



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

**Detailed Design for Upgrading (S-149)  
Tsitsamuri - Saguramo - Tskhvarichamia  
Secondary Road KM4–KM10**

**Resettlement Action Plan**



**Under the Third Secondary and Local Roads Project (SLRP III)**

**ALLIGATOR LLC**

**April 2018**

**CURRENCY EQUIVALENTS**

**\$1.00 =GEL 2.4272(as of 29 March 2018)**

## ABBREVIATIONS

ACS	–	acquisition and compensation scheme
AH	–	Affected household
AP	–	Affected Person
CBO	–	community based organization
CSC	–	construction supervision consultant
EA	–	Executive Agency
EMA	–	external monitoring agency
GoG	–	Government of Georgia
GRC	–	grievance redress committee
IA	–	implementing agency
IFI	-	International Financial Institution
IP	–	indigenous peoples
Km	–	Kilometer
LAR	–	land acquisition and resettlement
LARC	–	land acquisition and resettlement commission
LARF	–	land acquisition and resettlement framework
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
PAP	–	project Affected Person
PFR	–	periodic financing request
PPR	–	project progress report
PPTA	–	project preparatory technical assistance
PRRC	–	Property Rights Recognition Commission
RAP	–	resettlement action plan
R&R	–	resettlement and rehabilitation
RD	–	Roads Department
RDRD	–	Road Development and Resettlement Division
RDMRDI	–	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
RRDRD	–	Regional Resettlement Division of Roads Department
RPF	–	Resettlement Policy Framework
RoW	–	right of way
SES	–	socioeconomic survey
SPS	–	safeguard policy statement
TRRC	–	Transport Reform and Rehabilitation Centre
WB	-	World Bank

### NOTE

In this report, “\$” refers to US dollars.

## Contents

GLOSSARY .....	4
EXECUTIVE SUMMARY .....	5
<b>I. INTRODUCTION .....</b>	<b>9</b>
<b>II. CENSUS AND IMPACT ASSESSMENT .....</b>	<b>13</b>
<b>III. SOCIO-ECONOMIC INFORMATION .....</b>	<b>16</b>
<b>IV. LEGAL AND POLICY FRAMEWORK.....</b>	<b>23</b>
<b>V. INSTITUTIONAL ARRANGEMENTS .....</b>	<b>47</b>
<b>VI. CONSULTATION, AND PARTICIPATION .....</b>	<b>51</b>
<b>VII. GRIEVANCE REDRESS MECHANISM .....</b>	<b>54</b>
<b>VIII. IMPLEMENTATION SCHEDULE.....</b>	<b>57</b>
<b>IX. COSTS AND FINANCING.....</b>	<b>60</b>
<b>X. MONITORING AND REPORTING .....</b>	<b>63</b>

## Annexes

Annex 1. Valuation Methodology

Annex 2. Legalization Procedure

Annex 3 Complaints and Grievance Submission Form

Annex 4. Protocols of the Public Consultation Meetings

## GLOSSARY

**Affected People (AP):** Individuals affected by Project-related impacts.

**Affected Household (AH):** 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. Sometimes AHs are referred to as vulnerable households.

**Beneficiary Community:** All persons and households situated within the government-owned or acquired property who voluntarily seeks 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.

**Legitimate Possessors:** Affected persons who have titles to their properties or are registered as the owners of private property in the NAPR.

**Rehabilitation:** Compensatory measures other than payment of the replacement cost of acquired assets which are provided under this Policy Framework aimed at improving, or at least restoring, livelihoods and living conditions to pre-displacement levels.

**Relocation:** The physical relocation of a AP/AH 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 (current fair market price of building materials and labour without depreciation or deductions for salvaged building material), and the market value of residential land, crops, trees, and other commodities, and transaction costs to be able to replace these assets, including taxes for land purchase and moving costs.

**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. Municipalities are the self-governing units. Municipality is the settlement (self-governing city) with the administrative border or the unity of settlements with administrative borders and administrative centres. Municipality is the independent Legal Entity of Public Law. Self-governing cities are: Tbilisi, Rustavi, Kutaisi, Poti, Batumi, Telavi, Ozurgeti, Zugdidi, Gori, Ambrolauri, Mtskheta and Akhaltsikhe. Executive body is Gamgebeli in case of self-governing unit, and mayor in case of self-governing city.

**Severely Affected:** Households (including informal settlers) that lose 10% or more of their income generating land as a result of project-related land acquisition.

**Vulnerable groups** - People who by virtue of gender, ethnicity, age, physical or mental disability, Economic disadvantage, or social status may be more adversely affected by resettlement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

## EXECUTIVE SUMMARY

Government of Georgia has aimed to improve East-West Highway as well as Secondary and Local Roads for several years. In line with the entire roads rehabilitation project strategies, the Third Secondary and Local Roads Project (SLRP III) has been under implementation to supply more convenient transportation network in Georgia by means of applying for the finance from the World Bank to the cost of the SLRP III.

The continuing series of SLRPs is justified by the significant social and economic impact of their implementation including improved accessibility to villages, schools, facilities and markets. It will lead to reduced national poverty by providing promotion of business opportunities, tourism, generation of temporary and permanent jobs, etc. Moreover, it is expected that the living conditions of the people who live adjacent to the road but also social and economic condition such as road safety, disturbance to local traffic and activities will be improved after construction of this road. Development of local roads network is considered as substantial precondition for regional integration and poverty reduction.

A cost and benefit analysis of road expenditures is a fundamental prerequisite for justifying planned roadwork activities. It is used as an important indicator to prioritize sections in need of improvement. Cost-benefit ratio, on the other hand, does take into account decision-makers pre-set goals and objectives of the country's Road Network Development.

The Government's Four-year Spatial Arraignment Program of the Roads Department of Georgia envisages construction and rehabilitation of highway and secondary roads in Georgia during 2017-2020.

The World Bank will continue supporting the Roads Department (RD) of the Ministry of Regional Development and Infrastructure of Georgia (MRDI) and providing technical assistance to RD for better programming, planning, budgeting, managing and monitoring roads network at the national level.

Rehabilitation of the Tsitsamuri - Saguramo - Tskhvarichamia Secondary Road, discussed in this RAP, will not be financed under a World Bank project. This rehabilitation will be financed and implemented by the Government of Georgia. However, the present Resettlement Action Plan is prepared in accordance with safeguard policies of the World Bank, which have been accepted as a good practice by the Roads Department of Georgia.

Soosung Engineering Co., Ltd.'s Branch in Georgia (Republic of Korea) in association with IDM Ltd (Sub-Consultant / Local Partner) has been carrying out the Project "Preparation of Detailed Design, Environmental and Social Management Documents and Bidding Documents for Rehabilitation of 15 Road Sections (approximately 100km)" under the Contract SLRP III/CS/QCBS-09 (funded by the World Bank) implemented by Roads Department of the Ministry of Regional Development and Infrastructure of Georgia.

Rehabilitation section of Tsitsamuri - Saguramo - Tskhvarichamia Secondary Road KM4 - KM10, L-7km, is located in Mtskheta Municipality, the road starts at village Tsitsamuri, passes village Saguramo and finishes at the village Akhalsopeli.

In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

- **Category 1.** Titled private agricultural land plots with valid registration. 24 of the affected land plots (with affected area of 2904 sq.m.) have valid registration.
- **Category 2.** 4 land plots of 227 sq.m are not titled and not legalizable., these land plots are used by privat users as agricultural land.

**Caregory 3.** 4 State owned land plots. Among them 3 land plots are owned by 'Georgian Oil and Gas Corporation' and 1 is owned by Mtskheta municipality.

Above-mentioned 2 categories consists of 28 private land plots owned by 26 AHs, and all of them are subject to compensation. 4 State owned land plots: 3 land plots are owned by 'Georgian Oil and Gas Corporation' and 1 is owned by Mtskheta municipality.

Given the magnitude of impacts (there are 26 AHs), 4 severely affected and 1 vulnerable AHs.

**Table E.1** Summary Impact on Land Acquisition and Resettlement

No.	Impacts	Unit	Quantity
<b>Land Tenure Patterns</b>			
1	Total Land parcels affected	No.	32
2	Total land Area to be acquired	Sqm	3770
3	Category 1. Titled private agricultural land plots with valid registration	No.	24
		sq.m	2904
4	Category2. Private non-Legalizable, used for agricultural purpose.	No.	4
		sq.m	227
5	Category3. State owned land plots	No.	4
		sq.m	639
6	Type 1; The land plots located near village Saguramo, nonresidential area along the existing mainline road. These land plots are used for agricultural needs; (102 Gel/ sq.m.)	No.	9
		sq.m	890
7	Type 2. The land plots of residential or commercial status, Located In Saguramo (170 Gel/ sq.m.)	No.	4
		sq.m	577
8	Type 3. The land plots of agricultural - residential or arable status mostly, Located near Saguramo (68 Gel/sq.m.)	No.	11
		sq.m	1,437
<b>Agricultural Patterns</b>			
9	Affected Trees	No	22
<b>Affected Structures</b>			
10	Small Structures (Fences etc.)	No	7
<b>Affected Households</b>			
10	Severely affected Households	No.	4
11	Vulnerable Households	No	1
12	AH losing registered plots (needs correction of cadastral drawings and re-registration)	No.	22
13	AH losing legalizable plots(rightful owners, 1 stage registration through NAPR)	No.	4
14	AH losing agricultural land plots	No	24
15	AH losing trees		4
16	Total AH		26
17	Total Affected Persons	No	109

In total 26 AHs are affected by the project losing parts of their land plots. They will be compensated for losing the affected parts of their lands and structures (fences – 7 AHs) at replacement cost.

In total 4 AHs have been attributed to severely affected category. A total of 4 AHs out of 26 losing land are severely affected due to loss of more than 10% of their productive land. The AHs in RAP of the project road constitute 1 vulnerable AH (4 PAPs). Of land acquisition

The project impact extends to directly affected APs (109) comprising 48.8% female and 51.2% males.<sup>1</sup> Further, none of the directly affected AHs is headed by woman. Special attention will be given to the impact of land acquisition on women and other vulnerable groups during monitoring and evaluation of the RAP. Civil works contracts will include provisions to encourage employment of women during implementation.

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 Policy. The Entitlement Matrix is prepared based on provisions of Resettlement Policy Frameworks developed by RDMRDI for the WB financed EAST-WEST HIGHWAY CORRIDOR IMPROVEMENT PROJECT AF<sup>2</sup> in April 5, 2017. A summary entitlements matrix is included in Chapter IV Table -2.

WB is the funding agency and RDMRDI is the Implementing Agency (IA) of the Project. RDMRDI has the lead responsibility for road reconstruction, as well as implementation of this RAP through the Resettlement Division (RD). A Land Acquisition and Resettlement (LAR) Commission (LARC) will be assisting RD in all LAR activities and RD will be represented at the field by a Working Group comprising the legal, economics and engineering expertise from other departments of RDMRDI. In addition, RD will be assisted by LAR Team in the municipality level involving also the local self-government bodies. Transport Reform and Rehabilitation Centre (TRRC) has been formed as an independent body for financial management of World Bank financed projects. In addition, a number of other government departments will play an instrumental role in the updating and implementation of RAP. The National Agency of Public Registry (NAPR) within the Ministry of Justice will be assisting the Project through registration of land ownership and its transfer through purchase agreement from landowners to the State. The local government level will also be involved.

The designated official from RD was also an active member in leading role during the census survey. RD staff and local level LAR Team members were informally trained during the work on feasibility study. Members of LAR institutions will be trained prior to the implementation of RAP

A grievance mechanism for this particular project will be available to allow APs to appeal 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 APs, representative of local NGOs and consultant. APs were 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 was always taken to prevent grievances rather than going through a redress process.

Consultation with likely APs in the project affected areas was conducted during the preparation of draft RAP March, 21, 2018. People were consulted through individual contact during the census survey under the feasibility study for identification of APs. At the preparation of RAP in detail design stage, 46 of AHs were consulted through community level meetings (March 21 of 2018, meeting

---

<sup>1</sup>Survey includes 13 AHs out of 26. because of the winter time and resort characteristic most of the population is relocated in the city

<sup>2</sup> Resettlement Policy Framework was prepared for SLRP II in 2014, but now the new, most relevant framework was developed for EWHCIP AF in 2017 and currently this document will be used as master RPF for all WB financed projects.

with the project-affected land owners in the village Saguramo, Mtskheta municipality and through individual contact at the time of census, socioeconomic survey and detail measurement survey.

RAP requires legalization of the 4 land parcels for 4 legalizable owners. Legalization (Registration of rights) will probably occur by the end of June 2018.

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 is being undertaken intermittently throughout the project duration. The resettlement cost estimate under this RAP is 365,716 GEL/150,674 (USD). Land acquisition and resettlement tasks under the project will be subject to monitoring. Monitoring is the responsibility of RDMRDI. Internal monitoring is to be carried out routinely by RU/RDMRDI. The results will be communicated to the WB through the quarterly project implementation reports. External monitoring will be carried out on a regular basis, and its results communicated to RU/RDMRDI and Financing WB through semi-annual reports. The RDMRDI (through external help) will carry out a post-implementation evaluation of the RAP about a year after completion of its implementation.

**21th of March, the date of start up of census studies is declared as a cut-off date for this RAP.**



# I. INTRODUCTION

## Project Background

The major objectives of the SLRP III are to reduce transportation costs on the project roads and to improve the sustainability of road asset management in the secondary and local project road network. Besides, the Project is strategically important in the light of the World Bank's Country Partnership Strategy (CPS) for Georgia which identifies two schematic approaches.

- Strengthening public service delivery to prove economic growth; and
- Enabling private sector to lead job creation through improved competitiveness.

Non-monetary effects could be achieved after the completion of the Project as follows:

- **Economic Development:** The improvement of road condition could remove an impediment to economic development. Reduced transportation costs and/or better access can enable better competence for economic activities to a region
- **Roadside Service Industries:** The improvement of road condition may induce traffic, which will increase local revenues of roadside businesses such as gasoline stations, motels, restaurants and others.
- **Tourism:** Most likely road improvement will cause additional visitors to be attracted to the region, the area's income and general prosperity will be enhanced.
- **Social Benefits:** The improvement of road condition could increase access to health care, education, cultural amenities and other social needs.

A cost and benefit analysis of road expenditures is a fundamental prerequisite for justifying planned roadwork activities. It is used as an important indicator to prioritize sections in need of improvement. Cost-benefit ratio, on the other hand, does take into account decision-makers' pre-set goals and objectives of the country's Road Network Development.

The Government's Four-year Spatial Arraignment Program of the Roads Department of Georgia envisages construction and rehabilitation of highway and secondary roads in Georgia during 2017-2020.

The World Bank will continue supporting the Roads Department (RD) of the Ministry of Regional Development and Infrastructure of Georgia (MRDI) and providing technical assistance to RD for better programming, planning, budgeting, managing and monitoring roads network at the national level.

Rehabilitation of the Tsitsamuri - Saguramo - Tskhvarichamia Secondary Road, discussed in this RAP, will not be financed under a World Bank project. This rehabilitation will be financed and implemented by the Government of Georgia. However, the present Resettlement Action Plan is prepared in accordance with safeguard policies of the World Bank, which have been accepted as a good practice by the Roads Department of Georgia.

Soosung Engineering Co., Ltd.'s Branch in Georgia (Republic of Korea) in association with IDM Ltd (Sub-Consultant / Local Partner) has been carrying out the Project "Preparation of Detailed Design, Environmental and Social Management Documents and Bidding Documents for Rehabilitation of 15 Road Sections (approximately 100km) " under the Contract SLRP III/CS/QCBS-09 (funded by

the World Bank) implemented by Roads Department of the Ministry of Regional Development and Infrastructure of Georgia.

The Roads Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMRDI or Client) is the Executing Agency for the Project.

In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

- **Category 1.** Titled private agricultural land plots with valid registration. 24 of the affected land plots have valid registration.
- **Category 2.** 4 land plots, used by private users of are non titled and not legalizable.
- **Category 3.** 4 State owned land plots. Among them 3 land plots are owned by 'Georgian Oil and Gas Corporation' and 1 is owned by Mtskheta municipality.

Above-mentioned categories consists of 32 land plots owned by 26 Ahs, and privately used/owned are subject to compensation.

Given the magnitude of impacts (26AHs), 4 severely affected and 1vulnerable AHs, the project under this RAP is classified as "B" for resettlement. The project location map is shown in Figure 1.

#### The Impacts Corridor

Rehabilitation section of Tsitsamuri - Saguramo - Tskhvarichamia Secondary Road KM4 - KM10, L-7km, is located In Mtskheta Municipality. The road starts at village Tsitsamuri, passes village Saguramo and finishes at the village Akhalsopeli.Fig.1.1. Location Project Road section

Figure 1- The project location map



## **Minimizing Land Acquisition and Resettlement**

Due considerations have been given during the design of the new road alignment to minimize the adverse impacts of land acquisition and involuntary resettlement. Efforts have been put to incorporate best engineering solution in avoiding large scale land acquisition and resettlement. The alignment has been optimized in tight collaboration with RD and WB.

### **RAP Preparation**

This RAP has been prepared as a condition to contract awards signing. The document complies with relevant Georgian laws and provision of the WB OP 4.12 on Involuntary Resettlement, as well as Resettlement Policy Framework developed and disclosed by RDMRD for the WB financed EAST-WEST HIGHWAY CORRIDOR IMPROVEMENT PROJECT AF in April 5, 2017. RAP preparation entailed: (i) a detailed measurement surveys (DMS), (ii) a detailed asset valuation/documentary research for each affected plot/affected item, (iii) a 100% AH census; and (iv) a socio-economic survey (SES) of 46.42% of the AHs. Intensive consultations with all the stakeholders including Municipality authorities and the likely APs (APs) were conducted during the process.

The RAP document is based on DMS, census and socio economic survey which were conducted between 21-22 of March 2018. The RAP include (i) Description of impacts, census and social profile of APs; (ii) Land acquisition and compensation scheme (ACS) for land acquisition and implementation of RAP; (iii) update of LAR budget; and (iv) loss and entitlement profile for individual owners of land plots and APs.

### **21<sup>th</sup> of March is declared as a cut-off date for this RAP.**

The RAP entailed intensive consultations with the stakeholders through community level meetings (21<sup>th</sup> of March 2018, meeting with the project-affected land owners in the village of Mtskheta municipality) and through individual contact at the time of census, socioeconomic survey and detail measurement survey. Consultations with the APs and their community were conducted to understand the extent of impact and validate the severity and compensation measures. The assessment of losses and land acquisition is based on the final engineering design as part of the detailed design study.

### **Pending RAP Implementation Tasks**

Following this RAP approval RAP of finances will be provided to the Executing Agency (EA). Prior to the distribution of RAP finances to the APs, the new cadastral drawings have to be prepared for valid registered land plots, after corrections all APs will sign a contract agreement indicating that they accept the compensation provided to them. If an AP 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 be also established for absentee APs.

### **Conditions for Project Implementation**

Based on the WB policy/practice, the approval of project implementation were based on the following RAP-related conditions:

Signing of Contract Award: Conditional to the approval of the RAP by WB and Government. RAP reflects final impacts, final AP lists and compensation rates at replacement cost approved by RD.

Notice to Proceed to Contractors: Conditional to the full implementation of RAP (legalization of legalizable owners, and full delivery of compensation and rehabilitation allowances).



## II. CENSUS AND IMPACT ASSESSMENT

### Introduction

This impacts assessment details loss of land, structures and other assets in (S-149) Tsitsamuri–Saguramo–Tskhvarichamia Secondary Road KM4–KM10 secondary road. Compensation and rehabilitation measures have been worked out based on these impacts. A detailed inventory of all the impacts has been done following the final alignment as per detailed engineering design.

Digitized cadastral maps were collected from the Mtskheta municipality 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% AP Census were undertaken. These surveys for this project were conducted in 21 of March 2018. A socioeconomic survey (SES) of 46.42% 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 AP census survey is considered as the compensation eligibility cut-off date for the project which is therefore 21<sup>th</sup> March, 2018.

### Impact on Land, Other Assets and Income

#### General Classification of affected land

In all land impacts amount to sum 3,770 sq.m of land from 32 plots. (see table 2.1 for details). Most of the affected private land plots are of agricultural status plots, some of these land plots – are classified as land plots for residential needs. However, none of the affected plots are used for residential needs. All affected plots are used for agricultural purposes, mostly hay production. In terms of tenure the affected land plots are distributed in accordance with the following legal categories:

**Category 1.** Titled private agricultural land plots with valid registration. 24 of the affected land plots have valid registration.

**Category 2.** 4 land plots are non titled and not legalizable.

**Category 3.** 4 State owned land plots are registered properly. 3 land plots are owned by 'Georgian Oil and Gas Corporation' and 1 is owned by Mtskheta municipality.

Above-mentioned categories consists of 28 private land plots owned by 26 Ahs, and all of them are subject to compensation.

The land costs and compensation categories within the project area are determined by the land location factor. Figures on Land impacts are provided in accordance to the land classification and legal categories that are relevant to determine compensation rates and amounts due to their use modalities and location. As we have mentioned above, all the affected private land plots are agricultural plots used mostly for hay and fruits production. The affected land for this sub-section of the road has been classified in 3 main types:

**Type 1 Land Plots.** The land plots located near village Saguramo along the existing mainline road. These land plots are used mainly for agricultural needs. Cost rate is estimated as 102 GEL/sq.m. In total there are 9 affected land plots of type with aggregated area 890 sq.m..m

Type 2: The land plots with official agricultural status, which because of location can be used for residential or commercial purposes, located in Saguramo. Cost rate is estimated as 170 Gel. 4 land plots of type 2 - 577 sq.m. are affected by the project.

Type 3: The land plots of agricultural - arable status, some of them can be used as residential, located near Saguramo (68Gel/sq.m.). 11 land plots of type 3 - 1437 sq.m. are affected by the project.

The aggregated figures for the land parcels of different types by land use and compensation rates are given below in the table 2.2.

Table 2.1 :Type of Land Ownership

Tenure Categories	Plots No.	Area (sqm)	AHs
<b>Compensable land</b>			
Category 1. Private Registered	24	2,904	22
Category 2. Private non legalizable	4	227	4
Total	28	3,131	26

Table 2.2: Type of Land Use and Land Groups by Compensation Rates

Categories by Land Use and Costs	Plots No.	Area (sqm)	AHs
<b>Compensable land</b>			
Type 1; The land plots located near village Saguramo along the existing mainline road. These land plots are used for agricultural needs mostly	9	890	7*
Type 2. The land plots of residential or commercial status, located in Saguramo	4	577	4
Type 3. The land plots of agricultural - residential or arable status, located near Saguramo	11	1,437	11
Total	24		22

\* Two AHs lose two land plots of category 1

### Impact on Trees

Project affects several trees

**Table 2.3 A: Affected trees**

tree	Number of Land Plots	number of trees	Number of AHs
trees	4	22	4

### No Impact on Crops

## Impact on Buildings/Structures

In total the project affects 7 small structures – fences, concrete tiles affected structures are located on 7 land plots and belong to 7 households.

The table below represents details of the impact on structures:

**Table2.5:** Impact on Buildings and Structures

### Small Structures

No	Building	Number of structures	Cost, GEL
1	Fences, concrete tiles)	7	11,216

## No Relocation Needs

### No Impacts on Business, Tenants and Employees

#### APs and Communities

In total 26 AHs (109 PAPs) are affected by the project, all of them affected directly, losing part of their land (24 registered and 4 non-legalizable plot). The difference between the number of affected land plots and AHs is due to the fact that some of the AHs lose several land plots. No Impact on Common Property Resources

#### Severely Affected and Vulnerable Households

In total 4 AHs have been attributed to severely affected category, due to loss of more than 10% of their productive land.

Poor (receiving government subsistence subsidies) and disabled persons are attributed in the category of vulnerable households. Households with 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 AH 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 vulnerable household requires special assistance for resettlement. 1 AH as having disabled person has been attributed to Vulnerable category.

#### Gender and Resettlement Impacts

The project impact extends to directly affected APs comprising 48.8% female and 51.2% males.<sup>3</sup> Further, none of the directly affected AHs is headed by woman. 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.

---

<sup>3</sup> Survey includes 13 AHs out of 26. because of the winter time and resort character of the region, most of the population is relocated in the city.

## Summary of Impacts

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

**Table 2.10**

No.	Impacts	Unit	Quantity
<b>Land Tenure Patterns</b>			
1	Total Land parcels affected	No.	32
2	Total land Area to be acquired	Sqm	3,770
3	Category 1. Category 1. Titled private agricultural land plots with valid registration	No.	24
		sq.m	2,904
4	Category2. Private non-Legalizable	No.	4
		sq.m	227
5	Category3. State owned land plots	No.	4
		sq.m	639
6	Type 1; The land plots located near village Saguramo, nonresidential area along the existing mainline road. These land plots are used for agricultural needs; (102 Gel/ sq.m.)	No.	9
		sq.m	890
7	Type 2. The land plots of residential or commercial status, Located In Saguramo (170 Gel/ sq.m.)	No.	4
		sq.m	577
8	Type 3. The land plots of agricultural - residential or arable status mostly, Located near Saguramo (68 Gel/sq.m.)	No.	11
		sq.m	1,437
<b>Agricultural Patterns</b>			
9	Affected Trees	No	22
<b>Affected Structures</b>			
10	Small Structures (Fences etc.)	No	7
<b>Affected Households</b>			
10	Severely affected Households	No.	4
11	Vulnerable Households	No	1
12	AH losing registered plots (needs correction of cadastral drawings and reregistration)	No.	22
13	AH losing legalizable plots(rightful owners, 1 stage registration through NAPR)	No.	4
14	AH losing agricultural land plots	No	24
15	AH losing trees		4
16	Total AH		26
17	Total Affected Persons	No	109

## III. SOCIO-ECONOMIC INFORMATION

### Introduction

Survey includes 13 (43 PAPs) AHs out of 26(109 PAPs). Because of the winter time and resort character of the region, most of the population is relocated in the city. 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.

### Affected Population

#### Demography

The project road is located in Mtskheta Municipality as per detail measurement survey. Number of affected HH is 26.

**Table 3.1:** Demographic Profile of APs

Age Group	Male		Female		Total	
	No.	%	No.	%	No.	%
Children (Below 6 Years)	0	0	3	14,3	3	7
Children (6–18 Years)	3	13,6	0	0	3	7
Adult (19–65 Years male and 19 – 60 years for female)	17	77,3	15	71,4	32	74,4
Pension age (65 Years and Over males and 60 years and over - female)	2	9,1	3	14,3	5	11,6
Total	22	100	21	100	43	100
%	51,2		48,8		100	

#### AH Ethnicity

AHs are all Georgian (100%). No Azeri, Armenians, Russian, 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 AHs

Sl.No.	Ethnicity	Total No. of Households	%
1	Georgian	13	100
2	Armenian	0	0
3	Polish	0	0
4	Other	0	0
	Total	13	100

## Urban Rural Proximity

The project road is mostly located in rural area Between the villages Tsitsamuri and Arashenda. Only 60% of the population reside in these villages.

## Level of Education of APs

Data from project area in Mtskheta municipality brought forth that illiteracy is not faced in the area – all APs elder than years study in schools or university or have already got certain education. About a,9%of the population have university level education and,4% have got special technical education. All of the rest APs study is secondary schools or have finished school. (Table 3.4).

**Table 3.4** Level of Education of APs

Sl.No.	Category	Male		Female		Total	
		No	%	No	%	No	%
1	Pre-School	1	4.5	2	9.5	3	7
2	Primary & Secondary	9	40.9	10	47.7	19	44.2
3	Technical – special education	2	9.1	2	9.5	4	9.3
4	University	10	45.5	7	33,3	17	39.5
5	illiterate	0	0	0	0	0	0
	Total	22	100	21	100	70	100

## Agriculture and Land Resources

### Land Holding Status

The AHs are all land holder of some quantum. Average land holding comes out to be 0.1838 ha among the land holders (Table 3.5).

**Table 3.5:** Land Holding Status

Sl. No.	Particulars	No of Households	%
1	Land Holder Households	26	100
2	Landless Households		0
3	Total Households	26	100
Average Land Holding: 0.1838 ha			

### Major trees

Only 22 trees are affected

**Table 3.6:** Cropping Patterns

Type of tress	No of Household	Number of trees
Huselnut	2	3
Cherry	1	4
Plump	4	14
Quince	1	1
TOTAL AH	4	

## Economy of AHs

### Major Economic Activities

Regular Wages (Government Service or Business sector) is the main source of income for most of AHs. Pension is one of the sources of income for 23.8% of AHs. Agriculture has minor economic significance and is used mostly for self consumption. The details are given in Table 3.7.

**Table 3.7:** Economic Activity of the Households

Sl.No.	Type of Activities	No	%
1	Agriculture	1	4.8
2	Pension (government aid)	5	23.8
3	Regular Wages (Government Service or Business sector)	11	52.4
4	Temporary	4	19
5	No Income	0	0
	TOTALActivities	21	100

### Annual Income of AHs

Regular wages, pension subsidies and wage employment are major contributors to income of the AHs. The survey found that 50% of the AHs get income from one single source, 50% from double or more sources. Table 3.8 shows that the more the number of sources, the more is the amount of income feeding to a household. Double sources seem to contribute the highest in the project area.

**Table 3.8:** Average Annual Household Income against Number of Sources

Number of sources of Income	No. of AHs	% of AHs	Average household income per month (GEL)
Single Source	5	38.5	911
Double Sources	8	61.5	490
Total	13	100	689

**Table 3.9:** Average Annual Household Income by Sources

Sources of Income	No. AHs (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 gov/public sector	11	6,145	560.45	6,725.45
Agriculture	1	50	50	600
Daily Wage /Part time employment	4	1,750	437.5	5,250
Pension/subsidiary	5	1,150	230	2,760
<i>Total Households Income</i>	21	8,955	689	8,266

### Household Assets and Durables

Possession of durable goods differs from each household depending on the nature of the durable goods. 100% of the households in the project area possess a television, refrigerator, washing machine and mobile phones. About 46.2% households reported that they have a car.

Possession of domestic animals includes large animals in 15,4% households and poultry in 23.1% households (Table 3.10).

**Table 3.10: Possession of Durable Goods and Domestic Animals**

Sl. No.	Item	Households No.	%
1	Television	13	100
2	Mobile phone	13	100
3	Computer	11	84.6
4	Refrigerator	13	100
5	Washing Machine	13	100
6	Motorcycle	0	0
7	Car	6	46.2
8	Air conditioning	0	0
9	Large Animals (Cows/Bulls/Buffaloes)	2	15.4
10	Pigs	0	0
11	Sheep/goats	0	0
12	Horse/donkey	0	0
13	Poultry	3	23.1

### Debts

Out of 16 interviewed households representatives of 4 have reported that they have bank debts (3) or private lender (1). (table 3.11).

**Table 3.11: Debts**

Sl. No.	Debts	Household number	%
1	Yes	2	15.4
2	Bank	2	100
3	Private lender	0	0
4	Other	0	0.0
5	No	11	84.6
	TOTAL	13	100.0

### Water and Sanitation

#### Source of Drinking Water

The major source of drinking water is centralized local source. 61.5% of households have access to the centralized water supply. Out of the 13 surveyed households, 100% have access to piped water supply. (Table 3.12).

**Table 3.12: Source of Drinking Water**

Sl. No.	Sources	Number of Households	%
1	Piped water supply	13	100
2	Well	0	0
3	Spring	0	0
	Other sources	0	0
	Total	13	100

## Sanitation Facilities

All of the interviewed households possess latrine at their house connected to septic reservoirs.(Table 3.13).

**Table 3.13: Types of Toilet**

Sl. No.	Toilet	Number of Households	%
1	Flush toilet	8	61.5
2	Latrine	5	38.5
3	Total	13	100

## Access to Energy and Civic Facilities

### Access to Energy for Cooking

Majority of the inquired AHs (about 90%) use gas stoves for cooking, however, they use wood stoves as well. Electric power is a main significant source of energy. According to the Table 3.14, households using gas also use electric power for cooking at the event of unavailability of gas (especially those using LPG). Details are given in Table 3.14.

**Table 3.14: Type of Fuel Use for Cooking**

Sl. No.	Types of Fuel	Number Households	of	%
1	Wood	0		0
2	Gas	13		100
3	Diesel/ Kerosene	0		0
4	Electric power	13		100
	Total	13		100

### Access to Electricity

All of the interviewed 16 households (100%) are connected with central power supply and to the natural gas supply system (Table 3.15).

**Table 3.15 Connected to Central Electric Power Supply and Natural Gas Supply Systems**

Sl. No.	Whether connected	Electric Power		Natural Gas	
		No of Households	%	No of Households	%
1	Yes	13	100	13	100
2	No	0	0	0	0
	Total	13	100	13	100

### Access to Health Centre

Health facilities in project areas are not in good condition with adequate access to hospitals. (Table 3.16).

**Table 3.16:** Access to Health Centre

Sl. No.	Easy access to Health Centre	Number of Households	%
1	Yes	13	100
2	No	0	0
3	Total	13	100

### Access to School

100% of households reported that they have easy access to school, with average 1 km to school from all Ahs. (Table 3.17).

**Table 3.17:** Access to School

Sl. No.	Access to School	Number of Households	%
1	Yes	13	100
2	No	0	0
3	Total	13	100

### Access to Road

100% of households reported that they have easy access to the local roads and to highways (Table 3.18).

**Table 3.18:** Access to Road

Sl. No.	Whether connected to Road	Number of Households	%
1	Yes	13	100
2	No	0	0
3	Total	13	100

### Conclusion

Literacy rate in the project area is very high (100% of the APs elder than 6 year are studying or have finished at least secondary school). Number of affected population by gender is almost same. Literacy rate among the women and men is on the same level. Women go side by side with the men in the project area and play important role in family economy. Regular jobs in public sector or businesses is the dominant occupation among the APs (52.4%). However, role of government subsidies(pension) is also significant (23.8%).

92.3% of inquired population (12 out of 13) expressed good attitude towards the project and accepted it as important component of development for the whole country and for their municipality.

## **IV. LEGAL AND POLICY FRAMEWORK**

### **General**

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.

### **Legal Framework**

#### **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 (Last update 16 October 2013)

The Civil Code of Georgia, June 26, 1997 (amend. 2000, 2002, 2003, 2004, 2005, 2006, 207, 2008, 2009, 2010, 2011, 2012, 2013, 2014,2015, 2016)

The Law of Georgia on Notary Actions, December 4 2009 (amend. 2010, 2011,2012, 2013, 2014, 2015)

Law on Public Health 27 June 2007 (amend. 2009, 2010, 2011, 2012, 2013, 2014, 2015)

The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996 (amend. 1997, 1998, 1999, 2000, 2003, 2004, 2007, 2010, 2012, 2014, 2016)

Law on Compensation of Land Substitute Costs and Damages due to Allocating Agricultural Land for Non-Agricultural Purposes 1997 (amend. 2005, 2006, 2007, 2009, 2010, 2011, 2013, 2014, 2015)

The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 11 June 2007 (amend. 2007,2008,2009 2010, 2011, 2012)

Law on state property 2010 (amend 2011, 2012,2013,2014, 2016)

The Law of Georgia on Public Register- No820 –IIs; December 19 of 2008; (amended 2009 2010, 2011, 2012, 2013, 2014, 2015)

In frames of national project, the Law of Legal Power of Land Parcels Systemic and Sporadic Registration and Improvement of Quality of Cadastral Data. June 17 of 2016. (amended December 14 2016)

The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999 (amend. 2005, 2007, 2010, 2013, 2017)

The Civil Procedural Code of Georgia, November 14, 1997(amend. 1998-2015)

The Law of Georgia on State property, June 21, 2010

Labor Code, May 25, 2006

Tax Code, January 2005

Law on Entrepreneurship, October 28, 1994

Overall, the above laws/regulations support the principle of compensation at full replacement cost. The laws also identify the types of damages eligible for compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of income. 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 of 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.

### **Expropriation**

Acquisition of land through expropriation will be pursued under the project only in extreme cases when negotiations between APs and RDMRDI fail. Should the contract proposal fail, the expropriation process will commence by undertaking the procedures set out in the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need”. It is noted that under Georgian law, negotiation is seen as an alternative to expropriation, whereas under OP 4.12 negotiation under threat of expropriation still qualifies as involuntary resettlement.

Pursuant to 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.

Under no condition would the RD occupy the required plots until:

the proper judicial process as defined by the law is initiated;

a court injunction has been obtained and properly communicated to the APs; and

the compensation/rehabilitation amounts are deposited in an escrow account.

No land acquisition will take place until the compensation/rehabilitation amounts envisaged in the approved RAP are deposited in an escrow account in a treasury (project account/or the EA’s account). The deposited funds will be paid to PAP upon the court decision on expropriation or in case the PAP decides to drop the case and signs the agreement with the RD.



## **Legalization**

The RD will provide technical assistance to PAPs qualifying as legitimate possessors of project affected land parcels. These PAPs will be assisted free of charge in the process of legalization of private ownership rights to project affected assets, followed with the registration of ownership title. Following, the PAP will alienate project affected land parcel to the RDMRDI for road project purposes in return for fair compensation amount calculated according to the unit rate determined in the approved RAP.

### **World Bank Involuntary Resettlement Policy (OP 4.12)**

Specific World Bank requirements concerning resettlement are contained in the Operational Policy (OP. 4.12) on Involuntary Resettlement that is based on the following principles:

Involuntary resettlement should be avoided in all cases where feasible, and where it is not possible to avoid resettlement, it should be kept at a minimum;

Where it is necessary to carry out resettlement, it should be treated as a development program providing that all assets and livelihoods of affected persons will be improved or at minimum restored to pre-project level to a displaced person;

Persons affected by resettlement shall be fully informed and shall have the opportunity to participate in procedures with a view to protecting and exercising the rights which they are entitled to;

Displaced persons shall be assisted in their efforts to improve their income and standards of living, or at least to restore them to and keep them at pre-displacement levels;

The obligation to assist displaced persons and to provide them with appropriate protection shall exist regardless of how they have acquired property and possession, i.e. regardless of their legal registration status (thus, assistance and rehabilitation measures should also be provided to persons who are impacted but lack legal title);

Displaced persons shall be ensured full payment of replacement costs and a compensation for the property taken, in the amount, which enables the compensation or replacement of the property taken with an alternative.

The given Policies contain the obligation to provide support and assistance in the course of the compensation and resettlement process, during and following the resettlement process.

Assistance during the compensation and resettlement process shall include:

- Assistance during the relocation of personal belongings;
- Maintenance, transport, and/or sale of materials from the old facility;
- Transport of household members with medical assistance where required; and
- Assistance with the entering into possession of new real property.

As part of the quoted World Bank Policies, particular attention is paid to vulnerable groups of the population. These are groups of people who, under the impact of the Project, by virtue of gender, ethnicity, age, physical or mental disability, economic status, or social status may be more

adversely affected by resettlement caused by the Project than other population groups, or who may be limited in their ability to claim or take advantage of resettlement assistance.

Consistent with paragraph 16 of OP 4.12, the following categories of persons will be eligible for different types of mitigation measures under this RAP:

- A. Persons who have legal formal rights to land (including legal title or customary and statutory rights of occupancy recognized under the Law),
- B. Persons who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the national law or become recognized through a process identified in the resettlement and compensation plan,
- C. Persons who have no claim to land they are occupying or using.

Persons covered under a) and b) above are to be provided compensation for land they lose, and other assistance in accordance with the policy. Persons covered under c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy or use, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy or use the project area prior to a cut-off date established by the appropriate authorities and acceptable to the WB. All persons included in a), b) or c) above are to be provided with compensation sufficient for purchasing alternative assets to those that were lost and that are other than land.

### **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 difference is that under Georgian legislation the 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).

As a result, the Bank's safeguards policy on Involuntary Resettlement complement the Georgian legislation/regulation with additional requirements related to:

- the economic rehabilitation of all AP/AF (including those who do not have legal/formal rights on assets acquired by a project);
- the provision of indemnities for loss of business and income, 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, under Georgian law, negotiation is seen as an alternative to expropriation, whereas under OP 4.12 negotiation under threat of expropriation still qualifies as involuntary resettlement. In addition, the legislation of Georgia does not require any specific measure regarding the need to prepare RAP based on extensive public consultations.

The comparison of differences between Georgian law/regulation and WB safeguard policy OP 4.12 and actions to manage the gaps are outlined below in Table 1. Legal Matrix.

**Table 1. Legal Matrix**

Georgia Laws and Regulations	WB OP 4.12	Corrective Action
Land compensation only for titled landowners.	Lack of title should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation and compensation for any structures and assets they may have on the land.	In practice, legalizable land owners are also compensated after they are issued with the necessary papers. RD will support those without legal titles so they can be titled and compensated before displacement occurs. In those cases where for some reason land users cannot be titled, the EA will seek the Government's approval for rehabilitation/compensation of such non-titled land users before displacement occurs.
Only registered houses/buildings are compensated for damages/demolition caused by project-related land acquisition	All affected houses/buildings, regardless of legal status, are compensated for damages/demolition caused by project-related land acquisition	It is assumed, that majority of properties will be registered to actual user, with support of the project (legal and registration support). Accordingly, the compensation will be paid to all affected households. In case of damages during construction period, the construction contractor will be responsible for compensation and RD team will supervise the processes. For cases where they cannot be registered, see the Entitlement Matrix (p. 25).
Crop and trees losses compensation provided only to registered landowners.	Crop losses compensation provided to landowners , sharecrop/lease tenants or other users such as squatters whether registered or not	Practically all croplands are registered in Georgia either in Public register or in archive records available in the Municipalities. In case of leased land plots, the compensation will be paid to renters and other users for their actual losses and be given assistance to access some other land to continue activities.
Compensation for loss of assets is based on market value without deducting depreciation.	Compensation for loss of assets is based on market value without taking into account depreciation and should also include transaction costs such as taxes and registration fees. It should also include other resettlement costs such as cost of preparing land for cultivation.	Compensation will be paid based on market value without taking into account depreciation or value of salvage material; owners are allowed to retain salvaged materials. RD will have in place clear legal procedures to assist PAPs and cover all costs related to title recognition and transaction registration fees. The asset evaluation criteria will be based on replacement value as per OP 4.12.
Executing Agency implementing the Project (EA) 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 can also be resolved informally through a project-level grievance redress mechanism, which in some cases can have community participation through a Grievance Redress Committees (GRC), Local governments, and NGO and/or local-level community based organizations (CBOs).	The RD resettlement team will have in place a mechanism to receive, register and process grievances from APs.  Representatives of municipalities, local authorities and villages will be involved in the process from early stages. This will ensure solution of disputes and claims (if it is possible) at community level, however if solution could not be found, the case will be processed in accordance to local legislation.

Georgia Laws and Regulations	WB OP 4.12	Corrective Action
Decisions regarding land acquisition and resettlement are discussed only between the landowners and the agency in charge of land acquisition.	The RPF and RAP including information on criteria for valuation of affected assets, entitlements, and compensation/financial assistance are to be publicly disclosed and consulted on during the planning process.	The preparation of the RPF and RAP will be done through engagement with relevant stakeholders and the RPF and RAP will be publicly disclosed and consulted on. However, no personal information of the AP or amounts each individual/household will receive will be disclosed publicly.
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.	RD will have in place clear legal procedures to allow for additional assistance for severely affected and vulnerable households in accordance to the RAP, and for relocation compensation for all households qualified as vulnerable and/severely affected.
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.	The public consultation process will be accomplished in accordance to WB requirements and guidelines prior to RAP implementation.
Recognition and compensation for business (officially registered) losses resulting from project-related land acquisition based on official tax declaration.	All kind of running business (officially registered or not-vendors etc.) will be compensated in cash equal to 1-year based on tax declaration or, if unavailable (Loss of income from both formal and informal economic activities) based on the official minimum substance income.	RD will ensure that all businesses will be recognized and compensated in accordance to RPF and RAP before displacement occurs.
Land compensation only for titled landowners. In practice legalizable landowners are also compensated after they are issued with the necessary papers	Lack of titles should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation.	According Entitlement matrix: Owners with full and registration and owners/users of legalizable land will be provided with cash compensation at full replacement cost. Non-legalizable agricultural and users (squatters/encroachers) will not be compensated for the value of the land. However, they will be compensated at replacement value for any loss

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

## **Objective, Principles and Procedures of Land Acquisition Adopted for this Project**

### **General Principles**

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:

Design and 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 RAP, 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 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 timely, adequately and that solutions in line with principles laid out in this RAP be employed;

All PAPs, without regard to their status of legal rights to the land and assets, will receive support of various kinds, as per the principles set out in the Entitlement Matrix, to assist them in their efforts to improve, or at least restore, their livelihoods and standards of living prevailing prior to the Project.

Those who illegally occupy land will not be compensated for loss of land, but will receive compensation for loss of other assets and for loss of income such that they are also assisted in their efforts to improve, or at least restore, 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.

PAPs will be notified of the project implementation schedule and informed 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 for SRS. Also, the contractor is responsible for repairing any accidental damage of property to non-acquired assets.

Marketing survey was conducted during RAP preparation to assess the prevailing market prices of land, construction materials for affected structures, crops and other relevant items, and was used to determine compensation. This will additionally ensure that the market prices plus any transaction costs will allow PAP stop purchase replacement land.

The details of land acquisition procedure will be spelled out in the RAP to be prepared for road section.

Social impact assessment surveys required during preparation of RAP for each road section should be based on census, inventory of losses (IOL) and detailed measurement survey (DMS)<sup>4</sup>. The summary results of census, IOL and DMS covering the entire road section should be provided in the final RAP<sup>5</sup>.

The table shall reflect the number of PAPs, area of land takes, affected assets, lost income, cases of severe impact, PAPs eligible to onetime allowances for severe impact, vulnerability, relocation costs and etc.

The Census shall cover 100% of located PAPs.

In the attempt to cover all affected population groups, including any host populations Consultant shall accomplish the following achievements:

Establish clear definitions of key concepts (e.g., displaced person, family or household, loss, entitled person), because these concepts are critical to the entire process and have a significant influence on the compensation and resettlement benefits package.

Identify the right-of-way and project point of impact prior to data collection. Also, conduct participatory rapid appraisal and focus group meetings with affected villages and/or communities to explain the project scope and the purpose of census and surveys.

Identify all types and categories of losses by gender, age and occupational groups of affected population.

Identify all affected land parcels and ownership and/or user rights and ensure land acquisition processes can meet project-engineering schedules.

Provide information to all stakeholders (i.e., the affected persons, host communities, and concerned nongovernment organizations) and ensure that consultation is continual.

Establish a cut-off date for eligibility in the displaced and/or affected persons' list. This is necessary to prevent false claims for compensation or rehabilitation following the disclosure of project plans. A census should be carried out as soon as possible to determine the number of displaced persons, the number of structures and other affected assets, and to determine the cut-off date to minimize influx of people into the affected areas.

Map the impact area and identify households by numbers to provide additional safeguards against fraudulent claims. Mapping is normally done during the project identification and preparation stages. Mapping can be undertaken during census and survey. Aerial mapping can be a useful adjunct to determine settlement patterns at a given point in time.

Include all project affected in the inventory of project affected persons irrespective of titles or ownership rights. For example, this can include informal settlers or squatters and indigenous peoples with traditional land rights.

One-page Notes for the project affected persons will be used. One-page Notes have proved to be useful in many projects. They are issued during census or surveys and should be updated after the

---

<sup>4</sup>An IOL or DMS is dependent on the level of design available. An IOL is usually undertaken based on preliminary design while a DMS is usually undertaken based on detailed design and demarcation of the extent of impact on the ground. Any plans prepared on the basis of an IOL will be updated following detailed design through the completion of a DMS.

<sup>5</sup>The sample of the table is attached to this RPF, see the Annex1.

completion of the census with all the information on individual households relevant to compensation and entitlements.

Publish the list of project affected persons for verification by affected communities. Include procedures for appeals in the event of exclusion.

To the extent feasible, include interdisciplinary skills in the core and involve local government and/or agency staff and displaced person's groups in data collection.

Where needed, establish a computer database and a program that will facilitate identification of all information on households and individuals for project implementation, and as a baseline for monitoring.

Provide information on livelihoods/income level of each displaced/severely affected/vulnerable person – information to be used internally and provided as an attachment to RAP for WB approval.

The entitlement matrix provided in each RAP<sup>6</sup> should be more specific to address all possible impact and determine relevant compensation entitlements. The resettlement and compensation entitlements will have to be reviewed and improved based on the actual findings of ESIA, public orientation meetings, focus group discussion, feedback from key informant interviews, and the analyses of data collected during DMS, census, title search, inventory of project affected assets and socio-economic survey and/ livelihood survey. Each PAPs should be identified by project affected land parcel units.

DMS (Detailed measurement Survey), census of PAPs, and inventory of affected assets shall start from the zero KP<sup>7</sup> point of the selected road section and proceed through the ending KM point. Each PAP in connection with the project affected land parcel will be enumerated. Location of affected land parcels will be identified by two KPs (start and end of the land parcel boundary) along the ROW. Besides the Inventory Act will specify which side of the ROW (left / right) is the land parcel located. The Field Team will obtain the full names of the PAPs and identify them in correlation with project affected land parcels being owned/possessed or used by specific PAP. Besides, project affected land parcels will also be identified according to their location (name village/Municipality) and Cadastre data land parcel is registered at the NAPR. Copies of any official documents on project affected land parcel available will be collected for analyses and title search.

Field Team will be responsible to obtain data on the area and type of project affected land parcel (and total land holding of PAP), the type, size and use of any other assets affected (structures, crops, perennials, business, etc.), community property affected, and to determine each type of loss per PAP.

During RAP preparation is a must to ensure that socio-economic conditions, needs, and priorities of project affected women and minorities are addressed accordingly to ensure that land acquisition and resettlement does not disadvantage women. Therefore, data collected during census and socio-economic survey should be disaggregated by gender, age groups, ethnicity and religious beliefs.

Each RAP shall include a RAP implementation budget and identify where the funds will come from. RAP implementation schedule should be linked to the procurement of civil works. Construction of civil works will not commence until compensation has been paid to all present PAPs. Compensation will be determined based on the replacement cost at current market rates and valuation methodology described in this RAP will be used for valuation methodology and unit rates per each

---

<sup>6</sup> Please see the Appendix 6.

<sup>7</sup> KP stands for kilometer point.

type of loss identified during surveys and preparation of a specific RAP for each proposed road project.

The details of land acquisition procedure will be spelled out in the RAP, inclusive of the following:

Initial consultation with PAP to notify the project and its 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

If the negotiation with PAP fail, the applicable legislation of property expropriation will be used.

Compensation/rehabilitation measures will be implemented before land take for project purposes.

According to the applicable land acquisition legislation of Georgia, the complete and accurate registration of privately owned land is a necessary prerequisite for the acquisition of land required for the project by the organizations implementing the necessary infrastructural projects. The Roads Department of the Ministry of Regional Development and Infrastructure of Georgia, will acquire privately owned land through negotiations, as far as possible, based on the informal consultations with the affected persons (including those lacking the legal title of the land). During the negotiations, the adequate and fair price of the land and/or other assets will be offered.

The Roads Department of the Ministry of Regional Development and Infrastructure of Georgia, will ensure the open process of negotiations with the affected persons, and will do its best endeavours to succeed. Just in case, if the negotiations fail, the applicable legislation of property expropriation land will be used for the expropriation of land.

The Land Acquisition and Resettlement working group of the Roads Department which is assisted by the district Land Acquisition and Resettlement team will hold talks with the affected persons about compensation. In the case of successful negotiations, sale and purchase agreements will be signed with the legalized owners of purchased parcels of land, while the entitlement agreement on assets and income compensation/rehabilitation will be signed with the affected persons. All complaints of the relocation affected persons will be determined by the grievance mechanism provided by the project (see section 8 below)

In the case of failed negotiations despite the grievance mechanism involved, the Roads Department of the Ministry of Regional Development and Infrastructure of Georgia will petition the district court for the expropriation process.

The Roads Department of the Ministry of Regional Development and Infrastructure of Georgia will provide new maps and drawings with cadastral, and legal details, which are necessary for the legalization to interested owners subject to legalization. This process will be continued by the local administration which will verify the ownership certificates according to those maps and the land will be finally registered at the regional registry office of the National Agency of Public Register before the issuance of the project compensation. Procedures of land acquisition for the project are included in Appendix 2.



## Acquisition Approach for Remaining Land

The overall approach to land acquisition is to ensure that in case of land take, and the remaining land parcel is losing its current designation and becomes economically unviable or unusable, whether it is residential, commercial or agricultural, in agreement with PAPs instead of project affected portion entire land parcel will be acquired and full cash compensation paid according to the unit rates stipulated in the RAP.

### Expropriation and Legalization

Acquisition of land through expropriation will be pursued under the Program only in extreme cases when negotiations between APs and RD fail. In these cases, however, RD 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. No land acquisition will take place until the compensation/rehabilitation amounts envisaged in the approved RAP **either received by the PAPs** or deposited in an escrow account in a treasury (project account/ or the EA's account). The deposited funds will be paid to PAP upon the court decision on expropriation or in case if the PAP decides to drop the case and sign the agreement with the RD.

APs that 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 eligible PAPs.

### Establishment of the Cut-off Date

Compensation eligibility is limited to PAPs by a cut-off date.

The best practice is to use the completion date of the census of displaced persons as the cut-off date. Timing is important. If the cut-off date comes too early, it can disadvantage displaced persons.

Therefore, the cut-off date will be the date when Census, socio-economic survey of PAPs and inventory of project affected assets has been accomplished. If there are delays in actual displacement and land take for project purposes, after one (1) year the census should be updated and a new cut-off date set.

PAPs who settle in the affected areas, or erect any fixed assets, such as structures, crops, fruit trees, and woodlots and other assets, after the cut-off date will not be eligible for any compensation. However, they will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures will not be confiscated and they will not pay any fine or sanction. Forced eviction will only be considered following exhaustion of all other efforts.

Therefore, the information regarding the cut-off date and the actual boundaries of the ROW will be well documented and disseminated throughout the project influence area at regular intervals in written forms<sup>8</sup> and verbally during public consultation meetings and non-written forms and in relevant local languages. This will include posted warnings that persons settling in the project area after the cut-off date may be subject to removal without any compensation.

---

<sup>8</sup> Project Information Booklets and RAP publicized and available to any interested person, posters displayed in public areas and information boards in the buildings of local Municipalities within project influence areas.

Relevant preventive measures will be undertaken not only during RAP preparation but while RAP implementation and construction process. This practice is to avoid deterioration of livelihood of any individual that may unintentionally turn to encroachers requested to vacate occupied territory without any compensation, if the boundaries of ROW are not defined and provided to relevant government agencies<sup>9</sup> (local, regional, national) authorized to manage, monitor and prevent encroachment.

21 of March, the date of start up of census studies is declared as a cut-off date for this RAP.

## **Compensation Eligibility and Entitlements**

### **Eligibility Criteria for Compensation of PAPs**

This RAP determines the eligibility criteria of project affected persons (PAPs) and provisions for compensating all types of losses: land, crops/trees, shelter, structures, business/employment, and workdays/salaries/wages. All PAPs, including land users without title or legitimate possession will be compensated for lost income and assets. Loss of land will be cash compensated at replacement cost at current market value in the amount to allow PAPs to acquire land of the same area, productivity and designation in vicinity of current location, as described in RAP prepared later for project.

The criteria for eligibility of compensation are based on PAPs belonging to one of three groups:

those who have certified and/or formal rights to use of occupied land;

those who do not have formal legal rights to land at the time of the DMS or census completions but have legitimate right to claim to such land or assets-provided that such claims are recognized under the laws of Georgia; (Untitled APs who were legitimate lessees under the old Soviet system either, plots with house or regularly cultivated/used their land, but do not have plots with a house.)

those who have no legitimate possession or is not eligible to claim for recognizable legal right to the land they occupy (i.e., land users without registered certificate and informal settlers).

PAPs who are entitled to compensation under this Project include:

Persons whose houses or structures are in part, or in total, affected temporarily or permanently by the Project;

Persons whose residential dwellings, supplementary structures, fences/walls or commercial premises and/or agricultural land (or other productive land) is in part, or in total, affected (permanently or temporarily) by the Project;

Persons whose business is affected temporarily or permanently by the Project;

Persons whose employment or hired labour is affected, temporarily or permanently, by the Project;

Persons whose crops (annual and perennial) and/or trees are affected in part, or in total, by the Project, and;

Persons whose access to community resources, public facilities or property is affected in part, or in total, by the Project.

Where land is to be acquired, landowners (PAPs) with registered Title Certificate, land-users and/or legitimate possessors of land/real property eligible to legalization of ownership rights will receive

---

<sup>9</sup>Ministry of Economy and Sustainable Development of Georgia, NAPR, etc.

cash compensation for land at replacement market value in the amount that will allow them to purchase a land parcel of equal size and productive value and be satisfactory to the PAP.

Those PAPs that are not eligible for legalization of ownership rights under any rules or regulations being in force in Georgia are not eligible for compensation for land compensation but will receive compensation for assets attached to project affected land and other assistance as required (especially in the case of vulnerable PAPs).

Households headed by single women with dependents and other vulnerable households<sup>10</sup> will be eligible for further assistance to fully mitigate project impacts. Table 2 below presents the Entitlement Matrix that will be closely followed during preparation of RAP for road project within the framework of this project.

It is worth noting that the Entitlement Matrix presented in this RAP was used as a basic document, that will be altered in due manner to reflect any nuances detected during DMS, census, socio-economic surveys and inventory project affected assets undertaken during the RAP preparation period and provide relevant mitigation measures or reasonable approach for loss and impact compensation.

### **Definition of Entitlements**

Entitlement provisions for PAPs losing land, houses, assets, business, income, and rehabilitation subsidies, will include provisions for permanent and temporary loss of land, residential house and commercial buildings, annual crops and trees, relocation subsidy, and business loss allowance based on tax declarations and/or lump sums as determined in the RAP.

These entitlements are detailed below:

Loss of land (agricultural, residential, and commercial) will be cash compensated at replacement cost at current market value identified at the moment of RAP preparation. Alternative land parcel of similar productivity, designation, area and location can be offered as in-kind compensation, if preferred by PAPs. The unit rate per square meter of land will be determined in accordance to the widely adopted International Valuation Standards (IVS). The EA or the Consultant responsible for RAP development will hire independent licensed appraiser to meet the requirement stipulated under this RAP, follow the RPF's valuation methodology and determine unit rates for compensation per each type of loss any PAP may incur as a result of proposed road rehabilitation project.

The amount of cash compensation shall allow PAP to acquire alternative land parcels equal in value and productivity to the parcel released for road project purposes. If during RAP preparation, the need is identified that PAP may have to incur additional costs for preparation of new land parcel to levels similar to those of the affected land, PAPs will receive additional one-time allowance to cover costs.

Additionally, any fees/taxes related to processing legalization of ownership rights to project affected land parcel being under legitimate possession of PAP, costs and fees for sub-division, registration of inaccurate records and at the NAPR registration of transaction of ownership title will also be covered by Executing Agency (RD).

Loss of shared agricultural land (pasture, grazing) local communities losing access to shared pasture, hay field, grazing will be provided with replacement land of similar size, productivity, and

---

<sup>10</sup> Detailed explanation is provided in the Definition of Terms.

location acceptable to affected community. Provision of such replacement land will be the responsibility of local government. However, the Executing Agency will bear the responsibility to monitor the process and ensure that such replacement land is timely provided to project affected community at the earlier stage of project cycle to prevent deterioration of livelihood within project influence area. If such replacement is not possible, Livelihood Restoration Plan will be prepared and implemented to address the needs of affected community and preserve their livelihood at least similar to pre-project level.

The aim of Livelihood Restoration Plan is to ensure that the livelihoods of people affected directly and indirectly by the project are maintained at the same level, and preferably, improved – both in terms of sustainability and standard. The aim is also to ensure that the standard of living is improved for the poor and vulnerable. Some livelihoods restoration measures and entitlements are outlined below:

- do no harm to the livelihoods and property of local householders, and preferably improve their well-being;
- avoid damage to villages roads, homes, fences, pastures and other structures;
- do not increase social and economic disadvantage and inequality;
- protect affected peoples' livelihoods where possible, and maintain access to livelihoods assets;

protect essential infrastructure such as water, gas, electricity supplies, schools, medical centres, churches, and meeting places;

The Executing Agency will cover any costs, land tax or registration fees if applicable according to laws or local regulations in force.

Structures (residential houses, supplementary constructions, fences, walls, commercial facilities, etc.) are cash compensated at replacement cost (i.e. Construction Cost) at current market value calculated for project affected structure and other fixed assets free of salvageable materials, depreciation and transaction costs.

Construction cost calculation considers market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, the cost of any labor and contractor's fees, and the cost of any registration and transfer and any applicable taxes/fees. The compensation for residential houses/commercial buildings will include the cost of lost water and electricity connections.

In case of partial impacts, full cash assistance to restore the remaining structure will apply; if partial impact/demolition of a section of the building threatens deterioration of the structure or raises safety and security concerns, cash compensation will apply to the entire building and affixed assets of the affected structure.

Residual land will be fully compensated (The portion of land that is left after the land is divided and purchased, if is too small for further agricultural/residential use or is difficult to access)

Crops: Cash compensation at current market rates for the net annual harvest by default.

Crop compensation will be paid to landowners, land users, tenants or other users based on their specific sharecropping agreements being made between these parties, if any.

Businesses owner compensation for permanent business losses will be eligible in cash for one year's income based on a tax declaration or, if unavailable, based on the official minimum annual salary; compensation for temporary business will be eligible for cash covering the income of the interruption period based on a tax declaration or, if available one-time subsistence will be calculated in the amount of consumer basket for a family of five members (349.5 GEL/month-February 2018 data) multiplied to three (3) months., (349.5 GELX 3=1048.5 GEL) (Amounts to be updated monthly based on national indicators for given month).

Business workers and employees: Indemnity for lost wages for the period of business interruption. In cases where tax declaration reports are unavailable, then official minimum monthly salary multiplied to the number of months of actual stoppage of business.

Agricultural land leaseholders and workers: Affected leaseholders will receive either a renewal of the lease in other plots or cash corresponding to the yearly yield of land lost for the remaining years of the lease up to a maximum of 3 years. Sharecroppers will receive their share of harvest at market rates (if impact is temporary) plus one additional crop compensation (if impact is permanent). Agricultural workers, with contracts to be interrupted, will receive an indemnity in cash corresponding to their salary in cash including portion in-kind compensation for the remaining part of the agricultural year.

Residential land renters/leaseholders and house renters: who have leased land and/or a house for residential purposes will be provided with a cash grant of three (3) months' rent at the prevailing market rate in the area and will be assisted in identifying alternative accommodation.

Relocation subsidy: PAPs forced to relocate will receive a one-time relocation subsidy sufficient to cover transport costs and living expenses for one month. If for project-related reasons the relocation is delayed, such as untimely payment of compensation, the payment of living expenses will be extended to the period under which the person is not able to relocate to a new place.

### **Additional Rehabilitation Measures**

In compliance with OP 4.12 and this RAP, Road Department shall ensure additional rehabilitation measures to be provided once vulnerable and severely affected PAPs are detected during RAP related surveys (DMS, census, socio-economic survey, title search) and RAP preparation.

Assistance for vulnerable people: In addition to the compensation of lost land and assets vulnerable AHs will be provided with additional rehabilitation measures; in particular, one-time allowance set to one-year payment of the minimum subsistence level in the amount of consumer basket for family of five members (349.5 GEL /month) for 3 months; i.e. 349.5 GELX 3 = 1048.5 GEL one-time allowance.<sup>11</sup> During implementation, the situation of these vulnerable people will be monitored and additional assistance provided as needed to ensure that the objectives of this RAP are met.

Additionally, other capable members of families with PAPs will be given priority in employment in project-related jobs.

---

<sup>11</sup>Amounts to be updated monthly based on national indicators for given month.

**Table 2 Compensation Entitlement Matrix**

Type of Impact	Application	Definition of PAP	Compensation Entitlements
Permanent loss of all types of land (arable, residential, industrial, commercial)	All land losses independent from impact severity	PAPs (with fully registered title)	PAPs will receive cash compensation at full replacement cost at current market value <sup>12</sup> . The unit rates were identified and confirmed during RAP preparation process. If any remaining part of the land owned by the registered owners is no longer appropriate for use, such remaining part will also be purchased subject to the agreement with the owner.
		PAPs (possessors of legalizable land parcel)	Assistance to PAPs in the process of legalization of project affected land parcel being under their possession. Once legalization and registration of ownership title is accomplished, land acquisition will be undertaken and PAP will receive cash compensation at full replacement cost at current market value at unit rate proposed in approved RAP.
		Leaseholder of private or public lands	Free of charge renewal of lease in other plots of equal value/productivity of affected land parcel or cash compensation equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years). In addition, cash compensation to reimburse the proven investments incurred by the Leaseholder to improve the leased land.
		Leaseholder (not registered)	Cash compensation equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years).
		Non-titled, non-legalizable land users/Squatters	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 subsistence minimum.
Permanent loss of community land (pastures, grazing land)		Local community losing access to pasture, grazing land	Affected community will be allocated replacement land of similar size, productivity, and location, free of charge, and acceptable to the affected community as verified by the local government. If such replacement is not possible, a Livelihood Restoration Plan will be prepared and implemented to address the needs of affected community and preserve their livelihood at least similar to pre-project level.
<b>Structures</b>			

<sup>12</sup> Detailed description of replacement cost at current market value is described in the Section: Methodology for valuation and determination of unit rates.

Type of Impact	Application	Definition of PAP	Compensation Entitlements
Residential house	Project affected residential dwellings subject to partial/full demolition	PAPs with registered ownership title; PAPs declared as legitimate possessors	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. In addition, Livelihood Restoration initiatives will be provided to PAPs that may face deterioration of livelihood through indirect impact of proposed road project. (e.g. project impact is extended only on residential dwelling subject to full cash compensation at replacement costs and additional one-time allowances to transport salvaged materials and personal belongings. However, other income generating assets (agricultural land/private commercial facilities) may remain outside of project impact; correspondingly, these assets may not be included in the suggested compensation package. PAPs after moving and settling down to a new location may at least temporarily lose income due to lack of access (increased travel time, complicated accessibility) to the above mentioned income generating assets not affected by the proposed project.
		Residential tenants/renters	One-time allowance which equals monthly rental fee (specified in the lease agreement) multiplied by 3; if Lease agreement is not available, minimum monthly salary multiplied by 3; <sup>13</sup> In addition, one-time technical assistance for transportation personal belongings to a new location; or one-time cash allowance to cover costs for transportation personal belongings. RAP developer consultant will determine reasonable amount depending on the project nature and specificity.
Commercial structure	Project affected commercial facilities subject to partial/full demolition	Titleholder	Cash compensation at replacement cost at current market value calculated for project affected structure and other fixed assets free of salvageable materials, depreciation and transaction costs. If partial demolition threatens deterioration of structure or raises safety and security concerns the cash compensation, will apply to the entire building and affixed assets.
		Tenant of commercial facility	One-time allowance equal to monthly rental fee (specified in the lease agreement) multiplied by 3; if Lease agreement is not available, monthly subsistence minimum multiplied by 3.
State/Municipality owned buildings affected by project	Project affected state/Municipality owned buildings subject to partial/full demolition	IDPs, refugees, squatters occupying facilities for residential purposes	Accommodation in a government resettlement area or a self-relocation allowance as stipulated in the approved RAP.
Fences/Walls	All PAPs with fences to be affected	All PAPs	Cash compensation at replacement (construction) cost according to the material and linear meter length of affected fence/wall.

<sup>13</sup> If there are cases where the tenant/renter has paid rent in advance for a longer period of time, the owner will be requested to reimburse the money to the tenant/renter for the corresponding period if adequate evidence is available.

Type of Impact	Application	Definition of PAP	Compensation Entitlements
Annual Crops	Crops affected	All PAPs (including squatters)	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
Perennials standing on private land parcels	Project affected Fruit bearing perennials	All PAPs (including squatters)	Cash compensation at market value on the basis of type, age, and productive value of fruit tree; Each fruit bearing tree in addition shall be compensated for purchase of saplings. (valuation methodology for trees is described in annex 1). PAPs will be eligible to dispose logged trees themselves. Construction company ensures free logging and delivery of timber to the residence of PAPs.
	Project affected non-fruit bearing perennials	All PAPs (including squatters)	No cash compensation will be issued for perennials not bearing fruits. PAPs will be eligible to dispose logged trees themselves. However, a cash amount will be allocated per each affected non-fruit bearing tree to allow the PAP to purchase saplings and plant them on the remaining portion or on a newly allocated replacement land parcel. Construction company ensures free logging and delivery of timber to the residence of PAPs.
Perennials (on public/State land)	Standing trees	Perennials standing outside of private land	Construction Company will deliver logged down trees and transfer to the Municipality. Municipality may later distribute to local population below poverty levels.
Perennials standing on the forestry land	Standing non fruit trees	Perennials standing outside of private land	The legal implementation of the mentioned activity requires, that Perennials standing on the forestry land must be delisted from the State forest fund in accordance with the corresponding Decrees of Government of Georgia Construction Company will deliver logged down trees and transfer to the Municipality. Municipality may later distribute to local population below poverty levels.
<b>Income loss</b>			
Lessors/landlords	Loss of income through termination of Lease agreements	All PAPs holding lease/rental agreement	One-time allowance equal to annual rental fee (specified in the lease agreement); if Lease agreement is not available, subsistence minimum* multiplied by 12.



Type of Impact	Application	Definition of PAP	Compensation Entitlements
Impact on business , business owners and Employment	Temporary or permanent loss of business or employment	All PAPs (including squatters)	<p>Business owner: (i) Cash compensation equal to one-year income, if loss is permanent; (ii) cash compensation for the period of business interruption, if loss is temporary.</p> <p>Compensation is calculated based on tax declarations. In cases where tax declaration reports are unavailable, or when the monthly income is less than monthly subsistence minimum, then official subsistence minimum** is taken as a basis and this figure is multiplied by 12 months (permanent impact) or by number of months of business interruption (temporary impact).</p> <p>Worker/employees:  Indemnity for lost wages for the period of business interruption. In case of permanent stoppage of the business, the employees will receive Indemnity for lost wages for 1 year.</p> <p>In cases where tax declaration reports are unavailable, or when the monthly salary is less than monthly subsistence minimum, then official subsistence minimum multiplied to the number of months of actual stoppage of business is paid or multiplied to 12 month in case of permanent loss of job.</p>
		Agricultural workers losing them contract	Cash indemnity corresponding to their salary for the remaining part of the agricultural year, and where needed livelihood restoration measures.
<b>Additional Rehabilitation Measures</b>			
Technical assistance in legalization, registration procedures		All PAPs with registered title/possessors of legalizable land parcels	Free of charge technical assistance to PAPs during legalization, sub-division of project affected parcel, registration of corrections and/or sales transaction. Project related State taxes, official fees and transactions costs if not waived will be covered by the GOG <sup>14</sup> .
Relocation	Transport and transitional livelihood allowances	All PAPs affected by relocation	<p>Provision of sufficient allowance to cover transport expenses and livelihood expenses for three months. For this project the Relocation Allowance is fixed as 300 Gel + 3-month payment of the minimum monthly subsistence for the families consisting of 5 members.</p> <p><math>300 + 349.5 \times 3 = 1348.5</math> Gel</p>
Community Resources			Access shall be maintained or reinstated; Rehabilitation/substitution of the affected structures/utilities (i.e. bridges, roads, schools, health-centres, potable water supply systems, irrigation channels, etc.)
Vulnerable PAPs		PAPs below poverty line; disabled people; pensioners; widows; Female headed households; IDPs; Refugees.	Allowance equivalent to 3 months of minimum subsistence income* and employment priority in project-related

<sup>14</sup> In some cases, the PAPs may be reimbursed transaction related costs they incurred for road project purposes (e.g. VAT, Income Tax, Court/Notary fees, Court costs).

Type of Impact	Application	Definition of PAP	Compensation Entitlements
Severely Affected PAPs	>10% income loss	All severely affected AFs including informal settlers	APs losing >10% of agricultural land will receive a severe impacts allowance equal to the cost of 2 year annual yield of crops or 3 months of minimum subsistence income, (whichever figure is greater) APs losing >10% of non-agricultural income will be given an one-time allowance set to be three month payment of the minimum monthly subsistence income level. <sup>15</sup> .
Temporary impact	Loss of access to land parcel	Owners/Users	Temporary access will be set up by Construction Company. In cases of temporary loss of access to land parcel results in loss to crops, the construction company will be compensating APs. All losses and amount of due compensation shall be determined according to the principles of compensation entitlements provided under this RPF and RAP.
	Avoidance of interruption of temporary access road to the business activity	Business units	Temporary access will be set up by Construction Company.
	Temporary loss of income caused by occupying land parcels for the camps and quarries	Owners/users	During camps' site selection process, Construction Company should coordinate with relevant state agencies and give priority to vacant lands not used for agricultural /residential purposes. In case the land parcels selected for camps and quarries will have private land-users, all losses and amount of due, compensation shall be determined according to the principles of compensation entitlements provided under this RAP.
Any other unforeseen Impacts	As required	Any	Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project.

### ***Trainings and other assistance***

In addition to the compensation permanently.

PAPs - holders of severely affected land parcels: PAPs experiencing road project severe impact, when greater than 10% of an income generating land is affected will also be provided additional assistance: one-time rehabilitation allowance for severe impact will equal market value of annual gross harvested from the affected portion of a land parcel in addition to standard crop compensation, or one-time allowance set to 3 month payment of the subsistence level in the amount of consumer basket for family of five members (349.5 GEL/month) for 3 months; i.e. 349.5 GELX 3 = 1048.5 GEL one time allowance.<sup>16</sup>

### **Official Fees and Taxation**

In none of these cases, the PAPs will be liable for any taxes and eventual transaction fees.

<sup>15</sup> The amount of minimum monthly subsistence income level for the family of five members will be obtained from the official website of the Department of Statistics for the moment of specific RAP preparation. For October 2015 this value is equal to 326 Gel. The value for January 2016 was 327 Gel and for February 2016 is estimated as 325.2 GEL. Thus the figure 326 GEEL has been adopted as payment rate for this project.

<sup>16</sup>Amount of consumer basket for family of five members for last month.

Fees for Notary service, court related administrative fees, fees for legalization, sub-division and registration at the NAPR will be paid by the Executing Agency; Taxes will be subsidized unless waived by the Government of Georgia.

Additionally, charges to cover bank service fees will be included on top of the amount of cash compensation to be received by PAPs at the banks.

## **Valuation and Compensation Rates**

### Principles and Methodology

(More detailed description of the applied methodology is given in Annex 1.)

### **Valuation Principles**

Valuation of project affected land and assets shall consider the following:

- Applicable current regional schedules for land values obtained from municipal land commissions, if available
- Applicable current schedules for valuing structures, crops, and trees from local municipalities, if available
- Applicable current market prices
- Loss of future income or value.

The calculation of unit value will be 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 shall be employed to do the valuation of land, structures, buildings, trees, crops etc. The approach of the evaluator will consider the assessment for each type of land and assets by location. The valuation should be done when the census and DMS (detailed measurement survey) are conducted by the surveying company who prepares the map of affected plots with demarcation of cut-off areas. The valuation company will engage experts for respective areas who will undertake site visits for physical verification of each category of the losses. The expert team will also consider the reference of previous valuation if available and use latest release of market survey.

Based on this methodology the unit rate will be determined. The unit rates may be based on the evaluation agency's assessment with their standard methods for calculating the sample assets.

## **General overview**

Valuation methodology and determination unit rates for compensation loss of assets and income associated to land acquisition and easement will be calculated by an independent valuation expert to be recruited by the Consultant in line with the requirements of OP 4.12 and the methodologies describe below.

## **Project Affected Land**

Land replacement cost at current market value is determined by the licensed appraiser based on the International Valuation Standards (IVS). These standards offer three appraisal methods:

1. Sales Comparison Approach.<sup>17</sup>
2. Income Capitalization Approach.<sup>18</sup>
3. Cost Approach.<sup>19</sup>

### **The Sales Comparison Approach**

This approach is well established in international practice. Sales Comparative Approach is often used if the real property market sub-segment is active and the information on sales transactions is available to determine comparable properties and undertake comparative analyses of the prices of land parcels sold (and/or listed for sale) for the moment of appraisal. Sales Comparison approach derives a value indication by comparing the subject being appraised to similar properties that have sold recently. This is one of the best methods for estimating value when ample supply of recent sales of properties with similar characteristics is available. The sales comparison approach relies upon development of a value estimate from prices paid in the open market for properties with adequate exposure to ensure that the prices represent fair market value. The appraiser analyzes market sales quantitatively, qualitatively, or both in deriving a value indication.

### **Income Capitalization Approach**

The Income Capitalization Approach is a valuation method appraisers and real estate investors use to estimate the value of income producing real estate. It is based upon the premise of anticipation i.e., the expectation of future benefits. This method of valuation relates value to two things:

---

<sup>17</sup>The Sales Comparison Approach is based upon the theories of supply and demand, balance, and substitution. The theory of substitution holds that the value of a property replaceable in the market tends to be set by the cost of acquiring an equally desirable "substitute" property. The theories of supply, demand, and balance are somewhat inter-related in that supply and demand forces tend to move toward equilibrium in the market.

<sup>18</sup>Income Capitalization is a valuation method appraisers and real estate investors use to estimate the value of income producing real estate. It is based upon the premise of anticipation i.e., the expectation of future benefits. To an investor, the future cash flows dictate what the present value should be and what he/she is willing to pay for the property. Income capitalization converts anticipated cash flows into present value by "capitalizing" net operating income by a market derived "capitalization rate".

<sup>19</sup>The Cost Approach is based on the principle of substitution which asserts that no prudent buyer or investor will pay more for a property than that amount for which the site could be acquired and which improvements that have equal desirability and utility can be constructed without undue delay. It is a method of appraising property based on the depreciated reproduction or replacement cost (new) of improvements, plus the market value of the site. This approach has the most validity/reliability when improvements are new or near-new. For older/aged structures, the cost approach may not be relevant due to the greater subjectivity involved in estimating depreciation. This approach has the most validity/reliability when improvements are new or near-new. For older/aged structures, the cost approach may not be relevant due to the greater subjectivity involved in estimating accrued depreciation.

1. The "market rent" that a property can be expected to earn; and,
2. The "reversion" (resale) when a property is sold.

The future cash flows dictate what the present value should be and what he/she is willing to pay for the property. Income capitalization converts anticipated cash flows into present value by "capitalizing" net operating income by a market derived "capitalization rate".

### **The Cost Approach**

The Cost Approach is based on the principle of *substitution* which asserts that no prudent buyer or investor will pay more for a property than that amount for which the site could be acquired and which improvements that have equal desirability and utility can be constructed without undue delay. It is a method of appraising property based on the depreciated reproduction or replacement cost (new) of improvements, plus the market value of the site.

**Sales Comparison and Income Capitalization methods are most applicable for evaluation land replacement cost at current market value for project affected land parcels and this method has been applied during the land cost valuation in this RAP (see details in annex 1.)**

### **Project Affected Structures**

Construction cost of project affected structures is best to be determined by professional assets Value (licensed appraiser). Valuation of structures shall consider size of the structure and construction materials used. In determining replacement cost or design of replacement structures, depreciation of the asset and the value of salvageable materials shall not be taken into account.

Considering that these project is focused on Local Road rehabilitation. impact is most likely anticipated towards residential houses, supplementary structures, fences, stone walls, commercial facilities (like shops, so called "kiosks", mini markets, beauty salons, car repair ramps, car wash facilities, etc.); often may be affected supplementary structures, such as barn for cattle or poultry, not regularly but sometimes outside toilets and WC are attached to the stone walls standing along the roads.

All project affected structures (residential houses, supplementary structures, commercial facilities etc.) have been site visited. In the presence of property users/owners detailed has been undertaken and construction cost report prepared. Replacement cost will be identified considering market survey and data collection on market price of construction materials, labour force, transportation, permits and other costs related to construction. No deductions will be applied for depreciation, salvaged materials and transaction costs.

During determining cash compensation amounts for each project, affected residential house or supplementary structure being under ownership/possession of individual household's construction cost calculation should be added up with additional amount enough to allow PAP hiring local construction group to expedite accomplishment of new structures.

Affected houses are deemed as subject for compensation at replacement cost even if only part of the building is damaged by the project. Valuation of replacement dwellings shall include the cost of sanitation facilities. Valuation also shall include the cost of access to water supply if the displaced structure had access or if the replacement location does not provide access. Estimated costs shall

be sought from PAPs and other local residents and from contractors and suppliers in the affected areas. These estimates do not include the cost of land. Incomplete dwelling units (not used as residential houses for the moment of surveys) or structures that have collapsed before project started shall be valued based on replacement cost of materials. Monetary compensation only, not in-kind replacement shall be offered for such units.

Helpful to study current market values through some preliminary research of local construction market in the project region; collection of data on sales prices if advertised on new developments or houses, commercial facilities listed for sale. Shops trading various construction materials locally will be helpful to determine reasonable amount of unit rate per 1 sq.m. of construction cost to evaluate construction cost at current market price and compensate PAPs for project affected structures.

### **Project Affected Annual Crops**

Annual crops will be valued in cash at market rate by default at gross crop value of expected harvest for 3 years (see annex 1).

### **Limitation of the land use/ownership, the servitude**

The land owners shall be compensated for the hampered agricultural activities or delay in using their lands, as well as for plantings, agricultural crops and/or real property during the construction and operation periods.

## V. INSTITUTIONAL ARRANGEMENTS

### General Overview

The RAP 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 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 RAP. 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 Sakrebulo and village level will also be involved.

The specific role and responsibility of each State Agency participating in the given project is detailed below.

### Roads Department

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

**RD.** The RDMRDI 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:

screening the projects and ensuring that the RAP is properly prepared and sent to WB for review;  
supervising the consultants that prepare the RAP and assist in implementation;  
establishing needed LAR capacity at each regional level office where LAR is relevant;  
ensuring proper internal monitoring; and  
hiring, following WB recommendation, the external monitoring agency.

RD 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.

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

### 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 RAP.
- b) **Design consultants:** These will include international and local LAR capacity and needed survey teams carry out the same activities for updating/finalizing the RAP of first tranche based on the detailed engineering design and will also prepare RAP.
- 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 was 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 RAP.
- 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.

### **Local Governments**

Local government especially at Sakrebulo 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 RD through its consultants will establish in Sakrebulo where RAP is to be implemented a Sakrebulo Level LAR team which will have designated officials from the Sakrebulo administration. The LAR team at Sakrebulo level will have close coordination with the village administration for the LAR activities. Effective inter-agency coordination at Sakrebulo and village level will be assigned to the regional level RD.

### **Other Agencies and Institutions**

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

Ministry of Finance. RAP implementation budgets will be provided to RDI by the Ministry of Finance following the official approval of the final RAP.

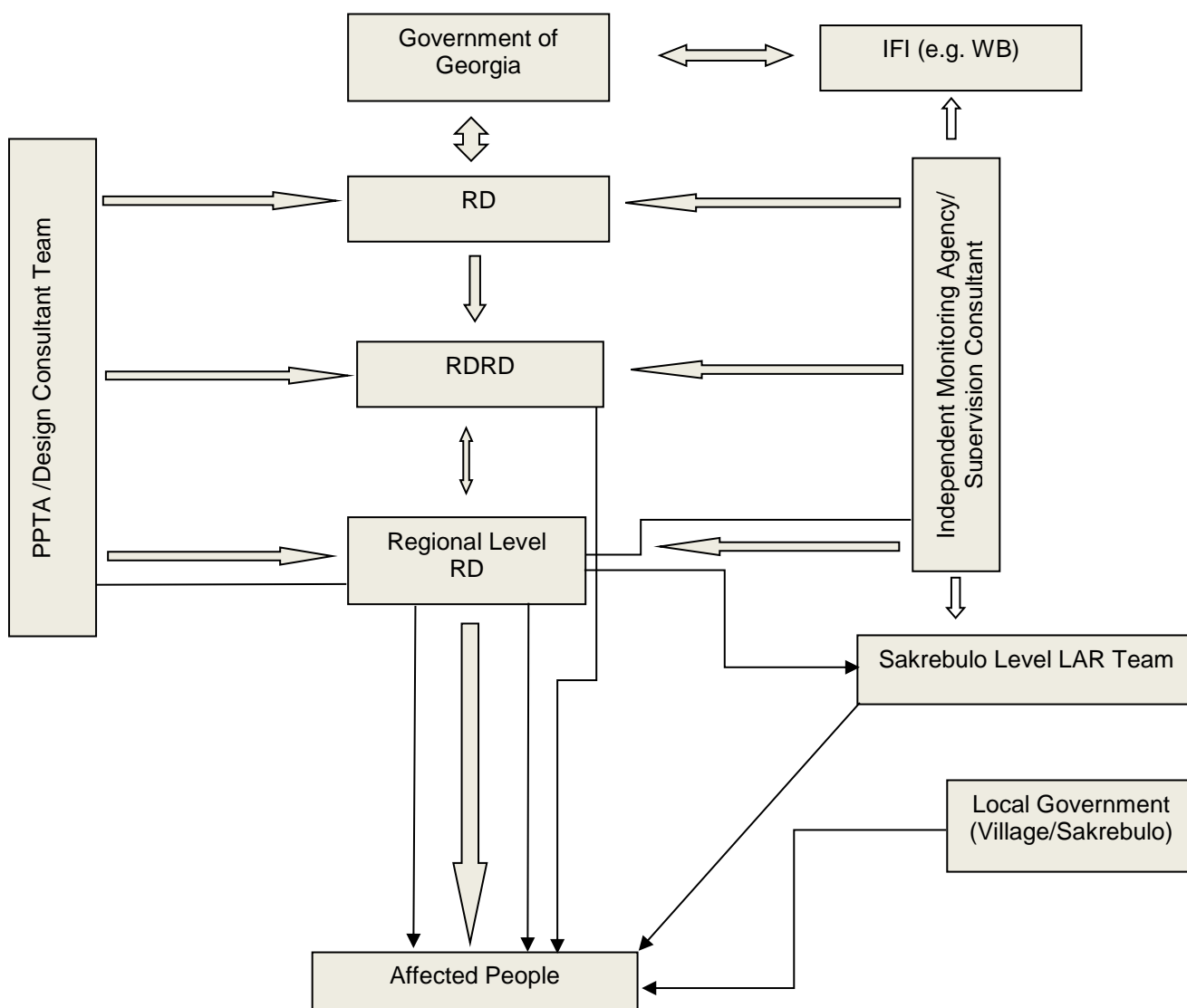
Ministry of Justice. The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry within the Ministry of Justice is in charge of land registration and transfer through purchase agreement from landowners to the Road Department.

Local Courts. In case of expropriation issues, RD will have to rely on the Sakrebulo 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.

International Financial Institutions (IFI) – e.g. World Bank. Where applicable, besides regular supervision of the project activities, the IFI also reviews RAP and clear contract awards signing and initiation of civil works to all subprojects with RAP developed.



**Figure 1: Project Implementation Organogram**



**Table 4.** Timetable for all resettlement activities according to the responsible agencies tied to overall project implementation process.

Step	Action	Responsibility
A)	<b>RAP PREPARATION</b>	
1	Assessment of Project's social impacts	RD
2	Avoidance of impacts in early project design/concept stage	RD/Design consultants
3	Finalization of Detailed design	Design consultants
4	Prepare surveys forms for Census and DMS, train local Census and DMS teams, and establish coordination with relevant local government agencies.	Consultant
5	Collection of cadastral and land parcel maps of the project area	Consultants/RDRD/NAPR
6	Verify land records in affected areas, update cadastral maps and carry out impacts and valuation surveys -Detailed Measurement Survey (DMS)	Consultant/RDRD/Sakrebulo level LAR Team/
7	Conduct public consultations	Consultant/RDRD/Sakrebulo Level LAR Team

8	Identification of Legal and legalizable APs	Consultant/RDRD/Regional RD
9	Negotiations with Aps	Consultant/RDRD/Regional RD
10	Integrate data from Census into the RP.	Consultant
11	Submission of RAP to RD (and WB for approval).	Consultant/RD/WB
12	Disclosure	WB/RD
B)	<b>RAP Finalization (Detailed Design)</b>	
1	Detailed Design	Design Consultant
2	Review of impacts and AP lists based on detailed design	Consultant/ Regional RD/ RDRD/Sakrebulo Level LAR Team
3	Review of prices based on the updated rate	Consultant/ Regional RD/ RDRD/Sakrebulo Level LAR Team
4	Legalization of legalizable Aps	Consultant/ Regional RD/ RDRD/Sakrebulo Level LAR Team
5	Preparation of the final RAP	Consultant/RDRD
6	WB Approval	WB
7	RAP disclosure: Distribution of RP and information pamphlets in Georgia in the affected communities; posting of RP in English on the WB and RD website	RDRD/Consultant/Sakrebulo Level LAR team/WB
8	Signing of civil contract award	WB/RD/RDI
C)	<b>RAP IMPLEMENTATION</b>	
1	Approval of Contract awards Signing	WB
2	Detailed Schedule for compensation action plan	RDRD/RD
3	Distribution of Relocation Notices to APs	RD/ RDRD/Regional RD/Sakrebulo Level LAR team
4	Processing Land Acquisition Agreements Land Compensation	RD/RDRD/Regional Level RDI
5	Processing Land Acquisition Agreements on provision Compensation & Assistance/ Rehabilitation	RD/RDRD/ Regional Level RD
6	Demolishing/ Relocation of Affected Structures/Assets	RD
7	Review of RAP Implementation through a compliance report	RD/RDRD/SSC/WB
8	If RAP Implementation found satisfactory, Notice to proceed for Civil works is issued	WB/RD
D)	<b>POST-IMPLEMENTATION TASKS</b>	
1	Before starting civil works prepare Completion Reports and submit to RD and WB for review and No Objection	RDI/RDI
E)	<b>CYCLICAL/CONTINUOUS TASKS</b>	
1	Internal monitoring. Quarterly reporting to WB	RDRD
2	External Monitoring. Semi-annual reporting to WB	SSC/Supervision Consultant
3	Grievances Redress/Law Suites	RDRD/Regional level RD/Court
4	Inter-agency coordination and Communication with AP	RD/RDRD/Regional Level RD

## **VI. CONSULTATION, AND PARTICIPATION**

### **6.1 Introduction**

#### **6.1.1 General overview**

Following WB policies, the RDMRDI will ensure that this RAP is translated into Georgian and distributed to local government agencies. Besides, the RDMRDI will prepare Public Information Booklet (PIB), i.e. reduced version of the final RAP in understandable language and format for PAPs. The Public Information Booklet will be prepared into English and Georgia languages and provided to all PAPs and local governments to be publicly disclosed in the project site. Local government representatives are responsible to make the Public Information Booklet accessible to the local population, including potentially affected communities within the project influence area for review, comments and input made during the disclosure period. All comments and suggestions will be collected through the LAR Team and provided to Consultant, RDMRDI and WB and if relevant reflected in the final version of the document (RAP).

All government agencies involved in RAP preparation and implementation process 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 PAPs. In addition, prior to RAP finalization and its submission, PAPs will be thoroughly informed on the results of the census and inventory of impacts, and their preferences on compensation and/or other resettlement assistance will be given due consideration. The processes and mechanisms ensuring the active involvement of PAPs and other stakeholders will be detailed in the RAP, which will also include an appendix with dates, list of participants, and minutes of consultation meetings.

#### **6.1.2 Objectives of Public Information and Consultation**

Information dissemination to PAPs and involved agencies is an important part of RAP preparation and implementation. Consultation with PAPs and ensuring their active participation will reduce the potential conflicts and minimize the risk of project delays. To ensure that local authorities, as well as representatives of PAPs, will be included in the planning and decision-making processes, RDMRDI and Consultant will continue a dialogue with municipality authorities and NGOs, as relevant, during the entire project implementation process to ensure:

Fully sharing information about the proposed subproject components and RAP activities with the PAP;

Obtaining information about the needs and priorities of PAPs, as well as receiving information about their reactions to proposed policies and activities;

That PAPs are fully informed about the decisions that will directly affect their incomes and living standards, and that they will have the opportunity to participate in activities and decision-making about issues that will directly affect them;

PAPs are given contact information of project responsible persons from local authorities/RD that will provide timely sufficient feedback to their inquiries

Obtaining the cooperation and participation of the PAPs and communities in activities necessary for resettlement planning and implementation;

Transparency in all activities related to land acquisition and resettlement.

## **6.2 Consultation during RAP Preparation and Implementation**

Public consultation and participation plan will be included in the Project to involve the stakeholders, especially the people either directly benefiting from, or affected by the subprojects, through participation in the design, implementation, and monitoring of the subprojects. All communications will be in the language most appropriate for involved and engaged parties in the project area. During RAP preparation and implementation, the Consultant with assistance as required from the RDMDRI will undertake the following:

Conduct information dissemination and consultation for all PAPs, NGOs and other stakeholders;

Establish the rates/unit prices to be used as the basis of compensation awards, and confirm land acquisition and impact on properties identified through the DMS/census, demarcation and inventory, in consultation with PAPs;

Conduct a survey (as part of the IOL/DMS) to:

inform them about possible resettlement options;

request information from PAPs about their preferences and choices of resettlement options; and,

request that PAPs indicate services such as education/ health/markets that they are currently using and their distance from such services;

Consultation regarding the PAPs preferred option for livelihood stabilization and/or rehabilitation assistance (where required). This applies to PAPs experiencing significant impacts and vulnerable PAPs.

## **6.3 Public Information Booklet**

To ensure that PAPs, their representatives, and local government agencies in subproject areas fully understand the details of the RAP process, and are also informed about the compensation and rehabilitation packages applicable to the Project, a Public Information Booklet (PIB) will be prepared by the consultant.

This PIB will be distributed to all PAPs and communities in the subproject area. The PIB will be translated into Georgian. The general contents of the PIB will include the following:

Brief description of the project, implementation schedule;

Project impacts, entitlement and rights of PAPs;

Resettlement and rehabilitation policies for all types of impacts;

Institutions responsible for resettlement and time-frame (schedule);

Information dissemination to and consultations with PAPs and stakeholders;

What to do if PAPs have a question or a problem;

Outline of the grievance redress procedure; and

Requirements for monitoring and evaluation, including independent monitoring.

#### **6.4 RAP Disclosure**

This RAP in Georgian will be disclosed on the RD website and at RD offices. The RAP in Georgian will be disclosed to the APs at the relevant governing centres and Municipality buildings once road projects are identified. Its English version will be disclosed on the WB website after approval by WB and GoG.

Once a RAP for a road project covered by the RPF-RS has been prepared and approved by RDMRDI, and the WB, it will be disclosed at the relevant governing centres and Municipality buildings. The RPF has been disclosed on RD MRDI web-site in April 5, 2017. A pamphlet in Georgian, summarizing compensation eligibility and entitlement provisions, will be sent to all AP/AHs before the initiation of the compensation/rehabilitation process and before signing contract awards. The consultation process will be continued throughout the project cycle.

## VII. GRIEVANCE REDRESS MECHANISM

A grievance mechanism will be available to allow an AP appealing any decision on which they disagree, 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.

The GRM consist of project-specific systems established at the municipal level and regular system established at RDMRDI. Grievance Reddress Committee (GRCE) established at municipal level as a project-specific instrument, functional for the whole period of the project implementation. Grievance Redress Commission (GRCN) is formed as an informal structure within the RDMRDI to ensure grievance review, resolution and record.

Grievance Redress Commission (GRCN) is formed by the order of the Head of RDMRDI as a permanently functional informal structure, engaging personnel of RDMRDI from all departments having regard to the LAR issues and complaint resolution. This includes top management, Safeguard or LAR Units, Legal Departments, PR department and other relevant departments (depending on specific structure of the IA). The GRCN is involved at the Stage 2 of grievance resolution process. The Order shall also state that if necessary representative of local authorities, NGOs, auditors, APs and any othe persons or entities can be included in the commission as its members.

A Grievance Redress Committee (GRCE) is an informal, project-specific grievance redress mechanism, established to administer the grievances at Stage 1. This informal body will be established at community level in each affected Municipality (village/community authority). The GRCE shall include representatives of Municipal LAR Teams and local communities. The RD representative in the Municipal LAR Team shall coordinate the GRCE formation. He/she will then be responsible for the coordination of GRC activities and organizing meetings (Convener). In addition, GRCE shall comprise village Rtsmunebuli or his/her representative, representatives of APs, women APs (if any), and appropriate local NGOs to allow voices of the affected communities to be heard and ensure a participatory decision-making process.

If considered necessary, GRCEs will be established at the community level with an office order from the RD with provision of 7 members of following composition:

- |  |                            |
|--|----------------------------|
| (i) Representative of Resettlement Unit of IA        | : Convener; Contact Person |
| (ii) Representative Rayon LAR team                   | : Member Secretary         |
| (iii) Gamgebeli – concerned Gamgeoba (village level) | : Member                   |
| (iv) Representative of APs                           | : Member                   |
| (v) Representative of NGO                            | : Member                   |
| (vi) Representative of Civil Works Contractor        | : Member                   |
| (vii) LAR Specialist of Supervision Consultants      | : Member                   |

Representative of the Resettlement Unit of IA is coordinating the work of the Committee and at the same time he/she is nominated as a contact person for collecting the grievances and handling grievance log. The local authorities at the municipal level, civil works Contractor, Supervising Company (Engineer), as well as APs (through informal meetings) are informed about the contact person and his contact details are available in offices of all mentioned stakeholders.

The Contact Person collects and records the grievances, informs all members of the Committee and the management of RD regarding the essence of the problem, engages the relevant stakeholders in discussions with the applicant of grievance, handles the process of negotiation with

AP at the stage 1 of the grievance resolution. The Contact Person prepares the minutes of meetings and ensures signatures. In case if the grievance is resolved at the stage 1, the Contact Person records the fact of closing the grievance in his log and informs RDMRDI management about this in written. If the complainants are not satisfied with the GRC decisions, they can always use the procedures of Stage 2 of grievance resolution process. In that case the Contact Person helps the AP 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 APs should be informed about the available GRM. This could be achieved through implementing information campaigns, distributing brochures (e.g. Communication Plan), Keeping all focal points up-to-date & maintaining regular communication with them, allowing multiple entry points for complaints , Introducing forms for ease of reporting complaints.

At the RAP preparation and implementation stage the APs may raise the land acquisition and resettlement related issues regarding compensation rates, missed items during the inventory of losses, delay of compensation, not sufficient time given for physical relocation, impacts on access roads, potential impacts of noise etc. During the civil works this could be issues of unforeseeable impacts on arable land, infrastructure, buildings etc.

**Table 4: Grievance Resolution Process**

Steps	Action level	Process
Step 1	Negotiations with APs	The complaint is informally reviewed by the grievance redress committee (GRC), which takes all necessary measures to resolve the dispute amicably. Ten days upon registering the complaints is a deadline for starting negotiations.
Step 2	GRC Resolution	<p>If the grievance is not solved during the negotiations, the GRC will assist the aggrieved APs 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>Response time for the GRC to acknowledge receipt is 14 days and after date of hearing for Respond/resolve maximum time is 10 days.</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 AP.</p>
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. Response time according the Administrative Code of Georgia is 30 days, but Internally, according the RD's

Steps	Action level	Process
		<p>internal electronic correspondence system, the mandated time for response is 10 days).</p> <p>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).</p> <p>The plaintiff shall be informed of the decision.</p>
Step 4	Court decision	<p>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) without any reprisal.</p> <p>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.</p>

GRM system is monitored by the Grievance Redress Commission, which has its regular sessions at least once per month. GRM is also monitored periodically by WB/EIB missions.

**Contact Information:**

For any information and advice, please feel free to approach the following contacts:

Road Department of RDMRDI: 12 Kazbegi str., Tbilisi, Georgia

1. Nino Mtsuravishvili --Mobile Phone 595026688

e-mail: nmtsuravishvili@gmail.com

2. Mariam Begiashvili Mobile Phone 577744088; 555400205

e-mail: mbegiashvili2@gmail.com

this contact information will be placed on information desks in relevant municipalities.



## VIII. IMPLEMENTATION SCHEDULE

### 8.1 General

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 Municipalities has been identified through title search during the land acquisition and resettlement survey and documentation work on March 2018. The titled and non-titled but legalizable owners of land parcels to be acquired have been identified in the survey.

The present document is the draft of 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 APs and signing of contracts with APs.; (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.

#### **RAP Approval and Initial Tasks**

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 detail design consultant, the RU reviews and approve the document including compensation rates. RD will submit the approved RAP WB for approval. Meanwhile, RD will implement actions for legalization of legalizable owners listed in the ACS of RAP (Annex 4) at the field level. All arrangements will be set for signing the contract agreement with the APs 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 APs 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:

Establishment of LAR Institutions;

Legalization of Rightful owners of land parcels;

Legalization of the Non-rightful owners of land parcels;

Agreement with APs and signing contract agreements;

Updating of LAR Budgets and ACS-I;

Confirmation of updated impact data and of compensation amounts;

Approval of RAP by WB and Government.

The abovementioned procedures were already implemented, civil works are almost finishing on the section. On additional land plots the same procedures will be implemented.

## **RAP Implementation**

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

Signing of contacts with APs

Disclosure and consultation

Capacity building training of LAR institutions, APs and NGOs

Grievance resolution

Requisition to TRRC for payment of compensation and allowances

Transfer of compensation and allowance to APs' bank account and registration of land in PR on RDMRDI name

Relocation of affected structures/ assets

Compliance review and reporting

Notice to proceed for Civil works construction

Monitoring

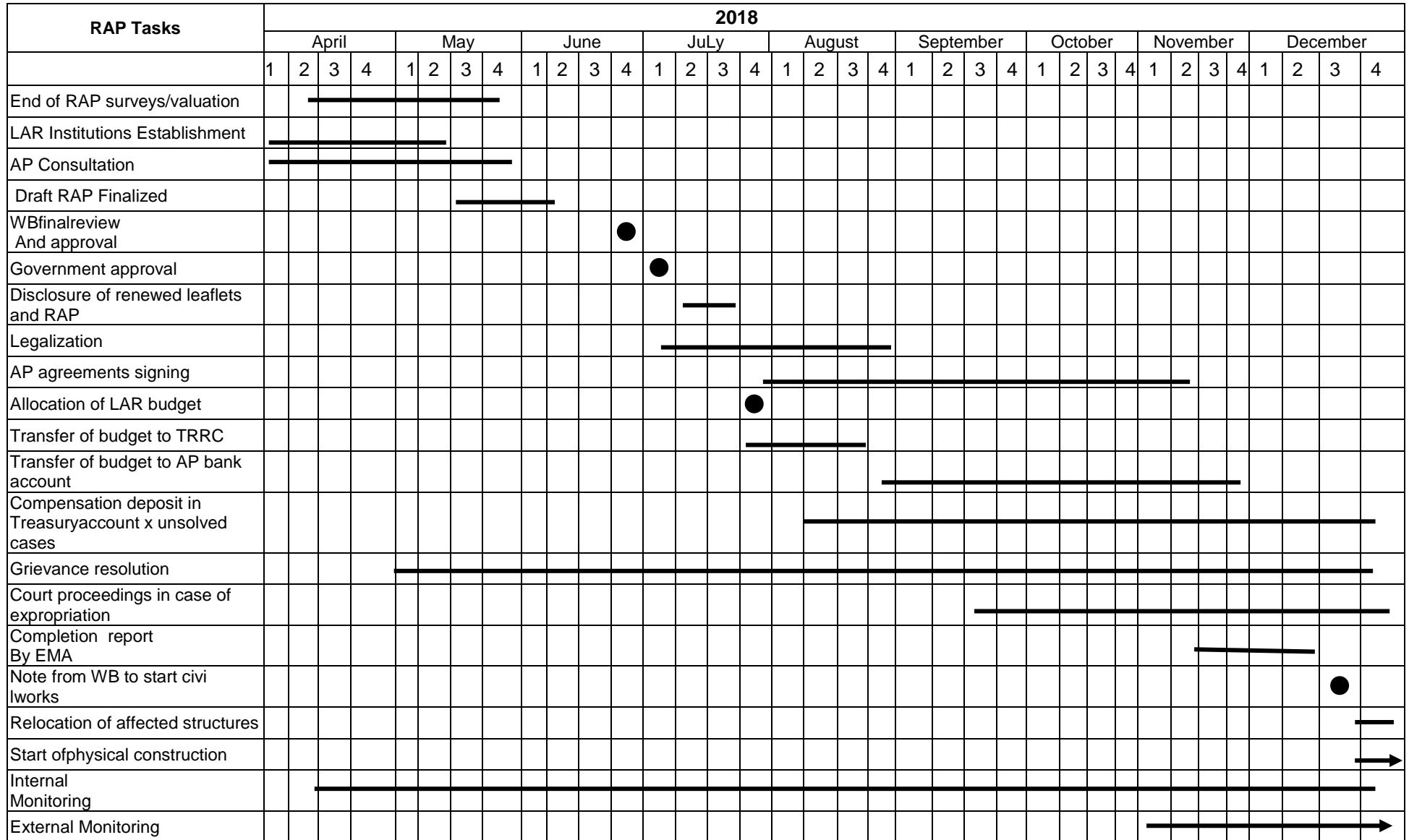
## **Post Implementation Evaluation**

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.

## **RAP Implementation Time Schedule**

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.

**Figure 8.1: RAP Implementation Schedule**



## IX. COSTS AND FINANCING

### 9.1 General

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:

Compensation for agricultural, pasture, and commercial land at replacement value

Compensation for structures and buildings at their replacement cost

Compensation for crops and trees

Assistance for severely affected AH

Assistance for vulnerable groups for their livelihood restoration

Cost for implementation of RAP.

### 9.2 Itemized Budgets

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.

#### Compensation for Land

Compensation of agricultural land has been derived based on the feedback from the affected people and from the independent evaluator. The land subject for compensation is categorized in to 3 types such as agricultural land plots used as agricultural or commercial land (Type 1 ), land plots of residential status located in Saguramo (type 2) and land plots located after Saguramo agricultural land plots used as agricultural or residential type 3). All 3 types of land are affected under this project. All agricultural land affected in this section is irrigated. Cost of residual land unviable for cultivation is included in the costs. The details are given in Table 9.1.

**Table 9.1:** Cost for Land Acquisition

Categories by Land Use and Costs	Plots No.	Area sq.m.	Cost per 1 sq.m. Gel	Compensation Cost Gel
Compensable land				
Type 1; The land plots located near village Saguramo along the existing mainline road. These land plots are used for agricultural needs mostly	9	890	102	90,780
Type 2. The land plots of residential or commercial status, Located In Saguramo	4	577	170	98,090
Type 3. The land plots of agricultural - residential or arable status mostly, Located near Saguramo	11	1437	68	97,716
TOTAL	24	2,904		286,586

### Compensation for Structures

In total the project affects 7 small structures (fences, gates, concrete tiles etc.). The structures are compensated at replacement cost without incurring of PAPs depreciation or bank fees. The detailed calculation of the costs is given in technical attachments as an attachment to the inventory forms for each land plots. Besides, the Valuation Report is attached to RAP as a separate volume. Below we provide the summary of valuation:

**Table 9.2:** Small Structures

No	Building	Number of structures	Cost, GEL
1	fences, gates, concrete tiles	7	11,216

### Compensation for trees

Crop compensation will be paid to all APs in cash at full market rate. The major crop found in the project road is cereals, vegetable, and hay/grass. The detail on crop compensation is described in Table 9.3.

**Table 9.3:** Cost of Affected Crops

Number of Land Plots	number of trees	Total Crop Compensation
4	22	6,024

### Compensation for Allowances

Cost for Allowances will be Given to 4 severely affected and 1 vulnerable AHs

**Table 9.4:** Cost for Allowances

No.	Item	Unit	Unit rate (GEL)	Quantity	Cost (GEL)
1	Severely Affected AHs	Numbers	1,048.5	4	4,194
2	Vulnerable Households	Numbers	1,048.5	1	1,048.5
Total					5,242.5

### 9.3 RAP Management Cost

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 1 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 9.5

**Table 9.5** Capacity Building and Management Cost

No.	Item	Unit	Quantity	Unit Cost(GEL)	Total Cost (GEL)
1	Cost for EMA	Months	1	5,000	5,000
2	Miscellaneous Administrative Cost	Months	8	2,000	16,000
3	Registration cost		24	100	2,400
Total					23,400

#### 9.4 Summary LAR Cost and Flow of Funds

The total LAR cost calculated for the implementation of this RAP constitutes 365,716 GEL/150,674 (USD). The summary LAR cost estimate is given in Table 9.6. All LAR related funds will be spent in one full year before the start of civil works construction. If the implementation of this RAP covers two fiscals, the allocation of funds will be sought accordingly. 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 APs following requisition from RU, RDMRI.

**Table 9.6:** Summary Estimate of LAR Costs

No.	Item	Cost in GEL
A	Compensation	
1	Compensation for Land	286,586
2	Compensation for Structures/Buildings	11,216
3	Compensation for trees	6,024
	Sub Total A	303,826
B	Allowances	
1	Severely Ahs	4,194
2	Vulnerable Households	1,048.5
	Sub Total B	5,242.5
C	Support Cost for RP Implementation	
1	Cost for EMA	5,000
2	Miscellaneous Administrative Cost	16,000
3	Registration fees for 24 residual land plots subject for registration	2,400
	Sub Total C	23,400
	Total R&R Cost (A+B+C)	332,469
	Contingency @10 % of the total LAR Cost	33,247
	Grand Total in Gel	365,716
	Rate of Currency exchange	2.4272
	Grand Total in USD	150,674

#### 9.5 Justification of Cost Estimates and Updating LAR Budget

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.

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

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

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**

LAR tasks under the Project will be subjected to internal monitoring. In high risk projects, or other projects, where it is considered necessary, external monitoring will be conducted by RDRD/RDMRDI. External monitoring will be assigned to SSC to be hired by RDMRDI and approved by the relevant IFI.

### **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 the relevant IFI (e.g. WB). Specific monitoring benchmarks will include:

Timeliness, information campaign, quality of information and consultation with APs;

Status of land acquisition and payments on land compensation;

Compensation for affected structures and other assets;

Relocation of APs;

Payments for loss of income;

Selection and distribution of replacement land areas; and Income restoration activities

Results of income restoration activities and compensation provided in terms of measuring extent to which affected livelihoods were restored, identifying gaps, which affected livelihoods were not satisfactory restored.

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:

Review of census information for all APs;

Consultation and informal interviews with APs;

In-depth case studies;

Sample survey of APs;

Key informant interviews; and

Community public meetings.

## External Monitoring

Where necessary, 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 RAP. 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) asses 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:

Assessment of the way the compensation has been carried out in relation to RP stipulations;

Verification that all APs were compensated in the amounts stipulated in the RP;

Review of complaint and grievance cases and of their solution;

Assessment of the rehabilitation program for vulnerable Aps;

Assessment of the satisfaction of the Aps;

Lesson learned to be applied to the next projects, and;

General assessment of RP implementation and recommendations to WB regarding the provision of No Objection Letter to start the civil works.

**Phase Two.** Within one year from the completion, the whole of RAP implementation will be assessed. The following are main indicators for the investigations to be carried out in this external Monitoring phase:

Socio-economic conditions of the APs in the post-resettlement period;

Communications and reactions from APs on entitlements, compensation, options, alternative developments and relocation timetables etc.;

Changes in housing and income levels;



Rehabilitation of informal settlers;

Effectiveness of property valuation for rehabilitation purposes;

Effectiveness of Grievance procedures;

Level of satisfaction of APs in the post resettlement period.

### **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/RD may be needed. RD 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 Sakrebulo level. The designated team at the Sakrebulo 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 in 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 Sakrebulo level LAR team. A continuous consultation process and informal training through discussion with the Sakrebulo 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 RD, Sakrebulo 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 RD, later it will be provided by RD. Training will cover the following topics:

Principles and procedures of land acquisition;

Public consultation and participation;

Entitlements and compensation & assistance disbursement mechanisms;

Grievance redress; and

Monitoring of resettlement operations.

## Valuation Methods, Valuation of Losses and Compensations Valuation of the Cost of Buildings and Structures

1. Land Valuation; Land has been valued at replacement cost based on the average market value. That is based on the average sale value of comparable land in type, location and features. Based on the average market sales, adjustments were made according to the comparison parameters, in the following sequence as applicable:

Transfer of ownership rights for the real estate property;

Financial conditions;

Sale conditions;

Further costs related to sale;

Sales dynamics at the market (the sale date);

Location;

Physical parameters;

Economic parameters;

Use;

Existence of real estate property.

### Calculation of the market prices of the land plots with a sales comparison method

The Market Method (sales comparison method) was used as one of the basic approaches defined by the International Valuation Standard (IVS-2013 9th edition) to determine the amount of compensation for inflicting land losses on landowners.

Approach When applying Market Method, the valuer establishes an assumption about the value by comparing the objects of comparison property with the objects of the property of the valuation.

Procedure „In applying Market Method approach, a evaluator follows a systematic procedure. The evaluator will:

- Research the market.
- Verify the information.
- Select relevant sample objects (land plots) of comparison
- Compare the sale properties with the subject property using the elements of comparison...
- Reconcile the results into a value indication...“

/International Valuation Guidance GN 1. Real Property Valuation/

Elements of comparison Elements of comparison determine the specific features of properties and transactions that explain the prices to vary. The market analysis reveals which elements are particularly sensitive.

Sales comparative data analysis involves comparison of the following elements:

Real property rights conveyed...

Financing terms.

Sale conditions.

Expenditures made immediately after purchase...

Market conditions...

Location...

Physical characteristics...

Economic characteristics...

Use...

Non-realty components of sale...

That is, market or sales comparative analysis method at the time of determining the value of the object to be evaluated is based on its direct comparison with prices for similar items sold in the recent past or announced for sale.

The following successive actions were taken by valuator worked for this project to determine the market value of the property to be evaluated using the market method in accordance with the above-mentioned standard: market data on similar real estate objects to be evaluated were collected and analyzed; the detailed market research was carried out, reliable information on factors affecting the value of the object to be evaluated was obtained; the collected information was rechecked in order to affirm its accuracy and nature of motivation behind each transaction; an applicable unit of comparison was determined and a comparative analysis carried out; comparison of the objects to be evaluated with the selected object to adjust their selling price or extract from the list of objects of comparison; and the reduction of the adjusted indicators of the value of the objects of comparison to a single value or market value range were performed. The market value of the objects to be evaluated was determined.

As already mentioned above, in order to determine the value of affected land plots to be evaluated, there was used market or sales comparison method, which includes comparison of the object to be evaluated with other objects, the market value of which is known (selling and buying of land was undertaken, i.e., was sold in the recent past or announced its sale).

The following types of the compensable private land groups were identified:

Type 1 – Agricultural land plots used for cultivation of annual crops or with perennials.

Type 2 – Residential land plots and formally agricultural land plots used for residential needs and located adjacent to the existing motor road.

In order to evaluate the land plots, the relevant market segment and values under the agreements and contracts concluded for similar real estate on the territories of the above-said villages and their adjacent villages must be considered.

Aiming at fixing the market values in the course of evaluation, we obtained the data about similar properties based on the present market offers and data of the agreements provided by the National Agency of the Public Registry (NAPR) (the sources of information are referred to in the table below) given in Table A1.

In addition, it should be noted that NAPR has too scarce information about selling and buying the land plots in the project area. The analogue samples to fix the market prices of the lands were obtained based on the agreements concluded for the compensation amounts paid for the land plots expropriated with the similar purpose. The information received as a result of the oral questioning of the population was also taken into account.

**Table A1**

Area sq.m	Land use	Address/ location	Deal price/ unit price, Gel/sq.m	Source of information
6000 sq.m	Agricultural/residential	Saguramo	170	<a href="http://www.myhome.ge">www.myhome.ge</a> ID: 8094196, 28.03.2018
2000sq.m	Agricultural/residential	Saguramo	194	<a href="http://www.myhome.ge">www.myhome.ge</a> ID: 8185727, 28.03.2017 cadastral code 72.06.09.18
3800 sq.m	Agricultural/residential	Saguramo	121	<a href="http://www.myhome.ge">www.myhome.ge</a> ID: 8157795, 28.03.2017
1500 sq.m.	Agricultural/residential	Saguramo	140	<a href="http://www.myhome.ge">www.myhome.ge</a> ID: 7452865, 29.03.2017

**Table A2.** Corrections to the land plots to be evaluated (Gel, unit: 1.00 sq.m.)

<b>N</b>	<b>Comparison element</b>	<b>Analogue No. 1</b>	<b>Analogue No. 2</b>	<b>Analogue No. 3</b>	<b>Analogue No. 4</b>
<b>1</b>	Area sq.m.	600	2000	3800	1500
	Price of 1 sq.m. (Gel)	170,00	194,00	121,0	140,0
<b>2</b>	Transfer of ownership rights	Complete	Complete	Complete	Complete
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	170	194	121	140
<b>3</b>	Conditions of financing	Typical	Typical	Typical	Typical
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	170	194	121	140
<b>4</b>	Status of sales/purchase	Offer	Offer	Offer	Offer
	Correction coefficient	-5%	-5%	-5%	-5%
	Corrected price of 1 sq.m.	161,5	184,3	114,95	133,00
<b>5</b>	Expenses to be carried immediately after purchase	No	No	No	No
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	161,5	184,3	114,95	133,00
<b>6</b>	Market conditions (time)	2018	2018	2018	2018
	Correction coefficient	0%	0%	0%	
	Corrected price of 1 sq.m.	161,5	184,3	114,95	133,00
<b>6,1</b>	Location	worst	worst	worst	worst
	Correction coefficient	5%	5%	10%	10%
	Corrected price of 1 sq.m.	169,58	193,515	126,45	146,30
<b>6,2</b>	Access roads	Similar	Similar	Similar	Similar
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	169,58	193,52	126,45	146,30
<b>7</b>	Physical properties				
<b>7,1</b>	Land plot area	Similar	Similar	Similar	Similar
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	169,58	193,52	126,45	146,30
<b>7,2</b>	Communications and improvements	Similar	Similar	Similar	Similar
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	169,58	193,52	126,45	146,30
<b>7,2</b>	Economical features	Similar	Similar	Similar	Similar
	Correction coefficient	0%	0%	0%	0%
	Correction coefficient	169,58	193,52	126,45	146,30
<b>8</b>	Land use characteristics	Similar	Similar	Similar	Similar
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	169,58	193,52	126,45	146,30
<b>9</b>	Other components of sales/purchase	No	No	No	No
	Correction coefficient	0%	0%	0%	0%
	Corrected price of 1 sq.m.	169,58	193,52	126,45	146,30



### Fixing the land compensation value

After considering the analogues and studying the data and corrected prices, the value of the unit land was fixed by calculating the mean weighted value. When agreeing the results of the corrected prices, the analogues being most comparative to the objects to be evaluated and with least corrections were given the highest specific weight.

The market value of the unit land to be evaluated (by using the weighted value) was calculated by independent valuator with the following formula:

$$Vwa = \sum_{i=1}^n Pi^* \left\{ Ri / \sum_{i=1}^n R \right\}$$

Where

Vwa -is the mean weighted value;

Pi- is the corrected price of each analogue;

$\sum R$  – is the sum of the rated weights of the corrected prices of the analogues of comparison;

Ri - is the rated weight of the corrected price of each object of comparison.

Consequently, the calculation of the market value of the object to be evaluated by using the mean weighted value is given in Tables A3 and A4.

**Table A3**

Nomination	Pi	Ri	Vi
Price of the corrected analogue No. 1	169,58	1,5	63,59
Price of the corrected analogue No. 2	193,52	1,5	72,57
Price of the corrected analogue No. 3	126,45	1	31,61
Price of the corrected analogue No. 4	146,30	1	36,58
$\sum R$		<b>4,0</b>	
Vwa			<b>167,77</b>
Corrected market value of 1 sq.m. land to be evaluated, Gel			<b>170</b>

Thus the compensation rate of the type 1 land plot (non-agricultural land located adjacent to the existing road) has been determined as 170GEL. Based on the unit price of type 1 land the unit rates for other types of land have been approximated by multiplying on correction indexes related to different types of land.

**Table A4**

Calculation of the compensation amounts of the land plots for different types and functions				
Type	Designation of the plot	Basic value of 1 sq.m. land plot, Gel	Correction coefficient	Value of 1` sq.m. land plot - purchase
I	Type 1; The land plots located near village Saguramo along the existing mainline road. These land plots are used for agricultural needs mostly	<b>170</b>	1	170
II	Type 2. The land plots of residential or commercial status, Located In Saguramo		0.4	68
III	Type 3. The land plots of agricultural - residential or arable status mostly, Located near Saguramo		0.6	102

2. Buildings Valuation. Buildings have been valued at replacement cost based on the direct and indirect costs at market value necessary for the construction of a comparable building i.e. what construction of a building of similar parameters would cost today. No deductions were made for amortization. The parameters for calculating the direct and indirect costs are the following as applicable to individual cases.

a. Direct costs include:

Salaries of workers;

Purchase of construction materials;

Preparatory expenses;

Rent or purchase of equipment;

Profit and overhead expenses of the constructor;

Expenses incurred to ensure safety measures during the construction/repair;

The cost of arranging temporary structures;

Temporary communications (electricity, water, gas supply etc.);

Warehouse costs;

Transportation costs;

#### **Other costs**

b. Indirect costs include:

Cost of professional services:

Compensation of the architect/designer;

Compensation for engineering services;

Legal expenses;

Compensation for valuator's services;

Other expenses

Expenses incurred to receive permits;

Insurance costs;

Financing %;

Guarantee necessary to secure the contract implementation by the contractor building the new building;

#### **Other expenses**

3. Compensations for trees. This item has been valued at market ha, area of affected crops and current gross market values of the crop. The details are given in a table A 6.

Compensation for affected annual crops have been calculated by lost income method, which is derived based on the data on productivity of each specie and current market price of 1kg product.

Data on productivity of different annual crops within the project region is statistical data published by National Statistics Office of Georgia and from the sourcebooks prepared by agrotechnical scientists and accepted by the Ministry of Agriculture of Georgia. Annual productivity, market cost of 1 kg product and compensation values are given in the table below:

**Table A5.** Compensation for the Annual Crops

Plant type	Age group	Seedling value, GEL	Harvest unit price, GEL	Number of years to be compensated	Full yield per year, kilogram	One year compensation taking into account the cost of reimbursement (GEL)	Total compensation for fully grown perennial planting, (GEL)	compensation amount due to cost of maintenance
1	2	3	4	5	6	7	8	9
Cherry (sweet cherry)	Sapling (<5)	5	2	5	4	8,0	45	35
	5-10	5	2	5	10	20,0	105	75
	10-20	5	2	5	16	32,0	165	117
	20+	5	2	5	10	20,0	105	75
Quince	Sapling (<5)	4	1,5	5	3	4,5	26.5	20
	5-10	4	1,5	5	15	22,5	116.5	83
	10-20	4	1,5	5	30	45,0	229	162
	20+	4	1,5	5	20	30,0	154	109
Nut	Sapling (<5)	10	5	5	4	20,0	110	80
	5-10	10	5	10	15	75,0	760	535
	10-20	10	5	10	30	150	1560	1235
	20+	10	5	10	40	200	2010	1510
Cherry plum	Sapling (<5)	3	0,8	5	7	5,6	31	23
	5-10	3	0,8	5	15	12,0	63	45
	10-20	3	0,8	5	50	40,0	203	143
	20+	3	0,8	5	25	20,0	103	73

Note: Compensation is calculated based on 1 year harvest costs



## **LEGALIZATION OF PRIVATE OWNERSHIP OF LAND IN GEORGIA**

### **Introduction**

Correct and accurate initial registration of ownership rights is the necessary condition for undertaking voluntary acquisition or mandatory expropriation of real property. Pursuant to article 312 of the Civil Code of Georgia the records at the Public Registry are considered accurate until their inaccuracy is not proved. Therefore, throughout the presumption of the article 312 of the Civil Code of Georgia the inaccurate data available at the Public Registry shall be corrected with precise data. Therefore, landowners shall carry out precise demarcation and legalization of his/her land parcel(s) through proper procedure. 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).

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.

### **Status on Registration on Pure Land and Reality in Present Situation**

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.

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:

**Legal Owner/ Title Holder:** Owners and users of land having their title registered in the Public Registry.

**Legalizable Owner:**

**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).

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 land.<sup>20</sup> (attachment-2).

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.

Legalisation of Rightful Landownership rights is executed directly by Municipality 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.

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

### **National Survey**

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 (Municipality Map/Archives) regarding the issues related to the exact ownership, boundary of each plot and its due recognition.

### **Land Acquisition and Resettlement Surveys and Documentation for the Project**

As the land acquisition and resettlement (LAR) activities at the feasibility study (FS) level were based on tentative alignments and existing imprecise cadastral maps, and since there was no detail

---

<sup>20</sup> 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).

estimate of losses and ownership at FS, fresh 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 Municipality 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 Municipality NAPR, and local government offices as applicable.

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 Municipality 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 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 Municipality 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.

### **Process for Registration of Legalizable Owners**

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 Kareli Municipality and the Municipality level Registration Offices of NAPR. The detail design consultant (the Consultant) has checked with relevant agencies and local experts for the land registration process in Georgia, particularly in Kareli Municipality. This 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 APs, the consultant and all the relevant government agencies.

#### **H.1 Registration of Rightful Owners**

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:

Documents confirming rightful ownership of the land plot (annex 3).

Precise cadastral maps of the land plot.

Document confirming payment of the fee for the property recognition (51 Gel).

Identification documents of the applicant.

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 Municipality NAPR Office (where Archives are kept) for the proof and cross verification of the land details.

Step 3: after the verification from NAPR Municipality 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 Municipality 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 no registration fee is needed. 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 Municipality Court.

## **H.2 Registration of Non-Rightful Owners**

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:

Document confirming the fact of non-rightful ownership/use of the land plot (see annex 3) or attestation of witness (neighbours etc.).

Precise cadastral maps of the land plot

Information needed for determination of the fee for property recognition

Copies of the identification documents of the applicant

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 (Gangeoba) 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 Municipality 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 no registration fee is needed. 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.

#### Actions at Detail Design

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 Gangeoba 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.

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 affected persons on the process of legalization of legalizable land parcels. The survey agency is also counselling the AP 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.

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.

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.

### Complaints and Grievance Submission Form

a

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

## Public Consultations

(S-149) Tsitsamuri–Saguramo–Tskhvarichamia Secondary Road KM4–KM10

During the day of March 21 of 2018, meeting with the project-affected land owners in the village Arashenda affected by the project was held. The meeting was attended by residents of the said village. Consultant on resettlement issues informed the attending public about the principles of involuntary resettlement applicable to the project in compliance with the Georgian legislation and additional requirements of WB OP 4.12. Eligibility criteria, valuation methodology, compensation principles and allowances to be paid to vulnerable and severely affected households have been explained and the leaflets with short description of the same principles has been distributed among the participants. At the end of the report, Consultant replied to the questions of the population. The details of questions and answers are given in the tables below:

V. Arashenda21.03.2018			
	Question	Author	Answer
1	My house is not registered in the registry, will I get the compensation?	Zaganishvili NaTela	If the property belongs to you, it does not matter if it is officially registered or not, you will receive compensation in both cases First, you will be provided with the cadastral drawings for free and the local municipality will facilitate smooth process of land registration.
2	What is the land compensation is going to be?	Gogidze Tamaz	Independent auditors have valued the land price. The price of one square metre of agricultural land in your zone is equal to 10 Gel. Residential and commercial land plots cost up to 17 Gel per sq. m.
3	In case we are not satisfied with the compensation amount, whom should we address and what are the procedures for filing a complaint?	Gogiberidze Zviad	The mentioned procedures are detailed in informational brochures that were distributed to you today, specifically:  1. Initially complaints will be reviewed by the GRM committee established at the local level. 2. If a complaint cannot be resolved at the local/municipality level, an affected individual will file a hard copy complaint at the GRM at the RD central office level. 3. Within 2 weeks from the registration of a complaint a grievance redress committee at the central level will provide an answer. Decision has to be in line with the requirements of a land procurement and resettlement framework document. 4. If an affected individual is not satisfied by the complaints review system, he/she can take further steps, by bringing the case to court (a district court).
4	Will there be employment opportunities for local population during the construction?	Mjavanadze Mamuka	The Builder's contract envisages the prioritized employment of the locals for non-qualified workers and qualified builders.
5	How will the compensation for perennials calculated?	Mskhiladze Davit	Compensation amount for perennial plantations will be determined according to age, yield, variety, trees and crop market value





შეხვედრის ოქმი

რაიონი ქუბესი

სოფელი საყურამო, ახალსოფელი, ათაბეგა

თარიღი 21.03.2018

	გვარი სახელი	სოფელი	რაიონი	ტელეფონის ნომერი	ხელმოწერა
1	ბაქრაძე დიმიტრი	საყურამო	ქუბესი	599565996	<i>[Handwritten Signature]</i>
2	ბაქრაძე დიმიტრი	საყურამო	ქუბესი	599506146	<i>[Handwritten Signature]</i>
3	კვიციანი დიმიტრი	საყურამო	ქუბესი	593900007	<i>[Handwritten Signature]</i>
4	კვიციანი დიმიტრი	საყურამო	ქუბესი	599578030	<i>[Handwritten Signature]</i>
5	პაპიაშვილი ზვიად	საყურამო	ქუბესი	5757 726 076	<i>[Handwritten Signature]</i>
6	მუხომბერი დიმიტრი	ახალსოფელი	ქუბესი	557 579 947	<i>[Handwritten Signature]</i>
7	ძვინდარი ნათელა	ახალსოფელი	ქუბესი	559207 837	<i>[Handwritten Signature]</i>
8	ბობინაშვილი დიმიტრი	ათაბეგა	ქუბესი	55757 9947	<i>[Handwritten Signature]</i>
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					