

Final Compliance Report

On

Resettlement Action Plan

RAP

Kakheti Regional Roads Improvement Project (KRRIP) (P117152)

Subsection Bakurtsikhe-village Gurjaani (km 1.06– km 9.00)

Prepared for

**Rehabilitation of Bypass of Bakurtsikhe-Gurjaani Road Section under Kakheti
Regional Roads Improvement Project KRRIP/CS/QCBS-03
(Section between Tbilisi-Bakurtsikhe-Lagodekhi and Bakurtsikhe-Telavi-Akhmeta cross
road and Bakurtsikhe-Telavi-Akhmeta Road)**

(LOAN NO IBRD-77410, IDA-5108-GE)

November 2016

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Abbreviations

WB	World Bank
AP	Project Affected Person
AH	Project Affected Household
CSC	Construction Supervision Consultant
DMS	Detailed measurement survey
SSC	Social Safeguards Consultant
GEL	Georgian Lari
GoG	Government of Georgia
GRC	Grievance Redress Committee
IA	Implementing Agency
EMA	External Monitoring Agency
Km	Kilometer
LAR	Land acquisition and resettlement
RPF	Resettlement policy framework
RAP	Resettlement Action Plan
RFCR	RAP Final Compliance Report
M&E	Monitoring and Evaluation
MFF	Multitranche Financing Facility
MOF	Ministry of Finance of Georgia
MRDI	Ministry of Regional Development and Infrastructure
NAPR	National Agency of Public Registry
PA	Project affected
PPTA	Project Preparation Technical Assistance
RDMRDI	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
R&R	Resettlement and Rehabilitation
RDRD	Road Development and Resettlement Division
RoW	Right of Way
RU	Resettlement Unit
SES	Socio-economic survey
SPS	Safeguard policy statement
TRRC	Transport Reform and Rehabilitation Centre

About the Monitoring

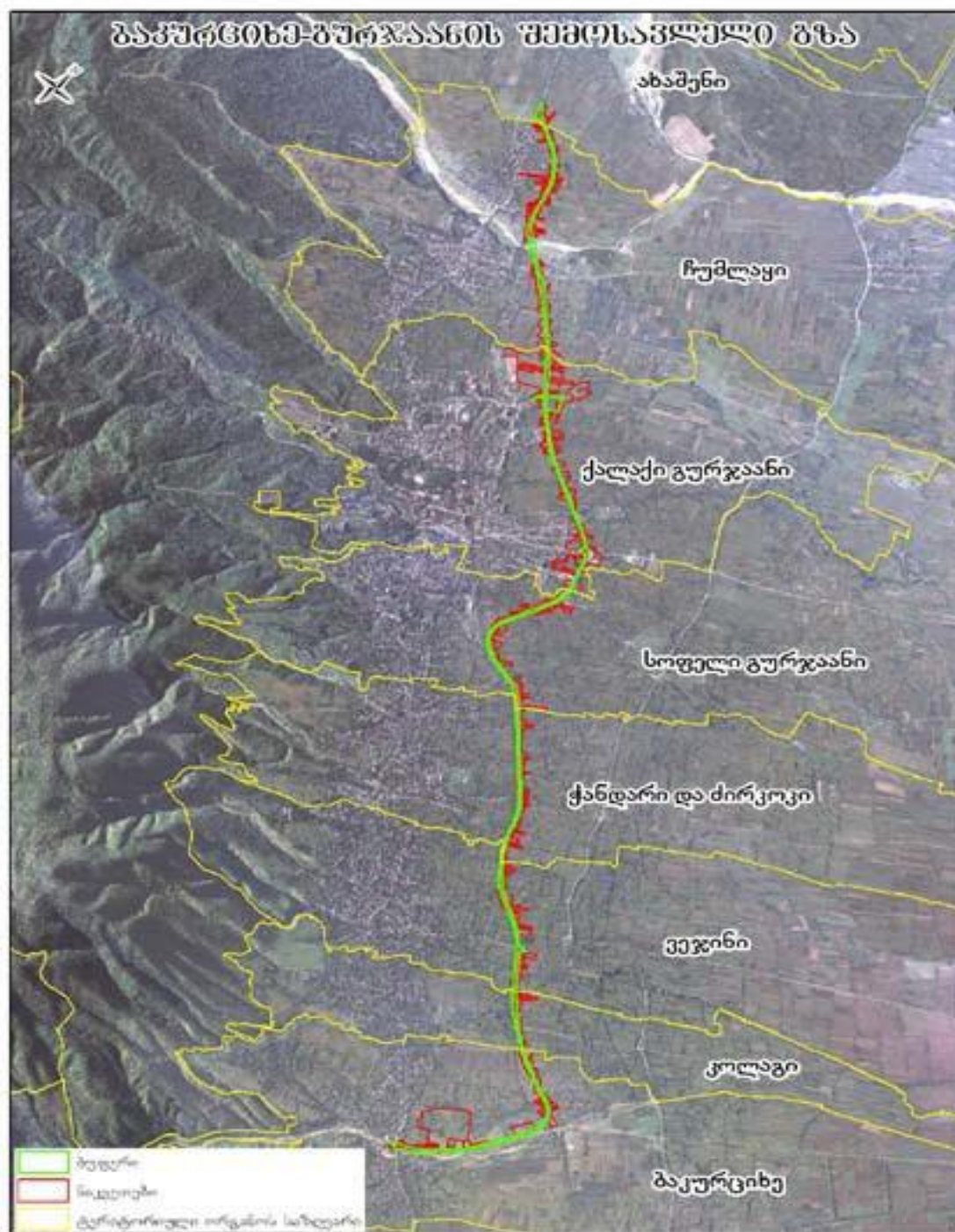
According to the agreement between the Road Department and the World Bank team during the February 2012 mission, the Road Department of Georgia hired Mariam Begiashvili, as the Social Safeguards Consultant (Contract N.SLRP/CS/SSS-01) to conduct monitoring and evaluation of the Resettlement Action Plan results and impacts and prepares Final Compliance Reports (RFCR).

Approval of the final RAP by WB is a condition for approval of the award of relevant civil works contracts. Likewise, full implementation of the RAP is a condition for the commencement of civil works. The completion of RAP implementation in accordance with the stipulations in of RPF and RAP is verified and confirmed in a RAP Final Compliance Report (RFCR) prepared by the Social Safeguards Consultant.

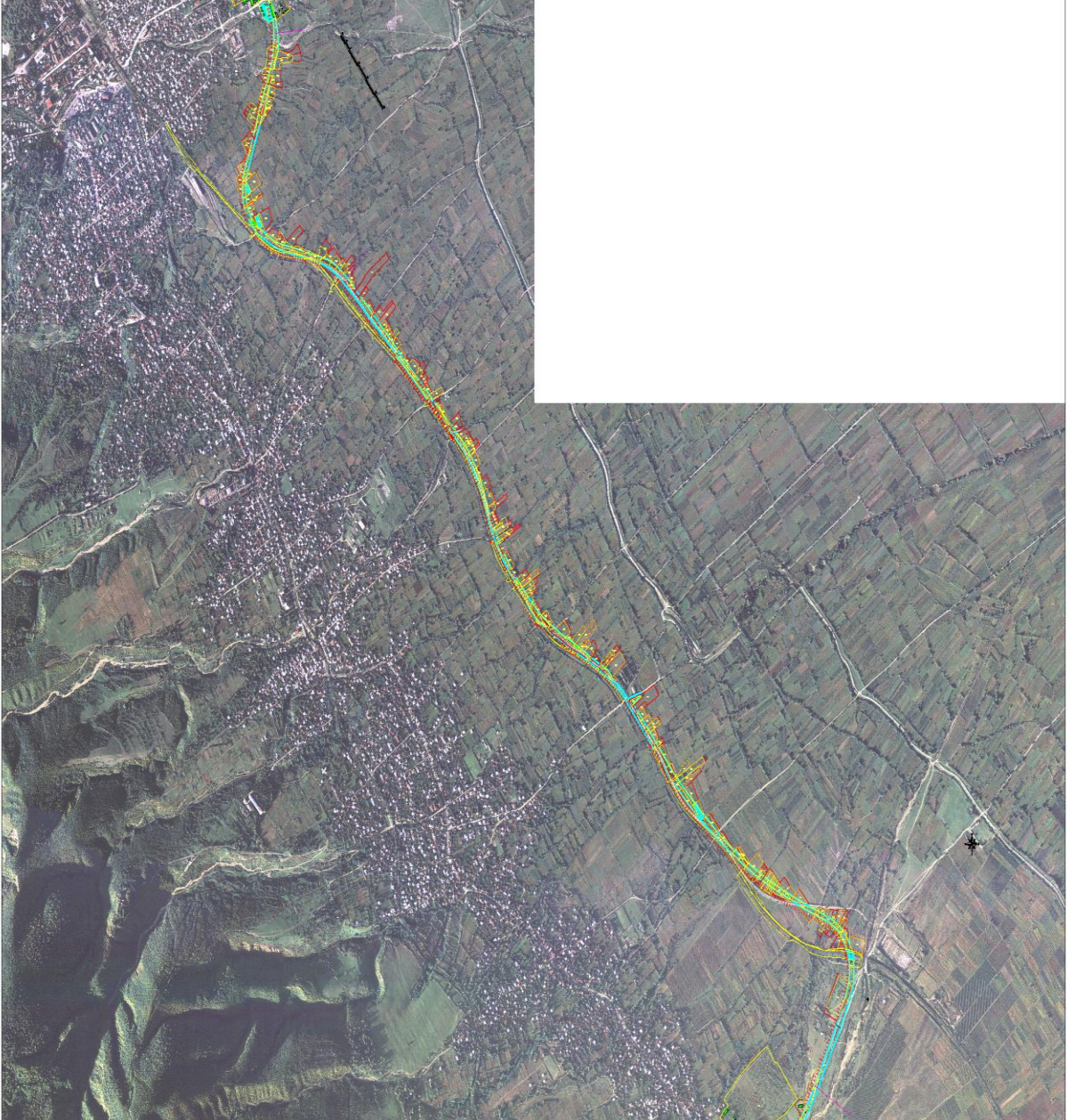
The monitoring for the Project was based on (i) the procedures and guidelines of WB as set out in WB OP 4.12 requirements; (ii) relevant laws, policies, and regulations in Georgia; (iii) RPF and RAP of the Project; and (iv) the general principles that the involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternatives project designs as well as that AP's livelihood should be better or at least remain at the pre-displacement level or to levels prevailing prior to the beginning of project implementation, whichever is higher.

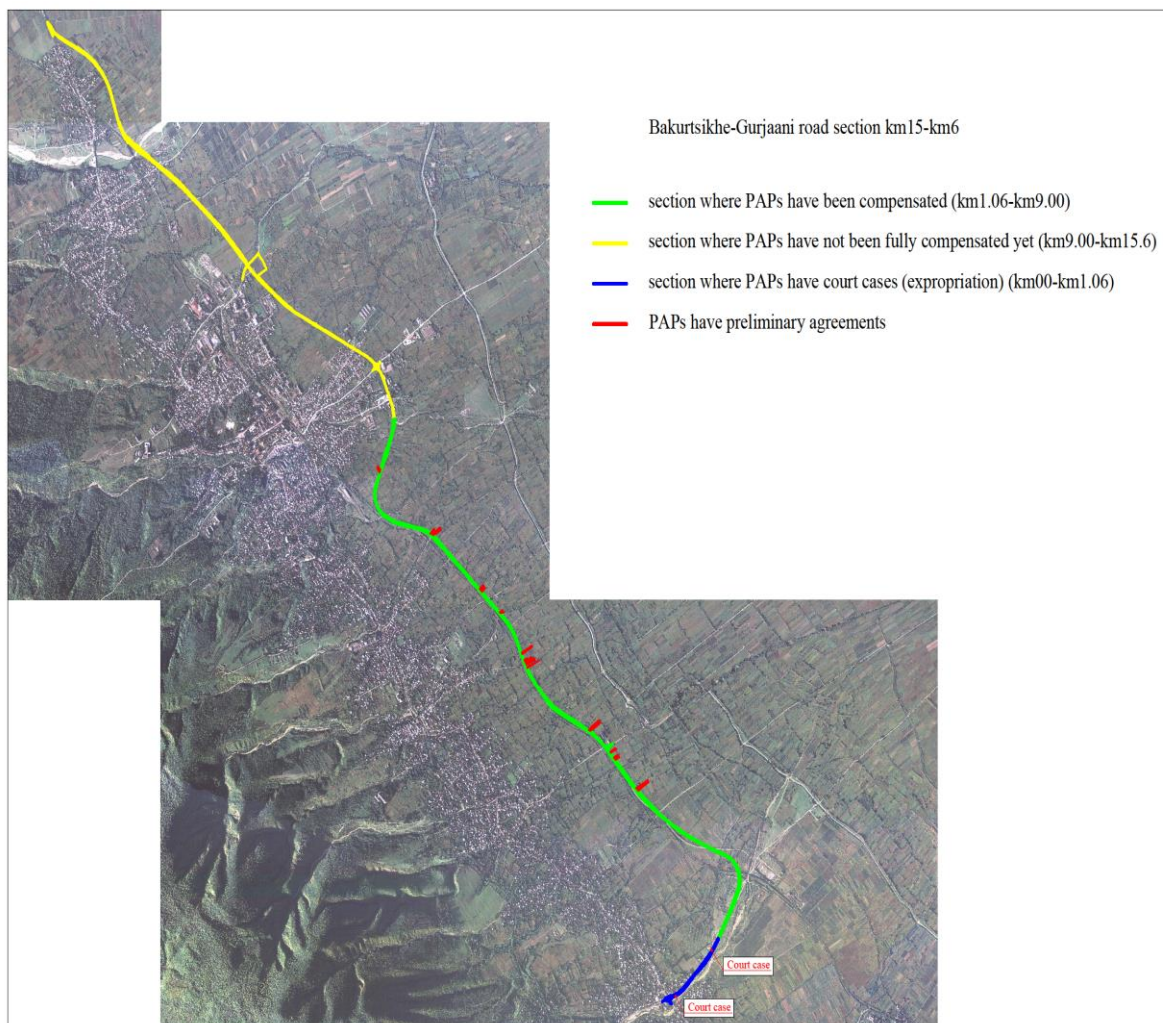
The Final Compliance Report for the subsection **Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)** is presented to the Roads Department of the Ministry of Regional Development and Infrastructure and submitted to WB for review.

Project Map



Area Map





Executive Summary

1. Bakurtsikhe-Gurjaani bypass road represents the component of Kakheti Regional Roads Improvement Project (KRRIP) funded by the Government of Georgia and the World Bank. The bypass road starts from Tbilisi-Bakurtsikhe-Lagodekhi and Bakurtsikhe-Telavi-Akhmeta cross road and ends at Bakurtsikhe-Telavi-Akhmeta road. The road mainly uses original road corridor built in the 1980s, but also envisages new realities. The main difference is that the new road will bypass those areas, which have been developed and used since the 1980s.
 1. The entire project alignment will be divided on several subsections and the project development will be arranged in phases. According initial RAP, first phase will cover subsection 1 (0.0 - 5.0 km). The next - subsection 2 (5.0 - 10.0 km), and finally - subsection 3 (10.0 - 15.6 km). After the finalization of delivery of all entitlements included in this Resettlement Action Plan (RAP) satisfying the WB Safeguards Policies requirements OP/BP 4.12, the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMRDI) as the Program Implementing Agency (IA) has to prepare Compliance Reports for each subsection. This Compliance Report prepared for first subsection and length is a little bit longer as was presumed in initial RAP (almost 8 km long).
 2. The road covers approximately 15 km road section in Kakheti region from Village Bakurtsikhe till Village Chumlaki, Gurjaani Region. This section is the part of Akhmeta - Telavi - Bakurtsikhe

inter- country road, which is one of the main roads of Kakheti region. The road passes through densely populated areas and therefore the transit traffic in this area is intense with a high number of road accidents. The arrangement of bypass road that will connect Tbilisi-Bakurtsikhe-Lagodekhi-Azerbaijan international border road to Akhmeta-Telavi-Bakurtsikhe inter-country road bypassing the villages on Alazani Valley - Bakurtsikhe, Kolagi, Dzirkoki, Chandari, Vejini and Chumlaki and Gurjaani Region, is being planned (see. Figure 1).

This first compliance report is prepared for the subsection **Bakurtsikhe-Village Gurjaani (km 1.06– km 9.00) is planned to be submitted on December 2016.**

The second compliance report covering the subsection village Bakurtsikhe-village Akhasheni (km 9.00-km km 15.6) is planned to be submitted on January 2017.

The third compliance report covering subsection village **Bakurtsikhe (km0.00– km 1.06)** is planned to be submitted on April 2017-there are two court cases (expropriation procedures will be started soon) expected on this subsection: one household requested the RD to purchase the entire land and provide compensation for owner's physical relocation and another HH requested to change the unit price for his land and to purchase this land as commercially used land with structures located on it;

3. The road subsection **Bakurtsikhe-Village Gurjaani (km 1.06– km 9.00)** impacts land with total size of 511910 sq.m, RAP defined mainly 181¹ plots affected by project (92 356 sq.m.). The total amount of the compensations is GEL 1 224 427. Among this sum, GEL 278,378 is paid for land, 4 owners received the compensations for fences and 105 household – for severe impact (GEL 104 160 in total); GEL 756 561 is totally paid for Perennials and GEL 55 818 – for Annual Crops; GEL 8 370 is paid for Vulnerable Households; GEL 12 158 is the total price paid for Registration. The compensations were paid during the period of April 2016-October, 2016.
4. The hereby Final Compliance Report (LFCR) provides detailed description of monitoring process and comparison analyses of the entitlements stipulated under the Land Acquisition and Resettlement Plan (RAP) and results of land acquisition and delivery of compensations according to the entitlements stipulated under the Land Acquisition and Resettlement Plan (RAP) and Land Acquisition and Resettlement Policy Framework (LARF) Prepared by the RDMRDI and approved by the GoG and WB.
5. This report outlines the following:
 - Assessment of the way compensation was carried out in relation of the stipulations of the RAP and the RPF;
 - Verification that all APs have been compensated in the amounts stipulated in the RAP;
 - Assessment of the accuracy of survey and asset valuation;
 - Assessment of the effectiveness and thoroughness of the Legalization process;
 - Review of complaint and grievance cases and of their solution;
 - Assessment of the rehabilitation program for severely affected and vulnerable APs;
 - Assessment of the satisfaction of the APs;
 - Assessment of the indirect impacts on the local population;

¹ During the RAP implementation process, prior to land acquisition as a result of specifying land parcel boundaries and realignment of Road Corridor, the road project impact was eliminated and 2 private land parcels appear outside of Resettlement area, also there are 19 pending cases.

- General assessment of RAP implementation and recommendations to WB regarding the provision of No Objection Letter to start the civil works;
- Recommendation and suggestions on developing and implementing RAPs for future similar projects

Table 1. The Summary Table reflecting the RAP implementation impacts and cash compensation amounts paid to Project Affected Persons, in Bakurtsikhe-Village Gurjaani (km 1.06–km 9.00).

No.	Impacts	Unit	Number	price
Land Tenure Patterns				
1	Total Land parcels affected,(162 Affected HH)	No.	181 (2 minimization, 19 land parcels with preliminary agreements)	
2	Total Land Area affected	Sqm	511910	
3	Total Land Area acquired		92356	
4	Category 1. Private Registered Plots (legalized)	No.	52	
		sq.m	23158	
5	Category 2. Private (Rightfully owned)	No.	104	
		sq.m	61235	
6	Category 3. State Owned Illegally Occupied by Private Users (non legalizable)	No.	25	
		sq.m	7963	
7	Category 4. State Owned Not Used by Private Users	No.	0	
		Sqm	-	
Total Price Paid for Land				GEL 278 378.00
Land Use and Compensation Categories				
8	Type 1; Private agricultural land(3,30 Gel/sq.m)	No.	156	
		sq.m	84 393	
9	Type 2; Private non-agricultural residential land (5,61 Gel/sq.m)	No.	0	
		sq.m	-	
10	Type 3; Private non-agricultural land used for commercial needs (11,88 Gel sq.m)	No.	0	
		sq.m	-	
11	Type 4; State Owned agricultural land (Illegally used by Private Users) ; not compensable	No.	25	
		Sqm	7963	
12	Type 5; State Owned land illegally used by private users as residential not compensable	No.	0	
		Sqm	-	
13	Type 6. State owned land illegally used by private users as commercial; not compensable	No.	0	
		Sqm	-	
14	Type 7. State owned land unused; not compensable	No.	0	
		Sqm	-	
Agricultural Patterns				
13	Arable land for expected crop	sq.m	33 369	
20	Affected Trees	No.	9 560	
Total Price Paid for Perennials				GEL 756 561.00
Total Price Paid for Annual Crops				GEL 55 818.00
Affected Structures				
22	Residential Buildings	No.	N/A	
23	Commercial Buildings	No.	N/A	
24	Supplementary buildings	No.	N/A	
25	Fences	No.	425	
Total Price Paid for Structures				GEL 8 982.00
Affected Businesses				
29	Shops	No.	N/A	

30	Business Structures	No.	N/A	
Total Price Paid for Businesses				0
Affected Households				
31	Severely affected Households	No.	105	
32	Vulnerable Households	No.	60	
33	Resettled households	No.	N/A	
34	AH with registered plots	No.	40	
35	AH with legalizable plots (rightful owners)	No.	75	
36	AH illegally using State owned land (non-legalizable)	No.	0	
37	AH with agricultural land plots	No.	158	
38	AH with non-agricultural (commercial) land plots	No.	0	
39	Total AH	No.	162	
40	Total Affected Persons	No.	664	
Total Price Paid for Severely Affected Households				GEL 104 160.00
Total Price Paid for Vulnerable Households				GEL 8370.00
Total Price Paid for Registration				GEL 12158.00
Total				GEL 1 224 427

Description of the Project

Scope

1. Bakurtsikhe-Gurjaani bypass road is the component of the Kakheti Regional Roads Improvement Project (KRRIP) funded by the Government of Georgia and the World Bank. The bypass road starts from the crossing of Tbilisi-Bakurtsikhe- Lagodekhi and Bakurtsikhe-Telavi –Akhmeta roads and ends at the Bakurtsikhe-Telavi-Akhmeta road. The bypass road mainly uses the initial road route of the 1980s though it takes into account new realities as well. The main difference is that the new road bypasses the areas, which have been developed and used since the 1980s.
2. The road includes a section of about 15 km in the Kakheti Region from the village Bakurtsikhe to the village Chumlaki in Gurjaani District. This section is a part of the domestic Akhmeta-Telavi-Bakurtsikhe road that is one of the main roads of the Kakheti Region. The road passes through densely populated areas with high intensity of transit traffic and big number of road accidents on the above section. There is planned to arrange a bypass road that will connect the international highway Tbilisi- Bakurtsikhe-Lagodekhi-Azerbaijan border with the existing domestic Akhmeta-Telavi-Bakurtsikhe road bypassing the villages Bakurtsikhe, Kolagi, Dzirkoki, Chandari, Vejini and Chumlaki and the town of Gurjaani (see Fig. 1).
3. Total land area to be acquired is 199171 sq. m of land from 491 plots. In terms of tenure the affected land plots are distributed in accordance with the following categories:

Category 1. 129 private land plots with full registration (62084 sq. m);

Category 2. 275 private rightfully owned unregistered plots (130363 sq. m);

Category 3. 39 state owned plots illegally occupied by private users (6724 sq. m.)

Category 4. 48 state owned unused land plots of 233597 sq. m

Category 3 land parcels, no compensation is paid for land but only for lost assets and improvements (e.g. fences, crops, etc) and resettlement or livelihood restoration as required. Category 4 land parcels are not subject to compensation

Given the magnitude of impacts (there are 350 AHs, 247 severely affected APs and two relocated resident) the project under this RAP is classified as category “A” for resettlement.

Agencies and Financing

WB is the funding agency and RDMRDI is the Implementing Agency (IA) of the Project. RDMRDI has the lead responsibility for road construction, as well as implementation of this RAP through the Resettlement Unit (RU) under the Roads Development and Resettlement and Environmental Protection Division in RDMRDI. A Land Acquisition and Resettlement (LAR) Commission (LARC) will be assisting RU in all LAR activities and RU will be represented at the field by a Working Group comprising the legal, economics and engineering expertise from other departments of RDMRDI. In addition, RU will be assisted by LAR Team in the rayon level involving also the local self-government bodies. Transport Reform and Rehabilitation Centre (TRRC) has been formed as an independent body for financial management of World Bank financed projects. In addition, a number of other government departments will play an instrumental in the updating and implementation of RAP.

RDMRDI is assisted by a number of other government departments and private agencies in the design, construction and operation of the Project. Pursuant to the active legislations, National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the recognition of ownership rights of rightful owners, registration of land ownership, with process of verification and certification from Village Communities, Notaries, Property Rights Recognition Commission (PRRC), and Sakrebulo. Rayon NAPR is also responsible for registration transfer of acquired land from landowners to the State. The local government at Rayon and village levels is involved in the legalization of legalizable land parcels and subsequently land acquisition and resettlement of APs. The Ministry of Natural Resources and Environmental Protection is responsible for environmental issues.

RAP comprises the road section in Gurjaani Rayon of Kakheti Region. Gurjaani Sakrebulo, Gamgeoba, Registration Office and PRRC are all involved in RAP. Gamgeobas of villages Bakurtsikhe, Kolagi, Dzirkoki, Chandari, Vejini and Chumlaki were involved for local level RAP activities.

Status of the Project

RAP has been prepared as a condition to contract awards signing. It follows feasibility study and RPF prepared by RDMRDI for SLRP III project and disclosed December, 2015. Public consultations held on February- 12-13, 2015. The document complies with relevant Georgian laws and provisions of the WB OP 4.12 on Involuntary Resettlement, as well as the updated version of the Resettlement Policy Framework developed by RDMRDI in May 2014 for the “SLRP III”.

For the road section Bakurtskhe-Gurjaani, subsection **Bakurtsikhe-Village Gurjaani (km 1.06–km 9.00)**, the amount of GEL 751 955 has been disbursed as cash compensation for land, assets and income loss and as additional rehabilitation measures stipulated under the RAP for project affected persons.

Totally 158 households (664 persons) were affected. The compensations were paid during the period of April 2016 -October 2016.

This is First Compliance Report, covering subsection **Bakurtsikhe-Village Gurjaani (km 1.06–km 9.00)**.

Methodology

The SSC, while conducting the assigned task, studied the RAP, carefully reviewed the activities implemented by PIU during RAP implementation process and the level of compliance with the stipulations under the regulations of WB and in particular, the OP 4.12 (Involuntary Resettlement Policy).

The SSC studied the process of ownership title registration of land plots being under possession of private persons and AHs and examined its validity in respect with the active legislation of Georgia. The SSC assessed the institutional arrangements and level of efforts of local governance to encouraging participatory involvement of APs/AHs in RAP implementation, in particular orientation meetings with local populations and Public Disclosure.

Aiming to determine the satisfaction level of APs with regard to the RAP results, the SSC met with the local population and interviewed 25% (40 APs) of the project affected HH. Summary of discussions held and people met is provided in Annex 3.

The SSC examined the accuracy of lost assets inventory and the level of fairness of calculation of compensation package; reviewed the activities conducted by the resettlement Implementing Unit in the process of issuance of compensations to the APs with reference to adherence to the terms and conditions

determined under the RAP. The Complaints were reviewed and the efficiency of the Grievance Redress Mechanism was assessed. Based on the analyses of the information obtained through undertaken studies, the SSC has prepared this Final Compliance Report.

In order to meet these requirements and undertake a comprehensive monitoring of the RAP, the SSC followed the specifically developed preliminary action plan that considers the full range of activities. Each activity undertaken by the SSC was identified to serve a specific reason and provision of realistic, reliable and tangible feedback. The Consultant conducted a field survey within the project site. After the review of documentary materials related to the land acquisition and resettlement plan implementation procedures. The SSC met with the local population (conducted small group discussions), local government bodies. The accuracy and correctness of the obtained information was double checked on site during the field trip.

SSC Findings and Assessments

Assessment of the RAP implementation modalities

Determination of the actual scope of project impact

Project impacts – loss of land, structure and other assets – result from the 8.0 km section of road through Gurjaani Rayon in Kakheti Region. Compensation and rehabilitation measures have been worked out based on these impacts. A detailed inventory of all the impacts has been done following the final alignment as per detailed engineering design of bypass.

Digitized cadastral maps were collected from the Gurjaani Registration Office of NAPR. The final road alignment was superimposed on the digitized cadastral maps and land survey using DGPS was conducted on site to identify the affected land parcels, demarcation of land parcels including correction in geometric details and quantification of land parcels including affected part. With the cadastral details from land survey, detail measurement survey (DMS) and AP Census were undertaken for 100% of the land parcels and their owners/users. These surveys started on February 14, 2015 and terminated on March 4 2015. additionally, a socioeconomic survey (SES) of 20% sample households was carried out in the project affected areas in order to understand the socio-economic condition of the AP. The DMS/AP Census start date is considered as the compensation eligibility cut-off date for the project which is therefore February 14, 2015.

Minimizing Land Acquisition and Resettlement Impact

According to the implemented RAP impact along road subsection **Bakurtsikhe-Village Gurjaani (km 1.06–km 9.00)** is entailed in total over 181 parcels (92 356 sq.m.) of land located in Gurjaani Rayon.

In regard with the remaining 181 land parcels (92 356 sq.m.) recorded as privately owned/used during RAP implementation prior to land acquisition some data were double checked. As a result of Road Corridor alignment adjustment 2 (2) land parcels (impact 36 sq.m) appear outside of ROW.

Thus, the final number of project affected land plots that subject to acquisition within the RAP project framework made up 181 (2 minimization, 19 land parcels with preliminary agreements) privately owned/used land plots (92 356 sq.m).

The Table 1 below shows the results of minimization of project impact and comparison analyses of the RAP scope of impact versus the actual impact of the RAP implementation results.

In particular, number of land parcels that subject to acquisition, total area of land take (in sq.m.) and the number of AHs eligible to land compensation at the level of approved RAP and the results of assessment made after RAP actual implementation.

Table 2. The Comparison of the scope of project impact under initial RAP and RAP actual implementation

Types of project affected land parcels	No of Units	Total Size (in sq.m.)	No of AHs
Planned under the RAP			
Private land parcels	156	84393	137
State-owned land parcels private used	25	7 963	25
TOTAL	181	92 356	162
Actual implementation			
Total land parcels	179	92 320	160
Land parcels under minimization	2	36	2
TOTAL	181	92 356	162²

Finding: The total volume of project impact has been minimized to less number of land parcels and their owner AHs.

Table 3. Summary Impact Table

Type of Impact	Compensation planned	Compensation paid
Land Compensation	325895.5	278 378
Compensation for Buildings	9291	8 982
Compensation for Annual Crops	10 354	55 818
Compensation For vulnerable HH	79 075,5	8 370
Compensation for severe impact	41 462	104 160
Compensation for registration	13 512	12 158
Compensation for perennials	777 485	756 561
Compensation Total	1 257 075.5	1 224 427

² Several HHs own/use more than one land parcel, therefore the number of APs is less than number of PA land parcel units.

Assessment of Compensation Delivery

As a result of 100 % inventory of project affected assets the RAP determined the types of assets and income loss subject to cash compensation and entitlements.

The approved RAP clearly determined the types of income and assets lost due to the project impact which is as follows:

1. Land
2. Structure-building
3. Annual crops
4. Fruit-bearing perennials
5. Rehabilitation measures (cash compensation for vulnerable families and for land plots under severe impact)

Compensation Eligibility

In accordance to the approved RAP the eligible APs entitled for compensation or at least rehabilitation provisions are as follows:

- (i) all APs losing land either covered by legal title/traditional land rights, legalizable, or without legal status;
- (ii) tenants whether registered or not;
- (iii) owners of buildings, crops, plants, or other objects attached to the land;
- (iv) APs losing business, income, and salaries.

Compensation eligibility was limited by a cut-off date on the day of the beginning of the AP Census (February 14, 2015) and detailed measurement survey (DMS).

Compensation for Permanent Loss of Land

Pursuant to the approved RAP, cash compensation at full replacement cost at market value was determined for the owners of full registration. This approach was extended over the cases of permanent loss of agricultural land as well as non-agricultural. Although the RAP describes the entitlements for those APs that might have under possession PA land parcels without valid title and legalizable owners.

The RAP determined Replacement cost of land based on existing market rates to the extent possible and adding the applicable transaction cost like registration with the NAPR at the Rayon level Registration Office and the Rayon PRRC. Market rates were defined taking into account the type of land, its purported use and location.

Compensation of agricultural land has been derived based on the feedback from the affected people and from the independent evaluator. The land is categorized to two types such as agricultural and commercial. All agricultural land affected in this section is irrigated. Cost of legalization and residual land unavailable for cultivation is included in the costs. The costs for various categories of land loss are given in Table 2.

Table 4. Cost for Land Acquisition

Compensable Land			
1	Category 1. Private registered plots (Legalized)	No	129
		Sq. m	62084
		AH	100
2	Category 2. Private rightfully owned unregistered plots (Legalizable)	No	275
		Sq. m	130363
		AH	241
	Sub-total compensable land	No	404
		Sq. m	192447
Non- Compensable Land			
3	Category 3. State Owned Illegally Occupied by Private Users (Non Legalizable)	No	39
		Sq. m	6724
		AH	36
4	Category 4. State Owned Not Used by Private Users	No	48
		Sq. m	233597
		AH	0
	Sub-total non-compensable land	No	87
		Sq. m	240321
	Total	No	491

The SSC reviewed the list describing the project affected land parcels and the allocated budget. The Consultant examined each and every Sales and Compensation agreement signed between the Road Department and project affected persons in order to be assured that compensations were paid according to the approved budget.

Finding: Due Agreements have been processed with the owners (or owners legitimate representatives) of 135 (2 land parcels are under minimization, 25 land parcels are state owned, used by private users and 19 land parcels are pending-preliminary agreements with owners signed) project affected private land parcels. Cash compensations were paid according to the land market rates

determined in the approved RAP and specified in the agreements entered between the Roads Department on behalf of the State and the PAs. Land compensation and Rehabilitation allowances Agreements were signed with owners of 135 Private agricultural land parcels with total amount of GEL 278 378 was paid for land. 25 state owned land plot users were received cash allowances for: crops, perennials, severe impact and vulnerability..

RD IA Assistance to APs in the process of legalization

The RAP describes the procedure to correct and accurate initial registration of ownership rights as 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 Registry are considered accurate until their accuracy is not proved. Therefore, throughout the presumption of the article 312 of the Civil Code of Georgia the inaccurate data available at the Public Registry shall be corrected with precise data.

In the process of RAP implementation project affected landowners carried out precise demarcation and legalization of his/her land parcel(s) through proper procedure. The land owners applied to the Public Registry with necessary documents as proof of the ownership and description of land, Cadastral Map with precise survey data and documents verifying ownership right.

As stipulated in the RAP the Resettlement IU of the Roads Department provided all the APs with new survey cadastral maps carrying all necessary data for free. Then the APs applied to the Public Register and undertook necessary steps and updated the registration as Law of Georgia requires.

Besides, in case of partial land take, some land parcels subject to division and registration at the NAPR. The Law determines fixed rate for registration of division. All APs who divided land parcels were reimbursed registration fee together with cash compensation for permanent loss of land (102 GEL).

Table 5. Reflecting the RAP implementation result and status of legalization procedures

Item	Number of Items	NOTE
Total number of PA land parcels (planned)	181	
Among them:		
Land acquisition accomplished	135	Transferred from private to State Ownership
State owned illegally occupied by private users (non legalizable)	25	
Minimization of land parcel (s)	2	
Total number of PA land parcels (actual)	179	
Inheritance to be determined	0	
Court Dispute	0	
Pending issues	19 ³	(Some Owners have problems with financial liabilities (debts), others need 6 month to receive inheritance, or need time to prepare documents for land registration.)

³ Because of many registration difficulties preliminary agreements were signed with the owners of 19 land parcels (15 Affected HH). The reason of signing these agreements was to give the AHH enough time to solve the registration, heritability and similar problems. According to the preliminary agreement the owner allowing RDMRDI to start the civil works on his/her land parcel. (Please see attached signed sample of Preliminary Agreement in Annex 3). The full compensation amount will be paid to AHH after the land registration.

Based on the SSC studies and reviews, considering the actual circumstances and according to the information obtained from the Team that worked on collection necessary data during RAP development, the SSC assumed that the fact that term “legalizable” being used in regard with 104 land parcels mentioned in the RAP was caused due to simple factual detail. In particular, during Census and interviews the PAs owners of those 104 land parcels could not present hard copies of their titles. However, the documents originating the ownership rights to these land parcels were available in the local Public Register⁴ (NAPR Rayon office) and none of the APs had any problem with updating their Extracts from the Public Register prior to processing the agreements necessary for receiving cash compensations.

Finding: None of the APs needed to undertake “legalization” procedures through involvement of Legalization Commission in order to update their registration with precise data and obtain valid Extract from the local Public Register (NAPR). The owners of all 104 project affected land parcels have been assisted by RD IA in updating their ownership rights in legally valid manner prior to processing the agreements and issuance of due cash compensation through provision of Detailed Survey Cadastral Maps for free.

Cash Compensation for structures and businesses

The construction of subsection **Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)** will affect 4 fences/supplementary buildings owned by 4 AHH. Cash compensation calculation for the owner is based on the type of construction, the costs of the houses/buildings replacement, materials, transportation, salaries and other additional costs.

The table below describes the type of structure that was compensated. The column “RAP Budget” reflects allocated amount of cash compensation. The next column “Actual payment” shows the amount the AP had actually received.

Table 6. Comparison of Cash Compensation Amounts for loss of structure-buildings

	RAP Budget	Actual Payments	Amount Paid
No of Structures	5 cases(9291 GEL)	4 cases (8982 GEL)	8982
Wells	0	0	0
Fences	5 cases(9291 GEL) 3	4 cases (8982GEL)	8982
Supplementary Buildings	0	0	0
Amount (GEL)	9291 GEL	8 982 GEL	8 982 GEL

Since the structures are immovable property attached to the land parcel amount of cash compensation for structures was included into one Sales Agreement together with the land acquired for road project needs. Within the entire RAP affected area there was 4 land parcels with structures attached (This structures are fences).

According to law, similar to land acquisition procedures in order to compensate loss of structures the RD had to purchase this structure through processing Sales Agreement with the land and real property owner (or owner’s legitimate representative).

⁴ In 1999-2000 the Government of Georgia through International Donor funded projects initiated systematic registration of ownership rights to agricultural land parcels distributed to local population for free based on receive-delivery acts issued on (1994-1996) or Tax payers lists issued by local Tax Offices. USAID Land Market reform Project (1997-2002) covered Shida Kartli Region.

Compensation for standing Crops

Table 7. Comparison of Cash Compensation Amounts for annual crops

	RAP Budget	Unit Rate (average)	Actual Payments	Unit Rate (During the implementation the unit rate was changed)
No of PA land plots	61	0.24 Gel	60	930.3 Gel
Amount (GEL)	9 121		55,818	

Cash compensation for annual crops has been fully paid to each and every AP according to the unit rate and amounts approved under the RAP budget.

Cash compensation for perennials

As per RAP, the methodology for calculation of cash compensation for perennials and fruit bearing trees was determined based on different methods for wood and fruit bearing trees. Wood trees are valued based on growth category and value of wood of the tree at the age the tree was cut. Fruit trees are compensated differently if they are productive or not yet productive. Productive trees are compensated based on the future income lost for the years needed to re-grow a tree at the same age/production potential in which was cut. Non productive trees are compensated based on the value of the investment made to grow the tree to the age in which the tree was cut.

According to the RAP Entitlements all APs regardless of legal status (including legalizable and Informal Settlers) are eligible to cash compensation at market rate on the basis of type, age and productive value of the trees. The Road project will affect 131 land parcels with trees (productive) which are privately owned by households.

Table 8. Comparison of cash compensation for perennials loss

	RAP Budget	Actual Payments
No of PA land parcel with perennials	155	131
Amount (GEL)	777 485	756 561

Finding: The inventory was conducted to each project affected land parcels with standing perennials. However, there were land parcel with standing trees that had to be logged down to road project needs. The due cash compensation for loss of perennials was paid in accordance to RAP stipulations.

Compensation Entitlements for Vulnerable Groups

Under the initial RAP, according to the results of the socio-economic survey, out of the 158 HHs within the project affected, 85 families were classified as vulnerable. In accordance with the RAP, these families are below the poverty line.

The RAP provides entitlement measures for vulnerable groups in the form of one-time allowance equivalent to 3 months minimum salary i.e. 310 GEL x 3 months, which equals 930 GEL per HH.

Therefore, in accordance to actually implemented RAP all project affected vulnerable HHs were issued due cash compensation in the process of RAP implementation.

Table 9. Reflecting the actual entitlements for vulnerable families within project affected area.

NO of Vulnerable AHs	Entitlement rate (GEL)	No of eligible HHs	Total amount of compensation (GEL)
Planned under the RAP	930	85	79075,5
Actually Project affected HHs	930	9	8370

Finding: All project affected vulnerable persons were issued cash compensation in the amount of 930 GEL/family as stipulated in the RAP Entitlement Matrix.

Entitlements for the cases of severe impact

Pursuant to the approved RAP, a total of 181 land parcels (158 HHs) located within the Project affected area in **Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)** subsection were suffering by severe impact (loss of income of more than 10%). In accordance with the Entitlement Matrix, an owner of the land parcel under severe impact was eligible for an additional 2 year annual yield compensation, or 3 months minimum salary rate at 310 Gel X 3 = 930 GEL. (The RD decided to pay to owner of the land parcel under severe impact 3 months minimum salary).

Table 10. Reflecting the actual entitlements for the cases of severe impact within project affected area.

Entitlements for Severe Impact	No of eligible Affected Parcels	Total amount of compensation (GEL)
Planned under the RAP in Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)	81	41 462
Actual Implementation Data:	113	104 160

Finding: Each and every case of severe impact - 113 parcels owned by 98 HHs has been fully compensated as stipulated in RAP Entitlement Matrix.

Table 8. Comparison of FULL Package Cash Compensation

	RAP Budget (total package of Compensation)	Actual Payments (total package of Compensation)	
		Compensations Paid	Payments Pending/minimization
No of AP land parcels	181187	160	2+19=21
Amount in GEL	1 257 075	1 224 427	68 595
TOTAL	1 257 075	1 293 022	

Finding: To date, the compensation agreements are processed with the participation of land parcel owners/users, or their legitimate representatives, and compensation amounts are wire transferred from the State Treasury to the personal bank accounts as specified in the Sales/Compensation Agreements. Compensation Entitlement related to 160 (excluding pending issues and minimization cases) project affected land parcel owners/users are fully implemented in compliance with the Law of Georgia and WB SPS.

Assessment of Public satisfaction

Public Meetings and Raising Public Awareness on Project goals and Objectives

While reviewing the documents related to RAP implementation procedures, the SSC took into close consideration the cut-off-date. No encroachers were revealed during the monitoring process.

The fact that not a single case of encroaching was revealed during the monitoring process some extent proves that local population was well-informed about the APs rights and responsibilities, as well as the cut-off-date limitations.

During monitoring, the SSC had an opportunity to converse with several local persons, who were not eligible for any cash compensation as they did not appear under the road project impact. Mostly, the interlocutors' answers highlighted the positive attitude and expectations of local population, particularly considering the potential for employment during the road construction activities, possibility for further economic growth in the region and the safety issues.

As a result of in-field interviews, the SSC revealed that the representatives of local community and government bodies were provided with consultations, public meetings, formal and informal discussions as considered appropriate under the RAP.

During monitoring the SSC revealed that to the section **Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)** Gurjaani Rayon, people were consulted through individual contact during the census, survey under the feasibility study for identification of AP persons and inventory of project affected assets. At the preparation of RAP on detail design stage, all likely AP persons were consulted through community level meetings, through individual contact at the time of census, socioeconomic survey and detail measurement survey.

The APs were informed and encouraged to attend Public Disclosure meeting. Besides, all important and necessary information was provided to APs on the goals and objectives of the Road Project and about the eligibility to fair compensation for losses incurred as a result of Road Project impacts.

The results of social survey

The SSC conducted a Social survey in the field in several phases. On the initial phase, 5 APs were randomly selected and visited in their residential places. Based on the feedback obtained, the SSC specifically designed the content of the questionnaire. This questionnaire was used to interview 40 other APs.

Based on answers received to the questions provided in the questionnaire, the overall response reflected rather positively on the Road Project results.

The answers to the question: "How did you use the received compensation?" provided practical and sensible responses.

The most of the interviewed 40 APs declared that they will use the part of received compensation for covering household expenses (to improve live hood conditions: to buy car, some new goods, etc.).

Besides, it was disclosed that:

- Fifteen respondents (15) covered their financial liabilities (debts)
- Three (3) - covered the children education costs
- Twelve (12) - repaired their residential house
- five (5) - provided financial aid to their children
- Ten (10)- plan to buy the new land parcel

During monitoring process the SSC met 5 Project affected households. Majority of these persons confirmed that the amount of offered cash compensation was reasonable and totally acceptable. There were several cases, when owners did not agree with fact that perennials were not completely

inventoried and accordingly valued. The re-inventory was done and the owners accepted the updated compensation package and signed the agreements willingly and voluntarily.

Finding: 100% of the APs are satisfied with the provided cash compensation and consider the measures undertaken by IA fair and reasonable.

In general local population carries rather positive approach to the Road project itself and future perspectives of the development of the region.

Gender and Resettlement Impacts

The RAP considers positive impact on gender and the civil works contracts to include provisions to encourage employment of women during implementation. Additionally, women headed households have been considered as the vulnerable group and special additional assistance were provided in the entitlement of the RAP.

Finding: Out of the total 158 households (181 land parcels) in subsection Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00) there are 27 project affected land parcels owned by Females.

So, there are 27 households which land plots and other property are registered on the name of female member of the household (wife, daughter, daughter/sister-in-law, etc.), but these HHs do NOT meet ‘the female headed households’ definition.

Therefore, in subsection Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00) there was not additional assistance provided for Female Headed Households.

Complaints & Grievance Redress Mechanism

To assess the level of satisfaction of the APs, the SSC requested all the copies of submitted Complaints. The Resettlement Division ensured provision of all Complaints. The SSC studied that in section **Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00)**, no written complaints were submitted by the owners or users of the land parcels located in the project affected area. It is worth mentioning that none of the owners have applied to the Grievance Redress Commission with claims relating to amounts of compensation issued as land replacement costs.

State Treasury – Alternative to Escrow Accounts

The Road Department made all attempts to ensure open escrow accounts and to use them for transferring cash compensation amounts to speed up the RAP implementation process. The Road Department arranged a meeting with the State Treasury and National Bank of Georgia to discuss this issue. During the discussion, it was revealed that the State Treasury does not have an approved procedure to wire transfer money from Treasury to an escrow account opened with a commercial bank, when the name of legally valid owner is not determined.

It is worth mentioning that the cash allocated for the given project are reallocated according to the specific expenses. In particular, construction cost, supervision cost, and among these, expenses for land acquisition and cash compensation for other assets. Correspondingly, compensation amounts allocated for APs are saved under a separate category at the State Treasury and shall be wire transferred to the personal accounts of the legitimate AP in accordance with the defined procedures.

Thus, pursuant to the Law of Georgia on State Budget financial resources designated for compensation project impact is allocated at the special account of the State Treasury, that to some extent carry the function similar to escrow account.

Finding: RD found perfect solution to ensure that all APs receive cash compensation allocated in accordance with RAP stipulations also not to cause suspension for the commencement of civil works on site.

Conclusions

The successful accomplishments of the Roads Department Resettlement Division are obvious through the analyses of the results revealed during the monitoring process.

Land acquisition and resettlement within the scope of RAP implementation process was undertaken in compliance with the safeguard regulations of WB and in particular, the OP 4.12 (Involuntary Resettlement Policy) and pursuant to the active legislation of Georgia.

The hereby Final Compliance Report (RCCR) provides detailed descriptions of the monitoring results of resettlement action plan, and assessment of the level of compliance of the RAP implementation procedures with the stipulations determined in the Land Acquisition and Resettlement Policy Framework (RPF) and Resettlement Action Plan.

The undertaken activities and the results achieved during the resettlement action plan (RAP) implementation process, permit determining the RAP implementation results as Positive.

According to the approved RAP project, subsection Bakurtsikhe-Villige Gurjaani (km 1.06– km 9.00), impact initially was extended over 181 (2 minimization cases, 19 preliminary agreements) land parcels.

The Statement of the Social Safeguards Consultant

Considering the Status of up to-date accomplishments and specificity of current issues, in respect with the RAP, the commencement of road construction activities are fully reasonable.

Annex 1

Assessment of the indirect impacts on the local population

In addition to assessing the impact of the actions planned by RAP on the local population, SSC, in the framework of the assessment, plan to assess the impact on the local population during and after completing the resettlement activities, particularly during the construction phase.

The impact was assessed taking into account the following criteria:

Employment

The newly chosen construction company '**JV Company Black Sea Group and Vahagh and Samvel.**' plans to meet the desire of local population to be employed on the civil works.

Currently, a number of representatives of the local population – from Gurjaani region are ready to be employed during construction. This will be the positive indirect benefit for local population.

Finding: The Construction Company plans to meet the expectations and desires of local population regarding the employment; the activity is in compliance with the stipulations of WB.

Grievance Redress Mechanism

During the Public Meetings in the framework of RAP, the local population was informed regarding the Grievance Redress Mechanism. The population was provide with information that in case of any dissatisfaction by the actions of Construction Company, RDMRDI, they could apply to Local Social Liaison Consultant, Social Safeguard Consultant or/and representative(s) of RDMRDI.

In period February 2016 – October 2016, RDMRDI and local Social Liaison Consultant have received almost 50 grievances from local population, 95% grievances were redressed by RDMRDI and this information will be additionally send to WB with Monthly Report. Two grievances from two affected HH are still pending and in case of disagreement, RD will apply to the court.

During the fieldworks, Local Liaison Consultant and SSC continue to record all grievances expressed by the population and informs RDMRDI, as well as, Construction Company, about them.

Annex 2

Summary of discussions held and people met

The Social survey conducted in order to collect population's opinion, used different research methods, such as Focus Group Discussions and Face-to-Face Interviews.

During the group meetings population highlights their satisfaction by the method of calculating the damage and the rates of compensations, which are acceptable and correspond with the prices on the local market.

In general, population going to spend the compensations received for covering the household needs and improving their livelihood. The sustainability of this decision will be assessed by the follow-up survey planned for the next year.

The face-to-face interviews using specially developed questionnaire were conducted with 20 directly impacted persons:

1. kochievi Ivane
2. Batsashvili Givi
3. Okrovertskhishvili Nikolozi
4. Berikashvili Neli
5. Khatiashvili Shota
6. Amisulashvili Amirani
7. Munjishvili Giuli
8. Biashvili Giorgi
9. Imedashvili Imeda
10. Sibashvili Tamazi
11. Zavrashvili Misha
12. Zavrashvili Ilia
13. Chankoshvili Badri
14. Mtivlishvili Giorgi
15. Svimonishvili Aleksandre
16. Chankoshvili Aleks
17. Tsinkashvili Givi
18. Buzaladze Viktori

19. Javshanashvili Amirani
20. Kandiashvili Dimitri
21. Kviralishvili Ilia
22. Javnashvili Giorgi
23. Gafrindashvili Ivane
24. Murakashvili Zakharia
25. Makharashvili Ivane
26. Mamulashvili Givi
27. Iremashvili Giorgi
28. Mamulashvili Soso
29. Lazashvili Satino
30. Utiaashvili Givi
31. Doijashvili Besiki
32. Dularidze Ivane
33. Useinashvili Ivane
34. Zardiashvili Soso
35. Imerlishvili Gimzi
36. Varazashvili Otari
37. Gortishvili Ana
38. Gortishvili Shalva
39. Songulashvili Leri
40. Tamarashvili Archili

The results are presented in the corresponding chapter of the report.

ურთიერთშეთანხმების აქტი N-1

გურჯაანი

24 მაისი 2016 წ.

ჩვენ, ქვემოთ ხელის მომწერნი, საქართველოს რეგიონული განვითარებისა და ინფრასტრუქტურის სამინისტროს საქვეუწყებო დაწესებულება საქართველოს საავტომობილო გზების დეპარტამენტის საავტომობილო გზების განსახლებისა და გარემოს დაცვის სამმართველოს შტატგარეშე მოსამსახურე გიორგი მიქაძე (პირ. №01011035794), მსოფლიო ბანკის მიერ დაფინანსებული პროექტის ფარგლებში ადგილობრივი განსახლების კონსულტანტი ნოდარ კოჭლამაზაშვილი (პირ. №14001000090) და გურჯაანის მუნიციპალიტეტის სოფელ მცხოვრები მოქალაქე (პირ. №14001051494) ეადგენთ აღნიშნულ აქტს მასზე, რომ საქართველოს (პირ. №14001051494) საკუთრებაში არსებული გურჯაანის მუნიციპალიტეტის სოფელ მცხოვრები ტერიტორიაზე მდებარე მიწის ნაკვეთის (—) ნაწილი მოექცა ბაკურიძის გურჯაანის შემოსავლილი გზისპროექტის ზემოქმედების ფარგლებში (პირობითი №286 მოქალაქე საქართველოს (პირ. №14001051494) აღნიშნავს, რომ გარკვეული მიზეზების გამო ამ ეტაპზე ვერ ახერხებს მიწის ნაკვეთის გაფორმება-დაკანონებას, რაც გარკვეულ პერიოდს მოითხოვს. შესაბამისად ვერ ხერხდება ხელშეკრულების გაფორმება და განსახლების სამოქმედო გეგმით გათვალისწინებული საკონპენსაციო თანხის მიღება (რაზაც თანხმობას აცხადებს).

ხელშეკრულების გაფორმებამდე გზისმშენებლობის სამუშაოების ჩატარების (ზემოთ ხსენებული მონაკვეთის ფარგლებში) წინააღმდეგი არ არის.

აღნიშნული აქტის სინამდვილეს ედასტურებთ ხელმოწერით:

საავტომობილო გზების განსახლებისა
და
გარემოს დაცვის სამმართველოს შტატგ
არეშე მოსამსახურე

გიორგი მიქაძე

მოქალაქე: საქართველოს
საქართველოს

გვრობის საინვესტიციო ბანკის
მიერ დაფინანსებული პროექტის
ფარგლებში ადგილობრივი
განსახლების კონსულტანტი:

ნოდარ კოჭლამაზაშვილი

6.5.7