys conducted in 2009, labor charges are set at GEL 223 per month.

Table 6.2: Market prices of construction materials - Comparable for 2007 and for 2009 (UPDATED)

#	Name	Unit	Unit Price Lari (2007)	Unit Price Lari (2009)
1	Earthworks for reservoirs and foundations	cubic meter	5	5.80
2	Placing of concrete into foundation	cubic meter	103	119.48
3	Construction block, small	pcs	1.2	1.39
4	Concrete plates for fencing 6x1,5x0,15	pcs	125	145.00
5	Sand	cubic meter	30	34.80
6	Cement	tonne	155	179.80
7	Wood material	cubic meter	350	406.00
8	Metal windows and doors	square meter	175	203.00
9	Metal culvert 530 mm	meter	110	127.60
10	Metal culvert 210 mm	meter	25.4	29.46
11	Metal culvert 152 mm	meter	16.8	19.49
12	"U" Channel # 10	meter	13.5	15.66
13	"U" Channel # 14	meter	17.5	20.30
14	Beam 40x40	meter	4	4.64
15	Beam bar 30x30	meter	2.9	3.36
16	Corrugated galvanized iron sheet (CGIS)	square meter	4.8	5.57
17	Lattice	square meter	60	69.60
18	Cable 2x2,5	meter	1.3	1.51
19	Cable 4x2,5	meter	7.8	9.05
20	Glass 4 mm	square meter	15.3	17.75
21	Oil paint	kg	5.6	6.50
22	Diluter	liter	3	3.48
23	Water emulsion	kg	3.2	3.71
24	Nail	kg	2	2.32

At the time when the 2009 field survey was conducted, the owners of the petrol stations stated that they are considering changing business activities and accepting cash compensation, if appropriate compensation amount is provided.

The compensation for the three block fences that will be demolished will be calculated based on the current market price of comparable concrete blocks to be estimated based on the market survey, multiplied by the number of blocks to be demolished. Wire fences will be removed to outside the ROW at the expense of the Contractor, and no compensation will be provided.

6.4. Compensation for business losses

Compensation for business losses has been calculated on the basis of the analysis of profits and workers income of the affected businesses. Profit assessment were based on

- Auditor's estimate on the amount of turnover and average profit margins for these petrol stations
- Statistical data regarding price changes for petrol and diesel as of first quarter 2007 and 2009

The amount of compensation for the loss of workers income has been estimated on the basis of average salary information from the household surveys, which were updated in 2009 and taking into account the time required for the construction of new petrol stations. It has been determined that the compensations for loss of employees' salary will be based on the unit value of GEL 223 per month. Five workers are found to be working in the Petrol Station #1, and four are employed in the Station #2. The monthly salaries of each worker were determined based on the information obtained during the field survey conducted in 2009. Each employee will receive 12 months equivalent of salary as compensation for job loss.

6.5. Compensation for harvest losses

Under the Project, the schedule of civil works will be adjusted according to the agricultural calendar so farmers who lose land will not lose crops. If loss of crop is unavoidable, it will be compensated based on the market price for the specific fruit/product and the expected productivity per square meter for crops or per fruit tree.

The compensation for harvest losses is provided in Table 6.6 below.

Table 6.3: Compensation for harvest losses (updated)

Annual crop	Unit cost (Lari/square meter) (2007)	Unit cost (Lari/square meter) (2009)
Cereals/Corn	0.12	0.18
Vegetables	0.31	0.55
Fodder/hay	0.08	0.08
Fruit	Unit cost (Lari/fruit tree) (2007)	Unit cost (Lari/fruit tree) (2009)
Apple	11.71	14.57
Pear	15.28	19.01
Quince	27.42	34.11
Plum	2.2	2.74
Cherry-plum	4.07	5.06
Apricot	26.46	32.92

Peach	48	59.71
Cherry	8.36	10.40
Sweet Cherry		16.20
Walnut	24.85	30.91
Hazelnut	24.3	30.23
Vine	1.53	1.90
Other	12.56	15.62

Note: To be paid if the PAP is not able to collect harvest

7. Compensation and Rehabilitation Measures under this RAP (Entitlement Matrix)

	Type of Loss	Application	Entitled Person ⁶	Entitlements
1	Permanent loss of private land	Agricultural, residential and commercial land Severe impact (loss of more than 20 % of total land holding)	Land owners with legitimate documents ⁷ Squatters/ encroachers	PAPs with legal title or traditional right will be compensated at replacement rate in the form of cash at market rates free from transaction cost and depreciation . Allow ance for severe impacts will be - if betw een 20 -50 % of land is lost, jobs created under the Project, or trainings for alternative jobs, will be available in addition to cash compensation - If more than 50% of land is lost, then trainings for alternative jobs will also be provided in addition to the jobs to be provided as well as cash compensation. Cash compensation will be paid for assets lost, damaged or demolished, but not for the cost of illegally obtained land.
	Permanent loss of public land	Municipal and state lands	Rayon and state	RD will negotiate with the Rayon Land Commission and State Land Commission regarding the acquisition and/or compensation for the affected parcels.
2	Loss of structures	Privately owned commercial structures (three petrol stations) Community structures and public utilities	Owners without regard to the legal status of ownership Rayon Administration	Compensation will be in cash based on replacement cost free of deduction for depreciation, salvaged materials and transaction costs irrespective of the registration status of the structure. If damages to public structures and utilities are unavoidable, replacement or restoration to pre-project status will be undertaken.
3	Loss of trees, crops	Standing crops and trees	Owner, cultivator, tenants, and leaseholders, without regard to legal status of ownership,	- Loss of annual crop is not expected to happen as construction schedule will be adjusted to agricultural season. 60 days advanced notice will be provided to harvest standing seasonal crops. If crops cannot be harvested, cash compensation for loss of crops (or share of crops) equivalent to prevailing market price - Cash compensation for perennial crops and fruit bearing trees based on annual net product market value multiplied by number of years for the tree to be productive - For non-fruit bearing trees, cash compensation equivalent to the amount of the prevailing market price of timber multiplied by the number of trees lost
4	Loss of business, income	Permanent	Owner/operator, without regard to legal status of ownership Employees	- Compensation in cash equal to 6 months income based on tax declaration or if not available based on official minimum salary for operators. - those without official legal status will be assisted to find alternative land to rent from public land reserve (including rest areas along the east-west highway) to continue businesses Compensation for employees in cash equal to 12 months income based on salary/income statements
5	Temporary impacts	Various types	Community in general	Temporary impacts concerning traffic diversion and rerouting during construction is a major consideration. Mitigating measures for these temporary impacts will be instituted. The civil works contract will require the contractor to be responsible for the temporary acquisition and reinstatement of all land required outside the road reserve for construction camps, offices, borrow pits, materials storage sites, materials processing sites and haul roads. The contractor will select the land parcels they require and they will be responsible for negotiating agreements with land owners to occupy the land. In the event that a contractor fails to obtain the agreement of any landowner, they would be required to select an alternative site and negotiate a new agreement. No involuntary occupation of land for temporary construction purposes would occur. Provision will be made in the civil works contract for the contractor to be responsible for providing adequate measures to cater for existing traffic while the road/bridge rehabilitation/construction works are in progress. These measures will include (i) enabling single lane traffic operations on one side of the road, while construction works are carried out on the other side; (ii) constructing and maintaining temporary diversion roads within the road reserve; and (iii) diverting traffic onto any parallel existing roads and maintaining these roads. No land would be required for the construction of diversion roads outside the road reserve. The contractors shall be required to obtain the approval of RD for all proposals for traffic management during the construction of the civil works contracts and they shall also be required to maintain all temporary diversion roads and existing roads used to carry diverted traffic from the main road.

⁶ Those who are not found eligible at the cut-off date will not be eligible

⁷ "Land owners with legitimate documents" include all those who on the cut-off date are found to be using the land which they purchased, inherited or received from other individuals, or which they received from the state at the time of land privatization.

8. RESETTLEMENT COST AND BUDGET

The tables below present the general results of the calculation of resources necessary for the RAP implementation which is based on the 2009 market survey prices.

Table 8.1: Compensation for Land Acquisition (June, 2009)

		Area (sq.m)	Unit Cost (Lari/sq.m)	Cost (Lari)
Private	<i>Arable Non-Irrig</i>	53,545.29	2.24	119,941.45
	<i>Homestead</i>	1,889.51	9.1	17,194.54
	<i>Commercial</i>	3,619.47	15.84	57,332.40
Total		59,054.27		194,468.40

Table 8.2: Compensation for Structures/Buildings Affected (June, 2009)

	Unit	Unit Cost (Lari)	Cost (Lari)
Commercial Structures	3		315,851
Fences (M)	62	31.67	1,964
Sub-total:			1,964
Total:			317,814

Note: 1) After demolishing fences the material may be kept / collected by the AP

2) After demolishing buildings/structures the civil works contractor is responsible for the waste collection/disposal.

Table 8.3 Compensation for Affected Trees (June, 2009)

Trees	Number of trees	Unit Cost (Lari/tree)	Cost (Lari)
Apple	287	238.5	68457
Pear	45	178.4	8027
Quince	66	110.5	7293
Plum	147	79.4	11676
Cherry-plum	29	42.4	1230
Apricot	3	72.0	216
Peach	30	82.0	2459
Cherry	57	34.2	1952
Sweet Cherry	28	65.7	1840
Walnut	47	107.7	5064
Hazelnut	11	79.7	877
Vine	158	15.0	2370
Other	32	77.2	2470
Total	940		113,931.00

Note: Non-productive trees should be left to the PAP as firewood

Table 8.4 Compensation for Lost Harvest (June, 2009)

Annual crop	Area (sq.m)	Unit cost (Lari/sq.m)	Cost (Lari)
Cereals/Corn	53,545.29	0.18	9638.15

Sub-total Crop			9638.15
Fruits	Number of Productive trees	Unit cost (Lari/tree)	Cost (Lari)
Apple	23	14.57	335.05
Pear	22	19.01	418.18
Quince	51	34.11	1739.63
Plum	96	2.74	262.73
Cherry-plum	19	5.06	96.20
Apricot	3	32.92	98.75
Peach	26	59.71	1552.51
Cherry	32	10.40	332.79
Sweet Cherry	28	16.20	453.60
Walnut	12	30.91	370.96
Hazelnut	5	30.23	151.15
Vine	147	1.90	279.79
Other	24	15.62	374.99
Sub-total Fruits			6466.34
Total			16104.49

Note: To be paid if the AP is not able to collect harvest

Table 8.5 Compensation for Businesses Affected (June, 2009)

	Unit price (Lari/month)	Months	# of Workers	Total (Lari)
Business income support (Total)				25,386
Worker income support (Total)	223	108	18	24,084
Total				49,470

Note: To be paid if confirmed/proved by taxation documents

Table 8.6 RAP Management Budget (June, 2009)

	Number of parcel	Cost per parcel (Lari)	Total (Lari)
Total RAP Management Budget:	88	945	83,160

Note: Estimated as on Igoeti-Sveneti Section

Table 8.7 Summary Resettlement Budget (June, 2009)

Expenses	Cost (Lari)
Total compensations to PAPs :	691 788
Land	194 468
Buildings/structures	317 814
Trees	113 931
Lost harvest	16 104
Lost business	49 470
RAP management/administrative costs	83 160
Summary	774 948
Contingency (15%)	116 242

Total RAP budget (Lari)	891 190
Total RAP budget (USD)	540 738

1USD= 1,6481 GEL

ANNEXES

Annex 1

The list of land parcels and the amount of land replacement costs per each land parcel (updated)

#	Number According to map	Region	Village	Ownership change -inheritance	Ownership type	Land Category	Affected Area (sq.m)			Land unit price (Lari/sq.m)			Summary cost (Lari)		
							Agricultural	Non-Agricultural		Agricultural	Non-Agricultural		Agricultural	Non-Agricultural	
								Commercial	Residential		Commercial	Residential		Commercial	Residential
1	2	3	4		5	6									
1	3	Gori	Berbuki		private	Agricultural	158.06			2.24			354.05	0.00	0.00
2	4	Gori	Berbuki	1	private	Agricultural	1344.97			2.24			3012.73	0.00	0.00
3	11	Gori	Berbuki	1	private	Agricultural	1511.86			2.24			3386.57	0.00	0.00
4	5	Gori	Berbuki		private	Agricultural	813.74			2.24			1822.78	0.00	0.00
5	6	Gori	Berbuki		private	Agricultural	1240.25			2.24			2778.16	0.00	0.00
6	7	Gori	Berbuki		private	Agricultural	933.54			2.24			2091.13	0.00	0.00
7	8	Gori	Berbuki		private	Agricultural	1670.65			2.24			3742.26	0.00	0.00
8	9	Gori	Berbuki		private	Agricultural	1091.39			2.24			2444.71	0.00	0.00
9	10	Gori	Berbuki		private	Agricultural	805.63			2.24			1804.61	0.00	0.00
10	12	Gori	Berbuki	1	private	Agricultural	562.00			2.24			1258.88	0.00	0.00
11	13	Gori	Berbuki		private	Agricultural	1241.72			2.24			2781.45	0.00	0.00
12	14	Gori	Berbuki	1	private	Agricultural	723.73			2.24			1621.16	0.00	0.00
13	15	Gori	Berbuki		private	Agricultural	270.26			2.24			605.38	0.00	0.00
14	16	Gori	Berbuki		private	Agricultural	366.90			2.24			821.86	0.00	0.00
15	17	Gori	Berbuki		private	Agricultural	237.89			2.24			532.87	0.00	0.00
16	18	Gori	Berbuki		private	Agricultural	165.60			2.24			370.94	0.00	0.00
17	19	Gori	Berbuki		private	Agricultural	426.58			2.24			955.54	0.00	0.00
18	20	Gori	Berbuki		private	Agricultural	192.81			2.24			431.89	0.00	0.00
19	21	Gori	Berbuki		private	Agricultural	107.87			2.24			241.63	0.00	0.00
20	22	Gori	Berbuki	1	private	Agricultural	223.00			2.24			499.52	0.00	0.00
21	23	Gori	Berbuki		private	Agricultural	677.88			2.24			1518.45	0.00	0.00
22	24	Gori	Berbuki		private	Residential			486.16		9.1	0.00	0.00	0.00	4424.06
23	25	Gori	Berbuki	1	private	Residential			378.90		9.1	0.00	0.00	0.00	3447.99
24	26	Gori	Berbuki		private	Residential			417.22		9.1	0.00	0.00	0.00	3796.70
25	27	Gori	Berbuki		private	Agricultural	677.64			2.24			1517.91	0.00	0.00

26	29	Gori	Berbuki		private	Commercial		2241.20			15.84		0.00	35500.61	0.00
27	30	Gori	Berbuki		private	Commercial		26.68			15.84		0.00	422.61	0.00
28	31	Gori	Berbuki		private	Agricultural	84.50			2.24			189.28	0.00	0.00
29	31'	Gori	Berbuki		private	Commercial		196.12			15.84		0.00	3106.54	0.00
30	31"	Gori	Berbuki		private	Commercial		315.25			15.84		0.00	4993.56	0.00
31	36	Gori	Berbuki		private	Agricultural	53.43			2.24			119.68	0.00	0.00
32	37	Gori	Berbuki		private	Agricultural	118.44			2.24			265.31	0.00	0.00
33	37'	Gori	Berbuki		private	Agricultural	69.91			2.24			156.60	0.00	0.00
34	38	Gori	Berbuki		private	Agricultural	11.63			2.24			26.05	0.00	0.00
35	39'	Gori	Berbuki		private	Agricultural	658.09			2.24			1474.12	0.00	0.00
36	40	Gori	Berbuki		state	Agricultural							0.00	0.00	0.00
37	41	Gori	Berbuki		private	Agricultural	631.82			2.24			1415.28	0.00	0.00
38	42	Gori	Berbuki		private	Agricultural	658.06			2.24			1474.05	0.00	0.00
39	43	Gori	Berbuki		private	Agricultural	144.34			2.24			323.32	0.00	0.00
40	44	Gori	Berbuki		state	Agricultural							0.00	0.00	0.00
41	47	Gori	Berbuki		state	Agricultural							0.00	0.00	0.00
42	47'	Gori	Karaleti		private	Agricultural	3856.78			2.24			8639.19	0.00	0.00
43	47"	Gori	Karaleti		private	Agricultural	2151.62			2.24			4819.63	0.00	0.00
44	51	Gori	Karaleti		state	Agricultural							0.00	0.00	0.00
45	53	Gori	Karaleti		private	Agricultural	1753.79			2.24			3928.49	0.00	0.00
46	55	Gori	Karaleti		private	Agricultural	119.19			2.24		9.1	266.99	0.00	0.00
47	58	Gori	Karaleti		private	Agricultural	440.63			2.24			987.01	0.00	0.00
48	59	Gori	Karaleti		private	Agricultural	774.01			2.24			1733.78	0.00	0.00
49	60	Gori	Karaleti		private	Agricultural	686.44			2.24			1537.63	0.00	0.00
50	61	Gori	Karaleti		private	Agricultural	261.58			2.24			585.94	0.00	0.00
51	62	Gori	Karaleti		private	Agricultural	202.95			2.24			454.61	0.00	0.00
52	62'	Gori	Karaleti		private	Agricultural	56.16			2.24			125.80	0.00	0.00
53	62"	Gori	Karaleti		private	Agricultural	19.23			2.24			43.08	0.00	0.00
54	63	Gori	Tiniskhidi		private	Commercial		718.30			15.84		0.00	11377.87	0.00
55	64	Gori	Tiniskhidi		private	Residential			363.31			9.1	0.00	0.00	3306.12
56	65	Gori	Tiniskhidi	1	private	Residential			243.92			9.1	0.00	0.00	2219.67
57	65'	Gori	Tiniskhidi		state	Non-Agricultural							0.00	0.00	0.00
58	65"	Gori	Tiniskhidi		state	Non-Agricultural							0.00	0.00	0.00
59	66	Gori	Tiniskhidi		state	Agricultural							0.00	0.00	0.00

60	67	Kareli	Urbnisi		private	Agricultural	69.90			2.24		156.58	0.00	0.00
61	67'	Kareli	Urbnisi		state	Agricultural						0.00	0.00	0.00
62	68	Kareli	Urbnisi		private	Agricultural	407.70			2.24		913.25	0.00	0.00
63	69	Kareli	Urbnisi		private	Agricultural	1497.50			2.24		3354.40	0.00	0.00
64	70	Kareli	Urbnisi	1	private	Agricultural	988.50			2.24		2214.24	0.00	0.00
65	70'	Kareli	Urbnisi		private	Agricultural	862.00			2.24		1930.88	0.00	0.00
66	71	Kareli	Urbnisi		private	Agricultural	169.80			2.24		380.35	0.00	0.00
67	71'	Kareli	Urbnisi		private	Agricultural	7.90			2.24		17.70	0.00	0.00
68	72	Kareli	Urbnisi		private	Agricultural	1044.80			2.24		2340.35	0.00	0.00
69	73	Kareli	Urbnisi		private	Agricultural	777.90			2.24		1742.50	0.00	0.00
70	74	Kareli	Urbnisi		private	Agricultural	465.70			2.24		1043.17	0.00	0.00
71	75	Kareli	Urbnisi		private	Agricultural	1821.60			2.24		4080.38	0.00	0.00
72	76	Kareli	Urbnisi		private	Agricultural	1303.60			2.24		2920.06	0.00	0.00
73	77	Kareli	Urbnisi		private	Agricultural	1473.80			2.24		3301.31	0.00	0.00
74	78	Kareli	Urbnisi		private	Agricultural	940.00			2.24		2105.60	0.00	0.00
75	79	Kareli	Urbnisi		private	Agricultural	1232.60			2.24		2761.02	0.00	0.00
76	80	Kareli	Urbnisi		private	Agricultural	399.30			2.24		894.43	0.00	0.00
77	81	Kareli	Urbnisi		private	Agricultural	1946.50			2.24		4360.16	0.00	0.00
78	81'	Kareli	Urbnisi		private	Agricultural	263.80			2.24		590.91	0.00	0.00
79	82	Kareli	Urbnisi		private	Agricultural	480.80			2.24		1076.99	0.00	0.00
80	83	Kareli	Urbnisi		private	Agricultural	2212.30			2.24		4955.55	0.00	0.00
81	84	Kareli	Urbnisi		private	Agricultural	1107.80			2.24		2481.47	0.00	0.00
82	85	Kareli	Urbnisi		private	Agricultural	635.40			2.24		1423.30	0.00	0.00
83	86	Kareli	Urbnisi		private	Agricultural	2384.30			2.24		5340.83	0.00	0.00
84	87	Kareli	Urbnisi	1	private	Agricultural	780.80			2.24		1748.99	0.00	0.00
85	88	Kareli	Ruisi		private	Agricultural	865.50			2.24		1938.72	0.00	0.00
86	89	Kareli	Ruisi		private	Agricultural	665.40			2.24		1490.50	0.00	0.00
87	90	Kareli	Ruisi		private	Agricultural	543.40			2.24		1217.22	0.00	0.00
88	91	Kareli	Ruisi		private	Commercial		121.90			15.84	0.00	1930.90	0.00
				9										
							53545.17	3619.45	1889.51			119941.18	57332.09	17194.54

NOTE 1. The facts of land parcel sales-purchase, merging or division have not been revealed

NOTE 2. The names of the landowners highlighted in yellow inherited the given land parcels to be affected by Road Project

		Up to 15 years	0	8 199	1592	1 149	149	0	0	0	0	0	0	0	0	0	4	15	60	2 112	224	2025
		Over 15 years	0	0	0	0	0	0	1 83	83	0	1 83	83	0	0	0	0	0	0	0	0	166
6	9	Up to 5 years	0	0	2 7	14	0	0	0	0	0	0	0	0	0	0	0	0	0	1 12	12	26
		Up to 10 years	0	0	3 58	174	2 66	132	0	0	0	0	0	0	0	0	0	0	0	2 62	124	430
		Up to 15 years	0	0	0	1 124	124	0	0	0	0	0	0	0	0	0	0	0	0	2 112	224	348
		Over 15 years	0	0	0	0	0	0	0	2 41	82	0	0	0	0	0	0	0	0	0	0	82
7	10	Up to 5 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Up to 10 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Over 15 years	30 373	11190	0	0	0	0	0	2 41	82	0	0	0	0	0	0	0	0	0	0	11272
8	12	Up to 5 years	1 35	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	35
		Up to 10 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Up to 15 years	8 199	1592	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1 15	15	0	1607
		Over 15 years	4 373	1492	0	0	1 124	124	0	0	0	0	0	0	0	0	0	0	0	0	0	1616
9	13	Up to 5 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Up to 10 years	1 124	124	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	124
		Up to 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Over 15 years	30 373	11190	3 199	597	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11787
10	14	Up to 5 years	0	0	0	6 6	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36
		Up to 10 years	0	2 124	248	0	4 66	264	0	1 50	50	0	0	0	0	1 50	50	0	0	0	0	612
		Up to 15 years	0	1 199	199	0	9 124	1116	0	1 83	83	0	0	0	0	0	0	0	0	0	0	1398
		Over 15 years	0	5 199	995	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	995
11	16	Up to 5 years	0	0	0	5 6	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30
		Up to 10 years	1 124	124	0	0	2 66	132	2 50	100	0	0	0	0	0	0	0	0	0	0	0	356
		Up to 15 years	0	1 199	199	1 149	149	2 124	248	0	0	0	0	0	0	0	0	0	0	0	0	596
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	17	Up to 5 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Up to 10 years	0	0	5 58	290	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	290
		Up to 15 years	0	0	9 149	1341	1 124	124	1 50	50	0	0	0	0	0	0	0	0	0	0	0	1515
		Over 15 years	0	0	3 149	447	1 124	124	0	0	0	0	0	0	0	0	0	0	0	0	0	571
																					2376	

		Up to 15 years	0	0	0	3 124	372	2 50	100	0	0	0	0	0	0	0	0	0	472								
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	1 560	560	0	0	560								
21	41	Up to 5 years	5 35	175	0	0	0	0	0	0	0	0	0	0	0	0	0	0	175								
		Up to 10 years	3 124	372	0	0	0	0	0	0	0	0	0	0	0	0	0	0	372								
		Up to 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
22	42	Up to 5 years	17 35	595	0	0	0	0	0	0	0	0	0	0	0	0	0	0	595								
		Up to 10 years	5 124	620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	620								
		Up to 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
23	47"	Up to 5 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
		Up to 10 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
		Up to 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
		Over 15 years	22 50	1100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1100								
24	64	Up to 5 years	0	0	0	0	0	0	0	10 6	60	0	0	0	1 12	12	0	0	72								
		Up to 10 years	0	0	1 58	58	0	0	0	0	5 41	205	0	0	1 50	50	0	0	313								
		Up to 15 years	0	0	1 149	149	0	3 50	150	0	0	0	0	0	5 236	1180	0	0	1479								
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
25	65	Up to 5 years	0	0	0	2 6	12	0	0	0	0	0	0	0	0	0	0	0	12								
		Up to 10 years	0	0	0	2 66	132	0	1 50	50	1 41	41	0	0	0	0	0	0	223								
		Up to 15 years	0	0	0	3 124	372	0	0	6 41	246	0	0	0	0	0	0	0	618								
		Over 15 years	0	0	0	8 124	992	0	0	0	0	0	0	0	0	0	0	0	992								
26	75	Up to 5 years	0	0	0	0	4 6	24	0	0	0	0	0	0	5 12	60	0	0	84								
		Up to 10 years	0	0	0	1 66	66	5 50	250	1 50	50	0	0	0	5 50	250	0	0	616								
		Up to 15 years	0	0	0	3 124	372	0	0	0	1 83	83	0	0	0	0	0	0	455								
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
27	82	Up to 5 years	16 35	560	0	0	3 6	18	0	2 6	12	0	0	0	0	0	0	0	590								
		Up to 10 years	9 124	1116	1 124	124	1 58	58	4 66	264	1 50	50	3 50	150	3 41	123	0	0	14 50	700	0	100	15	1500	1 62	62	4147
		Up to 15 years	0	0	0	0	9 124	1116	0	0	3 41	123	0	0	2 236	472	0	20	15	300	0	2011					
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							

28	88	Up to 5 years	0	0	0	8	6	48	0	0	0	0	0	0	0	0	0	0	0	48								
		Up to 10 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
		Up to 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
		Over 15 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48							
		287	68457	45	8027	66	7293	147	11676	29	1230	28	1840	57	1952	3	216	30	2459	47	5064	11	877	158	2370	32	2470	

Plant summary amount 940

113931 113931

ANNEX 3
Unit prices for perennials

№	Plant type	Up to 5 years				Up to 10 years				Up to 15 years				Over 15 years			
		less fructiferous (GEL)	Middling fructiferous (GEL)	Well fructiferous (GEL)	Average up to 5 years	less fructiferous (GEL)	Middling fructiferous (GEL)	Well fructiferous (GEL)	Average up to 10 years	less fructiferous (GEL)	Middling fructiferous (GEL)	Well fructiferous (GEL)	Average up to 15 years	less fructiferous (GEL)	Middling fructiferous (GEL)	Well fructiferous (GEL)	Average over 15 years
1	Apple	5	25	75	35	100	124	149	124	174	199	224	199	311	373	435	373
2	Pear	5	25	75	35	100	124	149	124	174	199	224	199	174	199	224	199
3	Quince	5	5	12	7	37	62	75	58	124	149	174	149	124	149	174	149
4	Plum	4	4	12	6	50	62	87	66	100	124	149	124	100	124	149	124
5	Tkemali, Alucha	4	4	12	6	37	50	62	50	37	50	62	50	37	50	62	50
6	Apricot	4	4	12	6	37	50	62	50	62	87	100	83	62	87	100	83
7	Peach	4	12	37	17	37	87	112	78	62	87	112	87	0	0	0	0
8	Cherry	4	4	12	6	25	37	62	41	25	37	62	41	25	37	62	41
9	Sweet Cherry	4	4	12	6	37	50	62	50	62	87	100	83	62	87	100	83
10	Walnut	12	12	12	12	37	50	62	50	149	249	311	236	373	560	746	560
11	Hazelnut	4	4	12	6	37	50	62	50	87	100	124	103	87	100	124	103
12	Vine	4	4	12	6	12	15	19	15	12	15	19	15	12	15	19	15
13	Other	5	7	25	12	44	62	81	62	87	112	137	112	112	149	183	148

Annex 4

Compensation summary matrix

#	Parcel no. accord. to Map	Cadastral Code	Village	Affected Area of the Parcel located in the right of way (m2)	Land Compensation Value (GEL)	Perennials Compensation Value (GEL)	Compensation for Structures and Buildings (GEL)	Compensation for Businesses Affected (GEL)		Total Compensation Value (GEL)
								Profit	Workers income	
1	3	4	5	6	7	8	9	10		10
1	3	383	Berbuki	158.06	354.05	2919				3273.05
2	4	394	Berbuki	1344.97	3012.73	17400				20412.73
3	11	387	Berbuki	1511.86	3386.57	19694				23080.57
4	5	389	Berbuki	813.74	1822.78	560				2382.78
5	6	390	Berbuki	1240.25	2778.16	6322				9100.16
6	7	388	Berbuki	933.54	2091.13	4011				6102.13
7	8	391	Berbuki	1670.65	3742.26					3742.26
8	9	376	Berbuki	1091.39	2444.71	886				3330.71
9	10	377	Berbuki	805.63	1804.61	11272				13076.61
10	12	386	Berbuki	562.00	1258.88	3258				4516.88
11	13	373	Berbuki	1241.72	2781.45	11911				14692.45
12	14	372	Berbuki	723.73	1621.16	3041				4662.16
13	15	109	Berbuki	270.26	605.38					605.38
14	16	74	Berbuki	366.90	821.86	982				1803.86
15	17	73	Berbuki	237.89	532.87	2376				2908.87
16	18	108	Berbuki	165.60	370.94	2080				2450.94
17	19	71	Berbuki	426.58	955.54	657				1612.54
18	20	70	Berbuki	192.81	431.89	1987				2418.89

19	21	69	Berbuki	107.87	241.63	2473			2714.63	
20	22	368	Berbuki	223.00	499.52				499.52	
21	23	367	Berbuki	677.88	1518.45				1518.45	
22	24	362	Berbuki	486.16	4424.06	2584			7008.06	
23	25	361	Berbuki	378.90	3447.99	1622			5069.99	
24	26	360	Berbuki	417.22	3796.70	862			4658.70	
25	27	359	Berbuki	677.64	1517.91	2512			4029.91	
26	29		Berbuki	2241.20	35500.61		107,111	9572	10704	158101.41
27	30	443	Berbuki	26.68	422.61		696.74			1119.35
28	31	863	Berbuki	84.50	189.28					189.28
29	31'		Berbuki	196.12	3106.54					3106.54
30	31"		Berbuki	315.25	4993.56					4993.56
31	36	853	Berbuki	53.43	119.68					119.68
32	37	858	Berbuki	118.44	265.31					265.31
33	37'		Berbuki	69.91	156.60					156.60
34	38	851	Berbuki	11.63	26.05					26.05
35	39'		Berbuki	658.09	1474.12					1474.12
36	40		Berbuki	1336.15	0.00					0.00
37	41	328	Berbuki	631.82	1415.28	547				1962.28
38	42		Berbuki	658.06	1474.05	1215				2689.05
39	43	332	Berbuki	144.34	323.32					323.32
40	44		Berbuki	58.75	0.00					0.00
41	47		Berbuki	66.70	0.00					0.00
42	47'		Karaleti	3856.78	8639.19					8639.19
43	47"		Karaleti	2151.62	4819.63	1100				5919.63
44	51		Karaleti	5624.99	0.00					0.00
45	53	123	Karaleti	1753.79	3928.49					3928.49
46	55	122	Karaleti	119.19	266.99					266.99
47	58	395	Karaleti	440.63	987.01					987.01
48	59	394	Karaleti	774.01	1733.78					1733.78
49	60	392	Karaleti	686.44	1537.63					1537.63
50	61	390	Karaleti	261.58	585.94					585.94

51	62	388	Karaleti	202.95	454.61				454.61
52	62'		Karaleti	56.16	125.80				125.80
53	62"		Karaleti	19.23	43.08				43.08
54	63		Tiniskhidi	718.30	11377.87	168,896	15814	13380	201560.87
55	64	89	Tiniskhidi	363.31	3306.12	1864			5170.12
56	65	91	Tiniskhidi	243.92	2219.67	1845			4064.67
57	65'		Tiniskhidi	70742.65	0.00				0.00
58	65"		Tiniskhidi	22929.50	0.00				0.00
59	66		Tiniskhidi	30180.17	0.00				0.00
60	67		Urbnisi	69.90	156.58				156.58
61	67'		Urbnisi	7572.00	0.00				0.00
62	68		Urbnisi	407.70	913.25				913.25
63	69		Urbnisi	1497.50	3354.40				3354.40
64	70		Urbnisi	988.50	2214.24				2214.24
65	70'		Urbnisi	862.00	1930.88				1930.88
66	71		Urbnisi	169.80	380.35				380.35
67	71'		Urbnisi	7.90	17.70				17.70
68	72		Urbnisi	1044.80	2340.35				2340.35
69	73		Urbnisi	777.90	1742.50				1742.50
70	74		Urbnisi	465.70	1043.17				1043.17
71	75		Urbnisi	1821.60	4080.38	1155			5235.38
72	76		Urbnisi	1303.60	2920.06				2920.06
73	77		Urbnisi	1473.80	3301.31				3301.31
74	78		Urbnisi	940.00	2105.60				2105.60
75	79		Urbnisi	1232.60	2761.02				2761.02
76	80		Urbnisi	399.30	894.43				894.43
77	81		Urbnisi	1946.50	4360.16				4360.16
78	81'		Urbnisi	263.80	590.91				590.91
79	82		Urbnisi	480.80	1076.99	6748			7824.99
80	83		Urbnisi	2212.30	4955.55				4955.55
81	84		Urbnisi	1107.80	2481.47				2481.47
82	85		Urbnisi	635.40	1423.30				1423.30
83	86		Urbnisi	2384.30	5340.83				5340.83
84	87		Urbnisi	780.80	1748.99				1748.99

85	88		Ruisi	865.50	1938.72	48				1986.72
86	89		Ruisi	665.40	1490.50					1490.50
87	90		Ruisi	543.40	1217.22					1217.22
88	91		Ruisi	121.90	1930.90		41110			43040.90
					194468	113931	317814	25386	24084	675683
NOTE 1: New land owners (Inheritance) arer highlighted in yellow										
NOTE: 2. all 3 petrol stations are highlighted in green colour and numbered accordingly										

ANNEX 4, Data for Determination of Market Prices through Sales Comparative Approach

Data about comparative analogues.

#	Description	Location	Unit price for the offer in GEL
1	Agricultural Land parcel with the house under construction	Vil. Ditsi of Gori rayon Tel. 893-46-46-25	4.3 GEL/1sq.m. (Offer)
2	Agricultural Land parcel with the house	Vil. Sveneti of Gori rayon Tel. 893-39-84-02	8 GEL/1sq.m. (Offer)
3	Agricultural Land parcel with the orchard	Vil. Zghuderi of Kareli rayon Tel. 893-39-58-80	2.3 GEL/1sq.m. (Offer)
4	Agricultural Land parcel with the orchard	Gori rayon Tel. 893-60-99-87	2.5 GEL/1sq.m. (Offer)

Comparison

Comparative elements	analogue #1	analogue #2	analogue #3	analogue #4
Transferring right of property	wholy	wholy	wholy	Wholy
Correction	No	No	No	No
Condition of financing	Typical	Typical	Typical	Typical
Correction	No	No	No	No
Sale Conditions	Typical	Typical	Typical	Typical
Correction	No	No	No	No
Expenses related to the sale	Offer	Offer	Offer	Offer
Correction	Negative	Negative	Negative	Negative
Date of sale	current	current	current	Current
Correction	No	No	No	No
Location	analogous	analogous	analogous	Analogous
Correction	No	No	No	No
Physical characteristics	Better	Better	Better	Better
Correction	Negative	Negative	Negative	Negative
Existance of movable property	No	No	No	No
Correction	No	No	No	No

Making of correction for the area to be estimated (prices are indicated in GEL, dimension 1 sq.m)

Comparative elements	analogue #1	analogue #2	analogue #3	analogue #4
price for 1 sq.m	4.3	8.0	2.3	2.5
Expenses related to the sale	Offer	Offer	Offer	Offer
Correction	-10%	-10%	-10%	-10%
Corrected price for 1 sq.m	3.87	7.2	2.07	2.25
Physical characteristics	Better	Better	Better	Better
Correction	-2.7	-7	-1.0	-1.1
Corrected price for 1 sq.m	1.17	1.2	1.07	1.15

The agreement of results of the corrected prices of comparative data has occurred by calculation of the average estimated sizes. During the agreement of results of the corrected prices major portion is given to those analogues which are the most comparative to objects to be estimated and needed least corrections.

Market price for the object to be estimated has been calculated according to the following formulae using average estimated size:

$$V_{wa} = \sum_{i=1}^n \left(P_i \times \frac{R_i}{\sum_{i=1}^n R} \right)$$

V_{wa} - is average estimated size

P_i – is the corrected sale (offer) price of each comparative analogue

∑ R – is the sum of comparative analogue corrected prices rating weight

R_i – is rating weight of comparative object corrected price

From all above mentioned by using of average estimated size, market price calculation for the auxiliary and helpful area located on the 1st floor of the object to be estimated is given in the table below.

Description	P _i	R _i	V _i
Price for corrected analogue #1	1.17	1.50	0.319
Price for corrected analogue #2	1.20	1.00	0.218
Price for corrected analogue #3	1.07	1.00	0.195
Price for corrected analogue #4	1.15	2.00	0.418
∑ R		5.50	
V_{wa}			1.15

Based on abovementioned calculations we consider that the market price for 1 sq.m vacant land parcel for the moment of estimation is 1.15 GEL (rounded).

Based on the results of the surveys conducted in 2009 the market prices of land were recalculated according to the methodology described above.

ANNEX 5,

Procedures for property registration and property expropriation in the process of RAP implementation

Property Registration

Correct and accurate initial registration of ownership rights is the necessary condition for undertaking voluntary acquisition or mandatory expropriation of real property. Pursuant to article 312 of the Civil Code of Georgia the records at the Public Register are considered accurate until their inaccuracy is not proved. Therefore, throughout the presumption of the article 312 of the Civil Code of Georgia the inaccurate data available at the Public Register shall be corrected with precise data. Therefore, landowner shall fill out the Application Form. The Application Form shall be attached with the Demarcation Act, Cadastral Map with precise survey data and document verifying ownership right (Receive-Delivery Act, or Registration Certificate, or the extract from the land distribution list issued by the local self-government body, or the statement on the landowner's registration as a tax payer in 1992-2001 years) and submit these documents for registration to the Public Register.

The cost for initial registration at the Public Registry is 50 GEL. In order to finalize the registration of private ownership rights each landowner shall submit the documents required pursuant to the active legislation of Georgia. The list below includes the most requested documents to be submitted to the local Public Register for registration procedures:

1. Application;
2. Receive-delivery Act, or land distribution list, or taxpayers list approved by local self-government bodies being used in the process of registration on using agricultural land; or land distribution list without graphical image;
3. Statement or Extract from the household records on the contents of the household;
4. Document verifying the fact of the death of one of the members of the household
5. Cadastral/Inventory drawing of the land parcel and house;
6. Copy of the Identity Card

Based on these documents PR shall undertake the registration and issuance of the Extract from the Public Register attached with a Cadastral Map.

The land occupied without permit is the property of the State. Therefore, the State shall not purchase the state-owned land. Correspondingly, the compensation as land replacement cost shall not be paid to those individuals that illegally occupy the land parcels being under the State ownership. In such case the land owners will be treated according to the measures identified under the World Bank Involuntary Resettlement Operational Policy (4.12. paragraphs 15 and 16). Considered measures and compensation amounts shall be issued only in case if the project impact extends over any assets (building-structure, perennials, and annual crops) and if their damage may cause losses. In such case land replacement cost shall not be issued. In case if the location of the owner is not determined the administrative method shall be exercised that means acquisition of a land parcel through the Court.

For the effective implementation of RAP within presented project, the meetings have been held with each PAP personally (or their representatives) during the measuring/demarcating and inventory surveying process. The measuring/demarcating and inventory activities have resulted in identification of each PAP, measuring of each land parcel, location of house or other structures, determination/marketing the affected portion, inventory of other assets. The inventory process has been held in witness of the representatives of the local administration. For all the affected parcels the cadastral maps/drawings are prepared, all existing documents related to

property title are collected. All the inventory data per each PAP are presented in the Volume 2 of the Report. In addition, for each affected community (sakrebulo) the formal acts have been signed by representatives of local administration, confirming the list of property owners and the conformity of demarcation.

In the process of RAP implementation, the RD working team will provide free consultations to PAPs on how to register their property at the state register, and also will provide for free all cadastral maps/drawings, developed in the process of RAP preparation, and necessary for the registration. The PAP's will be advised by the RD working team to apply to the local public register for the primary registration, in order to ensure the completion and compliance of appropriate title documents. Before the commencement of works by contractor, the RD working team will alienate affected land from each parcel that will be sealed by the Demarcation Act.

Expropriation procedure

The administrative rules for acquisition of the real property shall be exercised only in exclusive cases if the negotiations connected to the sales price of PA property fails. In such cases the active legislation of Georgia will be used, which provides mechanism for expropriation of property. The seizure of real property through expropriation that in order to acquire ownership rights requires implementation of the steps defined under the law:

- a. Issuance of Presidential decree;
- b. Inventorise all the property subject to expropriation;
- c. Informing the landowners on expropriation through publication;
- d. Submission of the Application to the Court;
- e. Providing the information to the landowners on the date of submission of application to the Court and the date of court hearing;
- f. Considering the Application and making a decision by the Court;
- g. Expropriation;
- h. Court proceedings in case any disputes rise in regard to the property market value and compensation amount.

A. as a result of issuance of Presidential Decree the right to expropriate is assigned to the State or local self-government body or public or legal person of private law. The Presidential Decree is issued under the Article 21 of the Constitution of Georgia. The Presidential Decree defines the inevitability of expropriation of a land parcel for immediate public needs and the subject (State or local self-government body, or public or legal person of private law) that is granted the right to expropriate.

B. After issuance of Presidential Decree shall be conducted inventorization and evaluation of all the property that subject to expropriation. After the issuance of Presidential Decree the person interested in expropriation ensures that an independent auditor undertakes the inventorization and valuation of the property to be expropriated. Besides, in case of replacement expropriation property by other property, the value of the property to be expropriated shall also be appraised by an independent auditor. While valuation of the property that subject to expropriation and determination of compensation, the property that is insignificant by size, form and condition but is linked to the property that subject to expropriation and therefore is useless without it shall also be considered. During evaluation of agricultural land the value of the standing crops is also considered and calculated based on the income the owner might receive during the current economic year. But in case the sowing is undertaken after inventorization no value shall be taken into account.

C. In order to inform the landowners the information on the expropriation is published in central and local newspapers. The information shall contain the scope of the project implementation, also a brief description of the territory and property that may be expropriated.

D. Submission of the Application to the Court is undertaken after the above described activities are implemented. The Law of Georgia on the Rule of Property Expropriation for Necessary Public Needs, article 5 defines that the Regional (City) Court is eligible to assume the final right of expropriation on the basis of the Application of the person interested in expropriation. The Application on expropriation shall be submitted to the Regional (City) Court. The application that might be submitted to the Court shall state the following:

1. Name of the District (City) Court;
2. Name and legal address of the of applicant;
3. Name, address of the Applicant's representative;
4. The request of the applicant;
5. The description of the circumstances the applicant refers to in his/her request;
6. The proofs verifying these circumstances;
7. The list of the documents attached to the Application.

The application shall be attached with (1) the detailed description of the project that requires right of expropriation for its implementation; (2) Presidential Decree granting the right of expropriation; (3), detailed description of the property that subject to expropriation; and (4) the document verifying the publication of the information on expropriation.

E. The owners will be supplied with the information on submission of Application to the Court and on Court hearing. A person interested in expropriation shall ensure that every owner whose property is subject to expropriation is informed regarding the submission of the application to the court and the date of court case.

F. Court considers the application and makes a decision on expropriation. The Court – after considering the application - makes a decision on granting the right of expropriation. The decision states the person granted the right of expropriation and the detailed description of the property to be expropriated, also corresponding instruction on ensuring due compensation to landowners. The court decision is immediately executed according to the rule of execution of the decision to be executed. This means that even if such decision is appealed the execution of the court decision is not suspended due to the fact of appeal.

G. Expropriation. After the Court makes a decision the expropriator gives the offer on the purchase of the property to the landowners and provides with the rules of compensation for this property and conducts negotiations with the landowners on the rules of compensation for the property to be expropriated in order to make an agreement. Besides, the expropriator provides the landowner with the written document issued by an independent expert verifying the assessment of the value of property to be expropriated and compensated (if compensation is to be undertaken by transferring the other property only in agreement with the landowner). Amount of compensation or the value of the property to be compensated shall not be less than the value of the property to be expropriated.

H. Court Proceeding on property market value and compensation. In case if the expropriator and the property owner fail to come into agreement regarding the property market value and amount of compensation - in accordance to the Civil Procedural Code of Georgia - any party has the right to apply to the same regional Court according to the location of the land parcel. The claim of the expropriator shall be attached with: (1) detail description of the property to be expropriated, (2) documents verifying the presence of public needs for property expropriation; (3) documents related to the project to be implemented for public needs; and (4) the Decision of the Regional (City) Court on granting the right of expropriation. The Court is eligible to assign an independent expert that shall conduct property appraisal and within the defined time terms provides the court with the report on market value of the property to be expropriated and other property offered to the owner as compensation (if compensation shall be undertaken through transferring supplementary property). On the basis of the independent expert's report and the proofs provided by both parties, the court makes a final decision

regarding the amount of compensation for property to be expropriated. The expropriator is responsible to reimburse costs incurred by both parties including the costs for court proceedings, such as court costs in case of disputes and costs for property appraisal services and property transfer costs.

**საქართველო, თბილისი-სენაკო-ქუთაისის საავტომობილო გზის კმ 55 - კმ 80
მონაკვეთის რეკონსტრუქციის მიზნებისთვის მიწის ნაკვეთის
გამოყენების უზრუნველყოფის მიზნით**

დამატკეპონის აქტი თარიღი: _____ 2008 წ.

არსებული ნაკვეთის:

ნაკვეთი

(სესიურის სახელი, გვარი)

(საავტომობილო გზის რეკონსტრუქციის წარმომადგენელი)

(საზღვრისთვის კომპლექსური წარმომადგენელი)

(ტერიტორიული ორგანოს ხელმძღვანელი საუბო)

(ზაფხულის სესიურისთვის განკუთვნილი წარმომადგენელი)

წინამდებარე აქტი შედგენილია მასხვად ორი:

1. თბილისი-სენაკო-ქუთაისის საავტომობილო გზის კმ 55 - კმ 80 მონაკვეთის რეკონსტრუქციის მიზნებისთვის მიწის ნაკვეთის № _____ რეკონსტრუქციის მიზნით დასაშვანების ნაკვეთის

(სესიურის სახელი, გვარი)

2. არსებული მიწის ნაკვეთის არსებობის დამადასტურებელი და საზღვრების მიზნების:

მიწის ნაკვეთის მესაკუთრე

მიწის ნაკვეთის მესაკუთრის მესაკუთრე

ტერიტორიული ორგანოს ხელმძღვანელი საუბო

3. მოქმედებულ მიწის ნაკვეთის საფუძვალზე და არსებული საფუძვლის რეკონსტრუქციის მიზნით დასაშვანების მიზნით

არსებული ნაკვეთის მესაკუთრის მესაკუთრე

საავტომობილო გზის რეკონსტრუქციის წარმომადგენელი

საზღვრისთვის კომპლექსური წარმომადგენელი

ტერიტორიული ორგანოს ხელმძღვანელი საუბო

ზაფხულის სესიურისთვის განკუთვნილი წარმომადგენელი

Fig. Demarcation Act

ANNEX 6

Background of Appraisal Participants and Appraisal Quality Certificate

1. Background of Appraisal Participants

The evaluation and appraisal of the compensation values were carried out by the Audit Company 'Atos'. The background data of the appraisal participants are as follows:

1. Full Name: **Alexander OKROMCHEDLISHVILI**
Date of Birth: 1955
Title: Director of Audit Company 'Atos' Ltd., Certified Auditor
-
Education: - Tbilisi State University: Faculty of Economics; Specialty - Accounting in Industry; Diploma Б–1 #015766 ;
- Tbilisi Socio-Economic Institute: Specialty - Jurisprudence; Diploma NA 001627
Certificates: Z #001627 in general audit
Experience: - 31 years of service in the economic activity sphere;
- 10 years of service in the audit activity sphere
2. Full Name: **Avtandil OKROMCHEDLISHVILI**
Date of Birth: 1959
Title: Chief Appraiser of the Audit Company 'Atos' Ltd.
-
Education: - Tbilisi Polytechnic: Specialty -Carriage Engineering and Railroad Facilities; Diploma Ч–1 #015766 ;
- Caucasian Real Estate Academy: Qualification – Real Estate Appraiser
Certificates: #136 in real estate appraisal
Experience: - 24 years of service in the engineering activity sphere;
- 3 years of service in the appraisal activity sphere
3. Full Name: **David MAKHAROBLISHVILI**
Date of Birth: 1975
Title: Appraiser of the Audit Company 'Atos' Ltd.
Education: - University 'Legia & Co. Ltd.': Specialty – International Currency Relations & Banking'; Diploma LKU 00104;
- Caucasian Real Estate Academy: Qualification – Real Estate Appraiser
Certificates: #133 in real estate appraisal
Experience: - 2 years of service in the economic activity sphere;
- 1 year of service in the appraisal activity sphere

2. Appraisal Quality Certificate

The Appraiser of the Audit Company 'Atos' Ltd. having carried out the compensation valuation of the project in its present form certifies herewith that according to the available data:

- The facts contained in the Report comply with the reality.
- The Report-contained analysis, views and conclusions are those of the Appraiser and apply only within the limiting conditions and assumptions which represent an integral part of this Report.
- Neither at present nor in the future the Appraiser has and/or will have any interest with respect to the market value of the object of appraisal and is therefore acting impartially.
- The Appraiser's remuneration is not dependent on the final value of the appraised property, as well as on the events and consequences which might result from the application of the present Report by the Customer or third parties.
- The Appraisal Report contains professional reasoning of the Appraiser in relation to the appraised property by the specific date and may not be considered as a warranty that the said value would not change in the future.
- The Appraisers have carried out an on-site audit and necessary measurements of the appraised property.

Annex 7. Minutes of Consultation Meeting

Minute of the meeting with representatives of the Berbuki Karaleti and Tiniskhidi community of the Gori district

Gori District, Village Bebruki

April 21, 2009

Agenda: Rehabilitation project impact on social and economic conditions of the population of E-60 Highway section Sveneti-Ruisi (km80-km95)

Meeting attended by: 1 I. Bejanishvili (Berbuki Head of Sakrebulo)
2. Z. Berianidze (Karaleti Head of Sakrebulo)
3. G. Aniashvili (Tiniskhidi Head of Sakrebulo)
4. K. Bejanishvili
5. S. Saatashvili
6. A. Saatashvili
7. T. Khabelashvili
8. B. Merabishvili
9. V. Baliashvili
10. L. Ganjelashvili
11. V. Tsertsvadze
12. A. Agjjevi
13. A. Okromchedlishvili (Expert in social and Economic issues of the project).

Head of the Meeting: I. Bejanishvili

Expert in social and Economic issues A. Okromchedlishvili talked about the project.

He introduced the information to the affected persons regarding compensation principles, assessment methodology, land acquisition procedures concerning their obligations and their rights.

Opinions expressed by the community during the meeting.

1. Members of the Community pointed out, that despite of only small part of the highway passes through their land, It is mostly important for them, because this will be useful for their country.
2. Representatives pointed out, that in order to mitigate or eliminate the adverse impact of project implementation community members proposed to pay a special attention to the following.
 - Not to damage the irrigation canal situated along the highway.
 - The issue of access roads is greatly important for the communities from the point of view of transportation of harvest, movement of heavy agricultural machinery and livestock.
3. Representatives consider, that a special attention shall be paid to the issue of safety of the population on the highway and stops of intercity traffic.
4. Employment during the Implementation of the project as a source of income is important for each representative of the community.
5. In the settled areas noise reducing measures are to be carried out.

Chairman of the meeting: I. Bejanishvili

Minute of the meeting with representatives of Ruisi, Urbnisi
communities of Karaleti Region

Gori District, Village Bebruki

April 21, 2009

Agenda: Rehabilitation project impact on social and economic conditions of the population of E-60 Highway section Sveneti-Ruisi (km80-km95)

Meeting attended by: 1 G. Tsavelidze (Urbnisi Head of Sakrebulo)
2. G. Vardzelashvili (Ruisi Head of Sakrebulo)
3. M. Khaniashvili
4. Sh. Baramashvili
5. Z. Khizanishvili
6. T. Saatashvili
7. V. Khanishvili
8. V. Khizanishvili
9. G. Khizanishvili
10. K. Khizanishvili
11. J. Baliashvili
12. G. Tsitsishvili
13. A. Okromchedlishvili (Expert in social and Economic issues of the project).

Head of the Meeting: G. Tsavelidze

Expert in social and Economic issues A. Okromchedlishvili talked about the project.

He introduced the information to the affected persons regarding compensation principles, assessment methodology, land acquisition procedures concerning their obligations and their rights.

Opinions expressed by the community during the meeting.

6. Members of the Community realize the importance of the project and greet it's implementation. Representatives pointed out, that in order to mitigate or eliminate the adverse impact of project implementation community members proposed to pay a special attention to the following.
 - Not to damage the irrigation canal situated along the highway.
 - The issue of access roads is greatly important for the communities from the point of view of transportation of harvest, movement of heavy agricultural machinery and livestock.
 - In the settled areas noise reducing measures are to be carried out.
7. Representatives consider, that a special attention shall be paid to the issue of safety of the population on the highway and stops of intercity traffic.
8. Employment during the Implementation of the project as a source of income is important for each representative of the community.

Chairman of the meeting:

G. Tsavelidze