



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

Resettlement Policy Framework

SLRP III

SECONDARY AND LOCAL ROADS PROJECT III

March 2014

1. INTRODUCTION

This Resettlement Policy Framework has been prepared by Roads Department of the Ministry of Regional Development and Infrastructure of Georgia and covers the issues related to involuntary resettlement and land acquisition. It is one of the important documents under “safeguard policy” prepared to support SLRP III for rehabilitation of secondary and local roads located in various regions of Georgia.

Since the project is expected to be financed by the World Bank, above mentioned document has been prepared based on the World Bank instructions in compliance with Involuntary Resettlement Policy of the Bank (OP 4.12).

The document provides the World Bank’s and Georgian Government’s guidance for land acquisition and resettlement issues considering the best international practice. The document prepared by Roads Department is a general framework manual to ensure consideration of interests of all involved parties and problematic issues arisen by them and introduction of such an attitude that most strict and reasonable demands of any party be reviewed with due diligence and taken into account.

Main objective of Resettlement Policy Framework is to minimize involuntary resettlement, if project impacts are likely to occur, and provide assistance to project affected people.

Resettlement Policy Framework defines the procedures of involuntary resettlement, also sets out objectives, principles, compensation entitlements; legal frameworks, consultation procedures and grievance redress mechanisms that during rehabilitation process of secondary and local roads, in case of likely impact of the project, will be used for preparation of specific Resettlement Action Plans (RAPs)

2. PROJECT AFFECTED AREAS

Geographically and administratively, Georgia is broken down into 2 autonomous republics, 9 regions (mkhare) and the capital city of Tbilisi. The regions are subdivided into 67 municipalities and 5 cities. The population of Georgia is about 4.5 million.

The project (SLRP-3) is expected to cover rehabilitation of 22 different road sections with the length of 200.5 km. Selected road sections are located in various regions of Georgia and after rehabilitation of these sections, complete road connection between settled areas along the road and regions of Georgia will be ensured. Transit transportation will increase, thus promoting the trade and economic relations, employment of indigenous people, increase of their economic income and interruption of migration.

In general, rehabilitation will mainly take place within the right of way of the existing roads and adjacent state owned areas, due to which likelihood of expected project impact on remaining sections to be designed is very low.

Notwithstanding this, during preparation of detailed designs for remaining 22 roads, if cases of the project impact are identified at road sections, Resettlement Action Plans (RAPs) providing detailed description of compensation and rehabilitation measures will be prepared separately for each section in compliance with the policy and principles set out in this Resettlement Policy Framework.

3. LEGAL AND POLICY FRAMEWORK

3.1. Georgia’s Laws and Regulations on Land Acquisition and Resettlement

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:

- The Constitution of Georgia, August 24, 1995
- The Civil Code of Georgia, June 26, 1997
- The Law of Georgia on Protection of Cultural Heritage

- The Law of Georgia on Notary Actions , December 4 2009;
- The Law of Georgia on Privatization of State-owned Agricultural Land, July 8, 2005
- The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996
- 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 Law of Georgia on Public Register (No820 –IIs; December 19 of 2008;
- The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999
- The Civil Procedural Code of Georgia, November 14, 1997

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 APs 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:

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

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.

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.

3.2. Involuntary Resettlement requirements under the World Bank Involuntary Resettlement Policy (OP 4.12)

The WB Policy on Involuntary Resettlement is based on the following principles:

- Involuntary resettlement is to be avoided or at least minimized.
- Compensation/Rehabilitation provisions will ensure the maintenance of the APs’ pre-project standards of living.
- APs should be fully informed and consulted on LAR compensation options.
- APs’ socio-cultural institutions should be supported/used as much as possible.
- Compensation will be carried out with equal consideration of women and men.
- Lack of legal title should not be a bar to compensation and/or rehabilitation.
- 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.
- 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.

- Compensation and resettlement subsidies will be fully provided prior to clearance of right of way/ ground levelling and demolition

3.3. Comparison of Georgian Laws and Procedures on Land Acquisition and Resettlement and WB's OP 4.12 requirements on Involuntary Resettlement

Overall, the legislation of Georgia adequately reflects the major provisions of the WB OP 4.12, 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 OP 4.12 emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of Affected People (AP) and Households (AH). Because of this, WB Safeguards policy on Involuntary Resettlement complement the Georgian legislation/regulation with additional requirements related to (i) the economic rehabilitation of all AP/AF (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 AP/AH expenses during the resettlement process or covering the special needs of severely affected or vulnerable AP/AHs. 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 Table1 below:

Table 1: Comparison of Georgian Laws on LAR and WB's OP 4.12

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
Land Acquisition Committee in 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 & 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 APs prior to appraisal.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses.	WB policy requires rehabilitation for income/livelihood, severe losses, and for expenses incurred by the APs 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

To reconcile the gaps between Georgia laws/regulations and WB's OP 4.12 RDMRDI has drafted this RPF for the Project, ensuring compensation at replacement cost of all items, the rehabilitation of informal settlers, and the provision of subsidies or allowances for AFs that may be relocated, suffer business losses, or may be severely affected.

3.4. Principles and Procedures of Land Acquisition Adopted in this RPF

The overarching objective of the Project in relation to land and asset acquisition is to assist the project affected populations (PAPs) in restoring their livelihoods at least to the level equal to the pre-project level. Specific principles that apply include:

- 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 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. COMPENSATION ELIGIBILITY AND ENTITLEMENTS

LAR tasks under the Project will be implemented according to a compensation eligibility and entitlements framework in line with both Georgia laws and regulation and WB OP 4.12. A summary entitlements matrix is included in Table 2 below.

Table 2: Compensation Matrix

Type of Loss	Application	Definition of APs	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 APs 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 AP desires.
		Legalizable Owner	These AP will be legalized and provided with cash compensation at full replacement cost.
		Non-legalizable owners (squatters/encroachers)	Non-legalizable APs losing agricultural land plot, which is the only land plot owned by AH and provides main source of income for AH, 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 APs where feasible.
		Legalizable Owner	APs will be legalized and provided with cash compensation at full replacement cost.
		Renter/Leaseholder	Rental allowances in cash for 3 months
		Non-legalizable owners (squatters/encroachers)	Non-legalizable APs losing land plot, which is the only land plot used for residence or providing main source of income for AH, 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

Type of Loss	Application	Definition of APs	Compensation Entitlements
			subsistence income. Permanent worker/employees: indemnity for lost wages equal to 3 months of minimum subsistence income and trainings on computer literacy or other.
Allowances			
Severe Impacts	>10% incomeloss	All severely affected AFs losing more than 10% of affected agricultural land plot (including informal settlers)	two-year yield from affected land Other income: 1 additional compensation for 3 months of minimum subsistence income.
Relocation/Shifting	Transport/transition costs	All AFs 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.
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
Temporary Loss			
Temporary impact during construction		All AFs	Due compensation will be assessed and paid based on this 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			Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project

* 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

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

4.1. Eligibility

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

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

Compensation eligibility will be limited by a cut-off date to be set for each subproject on the day of the beginning of the AP Census and DMS. APs 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.

4.2. Definition of Entitlements

Entitlement provisions for APs 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:

- **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 APs 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 AP agricultural land is affected, AP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to the market value of a 2year's gross yield of the land lost. In case of severe impact on other income, the APs 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 APs will be legalized and paid as titled owners. Non-legalizable APs losing agricultural land plot, which is the only land plot owned by AH and provides main source of income for AH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income. Residual non-affected 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 APs 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 APs losing land plot, which is the only land plot used for residence or providing main source of income for AH, 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 family 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 APs 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 AH.
- **Crops:** Cash compensation at current market rates for the gross value of 1 year's harvest by default¹. 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.
- **Businesses:** If business is lost permanently it will be compensated in cash equal to a 1-year income based on tax declaration or, if unavailable, based on the official minimum subsistence income. Temporary business losses will be compensated in cash for the business interruption period based on tax declaration or, if unavailable, official minimum subsistence income.
- **Affected business workers/employees:** Indemnity for lost wages for the period of business interruption up to a maximum of 3 months.
- **Relocation allowance:** APs forced to relocate will receive a relocation subsidy sufficient to cover transport costs and living expenses for 3 months.
- **Vulnerable Peoples Allowance:** Vulnerable people (APs below poverty line and women or elder headed households without any other bread-winner member of family) will be given an allowance corresponding to 3 months of minimum subsistence income and priority in employment in project-related jobs. The

¹Compensation by default means that crop compensation will be paid irrespective of whether the crops were already harvested or not at the time of impact. This covers also compensations for 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

allowance is to be calculated based on a 5 people family and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval.

- **Severe Impacts Allowance:** APs losing >10% of agricultural land or >10% of non-agricultural income will receive a severe impacts allowance. When >10% of an AP agricultural land is affected, AP (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 APs will receive allowance equal to 3 months minimum subsistence. For cases of severe impact on non-agricultural income, the APs 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 family 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. Assessment of Compensation Unit Values

The methodology for assessing unit compensation values of different items is as follows:

- (i) Agricultural Land will be valued at replacement rates according to two different methodologies depending on whether in affected areas active land markets exist or not.
 - a. Where active land markets exist land will be compensated at replacement rate based on a survey of land sales in the year before the impact survey.
 - b. Where active land markets do not exist land will be compensated based on the reproduction cost of a plot with equal features, access and productivity to the plot lost. A clear valuation methodology for these cases will be detailed in the RAPs.
- (ii) Houses/buildings will be valued at replacement value based on construction type, cost of materials, type of construction, labour, transport and other construction costs. No deduction for depreciation and transaction costs will be applied.
- (iii) Annual crops will be valued 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 APs the crops after the first will be compensated at gross market value.
- (iv) Trees will be valued according to different methodologies depending whether the tree lost is a wood tree or a productive tree.
 - a. Wood trees will be valued based on age category (a. seedling; b. medium growth and c. full growth) and wood value and volume.
 - b. Fruit/productive trees will be valued based on age (a. seedling; b. adult-not fruit bearing; and c. fruit bearing). Stage (a) and (b) trees will be compensated based on the value of the investment made; stage (c) trees will be compensated at net market value of 1 year income x number of years needed to grow a new fully productive tree.

The unit compensation rates will be assessed by Project consultants or by the authorized independent evaluator based on clear and transparent methodologies acceptable to WB. The assessed compensation rates will then be verified and certified by the resettlement division in RDMRDI.

4.4. Expropriation and Legalization

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

compensation/rehabilitation amounts are deposited in an escrow account.

APs who do not have proper registration or titles but are legitimate occupants of the plots they lose, will be legalized and registered in the land records. After this is done they will receive full compensation as the legal APs.

5. GENDER IMPACT AND MITIGATION MEASURES

Women have important economic roles in project areas and engage in a very wide range of income making activities in the agricultural and marketing sector. The project will pay particular attention to ensure that women are the recipients of the compensation pertaining to their activities and to ensure that women who are de-facto household heads are clearly listed as beneficiaries of compensation and rehabilitation proceedings under the loan. In order to ensure the above the following actions will be considered:

- Include women in the impact enumerators.
- Impact assessment of AFs/APs indicating the total number of families and people must be gender-disaggregated to pinpoint how many women are likely to be affected by the Project and establish their pre-Project conditions.
- Women will be major participants in the consultation processes to determine and negotiate for compensation entitlements and implement the RP.
- Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RP.

6. PUBLIC CONSULTATION, PARTICIPATION AND DOCUMENTS DISCLOSURE

Concerned officials of centre, district/Sacrebulo, municipalities and villages/Sacrebulo will be informed about the Project, and their assistance will be solicited in the conduct of the inventory of affected assets and the Census of APs and the DMS. Also, prior to the finalization of the RAP and its submission to Project authorities, the APs will be thoroughly informed on the results of the Census and DMS, and their preferences on compensation or other resettlement assistance will be given due consideration. The processes and mechanisms ensuring the active involvement of APs and other stakeholders will be detailed in the RAPs which will also include an appendix with date, list of participants, and minutes of consultation meetings.

This RPF in Georgian will be disclosed on the RDMRDI website and at RDMRDI offices before Project appraisal. The RPF in Georgian will also be disclosed to the APs at the relevant Sacrebulo office (Gangebeli) and at village administration (Sacrebulo) once subprojects are identified. Its English version will be disclosed on the WB website prior to Project appraisal and after the RPF is endorsed by the Executing Agency (EA) which will be RDMRDI in this case. Once a RAP for a subproject has been prepared and approved by RDMRDI and WB it will be disclosed at relevant Sacrebulo office (Gangebeli) and at village administration (Sacrebulo). A pamphlet in Georgian, summarizing compensation eligibility and entitlement provisions, will be sent to all AP/AFs before the initiation of the compensation/rehabilitation process and before signing contract awards. The consultation process will be continued throughout the project cycle.

7. INSTITUTIONAL ARRANGEMENTS

World Bank (WB) will be the funding agency of the MFF. The compensation/rehabilitation program described in this RPF involves distinct processes and dynamics and different actors. The Road Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMRDI) will be the Executing Agency (EA) having the lead responsibility for road construction, as well as the implementation of this RPF and subsequently the RAP. RDMRDI with the assistance of the consultants will develop and implement the RAP for each project based on the policy and procedures set out in the RPF. In addition to the RDMRDI, a number of other government departments and private agents will play an instrumental role in the design, construction and operation of the project. Pursuant to the active legislation, the Ministry of Natural Resources and Environmental Protection is responsible for environmental issues. 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. The local government at Sacrebulo and village level will also be involved. The role of each of these actors is detailed below.

7.1. RDMRDI

RDMRDI has overall responsibility for the MFF. This includes preparation, implementation and financing of all LAR tasks and cross-agency coordination. RDMRDI will exercise its functions through its existing resettlement division (RRDRD) which will be responsible for the general management of the planning and implementation of all LAR tasks.

RRDRD. The RRDRD staffed with a sufficient number of LAR specialists, will be tasked with all LAR coordination tasks at central and local government level and will be responsible for: (i) screening the projects and ensuring that the RAPs are properly prepared and sent to WB for review, (ii) supervising the consultants that prepare the RAPs and assist in their implementation; (iii) establishing needed LAR capacity at each regional level office where LAR is relevant; (iv) ensuring proper internal monitoring; and (v) hire, following WB recommendation the external monitoring agency. RDRD will also provide all needed documentation to ensure the prompt allocation of LAR budgets to the APs and will maintain the coordination of all LAR related activities.

Local RDMRDI Offices. The Regional RDMRDI offices will assist the activities of the RRDRD with one dedicated officer who will facilitate the communication between the RRDRD, the local governments and the APs and assist in implementing LAR tasks related to the local administration.

7.2. Consultants.

Different types of consultants will be involved in LAR tasks:

- a) **PPTA consultants:** These include international and/or local LAR capacity and needed survey teams to carry out field-surveys and prepare the needed RAPs.
- b) **Design consultants:** These will include international and local LAR capacity and needed survey teams carry out the same activities for updating/finalizing the RAPs of first tranche based on the detailed engineering design and will also prepare RAPs.
- c) **Supervision consultants:** These include international and local LAR capacity and needed survey teams and will assist in overall Project supervision.
- d) **Social Safeguards Consultant (SSC):** This consultant will be hired to conduct the external monitoring and evaluation of the RAP implementation. In the absence of a supervision consultant, the SSC will continue to carry out the external monitoring and evaluation for all the RAPs.
- e) **Independent Asset valuers:** These will be accredited private firms to be hired by the PPTA or Design consultants to carry out the evaluation of affected assets.

7.3. Local Governments

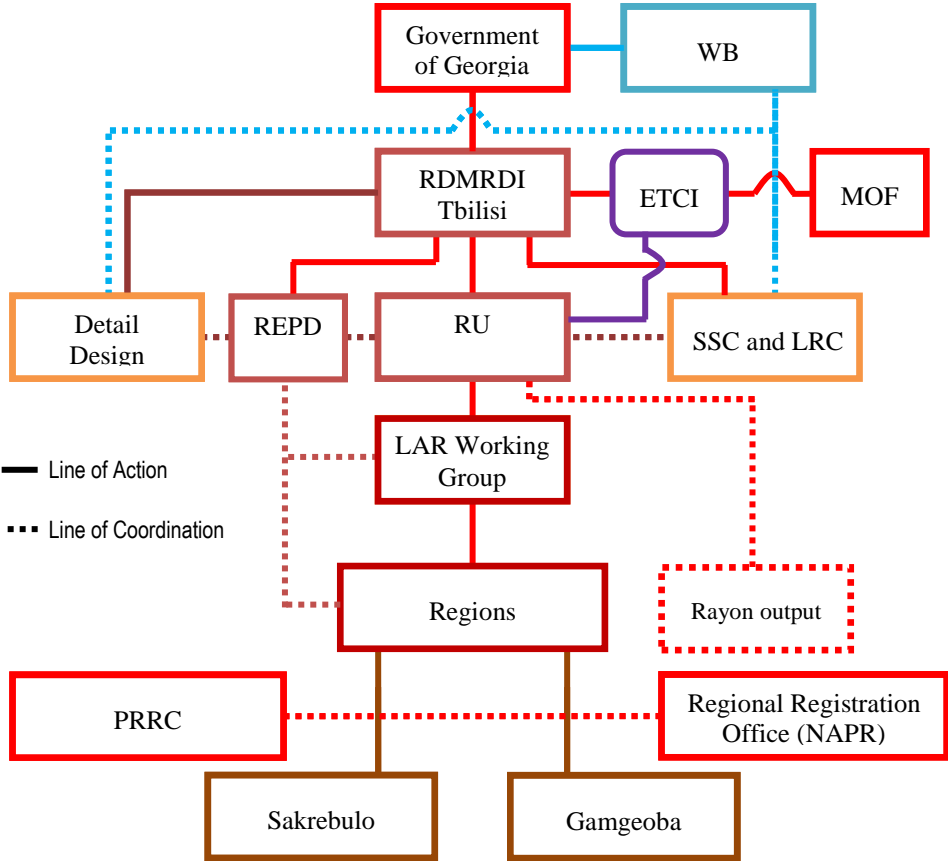
Local government especially at Sacrebulo level has direct jurisdiction for land administration, valuation, verification and acquisition. To confirm the surveys and the asset valuations carried out by the LAR consultants RDMRDI through its consultants will establish in Sacrebulo where RAPs are to be implemented a Sacrebulo Level LAR team which will have designated officials from the Sacrebulo administration. The LAR team at Sacrebulo level will have close coordination with the village administration for the LAR activities. Effective inter-agency coordination at Sacrebulo and village level will be assigned to the regional level RDMRDI.

7.4. Other Agencies and Institutions

Several other institutions will participate to LAR preparation/implementation of LAR tasks (see Figure 1 below). These are:

- (i) **Ministry of Finance.** RAP implementation budgets will be provided to RDMRDI by the Ministry of Finance following the official approval of the final RAPs.
- (ii) **Ministry of Justice.** The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry within the Ministry of Justice is in charge of land registration and transfer through purchase agreement from landowners to the Road Department.
- (iii) **Local Courts.** In case of expropriation issues RDMRDI will have to rely on the Sacrebulo court which based on due legal process will have to review the expropriation cases, carry out a hearing and decide whether the land can be expropriated and at what price. In order to expedite the expropriation process RDMRI will negotiate with the courts a fast-tracked action plan.
- (iv) **WB.** Beside supervising periodically the Project WB will review all RAPs and clear contract awards signing and initiation of civil works to all subprojects with LAR.

Figure 1: LAR Organogram and Action



8. COMPLAINTS AND GRIEVANCES

A grievance mechanism will be available to allow an AP appealing any disagreeable decision, practice or activity arising from land or other assets compensation. APs 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 APs, 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 3.

Table 3: Grievance Resolution Process

Steps	Action level	Process
Step 1	Negotiations with APs	The complaint is informally reviewed by the GRC, which takes all necessary measures to resolve the dispute amicably.
Step 2	GRC Resolution	If the grievance is not solved during the negotiations, the GRC will assist the aggrieved APs to formally lodge the grievances to the GRC. 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. On the date of hearing, the aggrieved AP will appear before the GRC at the Gangeoba office for consideration of grievance. The member secretary will note down the statements of the complainant and document all details of the claim. 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 AP.
Step 3	Decision from central RDMRDI	If any aggrieved AP 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. GRC should assist the plaintiff in lodging an official complaint (the plaintiff should be informed of his/her rights 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 APs, they can pursue further action by submitting their case to the appropriate court of law (Rayon Court). The aggrieved AP 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.

9. Monitoring and Evaluation

LAR tasks under the Project will be subjected to both internal and external monitoring. Internal monitoring will be conducted by RDRD/RDMRDI. External monitoring will be assigned to SSC to be hired by RDMRDI and approved by WB.

9.1. Internal Monitoring

Internal monitoring will be carried out routinely by RDRD/RDMRDI either directly or through the services of a consultant. The results will be communicated to WB through the quarterly project implementation reports. Indicators for the internal monitoring will be those related to process and immediate outputs and results. This information will be collected directly from regional RDMRDI level and reported monthly to RDRD/RDMRDI 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 WB. Specific monitoring benchmarks will be:

- (i) Information campaign and consultation with APs;
- (ii) Status of land acquisition and payments on land compensation;

- (iii) Compensation for affected structures and other assets;
- (iv) Relocation of APs;
- (v) Payments for loss of income;
- (vi) Selection and distribution of replacement land areas; and
- (vii) Income restoration activities

The above information will be collected by RDRD/RDMRDI which is responsible for monitoring the day-to-day resettlement activities of the project through the following instruments:

- a) Review of census information for all APs;
- b) Consultation and informal interviews with APs;
- c) In-depth case studies;
- d) Sample survey of APs;
- e) Key informant interviews; and
- f) Community public meetings.

9.2. External Monitoring

External monitoring will be carried out by the SSC for the project activities. Indicators for External Monitoring tasks will be carried out in two phases.

Phase One. This external Monitoring phase will be carried out in parallel with the implementation of a RAP and will be concluded after the RAP is fully implemented by the preparation of a compliance report. An acceptable Compliance Report will be condition to start the implementation of physical civil works for the project.

During this phase the SSC will i) do the investigations and define the indicators needed for phase two activities and ii) closely monitor the implementation of the RAPs. RAP implementation monitoring will entail the following tasks: (a) review of RAP/Information pamphlet disclosure; (b) review of action taken by the PIU to compensate the APs with particular attention to the way this action fits RAP stipulations; (c) review all compensation tallies; (d) verify whether the compensation is provided thoroughly to all APs and in the amounts defined in the RP and in the AP contracts; (e) assess the satisfaction of the APs with the information campaign and with the compensation/rehabilitation package offered to them; (f) review the legalization process and assess its effectiveness; (g) review complaints & grievances case; (h) carry out an AP satisfaction survey with a 20% sample of the APs. The SSC will prepare the Compliance Report immediately after the completion of RAP implementation. The Compliance report will include well argued sections on the following:

- (i) Assessment of the way the compensation has been carried out in relation to RP stipulations;
- (ii) Verification that all APs were compensated in the amounts stipulated in the RP
- (iii) Review of complaint and grievance cases and of their solution
- (iv) Assessment of the rehabilitation program for vulnerable APs
- (v) Assessment of the satisfaction of the APs
- (vi) Lesson learned to be applied to the next projects, and;
- (vii) General assessment of RP implementation and recommendations to WB regarding the provision of No Objection Letter to start the civil works.

Phase Two. Within 1 year from the end of the implementation of the whole MFF the SSC will also assess the degree of income rehabilitation achieved by the LAR compensation and rehabilitation Program. The following are main indicators for the investigations to be carried out in this external Monitoring phase:

- (i) Socio-economic conditions of the APs in the post-resettlement period;
- (ii) Communications and reactions from APs on entitlements, compensation, options, alternative developments and relocation timetables etc.;
- (iii) Changes in housing and income levels;
- (iv) Rehabilitation of informal settlers;

- (v) Effectiveness of property valuation for rehabilitation purposes;
- (vi) Effectiveness of Grievance procedures;
- (vii) Level of satisfaction of APs in the post resettlement period.

10. CAPACITY BUILDING AND TRAINING IN RAP IMPLEMENTATION

To allow an effective execution of all LAR related tasks some expansion of the capacity on LAR currently available at RDRD/RDMRDI may be needed. RDMRDI will carry out a capacity need assessment and will define the capacity building activities and if needed the additional experts required. Financing for these capacity building initiatives will be included under the capacity building component of the Project.

Capacity building exercise will be needed at the Sacrebulo level. The designated team at the Sacrebulo level for the LAR activities will be provided with the capacity enhancement related to the LAR planning and implementation and will be made familiar with WB's policy on Involuntary Resettlement. This will be done through on the job training and by participation with the LAR activities. The consultants responsible for the LAR activities in various stages, i.e., feasibility study, detailed design and supervision will work closely with the Sacrebulo level LAR team. A continuous consultation process and informal training through discussion with the Sacrebulo level LAR team and its due involvement in the planning and implementation of LAR activities will be facilitated by the consultant's team.

All concerned staff both at RDRD, Sacrebulo and field level involved in LAR activities will undergo a week-long orientation and training in WB resettlement policy and management. At the very beginning of Project implementation the training will be provided by a consultant hired by RDMRDI, later it will be provided by RDRD. Training will cover the following topics:

- (i) Principles and procedures of land acquisition;
- (ii) Public consultation and participation;
- (iii) Entitlements and compensation & assistance disbursement mechanisms;
- (iv) Grievance redress; and
- (v) Monitoring of resettlement operations.

11. Resettlement Budget and Financing

All RAP preparation and implementation costs, including cost of compensation and LAR administration, will be considered an integral part of Project cost and will be contributed as a counterpart fund by the Georgia Government, in particular RDMRDI. Each RAP will include a budget section indicating (i) unit compensation rates for all affected items and allowances, (ii) methodology followed for the computation of unit compensation rates, and (iii) a cost table for all compensation expenses including administrative costs and contingencies. Costs for external monitoring tasks may be considered under the Loan Agreement for SLRP III. Being the project owner, RDMRDI is responsible for the timely allocation of the funds needed to implement the RPs. Allocations will be reviewed twice a year based on the budget requirements indicated by the RAPs. As per the LAR finances flow the budget for compensation and rehabilitation will be directly disbursed by RDMRDI to the AP.

12. RAP IMPLEMENTATION PROCESS

Based on experience in Georgia the Preparation and implementation of a RAP may take up to a few months. The basic LAR-related steps for the preparation and implementation of a RAP are summarized on Box 1 below.

BOX1: LAR TASKS PROCESS

Step	Action	Responsibility
A)	RAP PREPARATION	
1	Assessment of Project's Poverty and Social Impacts	RDMRDI
2	Finalization of Detailed design	Design consultants

3	Prepare surveys forms for Census and DMS, train local Census and DMS teams, and establish coordination with relevant local government agencies.	Consultant
4	Collection of cadastral and land parcel maps of the project area	Consultants/RDRD/NAPR
5	Verify land records in affected areas, update cadastral maps and carry out impacts and valuation surveys – Detailed Measurement Survey (DMS)	Consultant/RDRD/Sacrebulo level LAR Team/
7	Conduct public consultations	Consultant/RDRD/Sacrebulo Level LAR Team
8	Identification of Legal and legalizable APs	Consultant/RDRD/Regional RDMRDI
9	Negotiations with APs	Consultant/RDRD/Regional RDMRDI
10	Integrate data from Census into the RP.	Consultant
11	Submission of RAP to RDMRDI and WB for approval.	Consultant/RDRD/WB
12	Disclosure	Consultant/RDRD
B) RAP Finalization (Detailed Design)		
1	Detailed Design	Design Consultant
2	Review of impacts and AP lists based on detailed design	Consultant/ Regional RDMRDI/ RDRD/Sacrebulo Level LAR Team
3	Review of prices based on the updated rate	Consultant/ Regional RDMRDI/ RDRD/Sacrebulo Level LAR Team
4	Legalization of legalizable APs	Consultant/ Regional RDMRDI/ RDRD/Sacrebulo Level LAR Team
5	Preparation of the final RAP	Consultant/RDRD
6	WB Approval	WB
7	RP disclosure: Distribution of RP and information pamphlets in Georgia in the affected communities; posting of RP in English on the WB website	RDRD/Consultant/Sacrebulo Level LAR team/WB
8	Signing of civil contract award	WB/RDMRDI
C) RAP IMPLEMENTATION		
1	Approval of Contract awards Signing	WB
2	Detailed Schedule for compensation action plan	RDRD/RDMRDI
3	Distribution of Relocation Notices to APs	RDMRDI/ RDRD/Regional RDMRDI/Sacrebulo Level LAR team
4	Award of Cheques for Land Compensation	RDMRDI/RDRD/Regional Level RDMRDI
5	Award of Cheques for other Compensation & Assistance/ Rehabilitation	RDMRDI/RDRD/ Regional Level RDMRDI
6	Demolishing/ Relocation of Affected Structures/Assets	RDMRDI
7	Review of RP Implementation through a compliance report	RDMRDI/RDRD/SSC/WB
8	If RP Implementation found satisfactory, Notice to proceed for Civil works is issued	WB/RDMRDI
D) POST-IMPLEMENTATION TASKS		
1	Independent evaluation of RP	SSC
E) CYCLICAL/CONTINUOUS TASKS		
1	Internal monitoring. Quarterly reporting to WB	RDRD
	External Monitoring. Semi-annual reporting to WB	SSC/Supervision Consultant
3	Grievances Redress/Law Suites	RDRD/Regional level RDMRDI/Court
4	Inter-agency coordination and Communication with AP	RDMRDI/RDRD/Regional Level RDMRDI

The meeting related to Environmental and Social Management Framework and Resettlement
Policy Framework for Implementing Secondary and Local Roads Project III held at Roads
Department of Georgia

Minutes of Public Consultation

11.04.2014

Tbilisi

Head of the meeting: Irakli Litanishvili

Secretary of the meeting: luiza Bubashvili

Speakers: Maya Vashakidze, Mariam Begiashvili

Attendees of the Meeting:

From Roads Department – Arsen Chinchaladze, Rusudan Gholijashvili, Nino Gorgadze,
Luka Mosashvili , Mariam Bakhtadze and Natalia Bekauri.

Gia Abramia – Executive Director of Environmental Research Center.

Gia Zhorzholiani – Environmental Expert, The Greens Movement of Georgia Friends of the
Earth.

Revaz Getiashvili - NGO CENN

Tariel Dzagnidze - Roads Rehabilitation and Modernization Technical Supervisor RRMSD Ltd.

Agenda of the Meeting:

I - Environmental and Social Management Framework for Implementing Secondary and Local
Roads Project-III;

II - Resettlement Policy Framework for Implementing Secondary and Local Roads Project-III.

Topics presented: Background information was presented by Mr. Irakli Litanishvili regarding
Environmental and Social Management Framework and Resettlement Policy Framework for
implementing Secondary and Local Roads Project III. The speaker mentioned that both
documents were prepared according to the requirements set out in the World Bank Safeguard
Policies OP/BP 4.01 Environmental Assessment and OP/BP 4.12 Involuntary Resettlement. The

project is classified as environmental category “B”, since it only covers the rehabilitation of existing roads and accordingly, under national legislation does not require environmental permissions. Mentioned document is disclosed on the website of Roads Department of Georgia.

Information concerning the World Bank OP/BP 4.01 Environmental Assessment will be introduced by Ms. Maya Vashakidze and on OP/BP E4.12 Resettlement Policy Framework will be presented by Ms. Mariam Begiashvili

- Ms. Maya Vashakidze explained World Bank Guidelines for Environmental and Social management.

Checklists to be completed for each section of road included in the project will carry: brief description of a site, technical outline of planned works, potential environmental and social risks of such works, set of measures for their mitigation, and a plan for monitoring application of mitigation measures.

Contractor will ensure public disclosure of draft EMPs for receiving feedback.

Contractor shall also prepare status reports on environmental management and any emerging social risks.

Speaker also talked about the measures taken by RD MRDI in terms of improvement of environmental and social safeguard issues.

- Ms. Mariam Begiashvili provided information on present document and focused attention on Safeguard Policy Requirements and main principles, also on evaluation method and methodology. No major land acquisition or physical displacement of residents is expected to be required under the project since rehabilitation works do not consider acquisition of additional land plots. However, the project triggers OP4.12 and a Resettlement Policy Framework (RPF) is prepared in case there is a need to acquire additional plots and go through resettlement procedures. The purpose of the RPF is to ensure that there is no adverse effect on the living conditions and livelihoods of the affected people as a result of loss of land.

Questions/Answers

<p>Gia Abramia:</p>	<p>Is it planned to employ local population during the Local Roads Rehabilitation Process?</p>	<p>The Contractors will employ the local population. There is an experience from the construction works on E-60 Highway, where the contractor companies are employing local population approximately 70% of the staff.</p>
<p>Revaz Gatiashvili:</p>	<p>Were the gender aspects included during the identification of the social impacts?</p>	<p>The gender aspects are included in RFP document, and there is special chapter, which describes gender issues in details.</p>
<p>Gia Abramia:</p>	<p>Is it planned to prevent noise influence on the local population and how</p>	<p>The Contractor will work at the established working hours (from 07:00 AM to 07:00 PM). Besides this, noise and vibration influence on the local population will be subject of monitoring from the supervision company and RD, on regular bases.</p>
<p>Revaz Gatiashvili:</p>	<p>Is there any geological research done before or during preparation or approval of the ESMF?</p>	<p>The geological research will be done during the preparation of the road design documentation for each road section.</p>
<p>Revaz Gatiashvili:</p>	<p>Is the existence of illegal waste dumps along the roads taken into account during the rehabilitation works?</p>	<p>The Contractors will remove various types of waste from their work sites and dispose them into agreed upon disposal sites according to EMPs. No waste will be disposed into illegal landfills.</p>

Head of the meeting: Irakli Litanishvili, Deputy Chairman of Roads Department of Georgia

Secretary of the meeting: Luiza Bubashvili.

შენაწილები სია

№	სახელი, გვარი	ორგანიზაცია	საკონტაქტო ინფორმაცია
1	ქუჩა ანდრია	ICFER	info@icfer.org 595 246297
2	გოგია დიმიტრი	GME	giad@yaho.com 577 466446
3	შენაწილები	საქართველოს მშენებლობის ინჟინერების ასოციაცია	593 69-99-99
4	საქსი	საქართველოს მშენებლობის ინჟინერების ასოციაცია	5-95-0000-95
5	საქსი	საქართველოს მშენებლობის ინჟინერების ასოციაცია	595 21 91 41
6	საქსი	საქართველოს მშენებლობის ინჟინერების ასოციაცია	595 21 91 28
7	საქსი	საქართველოს მშენებლობის ინჟინერების ასოციაცია	593 93 24 24
8	საქსი	საქართველოს მშენებლობის ინჟინერების ასოციაცია	599 214048 rusidon@gmail.com
9	საქსი	CENNI	593 787 755- rezo.gafischi@icem.org
10	საქსი	RD	595 577 745 Lukashov@icem.org
11	საქსი	P.O	595 945430 mari_tskhadze@icem.com
12	საქსი	RD	579444088 Bogioshili@icem.org
13	საქსი	RD	593-32-30-77 maya_vashakidze@icem.com
14			

