

**Roads Department of the Ministry of Regional Development and
Infrastructure of Georgia**



**Detailed Design and Bidding Documents
for Rehabilitation of local road Mlashe-Mokhe-Dertseli Section
(1 - 11,34 km)**

**Resettlement Action Plan
RAP**

**Local road Section Mlashe-Mokhe-Dertseli
(1 - 11,34 km)**



25 August 2014

CURRENCY EQUIVALENTS

(Official exchange rate – established by the Georgian National Bank on 25th August 2014 year)

Currency Unit	–	lari (GEL)
\$1.00	=	1,7252 GEL

ACS	–	acquisition and compensation scheme
ADB	–	Asian Development Bank
CSC	–	construction supervision consultant
PAH	–	Project Affected Household
PAP	–	Project Affected Person
CBO	–	community based organization
DMS	–	detailed measurement survey
GoG	–	Government of Georgia
GRC	–	grievance redress committee
IA	–	implementing agency
IFI	-	International Financial Institution
IP	–	indigenous peoples
EMA	–	external monitoring agency
km	–	Kilometre
LAR	–	land acquisition and resettlement
LARC	–	land acquisition and resettlement commission
LARF	–	land acquisition and resettlement framework
RAP	–	Resettlement action plan
M&E	–	monitoring and evaluation
MFF	–	multitranches financing facility
MOF	–	Ministry of Finance
MPR	–	monthly progress report
MRDI	–	Ministry of Regional Development and Infrastructure
NAPR	–	National Agency of Public Registry
NGO	–	non-governmental organization
PFR	–	periodic financing request
PPR	–	project progress report
PPTA	–	project preparatory technical assistance
PRRC	–	Property Rights Recognition Commission
R&R	–	resettlement and rehabilitation
RD	–	Roads Department
RDMRDI	–	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
RoW	–	right of way
TRRC	–	Transport Reform and Rehabilitation Centre
WB	-	World Bank

NOTE

In this report, "\$" refers to US dollars.

EXECUTIVE SUMMARY

I. INTRODUCTION	16
1.1. Project Background	16
1.2. The Impacts Corridor	16
1.3. Minimizing Land Acquisition and Resettlement	17
1.4. RAP Preparation	17
1.5. Pending RAP Implementation Tasks	17
1.6. Conditions for Project Implementation	18
II. CENSUS AND IMPACT ASSESSMENT	18
2.1. Introduction	18
2.2. Impact on Land, Other Assets and Income	18
2.2.1. General Classification of affected land	18
2.2.2. Impact on Crops	19
2.2.3 Impact on Trees	20
2.2.4 Impact on Buildings/Structures	21
2.2.4.1 Type of affected Structures	21
2.2.5. Relocation Needs and Strategy	21
2.2.6. Business Impacts	21
2.3. PAPs and Communities	21
2.3.1. Impact on Employment and Agricultural Tenants	22
2.3.2. Impact on Common Property Resources	22
2.3.3. Severely Affected and Vulnerable Households	22
2.4. Impact on Indigenous Peoples	23
2.5. Gender and Resettlement Impacts	23
2.6. Summary of Impacts	23
III. SOCIO-ECONOMIC INFORMATION	25
3.1. Introduction	25
3.2. Affected Population	25
3.2.1. Demography	25
3.2.2. PAH Ethnicity	26
3.2.3. Urban Rural Proximity	26
3.2.4. Level of Education of PAPs	26
3.3 Agriculture and Land Resources	26
3.3.1. Land Holding Status	27
3.3.2. Major Cropping Pattern	27
3.4. Economycs of PAHs	28
3.4.1. Major Economic Activities	28
3.4.2. Employment Status	28

28	3.4.3. Annual Income of PAHs	
	3.4.4. Consumption Pattern	29
	3.4.5. Household Assets and Durables	29
	3.4.6. Prevalence of Debt	30
	3.5. Water and Sanitation	30
	3.5.1. Source of Drinking Water	30
	3.5.2. Sanitation Facilities	31
	3.6. Access to Energy and Civic Facilities	31
	3.6.1. Access to Energy for Cooking	31
	3.6.2. Access to Electricity	32
	3.6.3 Access to Health Centre	32
	3.6.4. Access to School	32
	3.6.5. Access to Road	32
	3.7. Conclusion	33
IV. LEGAL AND POLICY FRAMEWORK		34
<hr/>		
	4.1. General	34
	4.2. Legal Framework	34
	4.2.1. Georgia's Laws on Land Acquisition and Resettlement	34
	4.2.2. WB's Policy on Involuntary Resettlement	35
	4.2.3. Comparison of WB with Georgian Laws and Legislation	35
	4.2.4. Resettlement Policy Commitments for the Project	37
	4.2.5. Land Acquisition Process	38
	4.3. Compensation Eligibility and Entitlements	38
	4.3.1. Eligibility	38
	4.3.2. Definition of Entitlements	39
	4.3.3. Compensation Entitlement Matrix	40
	4.3.4. Assistance for Severely affected and Vulnerable PAH	43
	4.4. Valuation of assets and Compensation Rates	43
	4.4.1. Principles and Methodology	43
	4.4.2. Determination of Compensation Rates	44
V. INSTITUTIONAL ARRANGEMENTS		45
<hr/>		
	5.1. Introduction	45
	5.2. Land Registration Organizations	45
	5.2.1. Rtsmunebuli and Gamgeoba at Village (Community) Level	45
	5.2.2. Sakrebulo	46
	5.2.3. Property Rights Recognition Commission	46
	5.2.4. Rayon Registration Office	46
	5.3. Land Acquisition and Resettlement Organizations	46
	5.3.1. RDMRDI of Georgia	46
	5.3.2. TRRC	47
	5.3.3. Rayon LAR Team	47
	5.3.4. Local Governments	48

5.4. Other Organizations and Agencies	48
5.4.1. Civil Works Contractor	48
5.4.2. Consultants and Auditors	
5.4.3. Court of Georgia	49
5.4.4. Ministry of Finance	49
5.4.5. Ministry of Justice	49
5.4.6. Donor WB	49
5.5. Capacity Building on LAR	50
VI. CONSULTATION AND PARTICIPATION	52
6.1. Introduction	52
6.2. Consultation Process and Methodology	52
6.3. Summary of Consultation during Feasibility Study	53
6.4. Consultation meetings with the PAPs during RAP Preparation	53
6.5. Changes in LAR approach following the meeting dicissions	53
6.6. Consultation and Participation Plan	54
6.7. Disclosure	54
VII. GRIEVANCE REDRESS MECHANISM	55
7.1. Objectives	55
7.2. Formation of GRC	56
7.3. Grievance Resolution Process	56
7.4. GRC Records and Documentation	58
VIII. IMPLEMENTATION SCHEDULE	59
8.1. RAP Implementation Time Schedule	59
8.2. RAP Approval and Initial Tasks	59
8.3. RAP Implementation	60
8.4. Post Implementation Evaluation	60
8.5. RAP Implementation Time Schedule	60
IX. COSTS AND FINANCING	62
9.1. General	62
9.2. Itemized Budgets	62
9.2.1. Compensation for Land	62
9.2.2 Compensation for Structures	63
9.2.3 Compensation for Crops	63
9.2.4 Compensation of Trees	63
9.2.5 Resettlement Allowances	65
9.3. RAP Management Cost	65
9.4. Summary LAR Cost and Flow of Funds	66
9.5. Justification of Cost Estimates and Updating RAP Budget	67
9.6. Source of Financing	67

X. MONITORING AND REPORTING	68
10.1. Introduction	68
10.2. Monitoring and Evaluation Indicators	68
10.3. Level of Monitoring	68
10.4. Internal Monitoring	69
10.5. External Monitoring	69
10.6. Agency tasks	70
10.7. Post-Implementation Evaluation	70
10.8. Monitoring Indicators for Task 2	71
Annex 1	
Annex 2	
Annex 3	
Annex 4	

GLOSSARY

Beneficiary Community: All persons and households situated within the government-owned or private property who voluntarily seek to avail and be part of the Project and represented by a community association that is duly recognized by the community residents, accredited by the local government, and legally registered with the appropriate institutions.

Compensation: Payment in cash or in kind of the replacement cost of the acquired assets.

Entitlement: Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to Affected people, depending on the nature of their losses, to restore their economic and social base.

Improvements: Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.

Land Acquisition: The process whereby a person is compelled by a government agency to alienate all or part of the land a person owns or possesses to the ownership and possession of the government agency for public purpose in return for a consideration.

Affected People (PAP): Individuals affected by Project-related impacts – losing the usage capacity on land, water, natural resources or income.

Project Affected Household (PAH): All members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project. It may consist of a single nuclear family or an extended family group.

Rehabilitation: Compensatory measures provided under the Policy Framework on involuntary resettlement other than payment of the replacement cost of acquired assets.

Relocation: The physical relocation of a PAP/PAH from her/his pre-Project place of residence.

Replacement Cost: The value determined to be fair compensation for land based on its productive potential and location.. The replacement cost of houses and structures is current fair market price of building materials and labour without depreciation or deductions for salvaged building material,

Resettlement: All measures taken to mitigate any and all adverse impacts of the Project on AP's property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.

Sakrebulo: This is the representative body of local self-government. Local government consists of 67 rayons (districts) and 12 self governing cities in Georgia: Tbilisi, Kutaisi, Rustavi, Poti, Batumi and Telavi, Ozurgeti, Zugdidi, Gori, Ambrolauri, Mtskheta and Akhaltsikhe. The representative branch of rayon level is the rayon level Local Councils (Rayon Sakrebulo) and the executive branch is represented by Rayon Gamgeoba (Gamgebeli). The self-government level consists of settlements (self-governed cities) or groups of settlements (municipalities). Settlements could be villages, small towns (minimum 3,000 inhabitants) and cities (minimum 5,000 inhabitants). The representative and executive branches of self-government are represented accordingly by Local Council (Sakrebulo) and the Gamgebeli of municipal level. The exclusive responsibilities of self-government include land-use and territorial planning, zoning, construction permits and supervision, housing, and communal infrastructure development.

EXECUTIVE SUMMARY

1. Due to its geographical position Georgia has gained the status of an important transport corridor connecting Europe and Asia and the development of the transport infrastructure has become a national priority. Besides due to Georgia's geographical and climatic conditions it has become one of the quickest developing touristic country in the region. There is serious accents regarding to development of highland regions and improvement of living conditions of the people living there, one of the most important issues are to improve road infrastructure.

2. Georgian government asked the world bank to assist on one of such projects, on rehabilitation of the local road Mlashe-Mokhe-Dertseli, and it gained corresponding assistance. So requirements of RAP and world banks operational policies must be fulfilled, namely requirements of OP 4.12 (involuntary resettlement).

3. Present Final RAP covers section 1 – 11,34 km of the local road Mlashe-Mokhe-Dertseli, this road passes through villages of Adigeni municipality – Mlashe, Sairme, Tchetchla and Mokhe. This road connects listed and nearby villages with local road Batumi – Akhaltsikhe, which creates connections between Adigeni, Akhaltsikhe, Khulo and other districts, also with other regions.

4. All land impacts amount to some 11007 sq.m of land from 90 plots (see table 2.1 for details). In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

- **Category 1.** Three titled private land plots with full registration in NAPR with 792 sq.m total area;
- **Category 2.** 82 titled private land plots with 9692 sq.m rightfully owned and requiring legalization through 1 stage process of registration in NAPR (legalizable land plots). These land plots have been transferred to the owners during the land reform but the procedures needed for registration in NAPR have not been completed.
- **Category 3.** 4 State owned land plots of 506 sq.m are illegally used by private users. These land plots are not legalizable according to Georgian legislation.
- **Category 4.** 1 State owned land plots of 17 sq.m not used by private users.

5. Category 3 and 4 land parcels are not subject for compensation. There are no public land plots in the affected area used by leaseholders or illegally occupied by squatters. Given the magnitude of impacts (there are 69 PAHs and 15 severely affected PAPs), there is no need for relocations, despite the fact of full acquisition of the land plots of some residents (those persons reside in other neighbouring land plots), preparation of full scale RAP is required.

Table E.1 Summary Impact on Land Acquisition and Resettlement

No.	Impacts	Unit	
Land Tenure Patterns			
1	Total Land parcels affected	No.	90
2	Total land Area to be acquired	Sqm	11,007
3	Category 1. Private Registered Plots	No.	3
		sq.m	792
4	Category 2. Private (Rightfully owned) Legalizable through NAPR (1 stage legalization)	No.	82
		sq.m	9,692
5	Category 3. State Owned , Occupied by Private Users without permision – Non Legalizable	No.	4
		sq.m	506

6	Category 5. State Owned Not Used by Private Users	No.	1
		Sqm	17
Land Use and Compensation Categories			
7	Type 1; Private agricultural (located along the existing section of local road) (7 Gel/sq.m)	No.	84
		sq.m	10,435
8	Type 2; State owned agricultural (illegally occupied by private users) non-legalizable	No.	5
		sq.m	555
9	Type 3; State owned non-agricultural land (not occupied by private users); are not subject for compensation	No.	1
		sq.m	17
Agricultural Patterns			
10	Area under Hay/Grass	sq.m	3677
11	Area under Potato	Sq.m	200
12	Affected Trees	No.	578
Affected Structures			
13	Auxiliary buildings	No.	5
14	Fencing	No.	89
Project Affected Households			
15	Severely affected Households	No.	15
16	Vulnerable Households	No.	8
17	Resettled households	No.	-
18	PAH with registered plots	No.	3
19	PAH with legalizable plots (rightful owners, 1 stage registration through NAPR)	No.	64
20	PAH s using State Owned , Non Legalizable Land	No.	5
21	PAH losing crops	No.	21
22	PAH losing trees with non-agricultural land plots	No.	-
23	PAH losing Jobs	No.	-
24	Total PAH	No.	69
25	Total Project Affected Persons	No.	266

The project impact extends to 266 peoples comprising 48.7% male and 51.3% females: 130 male and 136 females. Further, 1 of the 69 Affected hausholds is headed by women. Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RAP. The project will have a positive impact on gender, and civil works contracts will include provisions to encourage employment of women during implementation. Additionally, women headed households have been considered as vulnerable and special assistance was provided in the RAP entitlements as allowance equivalent to 3 months of minimum subsistence income (see table E-2 below) .

5. The legal and policy framework of the project on land acquisition and resettlement has been adopted to assist the PAPs and/or households for their lost land and assets, income and livelihood resources. Expropriation of land through eminent domain will not be applied unless approach for acquisition through negotiated settlement fails. Compensation eligibility is limited by a cut-off date as set for this project on the day of the beginning of the PAP Census which is 26 July 2014. PAPs will be entitled for compensation or at least rehabilitation assistance under the Project are (i) all persons losing land irrespective of their title, (ii) tenants and sharecroppers irrespective of formal registration, (iii) owners of buildings, crops, plants, or other objects attached to the land; and (iv) persons losing business, income, and salaries. A summary entitlements matrix is included in Table E-2.

Table E-2. Compensation Entitlement Matrix

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
Land			
Permanent loss of agricultural land	PAH losing agricultural land regardless of impact severity	Owner with full registration	Cash compensation in cash at full replacement cost or replacement land of same value of land lost and at location acceptable to PAPs where feasible. The option selected for the Program is cash compensation. If residual plots becomes unusable the project will acquire it in full if so the PAP desires.
		Legalizable Owner	These PAP will be legalized and provided with cash compensation at full replacement cost
		Renter/Leaseholder	Rental allowances in cash in amount for 3 months rent
Buildings and Structures			
Residential and non residential structures/assets		All PAHs regardless of legal ownership/ registration status (including legalizable and Informal Settlers)	All impacts will be considered as full impacts disregarding the actual impact percentage. Impacts will be compensated in cash at full replacement costs free of depreciation and transaction costs.
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public Assets	Community/Government	Reconstruction of the lost structure in consultation with

			community and restoration of their functions
Loss of Income and Livelihood			
Crops	Standing crops affected or loss of planned crop incomes**	All PAHs regardless of legal status (including legalizable and Informal Settlers)	Crop compensation in cash at gross market value of actual or expected harvest. Compensation for this item will be provided even in case if the crops were harvested
Trees	Trees affected	All PAHs regardless of legal status (including legalizable and Informal Settlers)	Cash compensation at market rate on the basis of type, age and productive value of the trees
Allowances			
Severe Impacts	>10% income loss	All severely affected PAHs losing more than 10% of affected agricultural land plot (including informal settlers)	Agricultural income: two-year yield from affected land. Other income: 1 additional compensation for 3 months of minimum subsistence income. 300.1 GEL per month x 3 months=900.3 GEL per PAH)
Relocation/Shifting	Transport/transition costs	All PAHs to be relocated	Provision of allowance covering transport expenses and a livelihood expenses for the transitional period for 3 months equal to 3 months of minimum subsistence income. 200 GEL as vehicle hire charge + 300.1GEL as minimum subsistence income x 3 months = 1,100.3 GEL per PAH
Vulnerable People		PAHs below poverty line,	Allowance equivalent to 3

Allowances		headed by Women, disabled or elderly	months of minimum subsistence income* and employment priority in project-related jobs 300.1 GEL as minimum subsistence income per month for 3months= 900.3 GEL per PAH)
Temporary Loss			
Temporary impact during construction		All PAHs	Due compensation will be assessed and paid based on the approved RPF during construction. All land required for temporary use is to be obtained by the civil works Contractor through voluntary negotiations (e.g., willing buyer-willing seller basis).). The maximum period for temporary use is defined as 2 years. Compensation rates to be paid should not be less than compensation at current market rates for the gross value of 4 year's harvest of crops on the affected lands. It is also required that lands (or other assets) be fully cleared and restored following use.
Unforeseen resettlement impacts, if any		All impacts related to temporary or permanent land take, the need for which is not envisaged within DD and RAP and is related to activities of Contractor.	Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project

* Minimum subsistence income to be calculated based on a 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of PAP survey beginning.

**** Income expected from crops on affected agricultural land permanently used for crop cultivation during the recent years. In case if the land was permanently used for crop cultivation, but for the year, when the inventory of losses was conducted, no crops have been planted (due to need of rest to this land or illness of the farmer or any justifiable reason), the land parcel still will be considered as designed for crop cultivation and relevant compensations will be paid**

6. Ministry of Regional Development and Infrastructure (MRDI) is the executing agency (EA) of the Project on behalf of the Government of Georgia and the Roads Department of the MRDI (RDMRDI) is the implementing agency (IA). The World Bank (WB) will be financing detailed engineering plan preparation and civil works construction and construction supervision. RDMRDI is responsible for road construction as well as land acquisition and resettlement of the PAPs due to land acquisition and project construction.

RDMRDI is assisted by a number of other government departments and private agencies in the design, construction and management 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. Rayon NAPR is also responsible for registering transfer of acquired land from landowners to the RDMRDI. The local government at Rayon and village levels are involved in the legalization of legalizable land parcels and subsequently land acquisition and resettlement of PAPs. The Ministry of Environmental Protection is responsible for environmental issues.

7. The designated official from RU was also an active member in leading role during the census survey. RU staff and local level LAR Team members were informally trained during the feasibility study.

8. A grievance mechanism will be available to allow a PAP appealing any disagreeable decision, practice or activity arising from land or other assets compensation. Grievance redress committees (GRCs) at local level involving the local government officials, representative of PAPs, representative of local NGOs and consultant. PAPs will be fully informed of their rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, and time of compensation. Care will always be taken to prevent grievances rather than going through a redress process.

7. Consultations with potential PAPs have been held during preparation stage of the project. During census of technical-economical justification consultations have been held by the means of individual contacts for determination of PAPs. Consultation process have been finished and every potential PAP have been consulted by the means of individual contacts and public meetings with settlers. (See. Annex-4).

8. RAP requires legalization of the 85 land parcels for 66 legalizable owners of land parcels under acquisition which is in progress and negotiation with all legalized land owners and PAPs will be held from October 2014 year.

9. Payment of compensation and cash allowances will be completed by end of December 2014. All activities related to the land acquisition and resettlement have been scheduled to ensure that compensation is paid prior to displacement and commencement of civil works. Public consultation, internal monitoring and grievance redress will be undertaken intermittently throughout the project duration. The resettlement cost estimate under this RAP is **335 161 GEL (USD 194 274)**.

10. Land acquisition and resettlement tasks under the project will be subject to monitoring. Monitoring will be the responsibility of RDMRDI. Internal monitoring will be carried out routinely by RU/RDMRDI. The results will be communicated to the WB through the quarterly project implementation reports. RDMRDI

(with external help) will provide further assessment of RAP fulfilment, that will be held after a year from realization of this project.

I. INTRODUCTION

1.1 Project Background

12. Due to its geographical position Georgia has gained the status of an important transport corridor connecting Europe and Asia and the development of the transport infrastructure has become a national priority. Besides due to Georgia's geographical and climatic conditions it has become one of the quickest developing touristic country in the region. There is serious accents regarding to development of highland regions and improvement of living conditions of the people living there, to do this one of the most important issues are to improve road infrastructure. Georgian government asked the world bank to assist on one of such projects, on rehabilitation of the local road Mlashe-Mokhe-Dertseli, and it gained corresponding assistance. So requirements of RAP and world banks operational policies must be fulfilled, namely requirements of OP 4.12 (involuntary resettlement).

Present final RAP covers section 1 – 11,34 km of the local road Mlashe- Mokhe-Dertseli, this road passes through villages of Adigeni municipality – Mlashe, Sairme, Tchetchla and Mokhe administrative framework. This road connects listed and nearby villages with local road of Batumi – Akhaltsikhe, which creates connection between Adigeni, Akhaltsikhe, Khulo and other districts, also with other regions.

All land impacts amount to some 11007 sq.m of land from 90 plots (see table 2.1 for details). In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

- **Category 1.** Three titled private land plots with full registration in NAPR with 792 sq.m total area;
- **Category 2.** 82 titled private land plots with 9692 sq.m rightfully owned and requiring legalization through 1 stage process of registration in NAPR (legalizable land plots). These land plots have been transferred to the owners during the land reform but the procedures needed for registration in NAPR have not been completed.
- **Category 3.** 4 State owned land plots of 506 sq.m are illegally used by private users. These land plots are not legalizable according to Georgian legislation.
- **Category 4.** 1 State owned land plots of 17 sq.m not used by private users.

13. Category 3 and 4 land parcels are not subject for compensation. There are no public land plots in the affected area used by leaseholders or illegally occupied by squatters. Given the magnitude of impact (there are 69 PAHs and 15 severely affected PAPs), there is no need for relocations, despite the fact of full acquisition of the plots of some residents (those persons reside in other neighbouring land plots), preparation of full scale RAP is required.

1.2. The Impacts Corridor

14. Rehabilitation works includes reconstruction and widening of existing 11,34 km road. Mostly the existing road is of sand and gravel, uneven and with potholes in some sections. The section of the road requires substantial rehabilitation works, because existing characteristics of the road (plan, longitudinal gradient, width of roadbed and carriageway) in most cases, doesn't meet with necessary normative requirements. In most parts of rehabilitation section of the road, width of roadbed doesn't exceeds 5,5-6,5 meters, and width of carriageway 4-4,5 meters. In some sections longitudinal gradient exceeds 12%.

Road actually doesn't have any ditches, bus stops, road signs and safety barriers. The project envisage roadbed width of 7,5 m and width of carriageway 5,5 m, those parameters were established because of limited conditions of settled sections and for preservation of residential and auxiliary buildings, if standart parameters waere set that equal roadbed width 8m and carriageway width 6m, than residential and

auxiliary buildings would be in the zone of affection in settled sections that would substantially increase compensation costs for PAPs, because of this aforementioned parameters were established. If needed various engineering constructions can be considered in some sections, those include: Gabions, reinforced concrete chutes, ditches, benches etc.

1.3 Minimizing Land Acquisition and Resettlement

15. During the preparation stage of the rehabilitation project great attention was paid to minimization of the adverse impacts of land acquisition and involuntary resettlement. In the project best engineering solutions were incorporated to minimize scale of resettlement. Particularity due to limited conditions of settled sections for preservation of residential and auxiliary buildings, if standart parameters eres set that equal roadbed width 8m and carriageway width 6m than residential and auxiliary buildings would be in the zone of affection in settled section that would substantially increase compensation costs for PAPs, because of this reason decision has been made to decrease width of the roadbed to 7,5m and width of the carriageway to 5,5m.

1.4 RAP Preparation

16. Design and tender documentations on the rehabilitation of the local road Mlashe-Mokhe-Dertseli 1 – 11,34 km has been prepared by LTD "Transproject" and KOCKS consult GMBH on the bases of contract N SLRPII/QCBS-04 concluded in 10.06.2014 between RDMRDI and the aforementioned companies. RAP has been drafted within the framework of the project and is part of it.

17. Development of RAP (local road Mlashe-Mokhe-Dertseli) also included intensive consultations with interested persons, particulary with PAPs and their communities. The aim of those consultations was to determine scale of the impact and the development of the measures for mitigation and compensation of major affection. Assessment of damages and land acquisition is being conducted according to final technical project and it is part of the research of the detailed engineering project.

1.5 Pending RAP Implementation Tasks

18. Current RAP is Fianl RAP. Following this RAP approval finances will be provided to the RDMRDI. Prior to the distribution of RAP finances to the PAPs the legalization of PAPs legalizable according to current legislation will be finalized and all PAPs will sign a contract agreement indicating that they accept the compensation provided to them. If an PAP does not sign the contract the case will be passed to the appropriate court to initiate expropriation proceedings. This will be done after the compensation amount is deposited in escrow account. Escrow accounts will also be established for absentee PAPs.

1.6 Conditions for Project Implementation

19. Based on the WB policy/practice, the approval of project implementation will be based on the following RAP-related conditions:

- (i) **Signing of Contract Award:** Conditional to the approval of the RAP by WB and Government. RAP reflects impacts, final PAP lists and compensation rates at replacement cost approved by RD.
- (ii) **Notice to Proceed to Contractors:** Conditional to the full implementation of RAP- (legalization of legalizable owners, and full delivery of compensation and rehabilitation allowances).

Figure 1.1 Project Location



II. CENSUS AND IMPACT ASSESSMENT

2.1 Introduction

20. This impacts assessment details loss of land, structures and other assets in the 11,34-km section of the local road Mlashe-Mokhe-Dertseli in Adigeni Rayon of Georgia. 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 of the centerline as per detailed engineering design of 11,34 km section of Mlashe-Mokhe-Dertseli local road.

21. Digitized cadastral maps were collected from the Adigeni Rayon Registration Offices 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 100% PAP Census were undertaken. These surveys were conducted started on 26 June 2014 and was terminated on 29 June 2014. Additionally, a socioeconomic survey (SES) of 81% sample households was carried out in the project affected areas in order to understand the socio-economic condition of the affected population. The start date of the DMS and the PAP census survey is considered as the compensation eligibility cut-off date for the project which is therefore 26 June 2014.

2.2. Impact on Land, Other Assets and Income

2.2.1. General Classification of affected land

22. All land impacts amount to some 11007 sq.m of land from 90 plots (see table 2.1 for details). In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

- **Category 1.** Three titled private land plots with full registration in NAPR with 792 sq.m total area;
- **Category 2.** 82 titled private land plots with 9692 sq.m rightfully owned and requiring legalization through 1 stage process of registration in NAPR (legalizable land plots). These land plots have been transferred to the owners during the land reform but the procedures needed for registration in NAPR have not been completed.
- **Category 3.** 4 State owned land plots of 506 sq.m are illegally used by private users. These land plots are not legalizable according to Georgian legislation.
- **Category 4.** 1 State owned land plots of 17 sq.m not used by private users.

Category 3 and 4 land parcels are not subject for compensation. There are no public land plots in the affected area used by leaseholders or illegally occupied by squatters. The aggregated figures according to land tenure categories are provided in a table 2.1.

- (i) Because of the fact that designed road go along existing road and existing road borders with land plots that must be acquired, (within 1-4 meters), therefore no distinctions were made within design territory between land cost and compensation categories, and it was determined with common price. Total ammount of land plots of various categories are shown below in a table 2.1

Table 2.1 : Type of Land Ownership

Tenure Categories	Total: 1 -11,34 KM		
	Plots No.	Area (sqm)	No of PAH
Compensable land			
1. Private Registered	3	792	3*
2. Private (rightfully owned) Legalizable through NAPR	82	9692	64**
Subtotal Compensable	85	10 484	
Non-Compensable land			
3. State Owned , Used by Private Users – Non Legalizable	4	506	4***
4. State Owned Not Used by Private Users	1	17	
Subtotal Non-legalizable	5	523	
TOTAL	90	11007	

*.3 PAHs lose 7-12% of registered private land plots

** 2 PAHs lose 2 legalizable land plot each fully, at the same time they have other land plots with residential houses. Other PAHs lose only part of the land plot.

*** 4 PAHs lose one non-legalizable land plots each, at the same time they also have legalizable land plots.

2.2.2. Impact on Crops

23. Affected crops identified on the acquired agricultural land are potato and hay/grass. Among the land plots affected by the project only on one of them was planted potato with area of 200 sq.m. On 22 plots (3677 sq.m) there was hay/grass harvest. Out of 89 agricultural land plots on 75 of them are fruit trees.

24. Out of 69 PAH losing land fully of partially, only 20 PAHs are cultivating crops on those plots. 3 PAHs are cultivating crops on 2 or more land plots and this gives the difference between the number of land plots used for crops and number of PAHs losing the crops. The change in land use from agriculture to road will permanently reduce the agriculture production in the impact area.

Table 2.3:

Crop	Number of Land Plots	Area sq.m	No of PAH
Hay/Grass	22	3677	19*
Potato	1	200	1
Total	23	3877	20

* 3 PAHs are cultivating crops each on two land plots

2.2.3 Impact on Trees

25. 578 fruit trees will be lost on 75 land plots. On major part of the land plots there is more than one type of trees.

Type	Groups by Age	Cost for 1 tree, GEL	No of trees	PAHs
Apple	3	5	3	2
	6	100	1	1
	8	100	2	2
	10	100	4	4
	12	200	4	2
	15	200	10	5
	20	200	10	6
	Subtotal			34
Plum	5	18	12	5
	8	70	59	19
	10	70	21	6
	12	130	123	18
	15	130	44	7
	Subtotal			259
Cherry	4	15	7	2
	8	58	31	9
	12	155	1	1
	Subtotal			39
Nut	5	10	3	2
	10	52	4	2
	12	140	3	1
	Subtotal			10
Sweet Cherry	8	58	3	2
	15	155	4	4
	20	155	3	2
	25	88	1	1
	Subtotal			11

Type	Groups by Age	Cost for 1 tree, GEL	No of trees	PAHs	
Walnut	5	35	10	6	
	10	100	17	8	
	15	300	10	6	
	20	400	9	7	
	25	400	26	10	
	Subtotal			72	
Wild Plum	5	18	10	4	
	8	70	32	7	
	12	130	13	8	
	15	130	10	7	
	20	115	9	4	
	12	110	1	1	
	Subtotal			1	
	Pear	3	5	7	3
10		90	5	5	
15		300	9	7	
20		300	6	6	
25		300	6	5	
Subtotal				33	
Quince		4	5	2	2
	7	100	2	1	
	15	200	4	3	
	25	80	1	1	
	Subtotal			9	
Grape	5	15	21	2	
	12	75	6	1	
	15	75	3	1	
	20	75	6	3	
	Subtotal			36	

	578	65*	
--	-----	-----	--

*Fruit trees are under affection in 75 land plots. 10 PAH cultivate trees on 2 land plots each. Many PAHs have several types of fruit trees on their land plots and this is the reason why the total amount of PAHs losing trees is much less than summ by separate types of trees.

2.2.4 Impact on Buildings/Structures

2.2.4.1 Type of affected Structures

26. 5 auxiliary buildings are affected by the project. One garage, one piggery, one Warehouse and two cowshed. All of these residential buildings will be compensated at replacement cost.

27. The road construction will not affect any operational commercial buildings/structures.

28. Residual construction materials after demolition of the buildings will be deemed as a property of PAH and they will be only requested to remove these materials after completion of dismantling works.

29. In addition of aforementioned affections, fencing (consisting of planks or metal chain-links) of 89 land plots also fall under the affection zone. All of these fencing will be compensated at replacement cost.

2.2.5. Relocation Needs and Strategy

30. Relocation doesn't concern residential buildings, it concerns only auxiliary buildings and fencing. Residual construction materials after demolition of the buildings will be deemed as a property of PAH and they will be only required to remove these materials after completion of dismantling works. PAHs will be compensated at full replacement cost. Cost of compensation has been calculated without the depreciation costs.

2.2.6. Business Impacts

31. There is no any impact on business in the road corridor.

2.3 PAPs and Communities

32. Overall, the number of PAH is 69 (266 PAPs), who are losing land plots fully or partially. 3 PAHs will lose part of registered land plots (3 registered plots) and 64 PAHs will lose legalizable land plots (82 plots). 12 PAH lose part of 2 land plots each and 2 PAH lose part of 3 land plots each. All PAHs (except of one) losing non-legalizable land plots also lose at least one legalizable or registered parcels.

33. Table 2.8 provides more details about the impacts categories in terms of loss of land, loss of structure, and loss of crops and trees etc..

Table 2.7 Project Affected Households by Impact Category

Impact Category	No. of PAHs		Net No. Of PAPs	Remarks
	No. in Category	Absolute (without double counting)		
A. Land				
A1. Agricultural Land	69	69	266	
A2. Agricultural Used for Residential	41	41	158	All PAHs are counted in A1.
B. Crops /Trees				
B3. There is no loss of agricultural crops or trees	20	20	n.a.	All PAHs are counted in A1.
B3. There is no loss of agricultural crops or trees	65	65	n.a.	All PAHs are counted in A1.
B3. There is no loss of agricultural crops or trees	2	2	5	All PAHs are counted in A1.
C. Permanent constructions				
C1. Garage and piggery	1	1	4	counted in A2
C2. Cowshed	2	2	5	counted in A2
C3. Barn	1	1	2	counted in A2
Total		270	1107	

2.3.1. Impact on Employment and Agricultural Tenants

34. Road construction will not impact on employment and agricultural tenants.

2.3.2. Impact on Common Property Resources

35. Road construction will not affect any community or public property.

2.3.3. Severely Affected and Vulnerable Households

36. There will be 15 severely affected PAH because of the lose of more than 10% of fertile agricultural land.

37. Poor (receiving government subsistence subsidies) and women headed households, are considered as vulnerable households. Households with members with disabilities or people in pension age will receive the allowance only if they are registered as poor . In Georgia, the poverty line is determined as a result of sophisticated calculations including production, consumption, cash income and assets valuation. The households with rating less than 57000 are considered as extremely poor and receive subsistence allowance, and PAH with rating between 57000 and 70000 are considered as poor and they receive insurance policy allowances. The estimations (rating calculations) are conducted by the Social Services Agency and the rating data is registered.

The PAHs in RAP section of the project road constitute 8 vulnerable PAHs (20 PAPs). These include 3 extremely poor (rating less than 57000), 5 poor (less than 70000) and 1 women headed households and is considered as extremely poor. See for details - (Table 2.8).

Table 2.8: Vulnerable PAHs

Category of vulnerability	No. of PAHs
Extremely Poor PAHs with rating below 57000 receiving subsistence allowance	3
Poor PAHs with rating more than 57000 and below 70000 receiving insurance policy	5
Female headed PAHs with low income and dependents	1 ¹
Total	9

1. One PAH that is female headed is extremely poor (subsistence allowance)

2.4 Impact on Indigenous People

38. Assessment of impact on indigenous people was undertaken in accordance with WB OP 4.12 and with Safeguard Requirements. The project will affect only people of Georgian nationality. No Ethnic Minority groups will be affected.

2.1 2.5 Gender and Resettlement Impacts

39. The project impact extends to 266 peoples comprising 48.7% male and 51.3% females: 130 male and 136 females. Further, 1 of the 69 PAHs are headed by women. Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RAP. women headed households have been considered as vulnerable and special assistance was provided in the RAP entitlements in amount equivalent to 3 months of minimum subsistence income. Women will be encouraged to establish NGOs or other informal organizations to monitor gender-sensitive issues related to project. The RDMRDI is requested to include women representatives in Grievance Redress Commission.

2.6 Summary of Impacts

40. A summary of Project impacts is included in Table 2.10 below.

Table 2.10 Summary Impact on Land Acquisition and Resettlement

No.	Impacts	Unit	
Land Tenure Patterns			
1	Total Land parcels affected	No.	90
2	Total land Area to be acquired	Sqm	11 007
3	Category 1. Private Registered Plots in NAPR	No.	3
		sq.m	792
4	Category 2. Private (Rightfully owned) Legalizable through NAPR (1 stage legalization)	No.	82
		sq.m	9692
5	Category 3. State Owned , Used by Private Users – Non Legalizable	No.	4
		sq.m	506
6	Category 4. State Owned Not Used by Private Users	No.	1
		Sqm	17
Land Use and Compensation Categories			
7	Type 1 and Type 2; Private agricultural (Along the existing section of the road) (7 Gel/sq.m)	No.	85
		sq.m	10484
8	Type 3; State owned agricultural land (illegally used by private users). Non legalizable	No.	4
		sq.m	506
9	Type 4; State owned Non-Agricultural Commercial (Doesn't used by private users); is not subject of compensation	No.	1
		sq.m	17
Agricultural Patterns			
10	Area under hay/grass	sq.m	3677
11	Area under Potato		200
12	Affected Trees	No	578
Affected Structures			
13	Garage	No.	1
14	Piggery	No.	1
15	Barn	No	1
16	Cowshed	No.	2
Affected Households			
17	Severely affected Households	No.	16
18	Vulnerable Households	No	8
19	Resettled households	No.	-
20	PAH with registered plots	No.	3
21	PAH with legalizable plots (rightful owners, 1 stage registration through NAPR)	No.	64
22	PAH s using State Owned , Non Legalizable Land		4
23	PAH losing crops	No	20
24	PAH losing trees	No.	65
25	PAH losing Jobs	No	-
26	Total PAH		69
27	Total Project Affected Persons	No	266

III. SOCIO-ECONOMIC INFORMATION

3.1 Introduction

A census of 100% of the PAHs was conducted. A sample socio-economic survey conducted in June-July 2014 was included in the project area covering 57 households which is approximately 82.6% of the total PAHs under the direct impact of project (losing land or assets) and covered in census. The objective of the socioeconomic survey was to gather general information on socioeconomic condition of the affected people. The socioeconomic information of the affected population as per census and socioeconomic survey is presented hereunder.

3.2 Affected Population

3.2.1 Demography

The project road is in Adigeni Rayon, as per detail measurement survey, will be displacing (physically and economically) 69 (non of them totally losing land and assets and losing jobs) households comprising of 226 persons. Census of 69 PAHs identifies that 48.7% of PAPs are male and 51.3% females: 130 male and 136 females. The average household size is 3.85 members per household (Table 3.1).

Table 3.1: Demographic Profile of PAPs

Age Group	Male		Female		Total		Average/ Household
	No.	%	No.	%	No.	%	
Children (Below 6 Years)	5	3,8	2	1,5	7	2,6	0.11
Children (6–18 Years)	17	13,1	22	16,2	39	14,7	0.56
Adult (19–65 Years male and 19 – 60 years for female)	78	60	79	58,1	157	59,0	2.27
Pension age (65 Years and Over males and 60 years and over - female)	30	23,1	33	24,2	63	23,7	0.91
Total	130	100	136	100	266	100	3,85
%	48,7		51.3		100		

Note: Calculation is made on the 100% of PAH

3.2.2 PAH Ethnicity

PAHs are all Georgian (100%). No Armenians, Azeri, Greeks, Jews or Ukrainian are affected in the project. Ethnic diversity does not mark any difference in overall national development in Georgia and the minorities are mainstreamed as a common nation.

Table 3.2: Ethnicity of PAHs

Sl.No.	Ethnicity	Total No. of Households	%
1	Georgian	69	100
	Total	69	100

3.2.3 Urban Rural Proximity

The project road is located in rural areas in the villages named Mlashe, Mokhe, Sairme, TcheTchla. Survey of the 100% households shows that 95.66% of the PAHs reside in rural areas and less than 5% reside in urban areas – Adigeni and Tbilisi (Table 3.3). Project impact on urban and rural households will tend to change their investment priorities.

Table 3.3: Urban Rural Distribution of PAHs

Sl. No.	Type of Settlement	Total No. of Households	%
1	Rural	66	95,66
2	Town (Urban)	3	4,34
	Total	69	100

3.2.4 Level of Education of PAPs

Data from project area in Adigeni Rayon brought forth that illiteracy is almost equal among the women and male population. In all, about 11% people are illiterate (lack of functional education). About a quarter (21%) of the population have university level education and more than a half (65%) have primary and secondary level education (Table 3.4).

Table 3.4 Level of Education of PAPs

Sl.No.	Category	Male		Female		Total	
		No	%	No		No	
1	Pre-School	5	3,8	2	1,5	7	2,6
2	Primary & Secondary	80	61,5	94	69,1	174	65,4
4	Technical – special aducation	31	23,8	25	18,4	56	21,1
5	University	14	10,9	15	11,0	29	10,9
	Total	130	100	136	100	266	100

3.3 Agriculture and Land Resources

3.3.1 Land Holding Status

The PAHs are all land holder of some quantum. Average land holding comes out to be 0.9 ha among the land holders (Table 3.5).

Table 3.5: Land Holding Status

Sl. No.	Particulars	No of Households	%
1	Land Holder Households	69	100
2	Landless Households	0	0
3	Total Households	69	100
Average Land Holding: 0.9 ha per household			

3.3.2 Major Cropping Pattern

Vegetables are the major crops being cultivated in the project area. Mainly the potato, also haricot, maize. Fruit production is another major agricultural activity in the project area. About 76% of households have fruit gardens and produce fruits for selling. Details are given in Table 3.6.

Table 3.6: Major Cropping Pattern

Sl.No.	Type of Crops	Average cultivated Area (Ha)	Average Yield(Ton)	Average Yield on plot (GEL)
1	barley	0,7	4	980
2	maize	0,2	5	350
3	haricot	0,3	0.8	600
4	totato	0,6	25	1800
5	fruits	0,5	11	3300

3.4 Economys of PAHs

3.4.1. Major Economic Activities

Agriculture is the main sector of economic activities and feeds majority of the PAPs as 47.8% of the households depend on this source for livelihood. Government service also plays meaningfull role in incomes 20.3% of the households reported it as source of income. The third contributors are pension and governmental allowances (24.6%) also daily wage and others (7.3%).

The details are given in Table 3.7.

Table 3.7: Economic Activity of the Households

Sl.No.	Type of Activities	Primary		Secondary	
		No	%	No	%
1	Agriculture	33	47.8	36	52.1
2	Government Service	14	20.3	-	0
3	Daily Wage/small business	5	7.3	20	29
4	Pension (government aid)	17	24.6	13	18.9
5	Others	-	0	-	0

3.4.2. Employment Status

Unemployment is significant in the project area as revealed in the survey. About 24% of the PAPs are unemployed including 38% among males and 62% among the females. About 5% PAPs are wage employed, 35% are self-employed and about 34% are economically inactive (Table 3.8).

Table 3.8: Economic Activity of the Households Members

Sl.No.	Gender	Economically inactive		Wage employed		Self-employed		Unemployed		Total	
		No	%	No	%	No	%	No	%	No	%
1	Male	85	49	35	42	34	67	16	38	130	48.7
2	Female	89	51	48	57	17	33	26	62	136	51.3
	Average	174	54	81	100	51	100	42	100	236	100

3.4.3 Annual Income of PAHs

Agriculture, government job and wage employment are major contributors to income of the PAHs. The survey found that 35% of the PAHs get income from one single source, 65% from double sources. Table 3.9 shows that the more the number of sources, the more is the amount of income feeding to a household. Business incomes are not presented and hence have no effect on PAH aconomic.

Table 3.9: Average Annual Household Income against Number of Sources

Number of sources of Income	No. of PAHs	% of PAHs	Average household income (GEL)
Single Source	24	35	3432
Double Sources	45	65	6420
Total	93	100	

Average income per household earning from single source is very low compared to the income from multiple sources (Table 3.9). Table 3.10 shows the distribution of PAHs getting income from various and single source. Average annual income from single sources varies from 2268 to 4224 GEL per household. Property income, pension and subsidy are in the lower echelon of household income.

Table 3.10: Average Annual Household Income by Sources

Sources of Income	No. PAHs (earning from the sources)	Total Income per Month from the sources (GEL)	Average Income per Household per Month from the sources (GEL)	Average Annual Income Per Household from the sources (GEL)
Wage governmental sector	14	4934	352	4224
Wage employment	5	1371	274	3288
Agriculture	33	6237	189	2268
Pension/subsidiary	17	4185	246	2952
Total Households and Income	69	16727	1061	2214

3.4.4 Consumption Pattern

The total annual average expenditure per household is 3910 GEL out of which the major expenditure is incurred for the food (68.4%). Non-food expenditure constitutes 31.6% and covers payments for communal services (17.5%) and other expenses (21%). Details about the expenditure are described in Table 3.11.

Table 3.11: Average Annual Expenditure

Sl. No.	Consumption Pattern	Average Annual Expenditure GEL
Food	2675	68,4
Non-food	1235	31,6
Average	3910	100.00

3.4.5. Household Assets and Durables

Possession of durable goods differs from each household depending on the nature of the durable goods. 98% of the households in the project area possess a television, while only 24% have got a radio, 78% have refrigerators, 65% of the households have washing machine and 90% have access to gas for cooking. 27% households reported that they have a car, 2% reported bicycle and 17% have computer in their house.

Possession of domestic animals includes large animals in 46% households and poultry in 46% households (Table 3.12).

Table 3.12: Possession of Durable Goods and Domestic Animals

Sl. No.	Item	Households No.	%
1	Radio	16	24.0
2	Bicycle	-	-
3	Television	67	97.1
4	gas-stove for cooking	66	95,6
5	Computer	7	10,1
6	Refrigerator	41	59.42
7	Washing Machine	5	7,2
8	Motorcycle	0	0.0
9	Car	43	62,3
10	Air conditioning	0	0.0
11	Large Animals (Cows/Bulls/Bufaloes)	45	65,2
12	Pigs	5	7,2
13	Sheep/goats	-	-
14	Horse/donkey	3	4,3
15	Poultry	7	10,1

3.4.6 Prevalence of Debt

3 households reported to have debt and the source is formal bank (2), other sources (1 cases). (Table 3.13).

Table 3.13: Indebtedness

Sl. No.	Indebtedness	Number of Households	%
1	Yes	3	4,35
2	Bank	2	2,9
3	Other	1	1,45
	No	66	95,65
	Total	69	100

3.5 Water and Sanitation

3.5.1 Source of Drinking Water

The major source of drinking water is water supply pipeline system, from surveyed households 51 (89.5%) uses the water from central pipeline system; 2 (3.5%) households using the water from well, 4 (7%) households use water from natural springs (Table 3.15).

Table 3.15: Source of Drinking Water

Sl. No.	Sources	Number of Households	%
1	Piped water supply	51	89,5
2	Well	2	3,5
3	Spring	4	7
	Total	57	100

- note: figure is derived from only interviewed people

3.5.2 Sanitation Facilities

90% of the interviewed households possess latrine at their house connected to septic reservoirs, No flush toilet connected with the centralised sewerage system are on the area (Table 3.16).

Table 3.16: Types of Toilet

Sl. No.	Toilet	Number of Households	%
1	Flush toilet	0	0
2	Latrine	69	100
3	Total	100	100

3.6 Access to Energy and Civic Facilities

3.6.1. Access to Energy for Cooking

57 out of inquired households (95%) use gas stoves for cooking-with liquid gas baloon. Wood is alternative source of fuel being used by the 3 households (5%). According to the Table 3.17, households using gas also use fuel wood at the event of unavailability of gas (especially those using LPG). Details are given in Table 3.17.

Table 3.17: Type of Fuel Use for Cooking

Sl. No.	Types of Fuel	Number of Households	%
1	Wood	3	5.0
2	Gas	54	95.0
3	Diesel/ Kerosene		0.0
4	Electric power		0.0
	Total	57	100.0

Note: 54 households using gas also use fuel wood at the event of unavailability of gas

3.6.2. Access to Electricity

All of the interviewed 100 households (100%) are connected with central power supply. No connected to the natural gas supply system is available on the area (Table 3.18).

Table 3.18 Connected to Central Electric Power Supply and Natural Gas Supply Systems

#	Whether connected	Electric Power		Natural Gas	
		No of Households	%	No of Households	%
1	Yes	57	100	-	-
2	No	0	0	57	100
	Total	57	100	57	100

3.6.3 Access to Health Centre

Health facilities in project areas are in good condition with adequate access to hospitals . 100% of the households stated that they have easy access to health centres (Table 3.19).

Table 3.19: Access to Health Centre

Sl. No.	Easy access to Health Centre	Number of Households	%
1	Yes	57	100
2	No	0	0
3	Total	57	100

3.6.4. Access to School

All sample households (100%) reported that they have easy access to school (Table 3.20).

Table 3.20: Access to School

Sl. No.	Access to School	Number of Households	%
1	Yes	57	100
2	No	0	0
3	Total	57	100

3.6.5. Access to Road

Transport connectivity seems to be well established in the project area. Most of the sample households reported that they are well connected with the local roads (Table 3.21). However, 57 households (100%) have reported that the local road connection to main roads is not in a good shape.

Table 3.21: Access to Road

Sl. No.	Whether connected to Road	Number of Households	%
1	Yes	57	100
2	No	-	
3	Total	57	100

3.7. Conclusion

Most of inquired household (99%) have estimated themselves as not being wealthy, having incomes not sufficient for good quality medical services and education. Literacy rate in the project area is not low (83%) compared to national literacy level. A little more than 52% of the affected population are women. Literacy rate among the women is similar (82.7% compared to 83.1% among males). Women go side by side with the men in the project area and play important role in household economy. The project will have a positive impact on women through increased mobility and due attention will be given to them by the project.

Women headed households have been considered as vulnerable and special assistance was provided in the RAP entitlements in amount equivalent to 3 months of minimum subsistence income. Additional consultations are planned with affected women to identify any specific for women problems arising in conjunction with the project, especially land take related impacts. Women will be encouraged to establish NGOs or other informal organizations to monitor gender-sensitive issues related to the project. The RDMRDI is requested to include women representatives in Grievance Redress Commission.

Agriculture is not the dominant occupation among the PAPs (10% primary and 40% secondary economic activity). However, role of government services is also significant (46% primary and 3% secondary). Vulnerability like pension and state subsidy consumption reveals that 65.9% of the PAHs have a pensioner in the household.

98.2% of inquired population expressed good attitude towards the project and accepted it as important component of development for the whole country and for their rayon. 1.8% have no firm idea about the project.

IV. LEGAL AND POLICY FRAMEWORK

4.1 General

24. The legal and policy framework of the Project is based on national laws and legislations related to Land Acquisition and Resettlement (LAR) in Georgia and the World Bank Involuntary Resettlement Policy (OP/BP 4.12). Based on the analysis of applicable laws and policies and Policy requirements of the mentioned IFIs, project related LAR principles have been adopted.

4.2 Legal Framework

4.2.1 Georgia's Laws and Regulations on Land Acquisition and Resettlement

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

- (i) The Constitution of Georgia, August 24, 1995
- (ii) The Civil Code of Georgia, June 26, 1997
- (iii) The Law of Georgia on Protection of Cultural Heritage, May 8, 2007
- (iv) The Law of Georgia on Notary Actions, December 4 2009;
- (v) The Law of Georgia on State Property (21 July 2010)
- (vi) The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996
- (vii) The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; July 11, 2007
- (viii) The Law of Georgia on Public Register (No820 –IIs; December 19 of 2008;
- (ix) The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999
- (x) The Civil Procedural Code of Georgia, November 14, 1997

26. The existing Laws provide that compensation for lost assets, including land, structures, trees and standing crops, should be based on the current market price without depreciation. Overall the above laws/regulations provide that the principle of replacement cost compensating at market value is reasonable and legally acceptable. The laws also identify the types of damages eligible to compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of incomes. Finally, these laws place strong emphasis on consultation and notification to ensure that the PAPs participate in the process. Income loss due to loss of harvest and business closure will be compensated to cover net loss. The above-listed laws and regulations give the possibility of applying the following mechanisms for legal application of the property rights:

(i) Obtaining the right on way without expropriation through the payment of due compensation (on the basis of a contract of agreement or a court decision) prior to commencement of the activities.

(ii) The Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” allows expropriation which gives the possibility of obtaining permanent right to land and/or other real estate property on the basis of Eminent Domain Law or a court decision through the payment of due compensation.

27. Land will be acquired through eminent domain, first on the basis of negotiated settlement with individual affected entities. Should the contract fails, the expropriation process under the eminent domain will start and the expropriation procedures set out in in the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” shall be applied.

29. Under the existing Law in Georgia and in accordance with the the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” the expropriation shall be carried out based on the order of the Minister of Economy and Sustainable Development of Georgia and a court decision. The order of the Minister of Economy and Sustainable Development of Georgia will determine the case of public needs, and

grant the expropriation entity rights to obtain land. Only the court shall determine a state body or local authorities and/or legal entity under the Public Law/Private Law to which the expropriation rights can be granted. The court decision should also include a detailed inventory of the assets to be expropriated and the provisions on the compensation payable to relevant land owners.

31. After issuing an order by the Minister of Economy and Sustainable Development of Georgia the entities interested in obtaining expropriation rights shall notify all the relevant owners of expropriable property. This information should be published in central and local newspapers and contain a short description of the project and its area and expropriable property.

4.2.2 WB's Policy on Involuntary Resettlement

32. The three important elements of WB's involuntary resettlement policy are

(i) compensation to replace lost assets, livelihood, and income;
(ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and
(iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it.
For any WB or ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into account the following basic principles:

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

4.2.3 Comparison of WB Policy with Georgian Laws and Legislation

33. Overall, the legislation of Georgia adequately reflects the major provisions of the WB OP 4.12 Safeguards Policy but a few differences are to be noted. The most significant of these differences is that under Georgian legislation/regulation, emphasis is put on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and compensated while in the case of WB policy emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of Affected People (PAP) and Households (PAH). Because of this, WB policy complements the Georgian legislation/regulation with additional requirements related to

- (i) the economic rehabilitation of all PAP/PAH (including those who do not have legal/formal rights on assets acquired by a project);
- (ii) the provision of indemnities for loss of business and income,
- (iii) and the provision of special allowances covering PAP/PAH expenses during the resettlement process or covering the special needs of severely affected or vulnerable PAP/PAHs.

Also, in addition, the legislation of Georgia does not require any specific measure regarding the need to prepare RAPs based on extensive public consultations. The differences between Georgia law/regulation and WB policy are outlined in Table 4.1.

Table 4.1: Comparison of Georgian Laws on LAR and ADB Resettlement Policy

Georgia Laws and Regulations	WB OP 4.12
Land compensation only for titled landowners In practice legalizable land owners are also compensated after they are issued with the necessary papers	Lack of title should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation.
Only registered houses/buildings are compensated for damages/demolition caused by a project	All affected houses/buildings are compensated for buildings damages/demolition caused by a project
Crop losses compensation provided only to registered landowners.	Crop losses compensation provided to landowners and sharecrop/lease tenants whether registered or not
Administrative body implementing the Project (RDMRDI) is the only pre-litigation final authority to decide disputes and address complaints regarding quantification and assessment of compensation for the affected assets. Complaints are reviewed in compliance with the formal procedures (rules) established by the Administrative Code of Georgia. There is no informal grievance redress mechanism through community participation at the local level.	Complaints & grievances are resolved informally through community participation in the Grievance Redress Committees (GRC), Local governments, and NGO and/or local-level community based organizations (CBOs).
Decisions regarding land acquisition and resettlement are discussed only between the landowners and the Land Acquisition Authorities.	Information on quantification, affected items value assets, entitlements, and compensation/financial assistance amounts are to be disclosed to the PAPs prior to appraisal.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable PAPs, or resettlement expenses.	WB policy requires rehabilitation for income/livelihood, severe losses, and for expenses incurred by the PAPs during the relocation process.
No specific plan for public consultation is provided under the Georgian laws	Public consultation and participation is the integral part of WB's policy which is a continuous process at conception, preparation, implementation and finally at post implementation period

34. To reconcile the gaps between Georgia laws/regulations and WB Policy, RDMRDI has adopted the resettlement policy framework for the Project,

(was adopted in march 2014 and was published on the web site of road department on 11 April 2014 year.

<http://georoad.ge/?lang=geo&act=project&func=menu&uid=1395837796>

<http://georoad.ge/?lang=geo&act=news&func=menu&uid=1397219284>)

ensuring compensation at full replacement cost of all items, the rehabilitation of informal settlers, and the provision of subsidies or allowances for PAHs those will be relocated, suffer business losses, or will be severely affected.

4.2.4 Resettlement Policy Commitments for the Project

35. The resettlement policy for the project has been designed to (a) cover all PAPs irrespective of their title to land or asset registration status, (b) compensation for lost assets, and (c) restore or enhance the livelihoods of all categories of PAPs. The households/persons Affected by the project interventions will receive cash compensation for land and other assets at full replacement cost as per market price at the time of dispossession. Additional measures will be taken to ensure minimum disruption during the project construction period. Thus, households to be Affected physically and affected economically will receive due compensation, relocation assistance, and allowances in accordance with the following guidelines and policy which are also part of the Resettlement Policy Framework (RPF)⁴ of the Program and the Georgian laws on land acquisition, as well as WB OP 4.12. Core involuntary resettlement principles are developed for this Project which are as follows (see the abstracts from RPF in Box 1 below):

- Construct the road to avoid residential areas wherever possible to minimize physical relocation of people, and select alignments that minimise acquisition of privately or publicly held productive land; - Adopt design standards that minimise the need to impose land use restrictions on adjoining areas;
- Develop fair and transparent procedures, as defined in the Entitlement Matrix in this RPF, to determine compensation for (i) temporary loss of land/ assets during construction; (ii) permanent acquisition of land and assets; and (iii) restrictions on use of land that may be applied to areas adjoining the corridor;
- Acquire land (or right to use land) through negotiated agreements and with the use of the power of eminent domain only as a last resort.
- Upon completion of construction, restore land as best as possible to its original condition in the event of temporary disruption so as to enable landowners/users/lessees to resume their pre-project activities;
- 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.
- Ensure that grievances PAPs may have will be redressed adequately, and that solutions in line with principles laid out in this RPF be employed;
- All Project Affected People (PAP), without regard to legal status of property, will receive support of various kinds, as per the principles set out in the Entitlement Matrix, to assist them in their efforts to maintain their livelihoods and standards of living prevailing prior to the Project. Those who illegally own land will not be compensated for loss of land, but will receive compensation for loss of other assets which had been established on their own finance, and for loss of income such that they are also assisted in their efforts to maintain their livelihoods. . Detailed measures to be implemented will be determined based on the census and socio-economic survey to be carried out when Resettlement Action Plan is developed.
- PAP will be notified of the project implementation schedule and consulted regarding the principles of land acquisition and loss of or damage to assets.
- Damages to assets, such as standing crops, trees, fences and kiosks, and loss of income, including loss of harvest, will be minimized, and where inevitable, will be compensated without regard to legal status of ownership according to the Entitlement Matrix provided in this RPF.

Resettlement Action Plan (RAP) will be developed as per this RPF and Bank OP 4.12 as well as Georgian legislation for each section of the Project itinerary that defines detailed compensation packages and implementation schedule. Since, as discussed above, there are gaps between OP 4.12 and Georgian legislation and practice on expropriation, any land acquisition required 4 Government of Georgia: Subregional Road Corridors Development Program, Land Acquisition and Resettlement Framework, July 2009, Updated/Disclosed in February 2012; for the Project will be carried out as per the principles and procedures laid out in this RPF.

A market survey will be conducted to assess the prevailing market prices of land, construction materials for affected structures, crops and other relevant items, which will be used as the unit prices to determine compensation. This will additionally ensure that the market prices will allow PAPs to purchase replacement land.

Loss of income and assets will be compensated on a net basis without tax, depreciation or any other deduction. The final RAP should be submitted to and cleared by the Bank prior to the execution of civil works for relevant sections.

The details of land acquisition procedure will be spelled out in RAP(s), but they will include:

- Initial consultation with PAP to notify the project and board impact
- Census, geographic survey and socioeconomic survey of PAP
- Determination of PAP and types/ scale of impact
- Development of compensation package and drafting of RAP
- Consultation with PAP
- Negotiation with PAP and payment of compensation
- Expropriation process where negotiation fails
- Compensation/rehabilitation measures will be implemented as the civil works progress but prior to the start of the construction on a particular section.

4.2.5 Land Acquisition Process

36. Complete and accurate registration of private land as per current laws governing land acquisition in Georgia is the precondition for proceeding with acquisition of private land by agencies requiring land for land based infrastructure development. RDMRDI for construction of the Mlashe-Mokhe-Dertseli section of the East-West local road will acquire private land under eminent domain through negotiated settlement wherever possible, based on meaningful consultation with PAPs, including those without legal title to assets. The land buyer will offer adequate and fair price for land and/or other assets. RDMRDI will ensure that the process of land acquisition with the PAPs openly address the risks of asymmetry of information and bargaining power of the parties involved in such transactions. Only in cases where there is no agreement on land acquisition, expropriation will be sought.

37. The detail design consultant has prepared a separate volume of the RAP containing the land acquisition plan, and estimate of compensation and entitlement of individual PAPs under the subtitle of "Acquisition and Compensation Scheme (ACS). ACS is a detailed programme for execution of RAP as per land acquisition and resettlement framework consistent with WB OP 4.12 on involuntary resettlement.

38. Following the ACS, LAR Working Group assisted by LAR Team at rayon level will offer to each of the PAPs the compensation rates defined in this RAP. Upon successful settlement, Land Purchase Agreements will be signed with legalized/titled owners of acquired land parcels and Agreement of Entitlement with the non-titled PAPs. Any grievances of the PAPs will be resolved through approved grievance redress mechanism of the Project.

39. In case an PAP does not accept the rates defined in this RAP even after a thorough grievance redressing mechanism exercise, RDMRDI will seek concurrence of the appropriate authority in the management for proceeding with Expropriation Process under the eminent domain for acquisition of the land through Rayon courts.

40. The detail design consultant has prepared fresh maps of the acquired plots with geometric details required for legalization. RDMRDI will provide these maps to the concerned legalizable owners. The process will be followed by endorsement of these maps and ownership documents by the Sakrebulo and finally getting them registered in the local registration office prior to the receipt of the project compensation. A detailed procedure of legalization of legalizable owners is provided in Annex 2.

4.3 Compensation Eligibility and Entitlements

4.3.1 Eligibility

41. PAPs entitled for compensation or at least rehabilitation provisions under the Project are:

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

42. In particular for concerns land assets the eligibility to land compensation for this project has been elaborated as follows:

- Titled PAPs will be fully compensated
- Untitled PAPs who were legitimate leasers under the old Soviet system and have either plots with a house or adjacent to a plot with a house will be legalized and then compensated.
- Untitled PAPs who were not legitimate leasers under the old Soviet system and who use or cultivate the land they occupy only extemporaneously will not be legalized nor compensated. They however, are still eligible for crop or income compensation.

43. Compensation eligibility will be limited by a cut-off date to be set for each subproject on the day of the beginning of the PAP Census and DMS. PAPs who settle in the affected areas after the cut-off date will not be eligible for compensation. They, however will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.

4.3.2 Definition of Entitlements

44. Entitlement provisions for PAPs losing land, houses, and income and rehabilitation subsidies will include provisions for permanent or temporary land losses, buildings losses, crops and trees losses, a relocation subsidy, and a business losses allowance based on tax declarations and/or existing minimum market rates. These entitlements are detailed below:

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

- Agricultural land impacts will be compensated at replacement value either with replacement plots of the same value of the land lost and at location acceptable to PAPs where feasible, or in cash free of transaction costs at current market rates or (if no land markets are active) based on the reproduction cost of the affected land. The cash at market rates option has been selected for the Program. When >10% of an PAP agricultural land is affected, PAP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to the market value of a 2 year's gross yield of the land lost. In case of severe impact on other income, the PAPs will be paid additional compensation corresponding to 3 months of minimum subsistence income. Transaction taxes/fees will be paid by the EA or waived. Legalizable PAPs will be legalized and paid as titled owners. Non-legalizable PAPs losing agricultural land plot, which is the only land plot owned by PAH and provides main source of income for PAH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income. Residual nonaffected sections of a plot that becomes inaccessible or unviable to use after acquisition will also be compensated.
- Non agricultural land (Residential/commercial land). Legal settlers will be compensated at replacement rate either with replacement plots of same value as plots affected and at location acceptable to PAPs where feasible, or in cash at current market rates, free of transaction cost. The cash at market rates option has been selected for the Program. Renters/leaseholders will receive a 3 months' rent allowance. Non-legalizable PAPs losing land plot, which is the only land plot used for residence or providing main source of income for PAH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income. This allowance is to be calculated based on a 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval

- Houses, buildings, and structures. In order to address potential damages of vibrations or discomfort caused by road traffic, these items will be compensated in full for the whole building irrespective of the specific degree of impact. Compensation will be provided in cash at replacement cost free of deductions for depreciation, transaction costs or salvaged materials. All relevant PAPs are entitled to this provision by default irrespective of the registration status of the affected item. Salvaged materials after demolition of the building are deemed to be owned by the PAH.
- Crops: Cash compensation at current market rates for the gross value of 1 year's harvest by default⁵. Crop compensation will be paid both to landowners and tenants based on their specific sharecropping agreements.
- Trees: Cash compensation at market rate based on type, age and productivity of trees.
- Vulnerable Peoples Allowance: Vulnerable people (PAPs below poverty line and women or elder headed households without any other bread-winner member of household) will be given an allowance corresponding to 3 months of minimum subsistence income and priority in employment in project-related jobs. The allowance is to be calculated based on a 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval;
- Severe Impacts Allowance; PAPs losing >10% of agricultural land or >10% of nonagricultural income will receive a severe impacts allowance. When >10% of an PAP agricultural land is affected, PAP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to the market value of a 2 year's gross yield of the land lost. In case if this value is less than 3 months subsistence minimum, than the severely affected PAPs will receive allowance equal to 3 months minimum subsistence. For cases of severe impact on non-agricultural income, the PAPs will be paid additional compensation corresponding to 3 months of minimum subsistence income. This allowance is to be calculated based on a minimum subsistence income for 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval
- Community Structures and Public Utilities: Will be fully replaced or rehabilitated so as to satisfy their pre-project functions.
- Temporary impact during construction: All land required for temporary use is to be obtained by the civil works Contractor through voluntary negotiations (e.g., willing buyer-willing seller basis). The maximum period for temporary use is defined as 2 years. Compensation rates to be paid should not be less than compensation at current market rates for the gross value of 4 year's harvest of crops on the affected lands. It is also required that lands (or other assets) be fully cleared and restored following use

4.3.3 Compensation Entitlement Matrix

45. Tasks under the Project will be implemented according to a compensation eligibility and entitlements framework in line with both Georgia laws and regulation, WB OP 4.12. A summary entitlements matrix specific for this project is included in Table 4.2 below.

Table 4-2: Compensation Entitlement Matrix

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
Land			
Permanent loss of agricultural land	AF losing agricultural land regardless of impact severity	Owner with full registration	Cash compensation in cash at full replacement cost or replacement land of same value of land lost and at location acceptable to PAPs where feasible. The option selected for the Program is cash compensation. If residual plots become unusable the

			project will acquire it in full if so the PAP desires.
		Legalizable Owner	These PAP will be legalized and provided with cash compensation at full replacement cost.
		Non-legalizable owners (squatters/encroachers)	Non-legalizable PAPs losing agricultural land plot, which is the only land plot owned by PAH and provides main source of income for PAH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income.
Non-Agricultural Land			
	AF losing their commercial/residential land	Owner with full registration	Cash compensation at full replacement cost or replacement land of same value of land lost and at location acceptable to PAPs where feasible.
		Legalizable Owner	PAPs will be legalized and provided with cash compensation at full replacement cost.
		Non-legalizable owners (squatters/encroachers)	Non-legalizable PAPs losing land plot, which is the only land plot used for residence or providing main source of income for PAH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income.
Buildings and Structures			
Residential and non residential structures/assets		All AFs regardless of legal ownership/ registration status (including legalizable and Informal Settlers)	All impacts will be considered as full impacts disregarding the actual impact percentage. Impacts will be compensated in cash at full replacement costs free of depreciation and transaction costs.
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public Assets	Community/Government	Reconstruction of the lost structure in consultation with community and restoration of their functions
Loss of Income and Livelihood			
Crops	Standing crops affected or loss of planned crop incomes**	All AFs regardless of legal status (including legalizable and Informal Settlers)	Crop compensation in cash at gross market value of actual or expected harvest.

			Compensation for this item will be provided even in case if the crops were harvested
Trees	Trees affected	All AFs regardless of legal status (including legalizable and Informal Settlers)	Cash compensation at market rate on the basis of type, age market price of product o and the productive life of the trees.
Business/Employment	Business/employment loss	All AFs regardless of legal status (including legalizable and Informal Settlers)	Owner: (i). (permanent impact) cash indemnity of 1 year net income; (ii) (temporary impact) cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum subsistence income. Permanent worker/employees: indemnity for lost wages equal to 3 months of minimum subsistence income and trainings on computer literacy.
Allowances			
Severe Impacts	>10%income loss	All severely affected AFs losing more than 10% of affected agricultural land plot (including informal settlers)	two-year yield from affected land Other income: minimum 3 month minimum subsistence income. 300.1 GEL per month x 3 months=900.3 GEL per PAH) Other income 1 additional compensation minimum subsistence income x 3 months * 300.1 Gel = 900.3 GEL per PAH
Vulnerable People Allowances		AFs below poverty line, headed by Women, disabled or elderly	Allowance equivalent to 3 months of minimum subsistence income* and employment priority in project-related jobs 300.1 GEL as minimum subsistence income per month for 3months= 900.3 GEL per PAH)
Temporary Loss			
Temporary impact during construction		All AFs	Due compensation will be assessed and paid based on their approved RPF during construction. All land required for temporary use is to be obtained by the civil works

			Contractor through voluntary negotiations (e.g., willing buyer willing seller basis). The maximum period for temporary use is defined as 2 years. Compensation rates to be paid should not be less than compensation at current market rates for the gross value of 4 year's harvest of crops on the affected lands. It is also required that lands (or other assets) be fully cleared and restored following use
Unforeseen resettlement impacts, if any		All impacts related to temporary or permanent land take, the need for which is not envisaged within DD and RAP and is related to activities of Contractor.	Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project

* Minimum subsistence income to be calculated based on a 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval

** Income expected from crops on affected agricultural land permanently used for crop cultivation during the recent years. In case if the land was permanently used for crop cultivation, but for the year, when the inventory of losses was conducted, no crops have been planted (due to need of rest to this land or illness of the farmer or any justifiable reason), the land parcel still will be considered as designed for crop cultivation and relevant compensations will be paid

4.3.4 Assistance for Severely affected and Vulnerable PAH

46. Vulnerable PAH are entitled to an allowance equivalent to 3 months of minimum subsistence income and employment priority in project-related jobs. PAHs are considered as vulnerable in case they are registered as poor in the local social services or are women-headed Households with members with disabilities or people in pension age will receive the allowance only if they are registered as poor.

47. The above PAH will receive an allowance of 300.1 GEL x month x 3 months or 900.3 GEL in all. (These figures are taken from the National Statistics Office of Georgia Department data on minimum subsistence income for a household of 5 persons in August 2014 year.

48. Severely affected PAH will receive an additional crop compensation covering two-year yield from affected land or an allowance equal to 3 months of minimum subsistence income, in case the PAH is not subject for crop compensation (or when crop compensation value is less than 900.3 GEL).

4.4. Valuation and Compensation Rates

4.4.1. Principles and Methodology

49. The principles of valuation of acquired land and assets have been devised as per WB OP 4.12 on involuntary resettlement. The policy states that all loss of the PAPs have to be compensated at full replacement cost at the time of dispossession of the property for purpose of infrastructure projects. The calculation of replacement costs will be based on (i) fair market value at the time of dispossession, (ii) transaction/legalization costs, (iii) transitional and restoration (land preparation and reconstruction) costs, and (v) other applicable payments. In order to ensure compensation at replacement cost, good practice examples in compliance with

WB OP 4.12 were followed for determining the replacement cost of acquired assets.

50. The calculation of unit value is done keeping in consideration the current market rate so as to meet with the replacement cost of the land and lost assets etc. An experienced and registered independent local company was employed to do the valuation of land, structures, buildings, trees, crops etc. The approach of the evaluator was to make the assessment for each type of land and assets by location. The valuation was done when the census and DMS were conducted by the same company who prepared the map of affected plots with demarcation of cut-off areas. The valuation company engaged its experts for its respective areas who made site visits for physical verification of each category of the losses. The expert team also took into consideration the reference of previous valuation if available and also used their recommended periodic release of market survey. Based on this methodology the unit rate was derived. The unit rates used in this report are based on the evaluation agency's assessment with their standard methods for calculating the sample assets.

4.4.2. Determination of Compensation Rates

51. Replacement cost of land has been determined 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.

52. Replacement cost of houses/buildings was determined based on construction type, cost of materials, transportation, types of construction, land preparation, labor, and other construction costs at current rates. No deduction for depreciation and transaction costs will be applied.

53. Market value of annual crops has been determined at net market rates at the farm gate for the first year crop. In the eventuality that more than one-year compensation is due to the PAPs the crops after the first will be compensated at gross market value.

54. Tree market value has been set based on different methods for wood and fruit 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 will be compensated differently if they are productive or not yet productive. Productive trees will be 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 will be compensated based on the value of the investment made to grow the tree to the age in which the tree was cut.

55. The unit compensation rates recommended by the valuation company have been reviewed and approved by the RDMRDI and will be offered to the PAPs. Detailed methodology for determining valuations and compensation rates is included in Annex-1.

V. INSTITUTIONAL ARRANGEMENTS

5.1 Introduction

52. Ministry of Regional Development and Infrastructure (MRDI) is the executing agency (EA) of the Project on behalf of the Government of Georgia and the Roads Department of the MRDI (RDMRDI) is the implementing agency (IA). The World Bank (WB) will be financing detailed engineering plan preparation and civil works construction and construction supervision. RDMRDI is responsible for road construction as well as land acquisition and resettlement of the PAPs due to land acquisition and project construction.

53. RDMRDI is assisted by a number of other government departments and private agencies in the design, construction and management 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. Rayon NAPR is also responsible for registering transfer of acquired land from landowners to the RDMRDI. The local government at Rayon and village levels are involved in the legalization of legalizable land parcels and subsequently land acquisition and resettlement of PAPs. The Ministry of Environmental Protection is responsible for environmental issues.

54. RAP comprises the road section in Adigeni rayon of Shida Samtskhe-Javakheti Region. Sakrebulo, Gamgeoba, Registration Office and PRRC are all involved in RAP preparation process. Local Sakrebulos and Rtsmunebuli of villages are involved for local level LAR activities.

5.2 Land Registration Organizations

55. Government agencies active at various levels in the process of legalization of privately owned land parcels are described hereunder.

5.2.1 Rtsmunebuli and Gamgeoba at Village (Community) Level

1. 56. Community level Gamgeoba is the executive branch of self-government headed by Rtsmunebuli. Rtsmunebuli has the primary role in the process of legalization and registration of land parcels. Rtsmunebuli confirms ownership of affected land plots, parameters of land plots and endorses the cadastral maps and related data prepared for case of legalization¹. Gamgeobeli plays important role for legalization of non-rightful owners. Gamgeoba has power to authorize² details of the occupied land parcel and verify its usage pattern as the first hand verification and authorization for further consideration in the Property Rights Registration Commission (PRRC) as a basic step for registration with the Public Registry. Rtsmunebulis of the villages will be involved in RAP process of updating and implementation.

¹ Owners for legalization of their unregistered land parcels, in normal procedure, use the services of private mapping agencies and experts on payment for preparation of land details (maps and plot parameters). In case of this project, the consultants have been assisting in preparing basic documents like maps and plot details.

² This is not mandatory but one of the possible procedures for legalization of the non-rightful owners. Witnesses' signature confirmed notarially is also legally acceptable for confirmation of non-rightful ownership of land plot.

5.2.2 Sakrebulo

57. Rayon municipality confirms the correctness of documentations by rechecking them in rayon archives and confirms right registration process. Municipality members are revising the ownership and possession rights in village level.

Sakrebulo is the representative branch of self-government at rayon and village level. The village/rayon level Sakrebulo has now less involvement in the process of legalization of legalizable land plots. However, Rayon Sakrebulo assists the PRRC in the process of authorization of application of non-rightful owners.

5.2.3 Property Rights Recognition Commission

58. Under the Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 2007, the Government of Georgia has established the PRRC at the Rayon level for recognition of ownership rights of non-rightful owners for registration. PRRC verifies and in case of appropriate conditions recognises the ownership and issues the document confirming this which can be used for registration with the NAPR.

5.2.4 Rayon Registration Office

59. NAPR is in charge of the registration of land ownership and its transfer through purchase agreement from landowners to the RDMRDI. Rayon Archives are now transferred in the possession of the Rayon Registration Offices of the NAPR. Rayon Archive is used for cross verification of ownership document and validity of physical possession of land by persons seeking registration as legalizable owner, in the case, owner does not have available documentation proving ownership rights on the adjacent land plot or in case there is any doubt regarding the plot.

60. Rayon Registration Office of the NAPR is the Rayon level authority for executing registration of land parcels in the name of the applicants based on package of application documents provided by rightful owners (PAPs possessing ownership documents but with title formalization pending) or by non-rightful owners after receiving appropriate certificate from PRRC as the case may be. The owners submit both soft copy and hard copy of plot maps with geometric details for record in the Rayon and Central NAPR. Adgeni rayon office of NAPR is involved in the updating and implementation of RAP.

5.3. Land Acquisition and Resettlement Organization

5.3.1 RDMRDI of Georgia

61. RDMRDI has the overall responsibility of design, land acquisition and resettlement, construction organization, construction monitoring and supervision of the Project. This also includes financing and executing land acquisition and resettlement tasks and cross-agency coordination. RDMRDI will exercise its functions through its existing Resettlement Unit (RU), which is currently subdivision of the Resettlement and Environmental Protection Division (REPD). The Resettlement and Environmental Protection Division with Resettlement Unit was established within RDMRD in 2013. Currently, there are 7 resettlement specialists in the staff. In addition, one Resettlement Consultant is hired and engaged in WB financed projects. The staff and the consultant received professional on-the-job training as a part of the World Bank's technical assistance to the

RDMRDI. Current resettlement capacity of the RDMRDI needs strengthening. For each separate project, including the present one, RDMRDI needs local specialist as a consultant assisting in implementation of RAP.

62. A Resettlement Unit (RU) under the RDRD headed by a Head of the Unit and staffed with other personnel having specific experience and skills in LAR is responsible for LAR activities related to the project. The RU is a core team of the Working Group. RU is responsible for all technical work to accomplish all LAR preparation and implementation tasks and coordination within the RDMRDI, as well as at central and local government levels.

65. The specific tasks of the Working Group and RU will be to:

- (i) RAP finalization following appropriate procedures as per RPF/LARF and send to donor IFI for approval,
- (ii) supervise preparation of RAP for construction contracts and implement it after concurrence from donor IFI;
- (iii) establish LAR capacity at the regional level offices of the RDMRDI;
- (iv) ensure proper internal monitoring; and
- (v) hire, following the donor IFI recommendation the external monitoring agency.

66. RU will also provide all necessary documentation to ensure the prompt allocation of land acquisition and resettlement budgets to the PAPs and will maintain the coordination of all land acquisition and resettlement related activities.

5.3.2. TRRC

67. Transport Reform and Rehabilitation Centre (TRRC), a special independent agency, has been established within RDMRDI for financial management of ADB and World Bank financed projects. TRRC will get funds directly from the Ministry of Finance allocated for the project and disburse it to PAPs following requisition from RU, RDMRDI. TRRC will review, scrutinize and transfer the amount of compensation and allowances in the bank account of PAPs mentioned in the Compensation and Allowance Ledger prepared, confirmed and produced by RU for each PAP.

5.3.3. Rayon LAR Team

68. Rayon LAR team is informal team made of amongst other members by the the rayon and affected villiges representatives. It's purpose is to technically assist RD in preparation and implementation of RAP. Such a assistance will comprise:

- i) Identificatin of affected land plots and assets owners;
- ii) Identification of land plot perimeters;
- iii) Collection of information about the ownership documentation of the lands;
- iv) Relationship with land plot owners;
- v) Decision of problems using informal meetings;
- vi) Smooth and easy registration of legilizable lands and assets etc;

Rayon LAR Team is organized in team level: management core in rayon basis (LAR Rayon Team) and the working team on each affected villige level (LAR working team).

Management core is made of Rayon head (Gamgebeli) and Head of municipality community, Head of NAPR rayon office, head of social service agency rayon office, representative of affected village, representative of RU of RDMRDI.

Working team is made in accordance of management core direction for each village and comprises: village representative, his trustee with technical knowledge representatives of RU of RDRDMI. Working team assists RD consultant with technical aspects: such as Project Affected persons identification, identification of the exact borders of affected land plots, in other technical issues and communication with population. Village representative will confirm by his signature next documents:

- Correctness and itself list of affected land owners and occupants.
- Fact and documents after Measurement works and asset inventory for each land plot, made in participation of PAPs by the RD consultant.

Rayon offices of NAPR and Social service agency will assign technical personal which assist LAR working group in research of archived documents, identification Project affected person social status, registration of legible lands and assets.

RU of RDMRDI using the recommendations of RAP starts negotiation with land parcel owners about the purchase of land and affected assets, to compensate the losses incurred by the road reconstruction. If a PAP agrees on the acquisition he/she will confirm such agreement in writing by signing the Sales/Purchase Agreement that will be registered with the Public Registry. In the process of negotiation and registration LAR team (rayon level also working teams) members (village representative, NAPR personal) assist RU of RDMRDI. This agreement will serve as the basis for compensation payment processing and release. If agreement is not reached between the PAP and the LAR Team, the latter will inform the LARC, which will take decision to start expropriation. LAR team once again will inform PAPs about the grievance mechanisms (see chapter 7) which can be used to resolve the problems before court listening.

5.3.4. Local Governments

69. Local administration especially at Rayon level has direct jurisdiction for land administration, valuation, verification and acquisition. To assist LAR consultants, RDMRDI will establish Rayon Level LAR Teams which will have designated officials from the Rayon administration (Rayon Sakrebulo; Gamgebeli) and representatives of each affected village/community administration (representatives of all affected community/village level Sakrebulo and Gamgebelis). The Rayon level informal LAR Team have been formed in the district of Adigeni Team are working closely with the project different consultants and RDMRDI.

5.4 Other Organizations and Agencies

5.4.1 Civil Works Contractor

70. A Civil Works Contractor to be appointed by the RDMRDI to undertake the construction will be responsible for mitigating impacts resulting from the construction activities. Based on the RAP and the Technical Design, the parcel of land that will be identified and acquired as part of the road ROW will be demarcated to clearly delineate it from the remaining non-acquired parts. The construction activities shall be monitored closely by the RDMRDI to ensure compliance to the temporary mitigating measures.

5.4.2 Consultants and Auditors

71. The design consultant will be responsible for preparation and implementation of RAP and supervision consultant will be in place to supervise civil works construction.

- (i) **Detailed project Consultant:** has an international and local resettlement specialist for acquisition of land and finalizing RAP for each construction stage. The project consultant has hired a measurer and independent audit agency for documentation including measurement work, census, socioeconomic survey, inventory of losses, and valuation of land and assets for replacement value which will be used for preparation of land acquisition and resettlement plan. RAP has been prepared based on findings of the surveys following the final alignment as per detailed engineering design.
- (ii) **Social Safeguards Consultant:** Social Safeguards Consultant (SSC) will oversee implementation of RAP and will prepare compliance reports before the civil works start.
- (iii) **Local Resettlement Consultant** will assist RD Resettlement Unit during the RAP implementation and oversee all resettlement related issues that may arise during the construction.

5.4.3 5.4.3. Court of Georgia

72. The Court of Georgia shall be the last resort for issues and concerns regarding the implementation of the RAP. In case there is no agreement between the RDRD and the PAPs concerning the acquisition of private properties, the RDMRDI with the mandate for expropriation based on existing legislation will submit to the Court a request for expropriation. Upon its approval and following prescribed procedure, RDMRDI will then take over the concerned property after having been given by the Court the right of the Expropriator.

73. Furthermore, in cases where complaints and grievances regarding RAP implementation and compensation are not solved at the various levels as prescribed in the agreed Grievance Redress Mechanism, the PAPs will have the right to appeal the case to the Court as a last resort. Its decision shall be final and executory.

5.4.4 5.4.4. Ministry of Finance

74. The budgets for the implementation of RAP will be provided to RDMRDI by the Ministry of Finance following its official approval. The RAP budget will be allocated on the accounts of TRRC that is responsible for the financial management of the project.

5.4.5 5.4.5. Ministry of Justice

75. The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of land ownership and its transfer through purchase agreement from landowners to the Road Department.

5.4.6. Donor WB

76. Besides supervising the Project periodically, the WB will review RAP and provide clearance to contract awards signing and initiation of civil works.

5.5 Capacity Building on LAR

77. Initial level of capacity building exercise in the relevant agencies was carried out during the preparation of RAP at the feasibility study. Close consultations were held with all the concerned departments. RDMRDI has already an established Resettlement Unit under REPD dealing with land acquisition and resettlement. During the feasibility study, informal training was provided by the consultant's resettlement specialist to the officials on the requirements of WB OP 4.12 policy and how to develop a balanced compensation package fulfilling the requirements of PAPs, Government, RDMRDI, donor IFIs. Capacity building training was also initiated through a series of consultations and informal training sessions in the local administration level. The representative of RDMRDI at regional level was also responsible for the planning of LAR activities and was responsible for coordinating with the rayon administration. Rayon level LAR Teams were formed at each rayon that will be responsible for LAR activities assisting the LARC of the RDMRDI in the process of RAP implementation.

78. In terms of capacity and manpower resources within RU of the REPD, some expansion of the capacity on LAR currently available at REPD has been desired to allow an effective execution of all LAR related tasks for the project. The Resettlement and Environmental Protection Division (REPD) with Resettlement Unit was established within RDMRD in 2013. Currently, there are 7 resettlement specialists in the staff. In addition, one Resttlement Consultant is hired and engaged in WB financed projects. The staff and consultant received professional on-the-job training as a part of the World Bank's technical assistance to the RDMRDI.

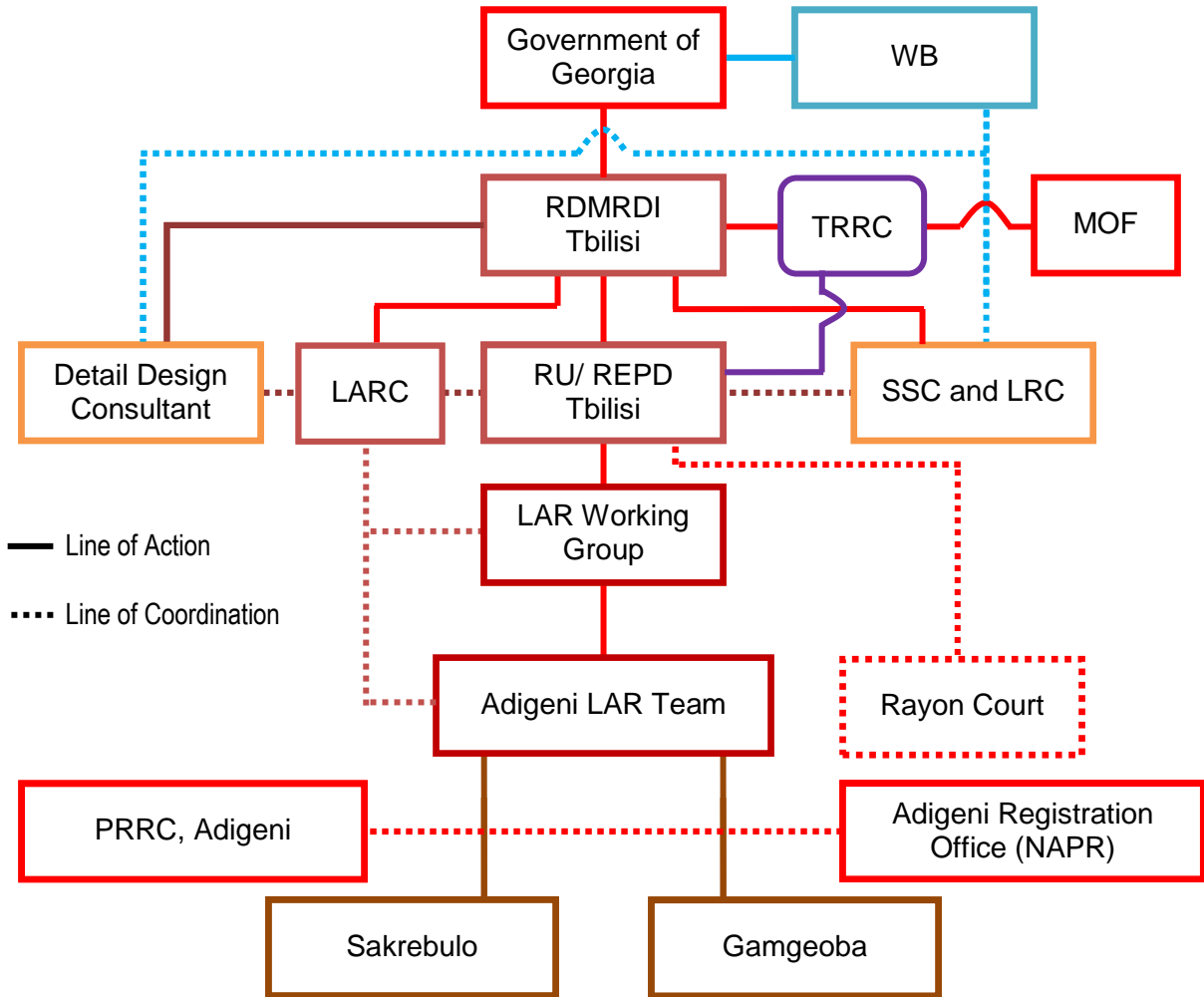
Current resettlement capacity of the RDMRDI needs strengthening, RDMRDI needs Local Resettlement Consultant (LRC) as a consultant assisting in implementation of RAP.

All concerned staff both at RU, LARC, at Rayon and field levels involved in LAR activities will undergo training on WB and ADB resettlement policy and management. The training will be provided under the ADB RETA or similar WB program.

Training covered the following topics:

- (i) Principles and procedures of land acquisition (WB and GOG);
- (ii) Stakeholders of the project
- (iii) Organizations involved in the process of land acquisition and resettlement and their roles
- (iv) Public consultation and participation process;
- (v) Entitlements and compensation and assistance disbursement mechanisms;
- (vi) Grievance redress; and
- (vii) Monitoring of resettlement operations.

Table 5.1 LAR Organization Chart



VI. CONSULTATION AND PARTICIPATION

6.1 Introduction

79. Consultation and participation is a process through which stakeholders influence and share control over development initiatives, and the decisions and resources that affect them. It is a two way process where the executing agencies, policy makers, beneficiaries and PAP discuss and share their concerns in a project process. Consultation and participation has been a major principle in the planning and preparation of the detailed design of the Project. WB OP 4.12 gives high priority on public consultation and participation to enhance the community voice and assure incorporation of community's views in design and implementation of a socially and environmentally compliant project. The Georgian laws also place strong emphasis on consultation and notification to ensure that the PAP participate in the process.

80. The focus of these consultations are to ensure that the PAP and other stakeholders are informed, educated, consulted and allowed to participate actively in the process of road development and preparation of social and resettlement plan; reducing public resistance to change; helping mitigate and minimize any probable negative impact and bringing in the benefit of the project to the people. The project design and preparation of land acquisition and resettlement plans, therefore, attempted consultation and participation of the PAP and communities to incorporate their views, needs and aspirations into the Project components. People were consulted during Final RAP preparation in August 2014 year, The consultation process has continued through individual contacts during land acquisition and resettlement plan preparation.

6.2 Consultation Process and Methodology

81. Consultation with local communities and government bodies in the project process was instrumental for alignment demarcation. The route of the project road underwent several adjustments to avoid severe impact, need for resettlement, civic amenities, and land acquisition scope. The public consultation process entailed clearly explaining the project and its impacts to the community through introducing the project and its impacts through leaflets in local language, clearly explaining to the communities in informal and formal consultation meetings and individual level discussion during the census and detailed measurement surveys of land and property.

82. Consultation with the PAPs in the project affected areas were conducted during the Preparation of detailed RAP in 2014 year. The methodology includes walk-through informal group discussion, focused group discussion, individual interview, The PAPs, their community, and local government officials were consulted.

83. PAPs were consulted through individual consultations about the land esquisition and RAP, during the census survey under the feasibility study. At the preparation of RAP in detail design stage, at the land esquisioin, all likely PAP persons were consulted through community level meetings and through individual contact at the time of census, socioeconomic survey and detail measurement survey.

84. Various methods used for stakeholder's consultation and participation with concerned stakeholders are described in Table 6.1.

Table: 6.1. Consultation methods during Feasibility Study

Stakeholders	Purpose	Method
Likely PAPs	<ul style="list-style-type: none"> To inform the PAPs, get their views on likely impacts, eligibility and entitlements, as well as procedures for compensation, relocation and rehabilitation. 	<ul style="list-style-type: none"> Focus group discussions and village meetings
Roads Department (RDMRDI) including its Resettlement Unit	<ul style="list-style-type: none"> To collect government's policy, guidelines priorities on the project, and to seek advise for work. 	<ul style="list-style-type: none"> Frequent individual meetings with the officials of RDMRDI
National Agency for Public Registry under the ministry of Justice	<ul style="list-style-type: none"> To collect the cadastral map and to knowledge of the details of the affected parcels and people. 	<ul style="list-style-type: none"> Consultation and discussion with officials
Local Government at Rayon Level (District Municipality), Rtsmunebuli	<ul style="list-style-type: none"> To seek their cooperation for carrying out the impact assessment survey and to sort out the problem related to plots missing owners (Legalizable Owners) 	<ul style="list-style-type: none"> Individual meetings with the officials of respective rayons and discussions
Property Recognition Commission in the Rayon Level and Sakrebulo	<ul style="list-style-type: none"> To seek their cooperation for carrying out the impact assessment survey and to sort out the problem related to plots missing owners (Legalizable Owners) 	<ul style="list-style-type: none"> Meeting and training

6.3 Summary of Consultations during Feasibility Study

85. The major findings of the consultations held at various locations during the feasibility study are summarized below.

- (i) The likely PAPs and their community are aware about the project.
- (ii) PAPs losing their properties expected a proper compensation package.
- (iii) Measures should focus on installing speed limit, children signs as well as putting pedestrian areas, adequate footpaths.
- (iv) Government should provide the alternative land to the landless people for their relocation.
- (v) The compensation should be based on the fair assessment.
- (vi) Contractors should be advised by the project authority to employ the local people.

6.4 Consultation meetings with the PAPs during RAP Preparation

86. Consultation Process during TAP has finished: Consultation meetings were held in all affected municipalites and information leaflets distributed. Consultation meeting notes are represented in the Annex 4.

6.5 Changes in LAR approach following the meeting dicissions

87. Following this meeting appropriate modification to the planned compensation program will be made. This was to more precisely differentiate the value of fruit trees taking into account that this is the region where fruit production is one of the core businesses.

6.6 Consultation and Participation Plan

88. RU on behalf of RDMRDI will pursue information disclosure for effective implementation and timely execution of RAP. Village level consultations with PAPs will be conducted during the implementation process, during conopensation distribution process, during the resettlement process also. For the benefit of the community in general and PAPs in particular, RAP will be made available in concerned offices at rayon Sakrebulo and the community level Gamgeoba. An information leaflet (in Georgian) will be distributed among the PAPs and their community. A copy of the land esquisition and RAP Leaflet is attached in Annex 3.

89. For continued consultations, the following steps are envisaged in the project:

- (i) Final RAP will be disclosed upon receiving approval from the WB
- (ii) RDMRDI will organize public meetings and will apprise the communities about the progress in the implementation of resettlement, and social activities.
- (iii) RDMRDI through its RU will organize public meetings to inform the community about the compensation and assistance to be paid. Regular update of the progress of the resettlement component of the project will be placed for public display at the local level RDMRDI office and at local Rayon Office.
- (iv) All monitoring and evaluation reports of RAP component of the project will be disclosed to the community.
- (v) Key features of the entitlements will be disclosed along the project corridor.
- (vi) RDMRDI will conduct information dissemination sessions at Gamgeoba and solicit the help of the local community leaders to encourage the participation of the PAPs in RAP implementation.
- (vii) Attempts will be made to ensure that vulnerable groups understand the process and to take their specific needs into account.

6.7 Disclosure

2. 90. Electronic version of the Final RAP will be placed on RDMRDI web-site. The summary of RAP will be translated into local language (Georgian) and will be disclosed to PAPs at local level. The copy of the RAP (Georgian version) will be available at the concerned offices of Adigeni Municipality. The final RAP will be submitted to the WB for approval and signing of contract awards will follow after completion of legalization of the legalizable owners of the land parcels under acquisition.

VII. GRIEVANCE REDRESS MECHANISM

7.1 Objectives

91. A grievance mechanism will be established to allow a PAP appealing any disagreeable decision, practice or activity arising from land, income or other assets and its compensation.

7.2. Grievance Resolution Process

92. PAPs will be fully informed of their rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, and time of compensation. Care will always be taken to prevent grievances rather than going through a redress process. This can be obtained through careful LAR design and implementation, by ensuring full participation and consultation with the PAPs, and by establishing extensive communication and coordination between the affected communities, the EA, and local governments in general. Complaint & Grievances will be addressed through the process described below in Table 7.1.

Table 7.1: Grievance Resolution Process

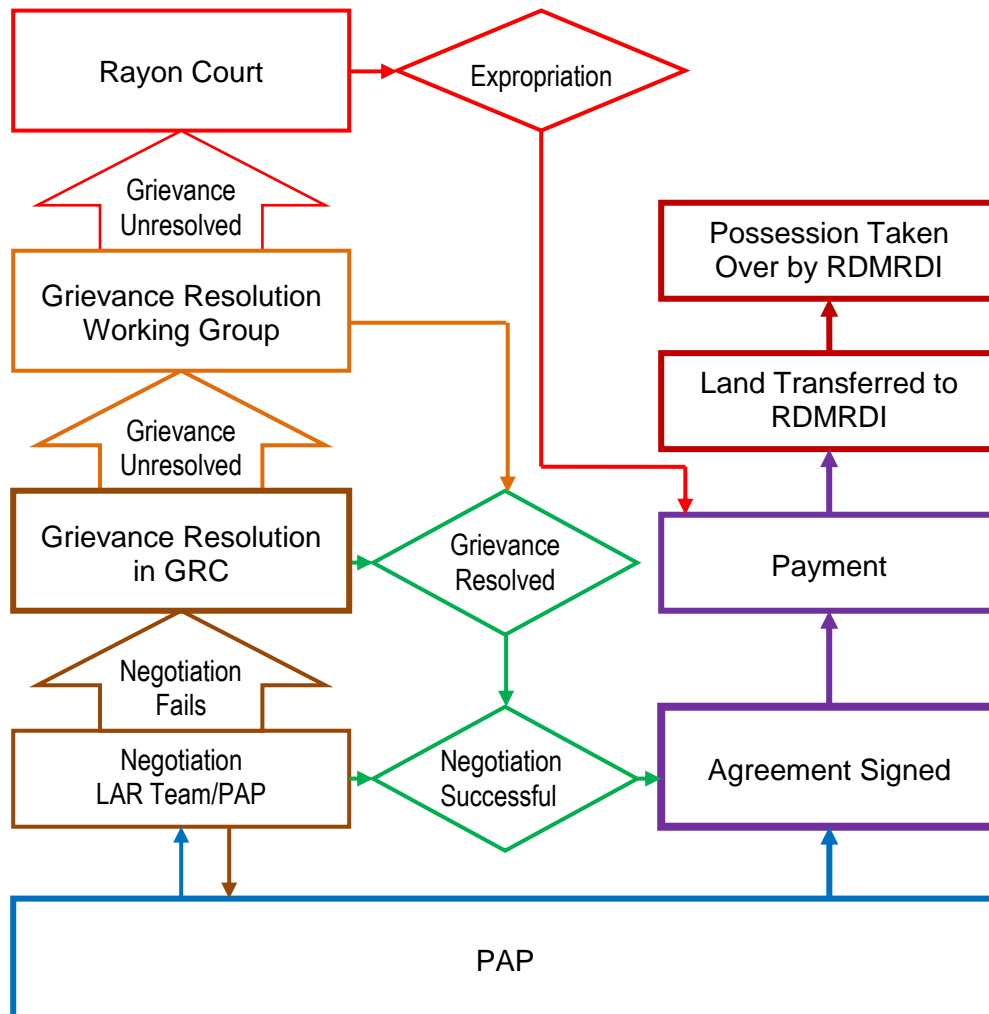
Steps	Action Level	Proces
Step 1	Negotiations with PAPs	The complaint is informally reviewed by the GRC, which takes all necessary measures to resolve the dispute amicably.
Step 2	GRC Resolution	<p>If the grievance is not solved during the negotiations, the GRC will assist the aggrieved PAPs to formally lodge the grievances to the GRC.</p> <p>The aggrieved APs shall submit their complaints to the GRC within 1 week after completion of the negotiations at the village level. The aggrieved AP shall produce documents supporting his/her claim. The GRC member secretary will review the complaint and prepare a Case File for GRC hearing and resolution. A formal hearing will be held with the GRC at a date fixed by the GRC member secretary in consultation with Convenor and the aggrieved APs.</p> <p>On the date of hearing, the aggrieved AP will appear before the GRC at the Gamgeoba office for consideration of grievance. The member secretary will note down the statements of the complainant and document all details of the claim.</p> <p>The decisions from majority of the members will be considered final from the GRC at Stage 1 and will be issued by the Convenor and signed by other members of the GRC. The case record will be updated and the decision will be communicated to the complainant PAP.</p>
Step 3	Decision from central RDMRDI	<p>If any aggrieved PAP is unsatisfied with the GRC decision, the next option will be to lodge grievances to the RDMRDI at the national level. The RDMRDI shall review the complaint in compliance with the procedures specified in the Administrative Code of Georgia.</p> <p>GRC should assist the plaintiff in lodging an official complaint (the plaintiff should be informed of his/her rights</p>

Steps	Action Level	Proces
		and obligations, rules and procedures of making a complaint, format of complaint, terms of complaint submission, etc.). The plaintiff shall be informed of the decision.
Step 4	Court decision	If the RDMRDI decision fails to satisfy the aggrieved PAPs, they can pursue further action by submitting their case to the appropriate court of law (Rayon Court). The aggrieved PAP can take a legal action not only about the amount of compensation but also any other issues, e.g. occupation of their land by the contractor without their consent, damage or loss of their property, restrictions on the use of land/assets, etc.

7.3 GRC Records and Documentation

93. RU of RDMRDI headquarters will keep record of complaints received for its use as well as for IFI (WB and AGB) use and review

Figure 7.1 Grievance Resolution and Acquisition Process



VIII. IMPLEMENTATION SCHEDULE

8.1 RAP Implementation Time Schedule

100. The time bound implementation schedule of the RAP has been prepared in consultation with the RDMRDI. All activities related to LAR have been planned to ensure that compensation is paid prior to displacement and commencement of civil works construction. The most important acquisition activity, relating to the privatization process in Georgia, is the legalization of legalizable owners of the identified land parcels for acquisition. The legal status of affected land parcels in the project road in Adigeni Rayon has been identified through title search during the land acquisition and resettlement survey and documentation work in January-July 2014. The titled and non-titled but legalizable owners of land parcels to be acquired have been identified in the survey.

101. The present document is the final version of the RAP. RDMRDI has reviewed and approved this document including compensation package and compensation rates and forwarded to the WB for approval. Tasks for the RAP are divided into:

- (i) Final Preparation including RAP approval various Initial tasks including legalization of legalizable PAPs and signing of contracts with PAPs.
- (ii) RAP implementation including processing and making payment of compensation and allowances and
- (iii) evaluation of implementation. Public consultation, internal monitoring and grievance redress will be undertaken intermittently throughout the project duration.

The LAR milestones include

- (i) approval of RAP,
- (ii) signing of contract awards;
- (iii) letter to proceed for civil works construction and;
- (iv) start of physical civil works. A post –implementation evaluation will be carried out after completion of RAP implementation.

8.2 RAP Approval and Initial Tasks

102. The Resettlement Unit of the RDRD under RDMRDI sets up relevant institutions and line up TRRC, LARC, Working Group/LAR Team, GRC and the like for the Project. Upon completion of the draft RAP from the detailed design consultant, the RU reviews and approve the document including compensation rates. RD will submit the approved RAP for WB for approval. Meanwhile, RD will implement actions for legalization of legalizable owners listed in the ACS of RAP (ACS-I) at the field level. All arrangements will be set for signing the contract agreement with the PAPs and the process will be executed for land purchase and compensation agreements. The capacity building exercise will be enhanced during this stage. Representatives of the PAPs and NGOs may be involved in LAR training at this stage. After completion of legalization of all legalizable owners of land parcels under RAP, RDMRDI will award civil works contracts (signing of contract awards). The initial LAR activities will be the following:

- (i) Establishment of LAR Institutions and GRM;
- (ii) Legalization of Rightful owners of land parcels;
- (iii) Legalization of Non-Rightful owners of land parcels;
- (iv) Agreement with PAPs and signing contract agreements;
- (v) Updating of LAR Budgets and ACS-I;
- (vi) Confirmation of updated impact data and of compensation amounts;
- (vii) Approval of RAP by WB and Government.

8.3 RAP Implementation

103. Payment of compensation and allowances under RAP will commence after a number of preparatory tasks have been completed. These tasks are:

- 3. Signing of contacts with PAPs
- 4. Disclosure and consultation
- 5. Capacity building training of LAR institutions, PAPs and NGOs
- 6. Grievance resolution
- 7. Requisition to TRRC for payment of compensation and allowances
- 8. Transfer of compensation and allowance to PAPs' bank account and registration of land in PR on RDMRDI name
- 9. Relocation of affected structures/ assets
- 10. Compliance review and reporting
- 11. Notice to proceed for Civil works construction
- 12. Monitoring

8.4 Post Implementation Evaluation

104. The post-implementation evaluation will be conducted after one year of completion of the RAP implementation and upon start of the civil works construction. An independent External Monitoring Agency (EMA) will carry out the evaluation. The EMA will carry out interim monitoring on a quarterly basis. In case, if the CSC is engaged at the stages when external monitoring is required, the CSC may have the responsibility for the external monitoring and post implementation evaluation.

8.5 RAP Implementation Time Schedule

105. The time bound RAP implementation is presented in Figure 8.1. Land purchase agreements and payment of compensation and allowances will go simultaneously and a sequence of one week time from offer of compensation to agreement, agreement to requisition and requisition to payment transfer is considered. A buffer period of one month has been included in the schedule for relocation of housing. Relocation of housing will also go by sections. Under the circumstances, the implementation schedule may include phased approach for civil works construction.

		months		
		I	II	III
1.	RAP preparation/finalization			
	RAO final version recheck and presentation	X		
	RAP approval	X		
	RAP implementation mechanism preparation.	X		
2.	RAP implementation			
	Preparation land plot documentations for registration in public registry		X	
	Dividing the land plots		X	
	Final negotiations about the compensations and preparation of agreements		X	
	PAP opening the bank accounts		X	
	Signing the land purchase agreements and registration of it in public registry		X	
	Distribution of compensations		X	
	Expropriation procedures implementation in case of fail to negotiate with PAP.		X	
3	Construction phase			
	Acquiring the right on the building territory			X
	Starting the construction works			X
	Grievance resolution and monitoring			X

IX. COSTS AND FINANCING

9.1 General

106. The land acquisition and resettlement cost estimate under RAP includes eligible compensation, resettlement allowances and support cost for implementation of LAR tasks. The support cost, which includes administrative expense, is part of the overall project cost. Contingency provisions (10% of the total cost) have also been included to take into account variations from this estimate at the negotiation for contract agreement level. In case of any over-run in cost, RDMRDI will provide additional funds as needed in a timely fashion. RDMRDI through the approval of Ministry of Finance will be responsible for allocating the LAR Budget in advance as part of their overall annual budget planning. Items of LAR cost estimate under RAP are as follows:

- (i) Compensation for agricultural, pasture, and commercial land at replacement value
- (ii) Compensation for structures and buildings at their replacement cost
- (iii) Compensation for crops and trees
- (iv) Assistance for severely affected PAH
- (v) Assistance for vulnerable groups for their livelihood restoration
- (vi) Cost for implementation of RAP.

9.2 Itemized Budgets

107. The following section deals with calculations for various types of compensation and allowances as per the entitlements and as per the rates determined at current market cost. Compensation will be provided at least at the rates detailed in this RAP although some modification in excess will be possible during the discussions preceding the signing of the contract.

9.2.1. Compensation for Land

108. Compensation of agricultural land has been derived based on the feedback from the affected people and from the independent evaluator. This cost also includes the residual unused land value. The costs for various categories of land loss are given in Table 9.1.

Table 9.1: Cost for Land Acquisition (including unviable plots)

Land Category/ use and Group		Plots No.	Area (sqm)	Cost GEL per sq.m	Total Cost (Gel)
(compensable Land)		1-11,34 km.			
Agricultural (7 Gel/sq.m)	Private agricultural land used for annual crops and fruit tree gardens, also for building erections and fences (remote from the existing section of local road;)	85	10484	7	73,388
Total Compensable Land		85	10484		73,388

9.2.2 Compensation for Structures

109. Compensation of structures is based on the current market price of materials, transportation and construction works needed for construction of similar materials. Condition of basement, bearing structures, roof, materials, decoration, sanitation, water and power supply, external lighting systems are considered. structures are made from wood, stone, iron. Detailed valuation is given in technical annexes. Some details break up is given in Table 9.2. Provided costs include expenses on relocation of the movable facilities.

Table 9.2: Cost of Affected Structures

#.	Item	Type of construction	Unit	Quantity	Cost
1.1	Garage	Wooden	1	54,46	9974
1.2	Pig shed	Wooden	1	5,33	647
1.3	Storehouse shed	Wooden	1	3	327
1.4	Cattle Shed	Wooden	2	61,82	7000
1.5	Gate	Iron	5	53,8	5698
1.8	Fence	Iron net	6	485,4	3130
1.9	Fence	Wooden	83	7194,1	68751
Total:					95527

9.2.3 Compensation for Crops

110. Crop compensation will be paid to all PAPs in cash at full market rate. The major crop found in the project road is potato and hay/grass. The detail on crop compensation is described in Table 9.4.

Table 9.4: Cost of Affected Crops

Crop	Number of Land Plots	Area sq.m	Unit Rate (GEL sqm)	Cost (In GEL)
hay/grass	22	3677	0.08	294
potato	1	200	1,88	376
Total:	23	3877		670

9.2.4 Compensation of Trees

113. Compensation for fruitable trees and non fruit able little fruit trees are different. The 1 year non-productive fruit trees will be compensated at the price of 1 year seedling. Partially productive trees will be compensated at aggregated cost of seedling price and fruit income calculated based on productivity of partially productive tree and compensation years needed to grow up the same age tree from the seedling of age starting productivity. For example, 4 years old walnut will be compensated at the cost of the 1 year seedling plus the income of partially productive tree (for 2 years needed to grow up 4 years old tree, from the 2 year seedling, when the tree starts to bring fruits). The fully productive trees will be compensated based on price of seedling plus income of fully productive tree for the years needed to grow up fully productive tree from the 1 year seedling. Tables with the calculation of trees costs are given in Table 9.5 below:

Table 9.6: Compensation for Productive Fruit Trees

Type	Groups by Age	Cost for 1 tree, GEL	No of trees	Tree value (Gel)
Apple	3	5	3	15
	6	100	1	100
	8	100	2	200
	10	100	4	400
	12	200	4	800
	15	200	10	2000
	20	200	10	2000
	Subtotal:			34
Walnut	5	35	10	350
	10	100	17	1700
	15	300	10	3000
	20	400	9	3600
	25	400	26	10400
				0
				0
	Subtotal:			72
Plum	5	18	12	216
	8	70	59	4130
	10	70	21	1470
	12	130	123	15990
	15	130	44	5720
				0
	Subtotal:			259
Wild Plum	5	18	10	180
	8	70	32	2240
	12	130	13	1690
	15	130	10	1300
	20	115	9	1035
	Subtotal:			74
Black Cherry	4	15	7	105
	8	58	31	1798
	12	155	1	155
	Subtotal:			39
Pear	3	5	7	35
	10	90	5	450
	15	300	9	2700
	20	300	6	1800
	25	300	6	1800
Subtotal:			33	6785
Cor nel	12	1	110	110
Nat	5	10	3	30
	10	52	4	208
	12	140	3	420
	Subtotal:			10
Quince	4	5	2	10
	7	100	2	200
	15	200	4	800
	25	80	1	80
	Subtotal:			9
Cherry	8	58	3	174
	15	155	4	620
	20	155	3	465
	25	88	1	88
	Subtotal:			11
Grape	5	15	21	315
	12	75	6	450
	15	75	3	225
	20	75	6	450
	Subtotal:			36
Total:				72024

114. Total cost o compensation for 578 unit of tree amounts to 72 024 Gel.

9.2.5 Resettlement Allowances

115. There are three type of allowances being provided to the PAH:

- (i) Severe Impact Allowance,
- (ii) Allowance for vulnerable
- (iii) Relocation Allowance

13. The costs for relocation of movable business facilities have been incorporated in the compensation cost for structures. Following are the description of each category of unit rates proposed for various allowances.

- (i) The allowance for vulnerable PAH is three months of minimum subsistence income at the unit rate of 300.1 Gel per month per PAH or 900.3 GEL for the PAH. Total allowances for 8 vulnerable PAHs is equal to **7202.40 GEL**;
- (ii) The compensation unit rate for severe impact allowances have been considered based on crop compensation given to the PAH or three months of minimum subsistence income, in case if crop compensation is not more then tree months minimum subsistence. For this project crop compensation will not be used as from 15 PAH, which losses more then 10% of it's land, no household is sucesfull in agriculture - their biannual income from agriculture do not exceeds minimum subsidence for 3 months - eaqual to 900.3 GEL. These PAH either do not have income from crops or it is nigliible one, In these cases principle of additional crop compensations is not applicable and these severely affected PAHs will receive allowances equal to 3 months of minimum subsidence for household consisting of 5 persons (900.3 GEL). **15** PAHs severely affected due to loss of more than 10% of agricultural land will receive allowances equal to **13504.5 Gel**. Details of calculations on various types of allowances are described in **Table 9.7**

Table 9.7: Cost for Allowances

Nº	Item	Quantity	Allowances (GEL)
1	Severely Affected PAHs	15	13504.5
2	Vulnerable Households	8	7202.40
3	Relocated PAH	-	-
Total			20 706.90

* indemnity for lost wages equal to 3 months of minimum subsistence income for the household consisting of 5 persons (300.1 Gel for August 2014 year)

9.3 RAP Management Cost

117. The Construction Supervision Contractor will conduct external monitoring. However, RU, RDMRDI will need to employ one independent monitoring agency for external monitoring of RAP implementation for a period of 2 months (in case the CSC is not in place during updating and implementation of the RAP). Miscellaneous expenses have been kept as a provision to cover the

administrative cost as may be incurred during implementation of the RAP. Details of the RAP implementation management cost is given in Table 9.8

Table 9.8: Capacity Building and Management Cost

No.	Item	Unit	Quantity	Unit Cost(GEL)	Total Cost (GEL)
1	Cost for EMA (Social Safeguards Consultant)	Months	2	4000	8000
2	Miscellaneous Administrative Cost	Months	2	1000	8000
	Total				16,000

9.4 Summary LAR Cost and Flow of Funds

118. The total LAR cost calculated for the implementation of this RAP constitutes 335 584 Gel (194519 USD). The summary LAR cost estimate is given in Table 9.9. All LAR related funds will be spent in one full year before the start of civil works construction. Transport Reform and Rehabilitation Centre (TRRC) is responsible for financial management of external financed projects. TRRC will get funds directly from the Ministry of Finance allocated for the project and disburse to PAPs following requisition from RU, RDMRI.

Table 9.9: Summary Estimate of LAR Costs

No.	Item	Cost in GEL	Cost in USD
A	Compensation		
1	Compensation for Land	73388	
2	Compensation for Structures/Buildings	95527	
3	Compensation of crop	670	
4	Compensation for Trees	72024	
5	Registration fees for residual land plots	26376	
	Subtotal A	267 985	
B	Allowances		
1	Severely affected PAHs	13504.50	
2	Vulnerable Households	7202.40	
	Subtotal B	20706.90	
C	Support Cost for RP Implementation		
2	Cost for EMA (Social Safeguards Consultant)	8000	
3	Miscellaneous Administrative Cost	8000	
	Subtotal C	16000	
	Total costs (A+B+C)	304 961.9	
	D. 10% Contingency	30 461	
	Total costs	335 161	194 274

9.5 Justification of Cost Estimates and Updating RAP Budget

119. Land acquisition and resettlement surveys included a valuation survey of affected land and assets. The survey consulted relevant transactions in case of land and local markets in case of building, trees and crops. In determining allowances to vulnerable households, the existing minimum salary rates have been considered.

120. A detail measurement survey was conducted to assess the affected buildings and structures and subsequently a detailed market survey for valuation of construction costs for each type of affected structure.

121. As for compensation to crops, the actual market price has been considered for valuation of crops.

122. The prices are, therefore, replacement value at current market cost and ensures full replacement cost to the affected land, building/structures, crops and trees. Detailed methodology followed for determining replace value of affected assets is given in Annex 1.

9.6 Source of Financing

123. All funds for compensation and allowances commensurate to RAP will be provided from the Government of Georgia's public fund. RDMRDI will ensure the allocation of funds for compensation to be paid for land acquisition and resettlement. RDMRDI will get the budget approved from the Ministry of Finance and allocate in advance the funds for implementation of RAP.

X. MONITORING AND REPORTING

10.1 Introduction

124. The main objective of implementation of RAP is to improve or at least restore the social and livelihood resources of the PAPs at their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable time with allocated resources. Therefore, monitoring of the process of updating RAP, its implementation and delivery of institutional and financial assistance to the PAPs has been designed as an integral part of the overall functioning and management of the Project. RU of RDMRDI will ensure the execution of timely monitoring of the monitoring and evaluation (M&E) indicators (process, delivery and impact indicators) of LAR tasks. The purpose of the Monitoring and Evaluation (M&E) is to provide feedback to all stakeholders on progress made in view of a timely and comprehensive implementation of the RAP and to identify problems as early as possible to facilitate well-timed adjustment of implementation arrangements. The objectives are to: (i) ensure that the standard of living of PAPs are restored or improved; (ii) ascertain whether activities are in progress as per schedule and the timelines are being met; (iii) assess whether the compensation, rehabilitation measures are sufficient; (iv) identify problems or potential issues; and (v) identify methods to rapidly mitigate problems.

10.2 Monitoring and Evaluation Indicators

125. Compliance of the RAP-I policy and targets in the implementation process will be monitored against set indicators. These indicators and benchmarks will be judged for implementation process, outcomes and impacts.

10.3. Level of Monitoring

126. Monitoring of LAR task in the Project will be carried out at two levels. The Head of RU will carry out regular internal monitoring for the RDMRDI with inputs from LAR teams at field operation. External monitoring will be implemented by the independent monitoring agency which will be invited by RDMRDI.

External monitoring can be made by the Civil building work supervisor (CBWS) if such a person will be already employed in project at the time of monitoring (during the RAP implementation phase). CBWS also will carry out supervision and monitoring to assist RDMRDI and WB in relation with minimising the resettlement impacts at the civil works stage.

10.4 Internal Monitoring

127. Internal monitoring will be carried out routinely by RU during implementation of the RAP. The conclusion of monitoring will be informed to LAR commission and WB. Indicators for internal monitoring will be those related to process, immediate outputs and impacts. This information will be collected directly from the RU representatives in the rayon level LAR Teams and Working Group and reported to LARC to assess the progress and results of RAP implementation, and to adjust the work program, if necessary. The monthly reports will be quarterly consolidated in the standard supervision reports to the WB.

128. The report of internal monitoring will contain: (i) accomplishment to-date, (ii) objectives attained and not attained during the period, (iii) problems encountered, and (iv) suggested options for corrective measures. The internal monitoring report will primarily be prepared by the RU resettlement specialists.

Civilian building works supervisor consultant, resettlement international and local specialist will help LAR commission within PPR scopes to define situation of resettlement. With the resettlement international specialist management local resettlement specialists will implement LAR teams monitoring and monthly reporting to LAR commission.

10.5 External Monitoring

129. derived from the tasks, external monitoring will be implemented by the Social security consultant, hired by the RD. The tasks assigned to the s/he will be the external monitoring of RAP implementation and the preparation at its end of a compliance report which will be the basis for WB to provide "No Objection" to the start of civil works.

10.6 SSC tasks

130. For each subproject involving land acquisition/resettlement, the SSC will closely monitor the implementation of the RAP and engage in the following tasks:

- (i) review of RAP and Information pamphlet disclosure;
- (ii) review of action taken by the PIU to compensate the PAPs with particular attention to the way this action fits the stipulation of the RAP;
- (iii) review all compensation tallies;
- (iv) verify whether the compensation is provided thoroughly to all PAPs and in the amounts defined in the RAP and in the PAP contracts;
- (v) assess the satisfaction of the PAPs with the information campaign and with the compensation/rehabilitation package offered;
- (vi) review the legalization process and assess its effectiveness;
- (vii) review complaints & grievances case;
- (vii) carry out an PAP satisfaction survey with a 20% sample of the PAPs. Immediately after the implementation of the RAP the agency will prepare the Compliance Report. The report will include well argued sections on the following:
 - (i) Assessment of the way the compensation has been carried out in relation of the stipulations of the RAP;
 - (ii) Verification that all PAPs have been compensated in the amounts stipulated in the RAP
 - (iii) Assessment of the accuracy of survey and asset valuation
 - (iv) Assessment of the effectiveness and thoroughness of the Legalization process
 - (v) Review of complaint and grievance cases and their solution
 - (vi) Assessment of the rehabilitation program for severely affected and vulnerable PAPs
 - (vii) Assessment of the satisfaction of the PAPs
 - (viii) Lesson learned to be applied to the next projects, and;

- (ix) General assessment of RAP implementation and recommendations to WB regarding the provision of “No Objection” Letter to start the civil works.

131. The SSC will carry out its activities in close communication with the PIU and will engage in desk activities and field activities and for this s/he will hire an appropriate number of assistants to carry out the PAP satisfaction survey and to review the compensation tallies. The monitoring activities assigned to the SSC will start immediately after Government approval of the RAPs and will last until RAP implementation is concluded.

10.7 Post-Implementation Evaluation

132. The supervision consultants’ resettlement specialists will carry out a post-implementation evaluation of the RAP about a year after completion of its implementation. The compelling reason for this study is to find out if the objectives of the RAP have been attained or not. The benchmark data of socioeconomic survey of severely affected PAPs conducted during the preparation of the RAP will be used to compare the pre and post project conditions. The post- implementation evaluation will recommend appropriate supplemental assistance for the PAPs should the outcome of the study show that the objectives of the RAP have not been attained. For this task the Supervision consultants will:

- (i) Assess the livelihood impact of the land acquisition/resettlement on the PAPs through formal and informal surveys with the population in project areas affected and non-affected. SSC will do formal survey of a representative sample of men and women PAPs to determine changes that have occurred on the PAPs. compare the situation of the PAPs with non- affected neighbors similar in terms of livelihood level to the PAPs. Focus group discussions and other unstructured data gathering methods and consultation with PAPs, officials and community leaders will also be used in carrying out the evaluation to supplement the findings from the formal survey. Finally the assessment will look into potential differential impact or benefit that men and women have PAPs experienced from the resettlement activities. The result of the surveys will serve as the end term review report of the SSC for the Project.
- (ii) Assess again satisfaction on the valuation of assets and entitlements, timing of payments, fund availability and disbursements. In the same post-RAP survey, the agency shall ascertain the satisfaction of PAPs on the valuation of assets, as well as, the scope and timing of assistance provided under the RAP.
- (iii) Assess the long-term efficiency, effectiveness and sustainability of the land acquisition/resettlement program, drawing lessons for future resettlement policy formulation and planning and future RAP planning and implementation. Should the outcome of the study show that the RAP objectives have not been attained, the agency will recommend appropriate supplemental assistance for the PAPs.
- (iv) Prior to submission of the post-RAP report, the SSC shall ensure that informal and formal meetings are held with the men and women representatives from the PAPs, community leaders and other key officials and seek feedback on the contents/analysis in the review report. Highlights of these consultations will also be attached as annex to the report.

10.8 Monitoring Indicators for Task 2

133. Task 2 will be based among others on the monitoring 10 indicators listed in table in Table 10.

TABLE 10. MONITORING INDICATORS FOR TASK 2

Monitoring Indicator	Basis for Indicators
Basic Information on PAP Households	<ul style="list-style-type: none"> • Location • Composition and structure: ages, educational and skill levels • Gender of household head • Ethnic group • Access to health, education, utilities, and other social services • Housing type • Land and other resource ownership and utilization patterns • Occupations and employment patterns • Income sources and levels • Agricultural production data (for rural households) • Participation in neighbourhood or community groups • Access to cultural sites and events • Value of all asset forming entitlements and resettlement entitlements
Benefit Monitoring	<ul style="list-style-type: none"> • What changes have occurred in terms of patterns of occupation, production, and resource use compared to the pre-project situation? • What changes have occurred in income and expenditure patterns compared to the pre-project situation? • What have been the changes in cost of living compared to the pre-project situation? • Have PAPs' incomes kept pace with these changes? • What changes have taken place in key social and cultural parameters relating to living standards?
Restoration of Living Standards	<ul style="list-style-type: none"> • Were house compensations made free of depreciation, fees or transfer costs to the PAPs? • Have perceptions of community been changed? • Have the PAP achieved replacement of key social and cultural elements?
Restoration of Livelihood	<ul style="list-style-type: none"> • Were compensation payments free of deduction for depreciation, fees or transfer costs to the PAP? • Were compensation payments sufficient to replace lost assets? • Was sufficient replacement land available of suitable standard? • Did transfer and relocation payments cover these costs? • Did income substitution allow for re-establishment of enterprises and production? • Have enterprises affected received sufficient assistance to re-establish themselves? • Do jobs provided restore pre-project income levels and living standards?
Levels of PAP Satisfaction	<ul style="list-style-type: none"> • How much does the PAP know about resettlement, procedures and entitlements? • Do they know if these have been met? • How do the PAP assess the extent to which their own living standards and livelihoods Have been restored? • How much does the PAP know about grievance and conflict resolution procedures? • How did resettlement implementers deal with unforeseen problems?
Effectiveness of Resettlement Planning	<ul style="list-style-type: none"> • Were the PAP and their assets correctly enumerated? • Were land speculators assisted? • Was the time frame and budget sufficient to meet objectives? • Were entitlements too appropriate (wide or narrow)? • Were vulnerable groups identified and assisted?
Other Impacts	<ul style="list-style-type: none"> • Were there unintended environmental impacts? • Were there unintended impacts on employment or incomes?

Valuation Methodology

In compliance with the International Valuation Standards (IVSC) the price of property is evaluated by means of the following three methods:

1. The Expenses (Cost Replacement) Method;
2. The Income Based Method;
3. The selling Price Comparison Method.

The Expenses (Cost Replacement) Method:

Means evaluation of the direct and indirect cost necessary for the construction of a similar building i.e. construction of a building of similar parameters would cost today.

Direct costs include:

- (i) Salaries of workers;
- (ii) Purchase of construction materials;
- (iii) Preparatory expenses;
- (iv) Rent or purchase of equipment;
- (v) Profit and overhead expenses of the constructor;
- (vi) Expenses incurred to ensure safety measures during the construction/repair;
- (vii) The cost of arranging temporary buildings;
- (viii) Temporary communications (electricity, water, gas supply etc.);
- (ix) Warehouse costs;
- (x) Transportation costs;
- (xi) Other costs;

Indirect costs include:

1. Cost of professional services:
 - Compensation of the architect/designer;
 - Compensation for engineering services;
 - Legal expenses;
 - Compensation for valuator's services;
 - Other expenses;
2. Expenses incurred to receive licenses and permission;
3. Insurance costs;
4. Financing %;
5. Guarantee necessary to secure the contract implementation by the construction contractor;
6. Other expenses;

The Replacement Cost Method in its part provides for three sub-method options:

1. Valuation based on square (cubic) meters;
2. Valuation based on elements (cost estimate);
3. Resource based method.

In case of the given RAP we have used the replacement cost method for evaluation of the market price of the buildings and constructions (see Attachments).

For each land plot there building compensation was needed we make a separate calculations for each building replacement cost. Calculating is made using the simple basis:

- All construction materials used in real buildings are identified,
- Amounts of materials are calculated;

- **Construction materials prices are issued from the “ Construction Recourses Prices” books published by the Georgian Builder Association for 2014 First quarter.**
- **Prices stated on this book were subject to revision from us, namely we rechecked main materials prices on the market – such as Brick, Block, Cement, Sand, Segment roof plate and etc. We define that book prices are correct and in correspondence with the real market prices. So we can freely use the 2014 year I Quarter Prices book for cost calculations.**

In presented cost calculations all building replacement costs are determined for separate land plots.

Note: For the buildings which are not usable, damaged, highly amortized physically or morally and it reconstruction is not possible or not rational - we calculated only the usable residual materials prices without any additional building/repair direct or indirect costs.

The selling Price Comparison Method

Means the evaluation of object by the direct comparison (valuation object) to another analogues, which were sold or offered for sale in the current period or nearest past. For the methodology valutors used the next consequent steps (procedures):

- Search, analysis and classification of the market data about comparables – similar type of real property;
- Determination of specific parameters to be utilized in the evaluation process Determination and assessment of the nature and scale of differences between the comparables of the valuated real estate property and analogous assets;
- Determination of difference character and amount between valuation object and the analogues.
- Adjustment of all established prices of comparables according to the elements of comparison versus the units to be appraised;
- Determination of the market price ranges of the assets to be appraised based on adjustments of the prices selected comparables;
- Estimated the Market price of object using the complex aggregation of market prices of corrected analogues prices.

Adjustments were made according to the comparison elements, in the following sequence:

- Legal status of given real property;
- Financial conditions;
- Sale conditions;
- Sales transaction related costs;
- Sales dynamics at the market (the date of sales transaction);
- Location;
- Physical parameters;
- Economic parameters;
- Use;
- Existence of movable property.

Selling price comparison method was used for the land plot market price estimation.

The Income Based Method

Defines the motivation of the of investor by the correlating the invested amount to the income potential of the property (Asset). This motivation is the price which can be paid by the investor in corrent income generating potential. Real astate price can be defined as income generated in the future from the asset exploitation and discounted to present value.

Income approach shell in turn include the following two methods:

1. **Direct capitalization method:** based on analysis of income gained from operations, or net operating income gained during a defined period of time divided on the capitalization rate it comprises the next steps:
 - I – calculation 1 year potential total income;
 - II – calculation of effective income;
 - III – calculation of expected costs and allowances;
 - IV – calculation of net operational income;
 - V – calculation of capitalization rate;
 - VI – calculation of market value of asset.

2. **Discounted cash flow method:** based on the analysis of income gained from operation of the appraised property, or net operating income gained during a defined period of time discounted in current value also adding period end reverse (sale) income.
 - I – Estimation real estate typical holding period, during which investor holds the property.
 - II – For the separate holding period (stage) calculation of net operational income.
 - III – Estimation real estate value at the end of holding period. (reverse value).
 - IV – Estimation of discount rate for the appraisal object.
 - V – All period net operation income and reverse value are translated to present value using the discounting.
 - VI – Estimation of real estate market value..

We have negate two versions of the income method, as there was not confirmed information regarding the incomes gained by the exploitation of the property.

Land plot market price calculation using the sale comparison method

Land plotas are situated in Adigeny rayon. land plots are consentrated together and and prices of land are same for most of them.

Land Market segment to used for valuation must be defined in the scopes of the Adigeni rayon. To determine market price we serch anf find the analogue land plotas offered for sale in the same rayon, od allready sold in the near past. Such a information was derived from Public registry, mas media, makler companies database.

Detailed info about the analogues and land plot market price calculation is represented in the table below:

Table #1 Details of comparable analogues

Address	Contract/offer unit price \$	Information source	1 sq.m. Price	Cost related to sale	Correction	Corrected price 1 sq.m.	Location	Correction	Corrected price 1 sq.m.	Physical characteristics	Correction	Corrected price 1 sq.m. Pi	Ri	M	Vi	Vwa 1 sq.m. Market Price GEL
Adigeni rayon V.Mlashe Cadastral Code 61.03.22.016	8.74 GEL /1 sq.m. (Contract)	Public Registry Info 30.05.2013	8.74	Contract	No	8.7	Same	No	9	better	-1	8	1.0	7.0	1.1	7
Adigeni rayon Tel. V.Mokhe Cadastral Code 61.01.21.056	8.29 GEL /1 sq.m. (Contract)	Public Registry Info 31.03.2014	8.29	Contract	No	8.3	Same	No	8	same	No	8	1.0		1.2	
Adigeni rayon V.Mlashe Cadastral Code 61.02.22.011	6.64 GEL /1 sq.m. (Contract)	Public Registry Info 21.03.2014	6.64	Contract	No	6.6	Same	No	7	same	No	7	2.0		1.9	
Adigeni rayon Tel. 599931161	5 GEL /1 sq.m. (Offer)	http://www.georgianhome.ge/ka/component/properties/item/000494/print	5.00	Offer	-10%	4.5	Same	No	5	worse	1	6	2.0		1.6	
Adigeni rayon Tel. 599931162	7 GEL /1 sq.m. (Offer)	http://www.georgianhome.ge/ka/component/properties/item/000620	7.0	Offer	-10%	6.3	Same	No	6	same	No	6	1.0		0.9	

Note: 1. We make provision about the selection, as all analogues selected were similar to valuation object by its physical characteristics.
 2. Information about the analogues are collected from the database of Public Registry, Internet, Press, clerk agencies. As nowadays there is no Real estate exchange place and all transactions are made by separate negotiations between parts.

Description of corrections:

- Analogues from Offer (not from real contract) we place the 10% correction which represents the clerk interest or murk up for the future discount to attract buyers. mentioned correction was placed as element of sale transaction cost.
- Second correction is made for location of analogues, (distance from communications, from urban areas and etc.)
- Third correction is for Physical conditions of the analogues, (Usage difference, Parameters of analogues, structural differences and etc.)
- Correction amounts for each case were measured using the real estate market demand-supply conditions and prices analysis.

Calculation of the Market Price

Reconciliation of the adjusted prices of comparable assets was carried out based on a calculation of the average weighted value. More portion was assigned to analogues which has more similar characteristics as valuable object and which was corrected most slightly.

With the use of the average weighted value, the price of the valuated asset was calculated by means of the following formula:

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

Where:

- Vwa** - is the average weighted value;
- Pi** - is the adjusted sales (listed) price of each comparable;
- ∑ R** - is the sum of the comparable adjusted price priority rates;
- Ri** - is the comparable adjusted pries priority rate for each comparable; (see the table #1)

Method of Calculation of Perennial Plants Compensations

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 formula to compensate one productive tree will thus be:

$$C = (K * V * L) - M$$

Where:

- C=compensation value of tree.
- K =average annual productivity of 1 tree for remaining productive years
Based on the national statistics center data and scientific work of argy-cultural science doctor Gogotur Agladze (Georgia and Russian federation science academy real member, state prise laureate) monograph “Georgian fruit works” III book-1973 year, and IV book 1878 year.
- V=market price at farm gate of 1 kg product, estimated by the market research.
- L =years to be compensated (years needed for growing up a tree of the same rate of productivity as the one cut.
Is estimated by the survey and consultation with owner. also by the visual inspection.
- M = average annual expenses for agricultural works
Estimated by the valuator based on the consultation with agricultural specialist and plant owner.

Using the above formula, compensation amount for trees grouped in age groups are presented on the table #2.

Table #2

Name	Age groups	Average productivity kg.	Harvesting beginning age	Compensation years amount	Sapling price	1 Kg. Product massive value (Gel)	Total income in one year (Gel)	Cost of handling the trees in one year (Gel)	Unit tree Price (Gel)
Quince	1-5	2	3	5	5	2.0	4	3	5
	6-10	10	3	10	5	2.0	20	10	100
	11-15	50	3	10	5	2.0	100	80	200
	16-20	50	3	10	5	2.0	100	80	200
	21+	35	3	8	5	2.0	70	60	80
Apple	1-5	2	3	5	5	2.0	4	3	5
	6-10	10	3	10	5	2.0	20	10	100
	11-15	50	3	10	5	2.0	100	80	200
	16-20	50	3	10	5	2.0	100	80	200
	21+	35	3	8	5	2.0	70	60	80
Pear	1-5	2	6	5	5	2.0	4	3	5
	6-10	10	6	10	5	2.0	20	11	90
	11-15	60	6	15	5	2.0	120	100	300
	16-20	60	6	15	5	2.0	120	100	300
	21+	60	6	13	5	2.0	120	100	260
Plum/wild-plum	1-5	3	5	5	4	1.5	5	1	18
	6-10	10	5	10	4	1.5	15	8	70
	11-15	30	5	10	4	1.5	45	32	130
	16-20	25	5	10	4	1.5	38	26	115
	21+	7	5	10	4	1.5	11	5	55
Walnut	1-5	2	10	5	5	5.0	10	3	35
	6-10	4	10	10	5	5.0	20	10	100
	11-15	20	10	15	5	5.0	100	80	300
	16-20	30	10	20	5	5.0	150	130	400

	21+	30	10	20	5	5.0	150	130	400
Nut	1-5	4	3	5	2	1.5	6	4	10
	6-10	7	3	8	2	1.5	11	4	52
	11-15	15	3	8	2	1.5	23	5	140
	16-20	12	3	8	2	1.5	18	5	104
	21+	10	3	8	2	1.5	15	5	80
Grape	1-5	10	3	3	1	1.0	10	5	15
	6-10	15	3	5	1	1.0	15	10	25
	11-15	30	3	5	1	1.0	30	15	75
	16-20	30	3	5	1	1.0	30	15	75
	21+	25	3	5	1	1.0	25	15	50
Cherry	1-5	8	3	3	1	1.5	12	7	15
	6-10	15	3	5	1	1.5	23	11	58
	11-15	34	3	5	1	1.5	51	20	155
	16-20	34	3	5	1	1.5	51	20	155
	21+	25	3	5	1	1.5	38	20	88
Cornel	1-5	4	3	5	2	1.5	6	4	10
	6-10	20	3	5	2	1.5	30	8	110
	11-15	20	3	5	2	1.5	30	8	110
	16-20	15	3	5	2	1.5	23	5	88
	21+	11	3	5	2	1.5	17	5	58

Note:

- 1. Cutted trees, as cultural as other will be properties of owner for fire wood or for another purposes.
Trees for special purposes such as wind blocking tree lines, local road side trees, decorative trees will be planted back by the builder contractor in accordance with the enviroment secutiry management plan. განაშენიანება-აღდგენა*
- 2. Perrenial plants compensation value for seperate land plots are represented in attachements. (See Attachements).*

Method of Calculating Compensation for Annual Crops

We assume that all factors influencing the product cost, production capacity, market price must be take into consideration then calculating the compensatin of annual crops.

Avarage production capacity for annual crops are taken from the national statistic beaurou of gerogia. Prices are taken from currewnt market statistic info.

Below is presented the annual crop compensation calculations of crops which is affected by the road project.

Table #3 Perrenial grass and hay compensation calculation

Regions	Perennial grass production						Perennial grass average production capacity tone/sq.m.						Average harvest capacity Tone/Hectare	Average harvest capacity Kg./sq.m.	1 Roll weight kg.	Price in Gel	1 sq.m. harvest grass compensation amount (Gel)
	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011	2006-2011	2006-2011			
Shida-Qartli	2.9	1.6	2.9	3.7	1.8	2	2.4	2.7	3.5	1.7	2.6	3.1	2.67	0.27	20	5	0.07
Qvemo-Qartli	8.1	3.9	17.5	15.2	12.1	36.7	3.2	2.6	3.5	2.6	4.2	3.1	2.98	0.30	20	5	0.07
Samtskhe-Javakheti	11	2.5	6	3.4	5.3	7.4	2.4	2.8	4.9	2.4	6.6	3.1	3.13	0.31	20	5	0.08
Other Regions*	3.8	0.8	3.8	0.7	6.7	2.4	1.6	1.6	5.3	1	5.6	3.1	2.38	0.24	20	5	0.06
Georgia	26	8.8	30	23	26	49	2.8	2.7	3.9	2.3	4.6	3.1	2.93	0.29	20	5	0.07

* Adjara, Samegrelo and Zemo svaneti, Mtskheta-tianeti, Kakheti

table #4 Potato compensation calculations

Regions	Potato						verage potato harvest capacity Tone/Hectare						verage potato harvest capacity Tone/Hectare	Average potato harvest capacity kg./sq.m.	Price of 1 Kg. potato (Gel)	Compensation amount for 1 sq.m. potato harvest loss (Gel)
	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011	2006-2011	2006-2011		
Adjara	25.5	32	31.6	16.7	11.6	9	4.3	16	17	11.8	8.7	10.1	11.3	1.1	1.5	1.70
Samtckhe-Javakheti	54.3	109.3	108.1	144.1	128.5	169.7	4.9	13.2	10.6	17.7	12.6	16	12.5	1.3	1.5	1.88
Qvmo-Qartli	69.8	59.9	24.9	35.3	63.3	58.4	8.2	9.8	4	7.8	13.8	17.3	10.2	1.0	1.5	1.52
Other Regions	19.1	28	28.8	20.7	25.4	36.8	4	5.8	5	4.3	5.4	6.5	5.2	0.5	1.5	0.78
Georgia	168.7	229.2	193.4	216.4	228.8	273.9	7.4	10.8	8.0	11.5	11.1	13.6	10.4	1.0	1.5	1.56

Note:

1. Compensation amounts for the loss of annual crops for separate land plots are represented in attached documents (See these attachements).
2. Compoensations are calculated for the land plots only, on whichat the time of inspection, where was a signs of current or previous year cultivation. (land plot was accupied by the annual crops)

LEGALIZATION OF PRIVATE OWNERSHIP OF LAND IN GEORGIA

A. Introduction

157. Correct and accurate initial registration of ownership rights is the necessary condition for undertaking voluntary acquisition or mandatory expropriation of real property. Land owner have to implement correct procedures for exact demarcation and legalization. The land owners have to apply 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 (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).

158. After the disintegration of the Soviet Union, all land in Georgia came under the state ownership. The Government of Georgia (GOG) started privatization of land in 2004 as an essential part of the economic reform in the country. The GOG applies various methods to privatize state-owned property including competitive bidding, auctions, lease, redemption and direct sale. However, lands under private occupation with traditional rights are being legalized through registration with National Agency for Public Registry (NAPR) of the Ministry of Justice. The pattern of privately owned lands in Georgia is determined by allocation of land plots after the independence from Soviet system. In the Soviet times the agricultural lands were used by collective farms financed by the State. During the privatization process the lands of collective farms were divided into small parcels and distributed among households who no longer receive agricultural subsidy from the State.

B. Status on Registration on Pure Land and Reality in Present Situation

159. The registration for pure land (land parcel without having structure) has not been - stopped. However, in practice, most of the owners are not initiating any new land registration for the pure land because; there is no requirement for them for new registration as buying and selling of pure land is not so prevalent in present situation. Also, these owners are using their respective plots based on the mutual understanding among the neighbours.

160. In reality, some of these land parcels and owners can still be converted into legal owners provided the initiation for land registration for pure land is taken by the owners. These cases under the current situation are considered as Legalizable Owners. Currently, there is no problem associated with urban and residential plots. Also, there is some cases pending in the court related to land registration, which needs to be addressed. The current ownership of land can be broadly categorized as follows:

- (i) **Legal Owner/ Title Holder:** Owners and users of land having their title registered in the Public Registry.
- (ii) **Legalizable Owner:**
 - a. **Rightful Owners** – the owners with old document proof although not having registration in the Public Registry under the Laws of Georgia on Privatization of State-owned Agricultural Land, (July 8, 2005) and The Law of Georgia on Public Register (No820 –lis; December 19 of 2008); (the current legislation).
 - b. **Non-rightful owners** - unauthorised land users having right to legalize landownership rights provided by the current legislation. The legalization of landownership rights, under the current legislation is allowed for following cases:

- The state owned agricultural or non-agricultural land plot with residential house or supporting structures on it - occupied by the physical or legal person without permission before the current law came in force in 2007.
- Land plot occupied by person without permission is adjacent to the land parcel rightfully owned or used by this person, taking into account that the illegally occupied land parcel should be of less area than the legally owned adjacent land parcel.

However, there are certain restrictions on privatization of land⁹ (attachment-2).

- (iii) **Non-Legalizable Landowners:** Illegal/Squatters having no right to legalize landownership rights under the current legislation. Persons having no document of possessing the land in concern before the enactment of the current law in 2007 are not legalizable.

161. Legalisation of Rightful Landownership rights is executed directly by Rayon Registration Offices of NAPR. The applicants should submit old documents proving the ownership rights and precise cadastral maps of the land plot and structures on it.

162. Legalisation of Non-rightful Landownership rights is authorized by Property Recognition Commission (in each Rayon) through reviewing the application documents, evaluating eligibility against the restriction lists given in the law and local landuse development plans. In case of positive decision and upon payment by the applicant of relevant amount of money to a special account, if applicable,¹⁰ the Commission issues certificate on ownership right. Based on that certificate the Rayon Registration Office of NAPR will register the ownership rights on land plot and structures.

C. National Survey

1. 163. In 2003-2004, USAID, along with some International Donors carried out a national level survey of land all over Georgia. These donors started the mapping of land for whole of Georgia. The mapping was done through an independent survey by physical verification of the land parcels and consultation with the owners. The positive aspect of the USAID survey was that it recognized the plots. However, the ownership details and the parcel boundary were not demarcated on the ground by the survey. Also, the details of ownership were not updated because most of the people do not initiate any registration for pure land. Therefore, there is a difference between the USAID survey and the map existing during the privatization process (Rayon Map/Archives) regarding the issues related to the exact ownership, boundary of each plot and its due recognition.

⁹ According to the Law of Georgia On Privatization of Agricultural Land Existing in State Ownership (Article 2, Clause 3), the following categories of State-owned lands are not subject to privatization: (a) Pasturelands other than those leased out before the enactment of this law which under the act issued by the competent state or local government (self-government authority) are duly allotted to the buildings and premises located thereon which are the private property of individuals or legal entities or the property of the state; (b) Cattle transfer routes; (c) The first zone (zone of strict regime) in sanitary protection area around water supply units; (d) Lands of forest funds, which are used for agricultural purposes; (e) Recreational lands; (f) Lands occupied with historical, cultural, natural and cult-religious monuments; (g) Lands of protected territories; (h) Agricultural lands that are used by the Budget-funded institutions and legal persons of public law in form of usufruct. The lands indicated in b, c, d and e may be privatized only if significant projects are implemented, on which government of Georgia, based on the suggestion of the Ministry of Economic Development of Georgia, shall take special decision. At the same time the land indicated in c may be privatized if the conditions of sanitary protection are met. (26.10.2007).

¹⁰ In Adjara AR (1) Payment for allocation of land less than 3000 sq.m. in village settlement for residential use is exempted for all. (2) For agricultural land of area more than 3000 sq.m, the payment is 440 GEL per HA. (3) For non-agricultural land in the first zone, the payment is 6 GEL per sq.m, which is 3.4 GEL per sq.m. in second zone and 2.2 GEL per sq.m. in rest of the areas. Kobuleti Municipality Sakrebulo has approved by its decree of 26.02.2010 zoning of Kobuleti rayon lands in accordance with the legislation.

D. Land Acquisition and Resettlement Surveys and Documentation for the Project

164. Land acquisition and resettlement surveys have been being carried out through detail measurement survey, valuation survey, census survey and socioeconomic survey. The road alignment as per final engineering design is being superimposed on the updated cadastral map of Registered land plots obtained from Rayon NAPR and aerial photo (orthophoto) of concerned area. Each of the affected Registered land plots in the project right of way are being identified along with its dimensions on the orthophoto. The affected plots are being listed up and cadastral details collected from Rayon NAPR, and local government offices as applicable.

165. Based on this, the survey team proceeded to the sites for field survey which included identification of each plot and verification of the details shown in the National Survey Map (National Cadastre Map) and the reality on the ground. The verification survey process includes title searching through review of available documents and discussions with the owners about land parcel boundary and further discussion with the local government, the representative of the NAPR (local archives are currently transferred to NAPR rayon offices) for its cross verification. Based on these methods final details of each parcel and ownership will be confirmed. This will help to identify the legal owners, the legalizable owners (rightful and non-rightful) and the illegal occupants of state owned land. The list of various categories of ownership will be recorded with the help of local government. The FS noted that the some of the owners of affected land parcels have the land documents (old documents) as proof of ownership obtained during the post soviet period. These land owners did not Register their land parcels in the rayon level registration office as it was not mandatory for them. As general estimation registered land owners in Georgia constitute 10-15% of all the legalizable pool of land owners/users.

E. Process for Registration of Legalizable Owners

166. An initial level of discussions were initiated during the Census Survey by the FS consultant with the stakeholders, including the affected people, Property Recognition Commission of (Adigeni) Rayon and the rayon level Registration Offices of NAPR. The consultation also includes the methods on how to conduct registration of un-registered land prior to disbursement of compensation to the affected people. The affected people will be made aware about the situation, the process and the tasks to be done by them for registration of land parcels. It is noted that coordination and combined efforts are required by the PAPs, the consultant and all the relevant government agencies.

H.1 Registration of Rightful Owners

167. Recognition of ownership rights in relation with the rightfully owned/used land plot is executed through registration of ownership right directly in the Public Registry. For that purpose, the applicant has to submit:

- a) Documents confirming rightful ownership of the land plot (annex 3).
- b) Precise cadastral maps of the land plot.
- c) Document confirming payment of the fee for the property recognition.
- d) Identification documents of the applicant.

168. The process and procedure for registration of Rightful Owners needs complete the steps described as follows:

Step 1: Preparation of fresh and precise cadastral map by the owners through private agencies. The map will include all the dimensions of plots and geometrical details. The cost of preparation of map ranges from 0.06 GEL to 0.10 GEL per sqm of land to be recognized. The duration for preparation of map will be approximately a week time. However, within the project frame, the consultant will prepare precise cadastral maps for the affected land plots and these maps along with required land descriptions will be given to the legalizable and other land owners free of charge.

Step 2: In case if the owner does not have available ownership proving documentation (annex-3) or in case there is any doubt regarding the plot, the owner has to apply to the local community level self-government (Sakrebulo and Gamgeoba) and local Rayoon NAPR Office (where Archives are kept) for the proof and cross verification of the land details.

Step 3: after the verification from NAPR rayon Office, the owners will take the endorsement from the community municipal office (Gamgeoba)..

Step 4: Following the authorization from Gamgebeli the owners will approach to the Rayon level Registration Office of the NAPR. The owners will provide all the above proof to the registration office. The registration office will verify the completeness of all required application documents. The owners have to submit both the soft copy and hard copy of the plot maps along with its coordinates for record in the Public Registry office. The registration process will take 4 working days in normal situation and the property recognition fee will be 51 GEL per registration. In case of urgency, the owners have to pay 150 GEL to get the registration done in one working day and 200 GEL, if the registration needs to be done immediately. However, the registration office for affected legalizable owners will not charge the urgency cost and will be able to complete each case in maximum 6 days. after the finalization of registration, the Public Registry office will compile the land records and will update the cadastral details. The updated details will be sent to the central Public Registry for centralized record.

In case, there remains further dispute related to ownership, the case may be referred to the court. The project authority may estimate the price of that particular land and may deposit the amount in the State Budget allocated for the Project. The payment to the real owner will be executed from the State Budget according to the court decision upon confirmation by the Roads Department as RAP implementing agency. The case will be resolved in the Rayon Court.

H.2 Registration of Non-Rightful Owners

169. For recognition of the ownership rights on non-rightfully owned land plot the owner/user should submit to Property Recognition Commission application letter through the Office of Sakrebulo with the following supplementary documentation:

- e) Document confirming the fact of non-rightful ownership/use of the land plot (see annex 3) or attestation of witness (neighbours etc.).
- f) Precise cadastral maps of the land plot
- g) Information needed for determination of the fee for property recognition
- h) Copies of the identification documents of the applicant

170. The process and procedure for registration of Non-Rightful Owners needs the following steps as described below:

Step1: Preparation of fresh and precise cadastral map by the owners through private agencies. The map will include all the dimensions of plots and geometrical details. The cost of preparation of map ranges from 0.06 GEL to 0.10 GEL per sqm of land to be recognized. The duration for preparation of map will be approximately a week time. However, within the project frame, the

consultant will prepare precise cadastral maps for the affected land plots and these maps along with required land descriptions will be given to the legalizable and other land owners free of charge.

Step 2: The map and its details will be authorized and the land usage pattern will be verified by the neighbours. The community local administration (Gamageoba) may also certify the authorization.

Step 3: Following the authorization from the neighbours, the same has to be notarized. Cost of notarian confirmation of neighbours witness will be 15 GEL for each case.

Step 4: The land owner/user will approach to the Property Recognition Commission through Office of Sakrebulo with a package of documents confirming eligibility for legalization of the land plot according to the current legislation. This includes ownership documents (see annex-3) related to the adjacent land plots owned by the applicant rightfully.

Step 5: In case if, the owner does not have available documentation proving ownership rights on the adjacent land plot or in case there is any doubt regarding the plot, the owner will apply to the local NAPR Archives for the proof and cross verification of the land details.

Step 6: after the verification, the Office of Sakrebulo will endorse the application and authorize the case for recognition.

Step 7: Following the authorization from Sakrebulo, the owners will approach to the Property Recognition Commission. The owners will provide all the above proof to the Commission. The Commission will verify the documents, make physical verification and organize an open disclosure meeting on site with prior notice to the concerned community peoples. If the documents are clear and the land is free from any dispute from anybody, then the Commission will notify the applicant to deposit payment for the land (if applicable). after payment, or if the payment is not applicable, the commission will issue certificate on ownership right to the owners.

Step 8: Based on the above steps, the owners will go to the Public Registry at their respective rayon for registration. The owners have to submit both the soft copy and hard copy of the plot maps along with its coordinates. The registration process will take 4 working days in normal situation and the property recognition fee will be 51 GEL per registration. In case of urgency, the owners have to pay 150 GEL to get the registration done in one working day and 200 GEL, if the registration needs to be done immediately. However, the registration office for affected legalizable owners will not charge the urgency cost and will be able to complete each case in maximum 6 days. after the finalization of registration, the Public Registry office will compile the land records and will update the cadastral details. The updated details will be sent to the central Public Registry for centralized record.

In case, there remains further dispute related to ownership, the case may be referred to the court. The project authority may estimate the price of that particular land and may deposit the amount in the State Budget allocated for the Project. The payment to the real owner will be executed from the State Budget according to the court decision upon confirmation by the Road Department as RAP implementing agency.

F. Actions at Detail Design

171. The most important issue for timely acquisition of land is the coordination between the Roads Department and the respective rayon and municipality level administration (, Rayon and municipal Gamageoba and PRC). These issues have been identified and brought to the notice of concerned stakeholders by the feasibility study consultant, as well as DD Consultant, through consultation and review of existing process of privatization. The Consultant is in the process of seeking cooperation from the concerned registration services and local government offices. Services of an experienced survey and audit agency have been being utilized to identify the current owners (users) of affected land parcels as per final engineering design of the road.

172. All the legalizable owners (rightful and non-rightful) are being identified through extensive title search. Fresh and precise maps of land parcels (with standard coordinates) and geometric details will be provided to the legalizable owners in CD-ROM and printed copies. A

generic instruction leaflet has been distributed to the Project affected persons on the process of legalization of legalizable land parcels. The survey agency is also counselling the PAP persons on the process and its urgency for timely receipt of compensation for their acquired land. All legalizable owners will be provided with the detailed cadastral maps and case-specific instructions on further steps for legalisation.

173. The registration will be completed for the legalizable owners during the implementation of RAP and prior to the disbursement of compensation. The cost involved in the registration process will be reimbursed from the Project during RAP preparation and implementation. The affected legalizable owners have to initiate the land registration at their own cost in the beginning with such assurance from the Roads Department. The above activities are part of Pre- Disbursement of Compensation.

174. Once the payment of compensation is complete for the affected land/assets, the acquired land will be transferred (Registered) in the name of Roads Department and the remaining portion will belong to the affected owners. This registration is basically the change of ownership after the acquisition. However, if the road alignment divides the plot into many parts then each of the remaining part need to be remapped and needs to be re-Registered. This will clearly demarcate the acquired land as the property of RD and the remaining belongs to the affected owners.

INFORMATION LEAFLET
LAND ACQUISITION AND RESETTLEMENT POLICY
PROJECT: MlaSe-Mokhe-Dercelis local road reconstruction
Information for PAPs

Introduction

175. A. 1. Due to its geographical position Georgia has gained the status of an important transport corridor connecting Europe and Asia and the development of the transport infrastructure has become a national priority. Furthermore Georgia has the biggest touristic potential and rapid rate of its development in the region. Main concern is devoted to the development of the mountain regions and living standards of the population in it – starting with local road infrastructure reconstruction.

For this purpose the Government of Georgia asked the World Bank assistance for the preparation and implementation of the Mlashe-Mokhe-Dertseli reconstruction Project and gained the appropriate assistance. So RAP and regulations of WB and in particular, the OP 4.12 (Involuntary Resettlement Policy) should be regarded.

176. This Leaflet is an instrument to disclose to the PAPs the compensation policy/procedures developed in the Land Acquisition and resettlement Plan (RAP) for the project.

177. Present Final RAP covers 11.34 km length section of Mlashe-mokhe-Dertseli local road.

178. Impacts along these road sections will entail acquisition of 11 007 sq.m of land from 90 plots divided in terms of tenure type as follows:

Category 1. 3 titled private land plots with full registration 792 sq.m;

Category 2. 82 titled private land plots 9692 sq.m rightfully owned and requiring legalization through 1 stage process of registration in NAPR (legalizable land plots). These land plots have been transferred to the owners during the land reform but the formal procedures needed for registration in NAPR have not been completed.

Category 3. 26 State owned land plots of 506 sq.m are illegally used by private users. These land plots are not legalizable according to Georgian legislation.

Category 4. 1 State owned land plots of 17 sqm not used by private users.

III and IV category land plots are not compensated, On affected territory there are no rented land plots.

Due to impact scope (69 Households are affected, 15 of them is under the severe impact, wholly affected are no one from PAH never mind that some of them loss whole land plot (Same PAHs live in land adjacent to affected one)) it is inevitable to prepare the complete RAP.

არბანის რაიონი, მლანა-ხვლა-მოხის გზის რეაბილიტაციის პროექტი
 ავტოკომუნიკაციების განვითარების პროგრამის ფარგლებში



B. Planning/Implementing the Compensation Rehabilitation Program for the Project

180. To plan/implement the compensation and rehabilitation program for this project in a way fitting WB policy, the Road Department has prepared a RAP. The RAP in Georgian has been deposited for public consultation at the road department offices and at your Sacrebulo office. The Document details the impacts, the compensation eligibility and entitlements, the compensation rates for different affected items and the procedures for the land acquisition and resettlement implementation as summarized in the following sections.

C. Resettlement Policy and Principles

181. Land for construction of the new road will be acquired under the laws of Georgia and the WB OP 4.12. All PAP will be compensated at the replacement rates and receive adequate allowances according to severity of impacts and vulnerability status. The detail design consultant has investigated all alternatives to avoid built-up areas and environmentally protected areas in order to minimize impacts. Land acquisition for the project is based on the following principles:

- Construct the road to avoid residential areas wherever possible to minimize physical relocation of people, and select alignments that minimise acquisition of privately or publicly held productive land;
- Adopt design standards that minimise the need to impose land use restrictions on adjoining areas;
- Develop fair and transparent procedures, as defined in the Entitlement Matrix in this RPF, to determine compensation for (i) temporary loss of land/ assets during construction; (ii) permanent acquisition of land and assets; and (iii) restrictions on use of land that may be applied to areas adjoining the corridor;
- Acquire land (or right to use land) through negotiated agreements and with the use of the

- power of eminent domain only as a last resort.
- Upon completion of construction, restore land as best as possible to its original condition in the event of temporary disruption so as to enable landowners/users/lessees to resume their pre-project activities;
- 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.
- Ensure that grievances PAPs may have will be redressed adequately, and that solutions in line with principles laid out in this RPF be employed;
- Ensure that grievances PAPs may have will be redressed adequately, and that solutions in line with principles laid out in this RPF be employed;
- PAP will be notified of the project implementation schedule and consulted regarding the principles of land acquisition and loss of or damage to assets.
- Damages to assets, such as standing crops, trees, fences and kiosks, and loss of income, including loss of harvest, will be minimized, and where inevitable, will be compensated without regard to legal status of ownership according to the Entitlement Matrix provided in this RPF.

182. Resettlement Action Plan (RAP) will be developed as per Bank OP 4.12 and that defines detailed compensation packages and implementation schedule. Since, as discussed above, there are gaps between OP 4.12 and Georgian legislation and practice on expropriation, any land acquisition required for the Project will be carried out as per the principles and procedures laid out in this RPF.

183. A market survey will be conducted to assess the prevailing market prices of land, construction materials for affected structures, crops and other relevant items, which will be used as the unit prices to determine compensation. This will additionally ensure that the market prices will allow PAPs to purchase replacement land.

184. Loss of income and assets will be compensated on a net basis without tax, depreciation or any other deduction.

185. The final RAP should be submitted to and cleared by the Bank prior to the execution of civil works for relevant sections.

186. The details of land acquisition procedure will be spelled out in RAP(s), but they will include:
- Initial consultation with PAP to notify the project and board impact.
 - Census, geographic survey and socioeconomic survey of PAP.
 - Determination of PAP and types/ scale of impact.
 - Development of compensation package and drafting of RAP
 - Consultation with PAP.
 - Negotiation with PAP and payment of compensation.
 - Expropriation process where negotiation fails.
 - Compensation/rehabilitation measures will be implemented as the civil works progress but prior to the start of the construction on a particular section.

D. Compensation Eligibility and Entitlements

187. Eligibility. **PAPs entitled to compensation or at least rehabilitation provisions under the Project are:**

- (i) All PAPs losing land either with legal title or traditional land rights, Legalizable, or without legal status;

- (ii) Tenants and sharecroppers whether registered or not;
- (iii) Owners of buildings, crops, plants, or other objects attached to the land; and
- (iv) PAPs losing business, income, and salaries.

188. In particular the eligibility to land compensation for this project has been elaborated as follows:

- Titled PAPs will be fully compensated
- Untitled PAPs who have a right to legalize the land will make initially all needed procedures for legalization of property in Public registry office and then they will be compensated for any kind of loss-land, tree, crop and etc.
- Untitled PAPs who occupy the land and have no right to legalize it, (they occupy only extemporaneously) will not be legalized not compensated. They however, are still eligible for crop or income compensation.
- Compensation eligibility will be limited by a cut-off date to be set for each subproject on the day of the beginning of the PAP Census and DMS. PAPs who settle in the affected areas after the cut-off date will not be eligible for compensation. They, however will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.

189. RAP purposes will be implemented in accordance with Compensation Entitlement Matrix, Georgian Law, and WB OP 4.12 nonvoluntary resettlement policy.

The provisions for PAPs losing land, houses, income and rehabilitation subsidies are defined below in table 1.

Table 1: Compensation Entitlement Matrix

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
Land			
Permanent loss of agricultural land	PAH losing agricultural land regardless of impact severity	Owner with full registration	Cash compensation in cash at full replacement cost or replacement land of same value of land lost and at location acceptable to PAPs where feasible. The option selected for the Program is cash compensation. If residual plots becomes unusable the project will acquire it in full if so

			the PAP desires.
		Legalizable Owner	These PAP will be legalized and provided with cash compensation at full replacement cost
		Renter/Leaseholder	Rental allowances in cash in amount for 3 months rent
Buildings and Structures			
Residential and non residential structures/assets		All PAHs regardless of legal ownership/ registration status (including legalizable and Informal Settlers)	All impacts will be considered as full impacts disregarding the actual impact percentage. Impacts will be compensated in cash at full replacement costs free of depreciation and transaction costs.
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public Assets	Community/Government	Reconstruction of the lost structure in consultation with community and restoration of their functions
Loss of Income and Livelihood			
Crops	Standing crops affected or loss of planned crop incomes**	All PAHs regardless of legal status (including legalizable and Informal Settlers)	Crop compensation in cash at gross market value of actual or expected harvest. Compensation for this item will be provided even in case if the crops were harvested
Trees	Trees affected	All PAHs regardless of legal status (including legalizable and Informal Settlers)	Cash compensation at market rate on the basis of type, age and productive value of the trees.
Allowances			
Severe Impacts	>10% income loss	All severely affected PAHs losing more than 10% of affected agricultural land	Agricultural income: two-year yield from affected land.

		plot (including informal settlers)	Other income: 1 additional compensation for 3 months of minimum subsistence income. 300.1 GEL per month x 3 months=900.3 GEL per PAH)
Relocation/Shifting	Transport/transition costs	All PAHs to be relocated	Provision of allowance covering transport expenses and a livelihood expenses for the transitional period for 3 months equal to 3 months of minimum subsistence income. 200 GEL as vehicle hire charge + 300.1GEL as minimum subsistence income x 3 months = 1,100.3 GEL per PAH
Vulnerable People Allowances		PAHs below poverty line, headed by Women, disabled or elderly	Allowance equivalent to 3 months of minimum subsistence income* and employment priority in project-related jobs 300.1 GEL as minimum subsistence income per month for 3months= 900.3 GEL per PAH)
Temporary Loss			
Temporary impact during construction		All PAHs	Due compensation will be assessed and paid based on the approved RPF during construction. All land required for temporary use is to be obtained by the civil works Contractor through voluntary negotiations (e.g., willing buyer-willing seller basis).). The maximum period for temporary use is defined as 2 years. Compensation rates to

			be paid should not be less than compensation at current market rates for the gross value of 4 year's harvest of crops on the affected lands. It is also required that lands (or other assets) be fully cleared and restored following use.
Unforeseen resettlement impacts, if any		All impacts related to temporary or permanent land take, the need for which is not envisaged within DD and RAP and is related to activities of Contractor.	Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project

*** Minimum subsistence income to be calculated based on a 5 people household and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of PAP survey beginning.**

**** Income expected from crops on affected agricultural land permanently used for crop cultivation during the recent years. In case if the land was permanently used for crop cultivation, but for the year, when the inventory of losses was conducted, no crops have been planted (due to need of rest to this land or illness of the farmer or any justifiable reason), the land parcel still will be considered as designed for crop cultivation and relevant compensations will be paid**

E. Complaints and Grievance Redress Mechanism

190. A grievance mechanism will be available to allow an PAP to appeal any disagreeable decision, practice or activity arising from land or other assets compensation. A Grievance Redress Committee (GRC) will be established community level in each local Gamgeoba to solve grievances informally through community participation. The GRCs will include representatives from RDMRDI, local Gamgeoba, PAPs, women PAPs (if any), and local NGOs.

The grievance resolution process is detailed below:

Table 2: Grievance Resolution Process

	Level	Proces
Step 1	Contract agreement	Any grievances will be negotiated informally at the local level. Commission will take any effort to solve problem in early stage by the mutual agreement of parts.
Step 2	GRC Resolution	<p>If the grievance is not solved at during the contract agreement negotiation level, then the LAR Team will assist the aggrieved PAPs to formally lodge the grievances with the respective GRC. PAP have to represent his clime at the villige level GRC no late then 1 week after the Contrat Agreement negotiation is finished. his has to represent the documentations suppling his clime.</p> <p>Secretary of the GRC will scrutinize the complaints and prepare Case File for the GRC hearing and resolution. A formal hearing will be held before the GRC at a date fixed by the member secretary of GRC in consultation with the Convenor and the aggrieved PAPs.</p> <p>On the date of hearing, the aggrieved PAP will appear before the GRC at the Gamgeoba office and will represent avoidances documentation supporting his clime, also orally represent his clime. The member secretary will note down the statements of the complainant and document all details of the claim.</p> <p>The decisions from majority of the members will be considered final from the GRC and will be issued by the Convenor and signed by other members of the GRC. The case record will be updated and the decision will be communicated to the complainant PAP by the LAR Team at the village level.</p>
Step 3	Decision from RDMRDI commission	<p>If any aggrieved PAP is not satisfied with the GRC decision, the next option will be to lodge grievances to the commission at RDMRDI at the administrative level. In this case grievance will be settled according to the Georgian General Administrative Law Procedures.</p> <p>GRC will help the PAP to qualitatively represent his clime on the procedures of second level, (PAP must be consulted about his rights, liability, rules and procedures and grievance representation form, timeframes for grievance presentation and act - defend by the law.</p>
Step 4	Decision from court	<p>If a grievance redress system fail to satisfy the aggrieved PAPs, they can pursue further action by submitting their case to the appropriate court of law (Rayon Court).</p> <p>In court, Project affected person can clime not only the situation then compensation is below the market price, but also then builder company occupy his land without his concern, or incur asset loss from building activity or restriction of right of ownership.</p>

Complaints and Grievance Submission Form

Achara #	
Name, Last name	
Contact Information Please indicate the preferable means of communication (Mail, Telephone, E-mail)	<input type="checkbox"/> Mail: Please indicate the postal address: _____ _____ _____ <input type="checkbox"/> Telephone: _____ <input type="checkbox"/> E-mail: _____
The language desirable for the communication	<input type="checkbox"/> Georgian <input type="checkbox"/> English <input type="checkbox"/> Russian
Describe the grievance/claim: What is the complaint about? What is the claim?	
Date of Negotiation:	Resolution of Negotiation:
What is the basis of your claim?	
Signature: _____ Date: _____	

PUBLIC CONSULTATIONS

about the Resettlement in Adigeni Rayon villages

4.2 Consultation meetings during RAP preparation process 2014 year 13 August.

200. Meetings were held in Adigeni rayon villiges: Mlashe, Tchetchla, Mokhe, Sairme.

4.2.1 Common Scheme of Consultation Process

Background Information

201. Due the geograhpic positioning, Georgia gained the transportation coridor status between Europe and the Asia. Development of transport infrastructure became the main priority of the state. Furthermore Georgia has the biggest turistic pottential and rappid rate of it development in the region. Main concerne is devoted to the development of the mountain rayons and living standards of the populatin in it – starting with local road infrastructure reconstruction.

The Government of Georgia asked the World Bank assistance for the preparation and implementation of the local road Mlashe-mokhe-Dertseli section reconstruction and got an appropriate assistance. So RAP and WB operational policy, namely OP 4.12 (Involuntary Resettlement Policy) should be complied.

202. According to the OP 4.12 RAP is being prepared for the local road Mlashe-mokhe-Dertseli section reconstruction project - 1km-11,34km;

Preparation of LARP should include the following:

- (I) detailed measurement survey (DMS),
- (II) evaluation of assets/evaluation of affected land plots,
- (III) consultations with affected rayon representatives and people,
- (IV) PAP census survey – by 100%,
- (V) PAH socio-economic research.

LARP preparation process has covered intensive consultations with interested stakeholders including project affected people.

203. During the preparation of RAP, the detail design consultant (CONSULTANT) hired by the RDMRDI has conducted public hearing meetings related to the Land Acquisition and Resettlement issues in the affected villages.

On 13.08.2014 Public consultation meetings were conducted in villages of Adigeni Rayon –v. Mlashe (11:00 AM), v. Mokhe (3:00 PM), v. Tchetchla (1:00 PM) and v. Sairme (5:00 PM);

204. The aim of the public hearings was to deliver to interested stakeholders and project affected persons information about the resettlement policy and principles, compensation eligibility and entitlements, methodology of valuation, complaints and grievance redress mechanism, claims and comments submission form. Information has been provided both

verbally and by brief information leaflets. The attendees confirmed by their signature receipt of the leaflet and their engagement in public consultation meeting.

205. Following consultants participated in meetings:

Detail design consultant (CONSULTANT) Representative:

Alexander Okromchedlishvili – resettlement issue consultant.

Avtandil Okromchedlishvili – Head Appraiser of the Audit company ATOS.

Davit Makharoblishvili – Appraiser of audit company ATOS,

Local Government representatives:

Superiors (gamgebeli) of the villages and population of local villages (see attached lists).

Affected Communities:

Affected communities were represented mostly by the members of households directly affected by the project.

206. The list of participants of each meeting and raised questions and comments are presented further in annexes: PC Meeting Summary Protocols.

Presentation

207. The first part of the presentation was made by Alexander Okromchedlishvili, who informed the public about the institutions implementing and financing the project, as well as about the WB policy of social and environmental safeguards and procedures and Georgian legislation in connection to the public awareness and consultations of the parties concerned.

208. The second part of the presentation was made by Avtandil Okromchedlishvili. He presented the WB's Land Acquisition and Resettlement Policy and principles, in particular: Land for construction of the new road will be acquired under the active laws in Georgia. However, additional requirements of the WB will be met to ensure that all Project affected persons are compensated at the replacement costs and/or receive adequate allowances according to severity of impacts and vulnerability status. Experts also talked about compensation entitlements and documents for ownership rights, in particular: Land acquisition and resettlement tasks under the project will be implemented according to a compensation and entitlement matrix (presented in leaflet) following the approved RPF and in compliance with active Georgian laws and WB's policy on involuntary resettlement.

209. Experts also talked about Complaints and Grievance Redress Mechanism. A grievance mechanism will be available to allow an PAP appealing any disagreeable decision, practice or activity arising from land or other assets compensation.

210. **The presentation was followed by a Q&A session.** The questions and comments of different participating parties were replied by the relevant experts of the project: The questions and answers are given in PC Meeting Summary Protocols No 1, 2, 3, 4.

**RAP Consultation Meeting in Mlashe (Adigeni Rayon)
August 13, 2014, 11:00 AM
Office of village Sakrebulo**

Question-and-Answer session:

N^o	Question	Author	Answer
1.	What is the land compensation price?	Local Population	Evaluation methodology implies identification of market price on the basis of real negotiations related to the existing legal documents confirming ownership rights and acquisition of land plots. Final price will be identified when the representative of Roads Department will come to each affected landowner to sign the contract.
2.	How will perennial plants be compensated?	Lobjanidze Guram	Compensation value of perennial plants will be defined according to the cash compensation at market rate on the basis of type, age and productive value of the trees.
3.	In case if the compensation price will not be acceptable for us, what is the scenario: will be land taken anyway?	Gavasheli Avtandil	The LAR process is conducted under the Eminent Domain law and in case of disagreement, the land will be expropriated upon the court decision. Court will review the prices provided by independent auditors, who has prepared RAP, proposal of your valuator and besides, the Court can engage other independent auditors. The Court decision is final. No land acquisition is done before the payments are executed according to the Court decision. The issue could be solved at pre-litigation stage through negotiations and Grievance Redress Mechanism. In the information booklets you can find Claims and Comments Submission Forms.
4.	How is the registration and compensation process handled in case if the owner of the land has died?	Local population	There will not be a problem with land registration process on heir apparent after submission of the relevant documents to NAPR.

211. The public consultation meeting has been attended by 16 PAPs representing the community of village Mlashe (Adigeni rayon). Below are given the signatures of attendees.



მლაშე-მოხედერცელის საავტომობილო გზის რეაბილიტაციის განსახლების საკითხებზე
საზოგადოებასთან საკონსულტაციო შეხვედრაზე დამსწრეთა და საინფორმაციო ბუკლეტების მიმღებთა
სია

№	სახელი გვარი	საკონტაქტო მონაცემები	ხელმოწერა
1	ლომჯინიძე მსხვი	568-91-99-82	<i>[Handwritten signature]</i>
2	ვიციშვილი გიორგი	591-41-23-67	<i>[Handwritten signature]</i>
3	ლომჯინიძე გელა	0790-888-031	<i>[Handwritten signature]</i>
4	ლომჯინიძე ვ-ძეშა	598-30-72-75	<i>[Handwritten signature]</i>
5	შაველია რ-ია	591-41-23-46	<i>[Handwritten signature]</i>
6	ვაკატელი ვოვა	558-54-54-61	<i>[Handwritten signature]</i>
7	ვაკატელი ზუბაძე	599-92-83-17	<i>[Handwritten signature]</i>
8	ლომჯინიძე თეა		<i>[Handwritten signature]</i>
9	ლომჯინიძე მასია	568-73-53-47	<i>[Handwritten signature]</i>
10	ვაკატელიძელი დავით	599-16-57-52	<i>[Handwritten signature]</i>
11	ლომჯინიძე ქნია	592-07-13-87	<i>[Handwritten signature]</i>
12	ვაკატელი ავთო	591-41-23-67	<i>[Handwritten signature]</i>
13	ლომჯინიძე სიმონ	593-25-16-83 0790-34-68-17	<i>[Handwritten signature]</i>
14	ლომჯინიძე ვა	557-108-633	<i>[Handwritten signature]</i>
15	ლომჯინიძე დამიხა(ვაჟისი)	599-45-96-19	<i>[Handwritten signature]</i>
16	ვაკატელი ავთო	558-54-54-61	<i>[Handwritten signature]</i>
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			

RAP Public Consultation Meetings in Tchetchla (Adigeni Rayon)
August 13, 2014, 3:00 p.m.
Central square of the village.

Question-and-Answer session:

N°	Question	Author	Answer
1.	What happens In case if negotiations in relation with the land price fail?	Local population	The LAR process is conducted under the Eminent Domain law and in case of disagreement, the land will be expropriated upon the court decision. Court will review the prices provided by independent auditors, who has prepared RAP, proposal of your valuers and besides, the Court can engage other independent auditors. The Court decision is final. No land acquisition is done before the payments are executed according to the Court decision. The issue could be solved at pre-litigation stage through negotiations and Grievance Redress Mechanism. In the information booklets you can find Claims and Comments Submission Forms.
2.	In case when only part of the whole land parcel is affected, is the residual land parcel subject for compensation?	Gavasheli Avtanil	<p>The viability of the residual land parcel will be estimated by the independent auditor. In case of residual land parcel is considered unviable, the owner will be asked to make a choice: to get cash compensation for the residual land or to keep the land under the ownership.</p> <p>The auditing company will inform the Roads Department about this kind of cases and if it is confirmed that the residual land parcel is unviable, the Government will acquire this residual land parcel. Land compensation for land is restricted and is possible only in that case when there is a land available in reserve.</p>
3.	Will the local population be employed during the road construction process?	Local population	During the construction period in tender documents the employment of local population will be taken into account (it concerns both qualified and non-qualified employees). But first of all priority will be given to the vulnerable people which also will be reflected in tender documents.

212. The public consultation meeting has been attended by 16 PAPs representing the community of village Tchetchla (Adigeni rayon). Below are given the signatures of attendees.



მლაშე-მოხე-დერცელის საავტომობილო გზის რეაბილიტაციის განსახლების საკითხებზე საზოგადოებასთან საკონსულტაციო შეხვედრაზე დამსწრეთა და საინფორმაციო ბუკლეტების მიმღებთა სია

№	სახელი გვარი	საკონტაქტო მონაცემები	ხელმოწერა
1	გვამთი ჭავჭავაძე	595-58-18-39	
2	გვამთი ავთანდილ	595-58-18-39	
3	შოქვაძე ნოდარ		
4	გვამთი ზვიად	568-868-196	
5	მუხივანი ნინო	790-20-32-75	
6	მუხივანი ვინო	568-65-55-12	
7	მანჯიანი დავით	591-41-10-05	
8	ახვლედიანი დიმიტრი	0790-40-19-72	
9	შაველა ჯამბუღია	599-438-227	
10	გვამთი ვახტანგ	598-48-50-55	
11	გამყვილიანი ხერხეულიძე	593-23-05-23	
12	მუხივანი ანდრო	595-51-48-11	
13	მუხივანი დავით		
14	სამუხიანი ანდრო	568-204-884	
15	შაველა თინათინ	599-48-50-72	
16	მუხივანი ვინო	591-40-76-89	
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			

**RAP Public Consultation Meetings in v. Mokhe (Adigeni Rayon)
August 13, 2014, 5:00 PM
Village central road**

Question-and-Answer session:

№	Question	author	Answer
1.	You have mentioned that women-headed households and those under the threshold of poverty are eligible for additional allowances. What happens in case if I am a lonely woman and also receive the governmental allowances due to poverty.	Local population	You definitely will be considered as a vulnerable household and will receive allowances in amount of 3 month of minimum subsistence for a household consisting of 5 persons (900.3 GEL). You will not be eligible for receiving doubled allowance: allowance is paid for PAPs considered to be vulnerable by at least one criteria, but the allowances are not summed, in case if the PAP is vulnerable according to both criteria.
2.	How is the registration and compensation process handled in case if the owner of the land has died?	Local population	There will not be a problem with land registration process on heir apparent after submission of the relevant documents to NAPR.
3.	What is the width of the road?	Local population	Approximately 5.5 m.



213. The public consultation meeting has been attended by 8 PAPs representing the community of village Mokhe (Adigeni rayon). Below are given the signatures of attendees.

მლაშე-მოხე-დერცელის საავტომობილო გზის რეაბილიტაციის განსახლების საკითხებზე საზოგადოებასთან საკონსულტაციო შეხვედრაზე დამსწრეთა და საინფორმაციო ბუკლეტების მიმღებთა სია

№	სახელი გვარი	საკონტაქტო მონაცემები	ხელმოწერა
1	ხეხვიაძე მიაშ	557-32-12-55	
2	ხეხვიაძე დამას	0790-806-801	
3	ხეხვიაძე შიხი	593-59-72-52	
4	ხეხვიაძე ივანე	595-58-84-11	
5	წიამიძე შაჰ	591-41-10-35	
6	ივანიძე ვახტ	591-41-10-21	
7	ხეხვიაძე იოსებ	595-00-06-02	
8	ხეხვიაძე სეს		
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			

RAP public Consultation Meeting in V. Sairme (Adigeni Rayon)
August 13, 2014 5:00 PM
Central Road of the village

Question-and-Answer session:

№	Question	Authou	Answer
1.	This year we have not cultivated land, how the compensation will be implemented and what is your advice: should we continue cultivation of annual crops this year?	Local population	In any case, crop compensation for 1 year will be given to PAPs in cash at market rate by default at to gross crop value of expected harvest , even in case if you already harvest this year crop before starting the land acquisition process . The start up of land acquisition is expected for July/August of this year. You have to specify within the next two weeks the exact schedule with the RDMRDI and take decision accordingly.
2.	If PAP would not like to sell the land plot what will happen in this case?	Local population	The project is of Public Interest and for such cases the Eminent Domain Law is in force. According to this law, The land plot needed for the projects of public interest will be expropriated upon the Court decision. The landowner will receive fair compensation defined by the Court in accordance with expropriation rules set forth in Eminent Domain Law. PAP may request allocation of similar land plot instead of getting cash compensation (if it is possible). However, in most cases there are no available public land plots in reserve.
3.	Is it envisaged by the project any kind of special compensation or assistance for vulnerable people?	Chogoladze Soslan	If PAHs receive Governments subsidies, or have status of the household, which is “under the poverty line”, or headed by the women, etc, and there are official information/documents related to the above-mentioned status, these people are considered as vulnerable. All these persons will receive additional allowances as specified in the eligibility matrix in your leaflets.



214. The public consultation meeting has been attended by 3 PAPs representing the community of village Sairme (Adigeni rayon). Below are given the signatures of attendees.

მლაშე-მოხედერცელის საავტომობილო გზის რეაბილიტაციის განსახლების საკითხებზე საზოგადოებასთან საკონსულტაციო შეხვედრაზე დამსწრეთა და საინფორმაციო ბუკლეტების მიმღებთა სია

№	სახელი გვარი	საკონტაქტო მონაცემები	ხელმოწერა
1	ქანიაძე ავთო	599-24-15-12	6. [Handwritten Signature]
2	ჩოვანიძე ლეონ	598-09-04-73	[Handwritten Signature]
3	ჩოვანიძე მანანა (ჩუკი)	598-09-90-23	[Handwritten Signature]
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			