



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

DETAILED DESIGN FOR THE CONSTRUCTION OF
POTI-GRIGOLETI-KOBULETI BYPASS.
SECTION OF INTERNATIONAL E-70 SENAKI-POTI (DETOUR) - SARPI (BORDER OF
TURKISH REPUBLIC) ROAD

ACTIVITY 2 (DETAILED DESIGN)
DRAFT RESETTLEMENT ACTION PLAN

Project Code: 5100160001-1GE

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Abbreviations

ACS–	acquisition and compensation scheme
AH –	affected Household
AP –	Affected Person
CBO –	community based organization
DMS –	detailed measurement survey
GoG –	Government of Georgia
GRC –	grievance redress committee
IA –	implementing agency
IFI –	International Financial Institution
IP –	indigenous peoples
EMA –	external monitoring agency
Km –	Kilometre
LAR–	land acquisition and resettlement
LARC –	land acquisition and resettlement commission
RPF –	resettlement Policy framework
RAP–	Resettlement action plan
M&E –	monitoring and evaluation
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
ESIA	Environmental and Social Impact Assessment
RD –	Roads Department
RDMRDI	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
RoW –	right of way
RS –	resettlement service
SES –	socioeconomic survey
WB –	World Bank

Glossary of Terms

Project Affected Person (AP) or Affected Household (AH)	Means any people, households, firms, or private institutions who, on account of changes that result from the project will have their (i) standard of living adversely affected; (ii) right, title, or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources, or any other moveable or fixed assets acquired, possessed, restricted, or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence, or habitat adversely affected, with or without displacement.
Eligibility	Means any person(s) who at the cut-off-date was located within the area affected by the project, its sub-components, or other subproject parts thereof, and are affected by the project. Eligibility is irrespective of (a) formal legal rights to land, or (b) customary claim to land or asset, or (c) no recognizable legal right or claim to the land APs are occupying.
Entitlement	Means the range of measures comprising cash or kind compensation, relocation cost, rehabilitation assistance, transfer assistance, income substitution, and relocation which are due to APs, depending on the type and degree nature of their losses, to restore their social and economic base.
Land acquisition	Means the process whereby a person is compelled by the Government through the Executing Agency of the Project to alienate all or part of the land s/he owns or possesses in favour of the State in the implementation of the Project or any of its components in return for consideration.
Replacement cost	Means the method of valuing assets to replace the loss at market value, or its nearest equivalent, plus any transaction costs such as administrative charges, taxes, registration, and titling costs. Where national law does not meet this standard the replacement cost will be supplemented as necessary. Replacement cost is based on market value before the project or dispossession, whichever is higher. In the absence of functioning markets, a compensation structure is required

that enables affected people to restore their livelihoods to levels at least equivalent to those maintained at the time of dispossession, displacement, or restricted access. For losses that cannot easily be valued or compensated for in monetary terms (e.g. access to public services, customers, and supplies; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities.

Rehabilitation Means the measures required to (i) restore access to public facilities, infrastructure, and services; (ii) cultural property and common property resources; (iii) mitigate loss of access to cultural sites, public services, water resources, grazing, or forest resources including establishment of access to equivalent and culturally acceptable resources and income-earning opportunities; and, (iv) restore the economic and social base of APs seriously affected by the loss of assets, incomes, and employment. All such people will be entitled to rehabilitation assistance measures for restoring incomes and living standards. Such measures must be determined in consultation with APs, including any APs whose rights might not be formally recognized.

Resettlement Means full or partial, permanent or temporary physical displacement (relocation, loss of residential land/ or shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) resulting from (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to parks and protected areas. The definition applies to impacts experienced, regardless of whether it involves actual relocation.

Resettlement Action Plan Means the time-bound action plan prepared to compensate and/or mitigate the impacts of resettlement. A FULL resettlement plan is required for projects or subprojects with significant impacts (see definition below), and an ABBREVIATED resettlement plan is required for projects or subprojects with non-significant impacts.

Relocation	Means the physical shifting of APs from his/her pre-project place or residence, place for work or business premises.
Significant impact	Means more than 200 people are affected by resettlement through (i) loss of 10% or more of productive assets (income generating) or (ii) physical displacement/dislocation (loss of housing).
Vulnerable	Means any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement i.e; (i) female-headed households with dependents; (ii) disabled household heads; (iii) poor households as defined by the official poverty line; (iv) landless elderly households with no means of support; (v) households without security of tenure; (vi) cultural or ethnic minorities; and (vii) refugees or internally displaced people.

Summary

1. Due to its geographical position Georgia has gained the status of an important transport corridor connecting Europe and Asia and the development of the transport infrastructure has become a national priority. The Government of Georgia requested the European Investment Bank (EIB) to support modernization of the East-West Transport Corridor. In particular, Government of Georgia asked the EIB assistance for the project aiming construction of new 4-lane road from Grigoleti till Kobuleti.
2. Upgrade of the section of Poti-Grigoleti-Kobuleti bypass is planned within the framework of East-West Highway Modernization Project, conducted by the Government of Georgia. The project considers arrangement of four-lane highway instead of existing two-lane, in order to bypass settlements as far as possible.
3. The works are financed by European Investment Bank. The project is managed by the Roads Department (RD) of the Ministry of Regional Development and Infrastructure (MRDI).
4. The project is developed by the Spanish Consortium represented by Getinsa-Payma-Euroestudios. Environmental Impact Assessment and Land Acquisition-Resettlement Issues are studied by Gamma Consulting Ltf.
5. Currently, the survey of Grigoleti-Kobuleti section and development of the project is in progress.
6. The length of the project section is 14.4 km. It starts on the right bank of Supsa river, from Samtredia-Grigoleti highway; moves to the other river bank; bypasses Supsa Terminal from the left side; crosses Tskhaltsminda River, Ureki, namely, the section connecting railway station and Police building; crosses Sepa River, its tributary and E-70 Highway, bypasses Concert Hall (Black Sea Arena) and joins Kobuleti bypass road. In total, 4 interchanges along the road, the bridge over the river (Supsa, Tskhaltsminda, Sepa, tributary of Sepa) and 4 dry bridges will be arranged.
7. Designing and assessment is carried out with consideration of active legislation of Georgia and international requirements.
8. Present RAP covers 14.4 km length section Poti-Grigoleti-Kobuleti road which is located within the Lanchkhuti and Ozurgeti Rayon of Guria Region of Georgia. Impacts along these road sections will entail acquisition of 1,247,537.07 sq.m of land from 891 plots divided in terms of tenure type as follows:
9. In terms of tenure the affected land plots are distributed in accordance with the following legal categories: Category 1. 639 titled private land plots with full registration 952,382 sq.m; Category 2. 95 titled Private, Registered with mistakes (requires reregistration according to updated drawings) 114,258.43 sq.m Category 3. 63 rightfully owned land plots (63,319 sq.m.) requiring legalization.. Category 4. 6 Land plots illegally

used by private users (non-legalizable)- 8,231.. Category 5. 88 State owned land plots of 109,328 sq.m not used by private users. Brief summary of project impacts is given in Table 1.

Table 1- Project Impact Summary

N	Impacts	Unit	
Land Tenure Patterns			
1	Total Land parcels affected	Nº	891
2	Total land Area to be acquired	Sq.m	1,247,537.07
3	Category 1. Private Registered Plots	Nº	639
		Sq.m	952,382
4	Category 2. Private, Registered with mistakes (requires reregistration according to updated drawings)	Nº	95
		Sq.m	114,258
5	Category 3. Private Legalizable	Nº	63
		sq.m	73,016
6	Category 4. State Owned Illegally Used by Private Users (Non-legalizable).	Nº	6
		Sqm	8,231
7	Category 5. State Owned (Not Used by Private Users)	Nº	88
		Sq.m	109,328
Land Use and Compensation Categories			
8	Residential land plots located within the administrative borders of Supsa Village-7.00 GEL	Nº	20
		Sq.m	47,236
9	Other land plots located within the administrative borders of Supsa Village -5.40 GEL	Nº	79
		Sq.m	160,038.2
10	Other land plots located within the administrative borders of Shroma Village – 22.30 GEL	Nº	151
		Sq.m	239,050.66
11	Land plots located in Ureki town near the administrative border of Shroma Village-40.00 GEL	Nº	19
		sq.m	16,607.59

1	Land plots located near Ureki central road -60.00 GEL	Nº	80
2		Sq.m	76,387.18
1	Other land plots located in administrative borders of Ureki town-35.00 GEL	Nº	74
3		sq.m	66,499.11
1	Land plots located between Sepa river and railway bridge-30.00 GEL	Nº	112
4		Sq.m	156,057.4
1	Land plots located after railway bridge in th direction of Kobuleti -40.00 GEL	Nº	271
5		Sq.m	361,846.83
1	Land plots ocupaited by private users without permision-Non Legalizable – 0 GEL	Nº	6
6		Sq.m	8,231
1	State Owned land plots– 0 GEL	Nº	88
7		sq.m	109,328
Agricultural Patterns			
1	Area under Area under Bean	Sq.m	373,330
8			
1	Area under Area under Corn	Sq.m	416,178
9			
2	Area under Soybean	Sq.m	357,455
0			
2	Area under Tomato	Sq.m	280
1			
2	Area under Sunflower	Sq.m	300
2			
2	Area under Pumpkin	Sq.m	343,754
3			
2	Area under Cucumber	Sq.m	2,380
4			
2	Area under Broom-corn	Sq.m	770
5			
2	Area under Pepper	Sq.m	500
6			
2	Area under Potato	Sq.	3021

7		m	
2	Area under Vegetables	Sq.	3861
8		m	
2	Affected Trees	Nº	4,957
9			
Affected Businesses			
3	Residential houses	Nº	14
0			
3	Comercial buildings	Nº	3
1			
3	Auxelary buildings	Nº	4
2			
3	Gates and Fences	Nº	115
3			
Affected Businesses			
3	No	Nº	0
4			
Affected Households			
3	Severely affected Households	Nº	700
5			
3	Vulnerable Households	Nº	59
6			
3	Resettled households	Nº	14
7			
3	AH losing registered plots	Nº	599
8			
3	AH losing legalizable plots	Nº	45
9			
4	AHs losing non-legalizable land plots	Nº	6
0			
4	AH losing agricultural land plots	Nº	618
1			
4	AH losing residential land plots	Nº	21
2			
4	AH with non-agricultural (commercial) land plots	Nº	11
3			

4	AH losing Jobs	Nº	0
4			
4	AH losing crops	Nº	270
5			
4	AH losing trees	Nº	75
6			
4	Total AH	Nº	650
7			
4	Total Affected Persons	Nº	1983
8			

10. Within the framework of the project, special criteria should be worked out and published. In accordance with these criteria, impacted individuals and the type of compensation should be identified. This procedure should consider the consultations with the locals, representatives of the local authority.

11. Replacement of the loss assets with the full value should be offered to the APs. Classification of the APs is available as follows:

- Individuals, who enjoys the legal right on the land that is recognized in accordance with the national legislation;
- Individuals, who enjoys no formal legal right on the land, but is recognizable according to the national legislation;
- Individuals that have no legal or formal right on the land.

12. Compensation will be delivered in such case, if the individual and its property are registered on the area before completion the recording on the project area. Right of ownership should be registered or recognized on the property within the impacted zone. Within the discussion of the property claims, proper caution is needed and in case of any doubts, holding consultations with the local authority is essential.

13. Right to compensation is granted to all APs within the resettlement corridor, but the type of the compensation will be determined according to their legal status. Individuals, who have registered property, will receive the compensation for all type of impacts. Individuals, who have no registered property, the company will assist them to register it and after that they will receive the compensation with the complete replacement for all type of impacts. Those individuals, who have no right of ownership and its registration is impossible, will receive just the certain type of compensation, e.g.: If illegal owner has planted crop, which will be destroyed in the result of the project impact, the company is obliged to compensate for crop prices, but is not obliged to pay compensation for the land.

14. Those owners, who are not living on the site, also have the right to receive the compensation. The company should contact them and introduce the current situation. If finding and contacting to such owners is impossible, the compensation will be transferred to the conditional bank account, which will be activated in case of appearance the owners.

Table 2. Compensation Packages

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
Land			
Permanent loss of agricultural land	AP losing productive land regardless of impact severity	Registered Owner:	Cash compensation at full replacement cost,. If the land becomes unusable, the project will purchase the land wholly, if it is acceptable for AP. It has been adopted for this program that compensation will be paid in cash.
		Legalizable Owner:	Rights of these persons will be legalized and after registration, they will receive cash compensation at full replacement cost.
		Non-legalizable Owners, squatters/ encroacher; ownership is not subject for legalization	I Non- legalizable Owners, if they loss only agricultural land plot, used by them, which is the basic source of income for the household, will receive one time cash allowance for resettlement, which is the subsistence minimum for the household with 5 members calculating on one year.
Non-Agricultural Land	AP losing their commercial/ non-agricultural land	Registered Owner:	Cash compensation at full replacement cost,
		Legalizable Owner:	Rights of AP will be legalized and after registration, they will receive cash compensation at full replacement cost.
		Non- legalizable Owners,	INon- legalizable Owners, if they loss only land plot,

		squatters/encroachers; ownership is not subject for legalization	used by them, which is the basic source of income for the household, will receive one time cash allowance for resettlement, which is the subsistence minimum for the household with 5 members calculating on one year.
Buildings and Structures			
Residential and non-residential structures/assets		All AHs regardless of their legal ownership/registration status (including legalizable and Informal Settlers)	Cash compensation for building/structures losses at full replacement costs free of depreciation and transaction costs
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public Assets	Community/Government	Reconstruction of the lost structure in consultation with community and restoration of their functions
Loss of Income and Livelihood			
Crops	Standing crops affected or loss of planned crop incomes	All APs regardless of legal status (including legalizable and Informal Settlers)	Cash compensation equal to the loss of actual or expected harvest. Compensation will be paid regardless the crops are harvested or not at the moment of the impact.
Trees	Trees affected	All APs regardless of legal status (including legalizable and Informal Settlers)	Cash compensation at market rate on the basis of type, age and productive life of the trees.
Business/Employment	Business/employment loss	All APs regardless of legal status (including legalizable and Informal Settlers)	<i>Owner:</i> 1) Permanent impact: cash indemnity of 1 year net income or in the absence of income proof, One time minimum subsistence allowance in cash for 12 months;

			<p>2) Temporary impact: cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, , minimum subsistence income for 5 member HH</p> <p><i>Permanent worker/employees:</i> indemnity for lost wages equal to One time minimum subsistence allowance in cash for 3 months.</p>
Allowances			
Severe Impacts	>20% income loss	All project affected households, who loss more than 20% of the land (including squatters) or more than 20% of non-agricultural income.	One time minimum subsistence allowance in cash for 3 months for the household with 5 members.
Relocation/Shifti ng	Transport/transition costs	All AHs to be relocated	An allowance covering transport and livelihood expenses for the transitional period, which is transportation cost (200 GEL) plus subsistence allowance in cash for 3 months for the household with 5 members.
Vulnerable People Allowances		AHs below poverty line, headed by Women	One time minimum subsistence allowance in cash for 3 months for the household with 5 members and employment priority in project-related jobs where feasible
Temporary		All APs	Due compensation to be

impacts during construction			assessed and paid in compliance with the present RAP principles. Land plot for temporary usage will be provided by the contractor through voluntary negotiations (based on voluntary purchase or lease agreement). Maximum term for temporary usage is 2 years. Payable ompensation rates should not be less than the current market price for 4 year crop yield, expected on this land. It is obligatory that land plot (or other assets) will be cleaned and restored after usage.
Unforeseen resettlement impacts, if any		All impacts related to temporary or permanent land take, the need for which is not envisaged within DD and RAP and is related to activities of Contractor.	Road Department and the construction contractor will address and mitigate/compensate unforeseen resettlement impact during project

15. All RAPs preparation and implementation costs, including cost of compensation and resettlement administration, will be considered in the project budget. Road Department is responsible for finding the project related funding.

All RAPs should contain the information about the budget, including:

- Unit compensation rates for all affected items and allowances by indicating methodologies.
- A cost table for all compensation expenses including external monitoring and contingencies;
- RAP implementation costs.

16. The budget of Resettlement Action Plan covers: proper compensation, resettlement allowance and contingencies, which is 10% of the total cost. Estimate cost of resettlement is **40,627,990 Gel.**

1. Project Background

17. Upgrade of the section of Poti-Grigoleti-Kobuleti bypass is planned within the framework of East-West Highway Modernization Project, conducted by the Government of Georgia. The project considers arrangement of four-lane highway instead of existing two-lane, in order to bypass settlements as far as possible.

18. The works are financed by European Investment Bank. The project is managed by the Roads Department (RD) of the Ministry of Regional Development and Infrastructure (MRDI).

19. The project is developed by the Spanish Consortium represented by Getinsa-Payma-Euroestudios. Environmental Impact Assessment and Land Acquisition-Resettlement Issues are studied by Gamma Consulting Ltf.

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22. Given the magnitude of impacts (there are 600 AHs, 700 severely affected land plots), preparation of full scale RAP is required. The project location map is shown in Figure 1.1

1.1 The Impacts Corridor

23. The length of the project section is 14.4 km. It starts on the right bank of Supsa river, from Samtredia-Grigoleti highway; moves to the other river bank; bypasses Supsa Terminal from the left side; crosses Tskhaltsminda River, Ureki, namely, the section connecting railway station and Police building; crosses Sepa River, its tributary and E-70 Highway, bypasses Concert Hall (Black Sea Arena) and joins Kobuleti bypass road. In total, 4 interchanges along the road, the bridge over the river (Supsa, Tskhaltsminda, Sepa, tributary of Sepa) and 4 dry bridges will be arranged.

1.2 Minimizing Land Acquisition and Resettlement

24. Due considerations have been given during the design of the road widening alignment and intersections layout 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. Following are the specific measures adopted for the selection of the route:

- (i) The short sections of the existing road required improvement of geometric characteristics and involved some minor realignment. Realignment for these sections has been well tuned on site to avoid most densely settled areas;
- (ii) Intersections with local roads have been designed to avoid resettlement
- (iii) Designs of intersections were reviewed by resettlement specialists and their recommendations were considered in the final design.

1.3 RAP Preparation

25. The presented RAP for Grigoleti-Kobuleti Road is based on DMS, census and socio economic survey which were conducted between December 2016 – November of 2017. The RAP includes (i) inventory of impacts and AP figures reflecting design; (ii) micro plan 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

26. The present RAP preparation entailed intensive consultations with the stakeholders, especially 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.

1.4 Pending RAP Implementation Tasks

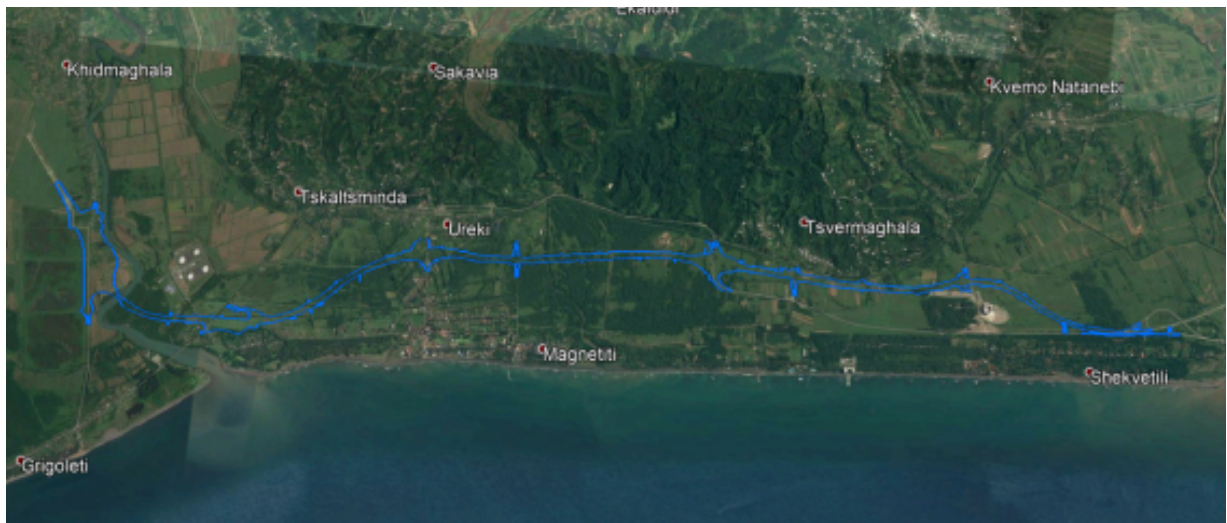
27. Current RAP is Final Draft RAP. Following this RAP approval finances will be provided to the RDMRDI. Prior to the distribution of RAP finances to the APs the legalization of APs legalizable according to current legislation will be finalized and all APs will sign a contract agreement indicating that 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 also be established for absentee APs.

1.5 Conditions for Project Implementation

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

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

Figure 1.1



1.6 Goals of Resettlement Action Plan

29. The presented RAP is based on the Resettlement Policy Framework of 2016. Goal of the mentioned document is description of those requirements and rules, according to which negotiations should be conducted with affected persons. Objectives of the Resettlement Policy Framework are purchasing of property or transferring it in temporary use, as well as provision of compensation at the full replacement cost of the assets of project affected persons that should be carried out in accordance with the international standards. Project Affected Persons (APs) should be completely informed about their rights and should have the opportunity to participate in the negotiations. Prevention of resettlement or reduction, but in case it is impossible, APs should be supported to restore their living conditions and even improve, if it is available.

2. Census and impact Assessment

30. The information on land plots, buildings and structures or other assets, got within the impact zone of Lot-1 of Poti-Grigoleti-Kobuleti bypass road, is given in the present chapter.

2.1 Affected Land Plots

31. According to the preliminary data, mentioned 14.4 km road section will affect 891 land plots and 14 residential houses and 4 auxiliary structures and 3 commercial structures. From the mentioned 891 land plots, 89 is in state ownership, 796 land plots are in private ownership, 6 land is occupied without permission.

32. Project affected land plots have been grouped in following categories according to ownership types, based on legal right on ownership:

- I category: Project affected land plots, registered in Public Register – 728 land plot with total area of 1,056,944 m².
- II category: Legalizable project affected land plots 68 land plot with total area of 73,016 m²
- III category: 6 Illegitimate Owners, squatters; ownership is not subject for legalization, with total area 8,231 m².
- IV category : State land (is not occupied arbitrarily by population) 89 plot with total area of 109,346 m²

33. III and IV category land plots are not subject to compensation.

34. Total quantities according to land ownership categories are given in Table 2.1.1.

Table 2.1.1 Ownership Categories

Ownership Categories	Numero of lands	Area
1. Private Ownership	728	1,056,944
2. Legalizable	68	73,016
3. Non Legalizable	6	8,231
2. State Owned	89	109,346
Total	891	1,247,537

35. The information on usage types of affected land plots is given in Table 2.1.2 below.

Table 2.1.2 Type of land

- **Type 1. Agricultural Land Plots.** These are private land parcels used for agricultural purpose and attributed to the agricultural land category according to official classification. In total there are 794 affected land plots of type 1.
- **Type 2:** Residential land; This type of land is used for residentia need, but also for some minor cropping. There are 20 affected land plots of type 2.
- **Type 3:** Non-Agricultural Land plots. Commercial Land ; This is 77 non-agricultural land supposed to be used for comercial needs. No one land plot of this type falls within the impact zone.

Table 2.1.3 Type of Land Use and Land Groups by Compensation Rates

Land Category/ use and Group		Plots No.	Area (sqm)	No of AH
Compensable Land				
Type 1	Residential land plots located within the administrative borders of Supsa Village-7.00 GEL	20	47,236	18
Type 2	Other land plots located within the administrative borders of Supsa Village -5.40 GEL	79	160,038.2	61
Type 3	Other land plots located within the administrative borders of Shroma Village – 22.30 GEL	151	239,050.66	115
Type 4	Land plots located in Ureki town near the administrative border of Shroma Village-40.00 GEL	19	16,607.59	19
Type 5	Land plots located near Ureki central road- 60.00 GEL	80	76,387.18	74
Type 6	Other land plots located in administrative borders of Ureki town-35.00 GEL	74	66,499.11	70
Type 7	Land plots located between Sepa river and railway bridge-30.00 GEL	112	156,057.4	96
Type 8	Land plots located after railway bridge in the direction of Kobuleti -40.00 GEL	271	361,846.83	240
Total Compensable Land		809	1,010,825	693
Non compensable Land				
Type 9	Illegally Used by Private Users (Squatters) and not compensable	6	8,231	6
Type 10	State Owned land parcels not used by private users and not compensable.	76	109,328	0
Grand Total		891	1,128,384	699

Difference between number of land plots and number of AHs is caused by the fact that some AHs own 2 plots, some lose 3 land plots

Difference between number of land plots and number Ahs is caused by the fact that some lands are owned by LTD.

2.2 Impact on Agricultural Crops

36. Agricultural crops impacted by the project implementation are as follows: corn, beans, soybean, pumpkin. These crops are grown in the same area with sowing method.

37. Detailed information about the agricultural crops is given in the table 1.3.2.1 below. It should be noted that corn, beans, soybean, pumpkin are grown on the same land and not on the additional land plots.

Table 1.3.2.1 Annual crops

Type of agricultural crop	Dimension unit	Harvest per 1 ha land area	Unit crop market price, GEL	Compensation value for agricultural crop harvest per 1 ha, GEL	Area
Potato	Ton	26	600	15600	3021
Bean	kg	800	5	4000	373330
Tomato	Ton	20	800	16000	280
Corn	kg	5000	0.8	4000	416178
Soybean	Ton	4	550	2200	357455
Sunflower	Ton	2	720	1440	300
Pumpkin	Piece	1000	3.5	3500	343754
Cucumber	Ton	15	0.7	10500	2380
Broom-corn	Ton	12	150	1800	770
Peper	kg	500	1.2	600	500
Other vegetables	-	-	-	5000	3861
Total					1501829

2.3 Impact on trees

38. Clearing right of way for construction of the road will cause felling down of 4966 productive fruit trees under private ownership of 81 Ahs. The details are given in table 2.3.1 below.

Table 2.3.1

Plants	Age group	Cost of seedling, Gel	Cost of harvest unit, Gel	Number of compensation years	Full productivity per year, kg	Harvest compensation for seedling (Gel)	Total compensation for adult perennial seedling with considering the cost	Quantity
1	2	3	4	5	6	7	8	9
Cherry (sweet cherry)	Seedling (<5)	5	2	5	4	8,0	35	12
	5-10	5	2	5	10	20,0	75	52
	11-20	5	2	5	16	32,0	117	16
	21+	5	2	5	10	20,0	75	0
Peach	Seedling (<5)	6	1,5	5	4	6,0	27	6
	5-10	6	1,5	5	15	22,5	85	3
	11-20	6	1,5	5	40	60,0	216	0
	21+	6	1,5	5	25	37,5	137	0
Walnut	Seedling (<5)	10	5	5	4	20,0	80	370
	43013	10	5	10	15	75,0	535	105
	44136	10	5	10	30	150	1235	113
	21+	10	5	10	40	200	1510	54
Quince	Seedling (<5)	4	1,5	5	3	4,5	20	0
	5-10	4	1,5	5	15	22,5	83	2
	11-20	4	1,5	5	30	45,0	162	1
	21+	4	1,5	5	20	30,0	109	0
Pear	Seedling (<5)	4	1,2	5	7	8,4	33	8
	5-10	4	1,2	7	20	24,0	122	47
	11-20	4	1,2	7	70	84,0	416	32
	21+	4	1,2	7	45	54,0	269	15
Plum (variety of plum)	Seedling (<5)	4	0,8	5	8	6,4	26	4
	5-10	4	0,8	5	15	12,0	46	4
	11-20	4	0,8	5	30	24,0	88	1
	21+	4	0,8	5	20	16,0	60	1
Mulberry	Seedling (<5)	5	1,5	5	4	6,0	26	1
	5-10	5	1,5	5	10	15,0	58	13
	11-20	5	1,5	5	16	24,0	89	38
	21+	5	1,5	5	10	15,0	58	2
Hazelnut	Seedling (<5)	2	4	5	2	8,0	30	197
	5-10	2	4	5	5	20,0	75	1109
	11-20	2	4	5	6	24,0	90	1061
	21+	2	4	5	4	16,0	55	290
Sour plum (cherry plum)	Seedling (<5)	3	0,8	5	7	5,6	23	23
	5-10	3	0,8	5	15	12,0	45	59
	11-20	3	0,8	5	50	40,0	143	67
	21+	3	0,8	5	25	20,0	73	0

Apple	Seedling (<5)	4	1	5	5	5,0	22	3
	5-10	4	1	6	25	25,0	109	14
	11-20	4	1	6	70	70,0	298	19
	21+	4	1	6	40	40,0	172	4
Vine	Seedling (<5)	2	1,5	4	5	7,5	23	1
	5-10	2	1,5	4	7	10,5	31	29
	11-20	2	1,5	4	9	13,5	40	621
	21+	2	1,5	4	5	7,5	23	4
Fig	Seedling (<5)	3	1,5	5	5	7,5	29	2
	5-10	3	1,5	6	10	15,0	66	43
	11-20	3	1,5	6	30	45,0	192	53
	21+	3	1,5	6	20	30,0	129	11
Kiwi	Seedling (<5)	3	1,5	4	5	7,5	24	10
	5-10	3	1,5	4	10	15,0	45	5
	11-20	3	1,5	4	30	45,0	129	11
	21+	3	1,5	4	20	30,0	87	0
Tangerine	Seedling (<5)	3	1,25	5	10	12,5	47	1
	5-10	3	1,25	5	30	37,5	134	1
	11-20	3	1,25	5	80	100,0	353	42
	21+	3	1,25	5	50	62,5	222	0
Orange	Seedling (<5)	4	1,5	5	10	15,0	57	1
	5-10	4	1,5	5	30	45,0	167	3
	11-20	4	1,5	5	80	120,0	424	0
	21+	4	1,5	5	50	75,0	267	0
Lemon	Seedling (<5)	4	1,3	5	5	6,5	27	0
	5-10	4	1,3	5	15	19,5	72	16
	11-20	4	1,3	5	35	45,5	163	0
	21+	4	1,3	5	20	26,0	95	0
Bay-tree	Seedling (<5)	1	4	5	1	4,0	15	3
	5-10	1	4	5	2	8,0	29	5
	11-20	1	4	5	2	8,0	29	0
	21+	1	4	5	1	4,0	15	3
Cherry laurel	Seedling (<5)	2	0,25	8	2	0,5	5	0
	5-10	2	0,25	8	4	1,0	8	3
	11-20	2	0,25	8	10	2,5	16	12
	21+	2	0,25	8	7	1,75	12	0
Barberries	Seedling (<5)	5	2,5	5	3	7,50	31	4
	5-10	5	2,5	5	5	12,50	49	13
	11-20	5	2,5	5	7	17,50	66	9
	21+	5	2,5	5	5	12,50	49	0
Mildness	Seedling (<5)	4	1,5	6	3	4,5	23	0
	5-10	4	1,5	6	10	15,0	67	3
	11-20	4	1,5	6	20	30,0	130	5
	21+	4	1,5	6	10	15,0	67	0
Loquat	Seedling (<5)	4	2	6	3	6,0	29	6

	5-10	4	2	6	10	20,0	88	14
	11-20	4	2	6	20	40,0	172	8
	21+	4	2	6	10	20,0	88	0
Feijoa	Seedling (<5)	1	1.5	3	5	7.5	18.5	10
	5-10	1	1.5	5	10	15	56	30
	11-20	1	1.5	5	25	37.5	133	63
	21+	1	2	5	12	24	90	52
Persimmon	Seedling (<5)	2	1	5	5	5,0	20	3
	5-10	2	1	6	10	10,0	44	17
	11-20	2	1	6	30	30,0	128	35
	21+	2	1	6	20	20,0	86	3
Pomegranate	Seedling (<5)	4	2	5	5	10,0	39	0
	5-10	4	2	6	10	20,0	88	0
	11-20	4	2	6	30	60,0	256	2
	21+	4	2	6	20	40,0	172	0
Chestnut	Seedling (<5)	7	1	5	30	30,0	112	0
	5-10	7	1	10	50	50,0	357	2
	11-20	7	1	10	120	120,0	1057	1
	21+	7	1	10	125	125,0	847	0
Strawberry tree	Seedling (<5)						15	1
	5-10						25	0
	11-20						50	0
	21+						80	0
Boxwood	Seedling (<5)						30	2
	5-10						120	0
	11-20						200	0
	21+						750	0
Paulownia	Seedling (<5)						10	0
	5-10						100	9
	11-20						400	0
	21+						600	0
Bamboo	Seedling (<5)						3	9
	5-10						7	0
	11-20						10	30
	21+						15	0

2.4 Impact on Structures

39. 21 structures are located in the project impact zone, 14 out of them are residential houses, and two of them are ruins of the buildings, one is closed shop and other 4 are auxiliary building. Detailed information about the impacted buildings and structures is provided in the table 2.4.1.

Table 2.4.1 Impact on Structures

N	Location	Usage	N of land plot
1	Supsa	Residential house with auxalary buildings	008
2	Supsa	Residential house with auxalary buildings	013
3	Supsa	Residential house with auxalary buildings	015
4	Supsa	Residential house with auxalary buildings	017
5	Supsa	Residential house with auxalary buildings	024
6	Supsa	Residential house with auxalary buildings	027
7	Supsa	Residential house with auxalary buildings	030
8	Supsa	Residential house with auxalary buildings	031
9	Supsa	Residential house with auxalary buildings	033
10	Supsa	Residential house with auxalary buildings	038
11	Ureki	Residential house with auxalary buildings	321
12	Ureki	Residential house with auxalary buildings	355
13	Shroma	Residential house with auxalary buildings	153
14	Shroma	Residential house with auxalary buildings	154
15	Ureki	Comercial	390
16	Supsa	Comercial	048
17	Shroma	Shed	157
18	Shroma	Pig shed	188
19	Natanebi	Auxiliary building, cattle shed, storage, heb-coop	714
20	Shroma	Storage	251
21	Shroma	Comercial	165

2.5 Impact on Business

40. No business facilities are located within the project impact zone.

2.6 Impact on Common Property Resources

41. Project won't impact on the objects of public or cultural importance.

2.7 Impact on Vulnerable Households.

42. In order to study socio-economic condition of project affected households, the survey has been conducted. Based on information obtained in the result of the above-mentioned survey, it can be stated that surveyed households are identified as vulnerable.

43. Poor (receiving government subsistence subsidies) and women headed households are considered as vulnerable households. Households with members with disabilities or people in pension age will receive the allowance only if they are registered as poor. In Georgia, the poverty line is determined as a result of sophisticated calculations including production, consumption, cash income and assets valuation. The households with rating less than 57000 are considered as extremely poor and receive subsistence allowance, and 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.

44. The information about vulnerable households is given below, in the table 2.7.1 All PAHs with vulnerability statuses will be granted one-time assistances, which is determined as three-month living minimum for families with 5 members.

Table 2.7.1 Vulnerable Households

Vulnerability Category	Number of Households
Below the poverty line	18
Lonely pensioner	6
Internally Displaced People	8
People with Disabilities	18
Woman headed household	1
Other	8
Total	59

2.8 Summary of Impact

Brief summary of project impacts is given in Table 2.9.1.

Table 2

N	Impacts	Unit	
	Land Tenure Patterns		
1	Total Land parcels affected	№	891

2	Total land Area to be acquired	Sq.m	1,247,537.07
3	Category 1. Private Registered Plots	Nº	639
		Sq.m	952,382
4	Category 2. Private, Registered with mistakes (requires reregistration according to updated drawings)	Nº	95
		Sq.m	114,258
5	Category 3. Private Legalizable	Nº	63
		sq.m	73,016
6	Category 4. State Owned Illegally Used by Private Users (Non-legalizable).	Nº	6
		Sqm	8,231
7	Category 5. State Owned (Not Used by Private Users)	Nº	88
		Sq.m	109,328
Land Use and Compensation Categories			
8	Residential land plots located located within the administrative borders of Supsa Village-7.00 GEL	Nº	20
		Sq.m	47,236
9	Other land plots located within the administrative borders of Supsa Village -5.40 GEL	Nº	79
		Sq.m	160,038.2
10	Other land plots located within the administrative borders of Shroma Village – 22.30 GEL	Nº	151
		Sq.m	239,050.66
11	Land plots located in Ureki town near the administrative border of Shroma Village-40.00 GEL	Nº	19
		sq.m	16,607.59
12	Land plots located near Ureki central road -60.00 GEL	Nº	80
		Sq.m	76,387.18
13	Other land plots located in administrative borders of Ureki town-35.00 GEL	Nº	74
		sq.m	66,499.11
14	Land plots located between Sepa river and railway bridge-30.00 GEL	Nº	112
		Sq.m	156,057.4
15	Land plots located after railway bridge in th direction of Kobuleti -40.00 GEL	Nº	271
		Sq.m	361,846.83
16	Land plots ocupaited by private users without permision-Non Legalizable – 0 GEL	Nº	6
		Sq.m	8,231
17	State Owned land plots– 0 GEL	Nº	88
		sq.m	109,328
Agricultural Patterns			
18	Area under Area under Bean	Sq.m	373,330
19	Area under Area under Corn	Sq.m	416,178

20	Area under Soybean	Sq.m	357,455
21	Area under Tomato	Sq.m	280
22	Area under Sunflower	Sq.m	300
23	Area under Pumpkin	Sq.m	343,754
24	Area under Cucumber	Sq.m	2,380
25	Area under Broom-corn	Sq.m	770
26	Area under Pepper	Sq.m	500
27	Area under Potato	Sq.m	3021
28	Area under Vegetables	Sq.m	3861
29	Affected Trees	Nº	4,957
Affected Buisnesses			
30	Residential houses	Nº	14
31	Comercial buildings	Nº	3
32	Auxelary buildings	Nº	4
33	Gates and Fences	Nº	115
Affected Buisnesses			
34	No	Nº	0
Affected Households			
35	Severely affected Households	Nº	700
36	Vulnerable Households	Nº	59
37	Resettled households	Nº	14
38	AH losing registered plots	Nº	599
39	AH losing legalizable plots	Nº	45
40	AHs losing non-legalizable land plots	Nº	6
41	AH losing agricultural land plots	Nº	618
42	AH losing residential land plots	Nº	21
43	AH with non-agricultural (commercial) land plots	Nº	11
44	AH losing Jobs	Nº	0
45	AH losing crops	Nº	270
46	AH losing trees	Nº	75
47	Total AH	Nº	650
48	Total Affected Persons	Nº	1983

2.9 Relocation Needs and Strategy

45. 14 AHs are affected by demolition of their residential houses and need physical relocation. The affected households will receive compensation for houses at replacement cost and in addition – allowances for relocation.

2.9.1 APs and Communities

46. Overall, the number of AH is 650 (1983APs). Of these, 599 AHs will lose registered land plots and 45 AHs will lose legalizable land plots. Difference between number of land plots and number of AHs is caused by the fact that 1 AH owns 3 registered plots, some other AH loses 3 legalizable land plots, some AHs lose 2 land plots and etc.

47. In total 270 AH lose crops on their 300 land plots. 75 AHs are losing trees grown on 82 land plots. 19 AHs are losing structures on there land plots 14 of these structures are residential and only 4 AHs are losing auxelery buildings, 1 AH loosing comercial building.

2.9.2 Impact on Employment and Agricultural Tenants

48. Road construction will not affect any agricultural tenants. The project will not have impact on employees of any business structure or workers engaged with public services sector.

2.9.3 Impact on Indigenous Peoples

49. An assessment of impact on indigenous peoples was undertaken. The project will affect only Georgian people. No Ethnic Minority groups are affeted..

2.10 Gender and Resettlement Impacts

50. The project impact extends to 1986 APs comprising 49.9% male and 50.1% females: 991 male and 995 females. Further, 1 is headed by women. Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RAP. The project will have a positive impact on gender, and civil works contracts will include provisions to encourage employment of women during implementation. List of women seeking for employment and their CVs will be provided to Construction Contractor. Additionally, women headed households have been considered as vulnerable and special assistance was provided in the RAP entitlements in amount equivalent to 3 months of minimum subsistence income. Additional consultations are planned with affected women to identify any specfic for women problems arising in conjunction with the project, especially land take related impacts. Women will be encouraged to establish NGOs or other informal organizations to monitor gender-sensitive issues related to project. The RDMRDI is requested to include women representatives in Grievance Redress Commission.

3. Socio-Economic Information

51. The main goal of socio-economic survey is to assess socio-economic condition of population living within the project impact zone. The number of population in Lanchkhuti municipality for 2016 year, is 31.5 thousand residents and in Ozurgeti municipality is 48 thousand (National Statistics Office of Georgia). In Ozurgeti municipality there are 34 pre-school education institutions, 37 public schools and 11 libraries; In Lanchkhuti municipality is the 25 public school (4243 students), 1 secondary vocational schools, 32 libraries and 2 theatres.

52. Socio-economic survey was carried out in villages of Lanchkhuti and Ozurgeti municipalities (Natanebi, Sufsa, Shroma and Ureki). During survey was interviewed 203 AHs (806 APs).

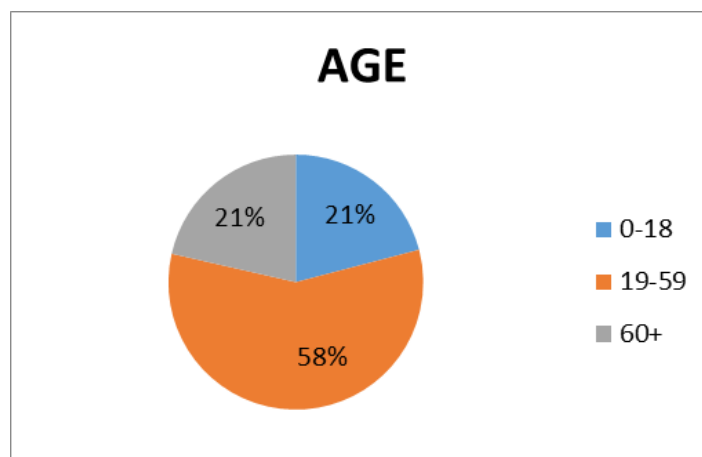
53. In interviewed households there is 49% men and 51% women. Information about affected persons is given in Table 3.1.

Table 3.1 General information about affected persons

Number of AHs ¹	Average number of family members of AHs	Male	Female
531	4	49%	51%

54. According to the obtained information, 18% of APs are up to 18 years old, 59% are 19-59 years old and 23% –more than 60 years old. Age distribution is shown on the Figure 3.1.

Figure 3.1 Age distribution



55. 56% of affected persons are married, 8% is widow/widower and 3% - divorced. Detailed information is given in Table 3.2.

Table 3.2 Marital status

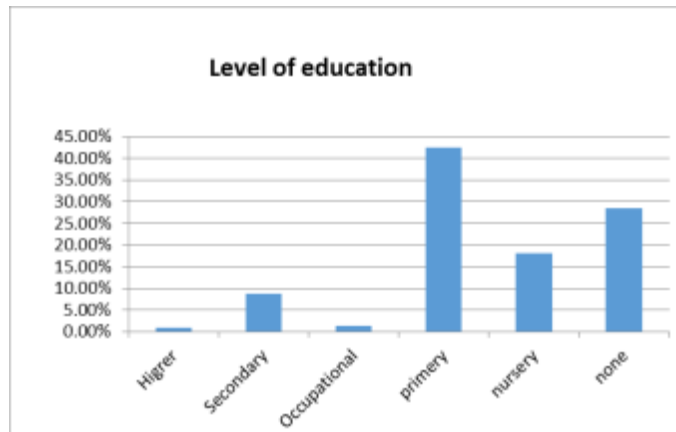
	%
Married	56%
Single	34%

¹ AH – Affected Households

Divorced	3%
Widow/Widower	8%
Total	100%

56. 42% of interviewed APs have secondary education, 28% has higher education and 18% graduated the vocational college. In Figure 2.3 information about educational level of APs by villages is shown.

Figure 3.3 Educational level of APs by villages



57. Information about the status of employment is given in Table 3.3. 490 out of interviewed APs are employed, 375 - unemployed, 348 - student or pupil and 342 - pensioner.

Table 3.3 Employment status

	N
Employed in the public service	194
Employed in the private sector	296
Self-employed	92
Farmer	7
Unemployed	375
Student/pupil	348
Pensioner	342
Housewife	204
Total	100%

58. Results of Socio-economic survey show that 18 families out of interviewed 525 are below the poverty line. There are 6 lonely pensioners, 8 HH with internally displaced person. There is 1 households managed by woman. Majority of population does not belongs to any vulnerable groups.

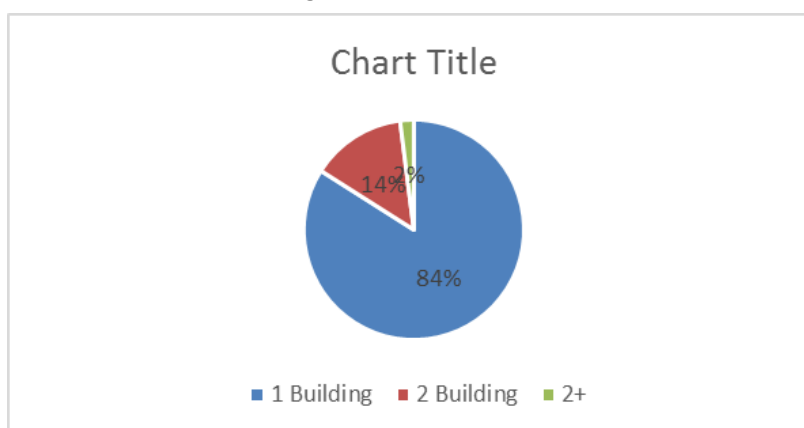
Real estate of households

59. All Interviewed families have homestead land, out of which 92% is registered and 8% - private, but not registered. Average area of land plots is 4769 m². 97% of land plots owned by affected households is agricultural.

60. On question if they own land anywhere else, 69% give positive response.

61. 84% of households own only one building; 14% have two building. Detailed information about real estate of AHs is given in figure 3.4.

Figure 2.4. Real estate



Livelihoods

62. Research shows that average monthly income of AHs is 635 Gel. For 40% households the main income is salary, 22% families rely on the income from agriculture, 14%– receive pensions/allowances and 9% families have main income from self-employment. Information about monthly Income is given in table 3.4.

63. Average income per household earning from single source is low compared to the income from multiple sources (Table 3.9).

Information about monthly expenses is given in Table 3.5.

Table 3.4: Average Annual Household Income against Number of Sources

Number of sources of Income	No. of AHs	% of AHs	Average household income (GEL)
Single Source	124	54%	535
Double Sources	106	46%	736
Total	230	100	635

Table 3.5 Average monthly expenses

N	Type of expenses	Average monthly expenses
---	------------------	--------------------------

1	Food/drink	303
2	Clothing/shoes	11
2	Education	139
4	Health Care	159
5	Utility bills	49
6	Lease payments	243
7	Total/total	621

64. In every second household at least one member has loan from bank, micro finance organization or from private person.

65. 76 % of families have no family member supporting them from abroad. Only 6 household get money (at least 3 times per year) from family member living abroad.

Household assets

66. AHs were asked which of household items they own from the list given in Table 5. There was not any household without access to any of listed items.

Table 3.5. Household items

		% of families
1	Fridge	75%
2	TV	80%
3	Gas stove	66%
4	Gas heater	5%
5	Computer	33%
6	Mobile phone	62%
7	Washing machine	45%
8	Car	47%
9	Other	

67. 57% of interviewed families do not have central water supply, while 41%’s answer to this question is positive. Every family has electrical energy. Only 6 households use gas for heating, and the rest of the AHs use wood. As for connation to sewerage system 4 interviewees use a central system, while majority has latrine.

Agriculture

68. According to survey results, 70% family has access to arable land. Information about the number of households and type of cultivated crops is given in Table 3.6.

Table 3.6. Agricultural crops

		% of families
1	Corn	69%
2	Fruit	86%
3	Potatoes	41%
4	Vegetables	64%
5	Nuts/nuts	79%
6	Grapes	72%
7	Hay	32%
8	Other	

69. Most of inquired household have estimated themselves as not being wealthy, having incomes not sufficient for good quality medical services and education. Literacy rate in the project area is not low compared to national literacy level. A little more than 50% of the affected population is women (50.1%). Literacy rate among the women is similar compared to males. Women go side by side with the men in the project area and play important role in family economy. The project will have a positive impact on women through increased mobility and due attention will be given them from the project. civil works contracts will include provisions to encourage employment of women during implementation. List of women seeking for employment and their CVs will be provided to Construction Contractor. Additionally, women headed households have been considered as vulnerable and special assistance was provided in the RAP entitlements in amount equivalent to 3 months of minimum subsistence income. Additional consultations are planned with affected women to identify any specific for women problems arising in conjunction with the project, especially land take related impacts. Women will be encouraged to establish NGOs or other informal organizations to monitor gender-sensitive issues related to project. The RDMRDI is requested to include women representatives in Grievance Redress Commission. Agriculture is the dominant occupation among the APs however, role of government services is also significant.. Vulnerability like pension and state subsidy consumption reveals that 50% of the AHs have a pensioner in the household.

70. Majority of inquired population expressed good attitude towards the project and accepted it as important component of development for the whole country and for their rayon. Generally accept the project but express their concerns regarding involuntary land acquisition and related changes in their economic activity and social conditions.

4. Legal and Policy Framework

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

71. 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 established due to road construction 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)
- The Civil Procedural Code of Georgia, November 14, 1997(amend. 1998-2015)
- The Law of Georgia on State property, June 21, 2010
- Labour Code, May 25, 2006
- Tax Code, January 2005
- Law on Entrepreneurship, October 28, 1994

72. As a total, the above mentioned legislative acts determine that compensation of the lost assets should be carried out in accordance with the current market value. It is also noted that loss of physical assets, as well as, loss of incomes are subject to the compensation. In case of loss the income, damage should be fully compensated. Except this, the legislation requires holding consultations with APs and providing their awareness.

There are two ways of obtaining the right of ownership:

- 1) Expropriation implies obtaining the right of the ownership in accordance with the Law of Georgia on “Rules for Expropriation of Ownership for necessary public Needs”. Obtaining the right of ownership is carried out by the decision of the court, after payment of the compensation.

- 2) As for the second way, it is obtaining the right of ownership by negotiations. Amount of the compensation is determined based on the negotiations between the parties or the decision of the court. Obtaining the right of ownership should be carried out before launching the works.

73. The resettlement policy prefers to obtain the right of ownership by the second way – negotiations, but if this causes no result, the process of expropriation will be started.

74. According to the third paragraph of the Article 21 of the Constitution of Georgia, “It is permissible for the necessary public need in accordance with the case directly considered by the law, by the decision of the court or in case of the urgent necessity determined by the organic law with the preliminary, complete and fair compensation condition. Compensation is exempted from any taxes and fees.”

75. According to the Article 3 of the Law of Georgia on “Rules for Expropriation of Ownership for necessary public Needs”, just the court makes decision on the expropriation. In accordance with this decision, state or local self-governing body or Legal Entity of Public or Private Law will be determined, which will be granted the right of the expropriation. The decision should also consist of the detailed description of the expropriating property and proper indication on the necessity of providing preliminary, complete and fair compensation for the owner. A person, who is interested in obtaining the right of expropriation, should provide the owner with the complete information about the project and the brief description of the expropriating property. This information should also be published in the local and central press.

76. Overall, the above laws/regulations provide the principle of compensation at full replacement cost is reasonable and legally supported. 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 in case negotiations fail through a court decision for expropriation, 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 and court decision through the payment of due compensation.

4.2 Expropriation

77. 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” shall be applied. 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.

78. 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:

- (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.

79. 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

80. 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.

4.3 Requirement of the International Financial Organizations

81. International financial organizations (EIB, WB, EBRD and IFC) are based on the following principles in case of the compulsory resettlement and the land acquisition:

- Prevention of the resettlement is desired and if it is impossible, its scales should be reduced;
- Compensation should completely provide the replacement cost;
- Those persons, whose property is not registered, should also receive some certain compensation;
- Living conditions of the impacted persons should be reinstated, improvement of the conditions is desired;
- Affected persons should have complete information about the land acquisition and the compensation versions;

- Vulnerable persons should be especially paid attention, e.g., socially vulnerable people, single mothers, individuals with special needs.
- Males and females should receive the equal compensation.

4.4 Difference between the International Standards and the Legislation of Georgia

82. There are lots of differences in standards between the Georgian legislation and the international financial organizations related to the resettlement issues, they highlight the different priorities.

83. The basic difference between the Georgian legislation and the international requirements is that the legal right of the ownership and expropriation of the property for the public need by the payment the proper compensation are especially paid attention in the Georgian legislation, while the international standards don't consider the using of expropriation and prefers to obtain the right of ownership just by the negotiations

84. In the Georgian legislation holding the public meetings and improvement the living conditions are less emphasized, as well as, it doesn't consider the payment of compensation to those persons, who are not legitimate owners of the land and are not able to prove their right of ownership.

85. The international organizations mostly direct their attention to the negotiations with the population, payment the compensation, improvement the living conditions for the APs and public awareness.

86. According to the international requirement, reimbursement of all kind of losses is necessary for the affected individuals, payment the compensation for the economic rehabilitation even if a person doesn't have the legally registered property and delivering the assistance to the impacted people are also determined by the international standards. These requirements also consider the situation of the vulnerable groups and the compensation of the income source.

87. International financial organizations direct their attention to the negotiations, public meetings, forming the framework of the resettlement policy. The Georgian legislation doesn't consider the preparation of the Resettlement Action Plan and organization of the public consultations.

5. Right to Compensation and Compensation Package

88. Within the framework of the project, special criteria should be worked out and published. In accordance with these criteria, impacted individuals and the type of compensation should be identified. This procedure should consider the consultations with the locals, representatives of the local authority.

89. Replacement of the loss assets with the full value should be offered to the APs.

Classification of the APs is available as follows:

- Individuals, who enjoys the legal right on the land that is recognized in accordance with the national legislation;
- Individuals, who enjoys no formal legal right on the land, but is recognizable according to the national legislation;
- Individuals that have no legal or formal right on the land.

90. Compensation will be delivered in such case, if the individual and its property are registered on the area before completion the recording on the project area. Right of ownership should be registered or recognized on the property within the impacted zone. Within the discussion of the property claims, proper caution is needed and in case of any doubts, holding consultations with the local authority is essential.

5.1 Right to Compensation

91. Right to compensation is granted to all APs within the resettlement corridor, but the type of the compensation will be determined according to their legal status. Individuals, who have registered property, will receive the compensation for all type of impacts. Individuals, who have no registered property, the company will assist them to register it and after that they will receive the compensation with the complete replacement for all type of impacts. Those individuals, who have no right of ownership and its registration is impossible, will receive just the certain type of compensation, e.g.: If illegal owner has planted crop, which will be destroyed in the result of the project impact, the company is obliged to compensate for crop prices, but is not obliged to pay compensation for the land.

92. Those owners, who are not living on the site, also have the right to receive the compensation. The company should contact them and introduce the current situation. If finding and contacting to such owners is impossible, the compensation will be transferred to the conditional bank account, which will be activated in case of appearance the owners

5.1.1 IFT's Policy on Involuntary Resettlement

93. The EIB's environmental and social safeguard policies are based on the EU approach to environmental sustainability. The principles, practices and standards are highlighted in the Declaration on the European Principles for the Environment (EPE) and are specified in details in EIB Environmental and Social Practices Handbook. According to the EIB Involuntary Resettlement Policy, the objectives to be achieved are formulated as follows:

- Avoid or, at least minimize, project-induced displacement whenever feasible by exploring alternative project designs;
- Mitigate negative social impacts from asset loss and/or restrictions of land use, (a) through the provision of appropriate compensation and/or livelihood opportunities regardless of the legality of existing land tenure arrangements, and (b) ensuring that resettlement measures are implemented with meaningful consultation and the informed participation of the affected people;
- Assist displaced persons to improve their living standards and improve, or at least to restore, their former livelihoods.

94. The three important elements of almost all IFI's involuntary resettlement policy (including EIB policy) are (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. For any Bank operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into account the following basic principles:

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

5.1.2 Comparison of EIB Policy with Georgian Laws and Legislation

95. Overall, the legislation of Georgia adequately reflects the major provisions of the EIB Safeguards Policy but a few differences are to be noted. The most significant of these differences is that under Georgian legislation/regulation, emphasis is put on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and

compensated while in the case of EIB policy emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of Affected People (AP) and Households (AH). Because of this, EIB policy complements the Georgian legislation/regulation with additional requirements related to (i) the economic rehabilitation of all AP/AH (including those who do not have legal/formal rights on assets acquired by a project); (ii) the provision of indemnities for loss of business and income, (iii) and the provision of special allowances covering AP/AH expenses during the resettlement process or covering the special needs of severely affected or vulnerable AP/AHs. Also, in addition, the legislation of Georgia does not require any specific measure regarding the need to prepare RAPs based on extensive public consultations. The differences between Georgia law/regulation and EIB policy are outlined in Table 4.1.

Table 5.1.2.1 : Comparison of Georgian Laws on LAR and EIB Resettlement Policy	
Georgia Laws and Regulations	EIB Policy on Involuntary Resettlement
Land compensation only for titled landowners In practice legalizable land owners are also compensated after they are issued with the necessary papers	Lack of title should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation.
Only registered houses/buildings are compensated for damages/demolition caused by a project	All affected houses/buildings are compensated for buildings damages/demolition caused by a project
Crop losses compensation provided only to registered landowners.	Crop losses compensation provided to landowners and sharecrop/lease tenants whether registered or not
Administrative body implementing the Project (RDMRDI) is the only pre-litigation final authority to decide disputes and address complaints regarding quantification and assessment of compensation for the affected assets. Complaints are reviewed in compliance with the formal procedures (rules) established by the Administrative Code of Georgia. There is no informal grievance redress mechanism through community participation at the local level.	Complaints & grievances are resolved informally through community participation in the Grievance Redress Committees (GRC), Local governments, and NGO and/or local-level community based organizations (CBOs).
Decisions regarding land acquisition and resettlement are discussed only between the landowners and the Land Acquisition Authorities.	Information on quantification, affected items value assets, entitlements, and compensation/financial assistance amounts are to be disclosed to the APs prior to appraisal.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses.	EIB policy requires rehabilitation for income/livelihood, severe losses, and for expenses incurred by the APs during the relocation process.
No specific plan for public consultation is	Public consultation and participation is the

provided under the Georgian laws	integral part of EIB's policy which is a continuous process at conception, preparation, implementation and finally at post implementation period
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96. To reconcile the gaps between Georgia laws/regulations and EIB Policy, RDMRDI has adopted this policy for the Project, ensuring compensation at full replacement cost of all items, the rehabilitation of informal settlers, and the provision of subsidies or allowances for AHs those will be relocated, suffer business losses, or will be severely affected.

5.1.3 Resettlement Policy Commitments for the Project

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

Box 1:

- Construct the road to avoid residential areas wherever possible to minimize physical relocation of people, and select alignments that minimise acquisition of privately or publicly held productive land;
- Adopt design standards that minimise the need to impose land use restrictions on adjoining areas;
- Develop fair and transparent procedures, as defined in the Entitlement Matrix in this RPF, to determine compensation for (i) temporary loss of land/ assets during construction; (ii) permanent acquisition of land and assets; and (iii) restrictions on use of land that may be applied to areas adjoining the corridor;
- Acquire land (or right to use land) through negotiated agreements and with the use of the power of eminent domain only as a last resort.
- Upon completion of construction, restore land as best as possible to its original condition in the event of temporary disruption so as to enable landowners/users/lessees to resume their pre-project activities;
- Keep affected people and communities fully informed about the project, the process that will be followed to acquire and compensate for land, and their related rights and avenues for redress.
- Ensure that grievances PAPs may have will be redressed adequately, and that solutions in

line with principles laid out in this RPF be employed;

- All Project Affected People (PAP), without regard to legal status of property, will receive support of various kinds, as per the principles set out in the Entitlement Matrix, to assist them in their efforts to maintain their livelihoods and standards of living prevailing prior to the Project. Those who illegally own land will not be compensated for loss of land, but will receive compensation for loss of other assets which had been established on their own finance, and for loss of income such that they are also assisted in their efforts to maintain their livelihoods. . Detailed measures to be implemented will be determined based on the census and socio-economic survey to be carried out when Resettlement Action Plan is developed.
- PAP will be notified of the project implementation schedule and consulted regarding the principles of land acquisition and loss of or damage to assets.
- Damages to assets, such as standing crops, trees, fences and kiosks, and loss of income, including loss of harvest, will be minimized, and where inevitable, will be compensated without regard to legal status of ownership according to the Entitlement Matrix provided in this RPF.

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

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

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

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

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

5.1.4 Land Acquisition Process

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

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

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

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

102. The detail design consultant has prepared fresh maps of the acquired plots with geometric details required for legalization. RDMRDI will provide these maps to the concerned legalizable owners. The process will be followed by endorsement of these maps and ownership documents by the Sakrebulo and finally getting them registered in the local registration office prior to the receipt of the project compensation. A detailed procedure of legalization of legalizable owners is provided in Annex 1.

5.2 Compensation Eligibility and Entitlements

5.2.1 Eligibility

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

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

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

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

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

5.2.2 Definition of Entitlements

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

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

- **Agricultural land impacts** will be compensated at replacement value either with replacement plots of the same value of the land lost and at location acceptable to APs where feasible, or in cash free of transaction costs at current market rates or (if no land markets are active) based on the reproduction cost of the affected land. The cash at market rates option has been selected for the Program. When >20% of an AP agricultural land is affected, AP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to Allowance equivalent to 3 months of minimum subsistence income² and

employment priority in project-related jobs 336.5 GEL as minimum subsistence income per month for 3 months= 1009.5 GEL per AH. In case of severe impact on other income, the APs will be paid additional compensation corresponding to 3 months of minimum subsistence income. Transaction taxes/fees will be paid by the EA or waived. Legalizable APs will be legalized and paid as titled owners. Non-legalizable APs losing agricultural land plot, which is the only land plot owned by AH and provides main source of income for AH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income. Residual non-affected sections of a plot that becomes inaccessible or unviable to use after acquisition will also be compensated.

- **Non agricultural land (Residential/commercial land).** Legal settlers will be compensated at replacement rate either with replacement plots of same value as plots affected and at location acceptable to APs where feasible, or in cash at current market rates, free of transaction cost. The cash at market rates option has been selected for the Program. Renters/leaseholders will receive a 3 months' rent allowance. Non-legalizable APs losing land plot, which is the only land plot used for residence or providing main source of income for AH, will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence income. This allowance is to be calculated based on a 5 people family and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval
- **Houses, buildings, and structures.** In order to address potential damages of vibrations or discomfort caused by road traffic, these items will be compensated in full for the whole building irrespective of the specific degree of impact. Compensation will be provided in cash at replacement cost free of deductions for depreciation, transaction costs or salvaged materials. All relevant APs are entitled to this provision by default irrespective of the registration status of the affected item.
- **Crops:** Cash compensation at current market rates for the gross value of 1 year's harvest by default³. Crop compensation will be paid both to landowners and tenants based on their specific sharecropping agreements.
- **Trees:** Cash compensation at market rate based on type, age and productivity of trees.
- **Businesses:** If business is lost permanently it will be compensated in cash equal to a 1-year income based on tax declaration or, if unavailable, based on the official minimum subsistence income. Temporary business losses will be compensated in cash for the business interruption period based on tax declaration or, if unavailable, official minimum subsistence income.
- **Affected business workers/employees:** Indemnity for lost wages for the period of business interruption up to a maximum of 3 months.
- **Relocation allowance:** APs forced to relocate will receive a relocation subsidy sufficient to cover transport costs and living expenses for 3 months.

² The most recent information from National Statistics Office of Georgia for September 2017 is 336.5 GEL per household (of five people) being equivalent to 1009.5 GEL per AH for three months.

³ Compensation by default means that crop compensation will be paid irrespective of whether the crops were already harvested or not at the time of impact. This covers also compensations for income expected from crops on affected agricultural land permanently used for crop cultivation during the recent years. In case if the land was permanently used for crop cultivation, but for the year, when the inventory of losses was conducted, no crops have been planted (due to need of rest to this land or illness of the farmer or any justifiable reason), the land parcel still will be considered as designed for crop cultivation and relevant compensations will be paid

- **Vulnerable Peoples Allowance:** Vulnerable people (APs below poverty line and women or elder headed households without any other bread-winner member of family) will be given an allowance corresponding to 3 months of minimum subsistence income and priority in employment in project-related jobs. The allowance is to be calculated based on a 5 people family and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval
- **Severe Impacts Allowance;** APs losing >20% of agricultural land or >20% of non-agricultural income will receive a severe impacts allowance equivalent to 3 months of minimum subsistence income⁴. This allowance is to be calculated based on a minimum subsistence income for 5 people family and the monthly-updated benchmarks indicated by the National Statistics Office of Georgia at time of RAP approval
- **Community Structures and Public Utilities:** Will be fully replaced or rehabilitated so as to satisfy their pre-project functions.
- **Temporary impact during construction:** All land required for temporary use is to be obtained by the civil works Contractor through voluntary negotiations (e.g., willing buyer-willing seller basis). The maximum period for temporary use is defined as 2 years. Compensation rates to be paid should not be less than compensation at current market rates for the gross value of 4 year's harvest of crops on the affected lands. It is also required that lands (or other assets) be fully cleared and restored following use.

⁴ The most recent information from National Statistics Office of Georgia for September 2017 is 336.5 GEL per household (of five people) being equivalent to 1009.5 GEL per AH for three months.

5.3 Entitlement Matrix

Table 5.3 Compensation Packages

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
Land			
Permanent loss of agricultural land	AP losing productive land regardless of impact severity	Registered Owner:	Cash compensation at full replacement cost, or if available, replacement land of the same productive value, agreeable to the AP. If the land becomes unusable, the project will purchase the land wholly, if it is acceptable for AP. It has been adopted for this program that compensation will be paid in cash.
		Legalizable Owner:	Rights of these persons will be legalized and after registration, they will receive cash compensation at full replacement cost.
		Illegitimate Owners, squatters; ownership is not subject for legalization	Illegitimate Owners, if they loss only land plot, used by them, which is the basic source of income for the household, will receive one time cash allowance for resettlement, which is the subsistence minimum for the household with 5 members calculating on one year.
Non-Agricultural Land	AP losing their commercial/ non-agricultural land	Registered Owner:	Cash compensation at full replacement cost, or if available, replacement land of the same productive value, agreeable to the AP.
		Legalizable Owner:	Rights of AP will be legalized and after registration, they will receive cash compensation at full replacement cost.
		Illegitimate Owners, squatters; ownership is not subject for legalization	Illegitimate Owners, if they loss only land plot, used by them, which is the basic source of income for the household, will receive one time cash allowance for resettlement, which is the subsistence minimum for the household with 5 members calculating on one year.
Buildings and Structures			

Residential and non-residential structures/assets		All AHs regardless of their legal ownership/ registration status (including unlawful owners)	Cash compensation for building/structures losses at full replacement costs free of depreciation and transaction costs
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public Assets	Community/Government	Reconstruction of the lost structure in consultation with community and restoration of their functions
Loss of Income and Livelihood			
Crops	Standing crops affected or affected agricultural land, used permanently for crop cultivation.	All APs regardless of legal status (including unlawful)	Cash compensation equal to the loss of actual or expected harvest. Compensation will be paid regardless the crops are harvested or no at the moment of the impact.
Trees	Trees affected	All APs regardless of legal status (including unlawful)	Cash compensation at market rate on the basis of type, age and productive value of the trees.
Business/Employment	Business/employment loss	All APs regardless of legal status	<i>Owner:</i> 1) Permanent impact: cash indemnity of 1 year net income or in the absence of income proof, One time minimum subsistence allowance in cash for 12 months; 2) Temporary impact: cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum salary. <i>Permanent worker/employees:</i> indemnity for lost wages equal to One time minimum subsistence allowance in cash for 3 months.
Allowances			
Severe Impacts	>20% income loss	All project affected households, who loss more than 20% of the land (including squatters) or more than 20% of non-agricultural income.	One time minimum subsistence allowance in cash for 3 months for the household with 5 members.

Relocation/Shifting	Transport/transition costs	All AHs to be relocated	An allowance covering transport and livelihood expenses for the transitional period, which is transportation cost (200 GEL) plus subsistence allowance in cash for 3 months for the household with 5 members.
Vulnerable People Allowances		AHs below poverty line, headed by Women	One time minimum subsistence allowance in cash for 3 months for the household with 5 members and employment priority in project-related jobs where feasible
Temporary impacts during construction		All APs	Due compensation to be assessed and paid in compliance with the present RAP principles. Land plot for temporary usage will be provided by the contractor through voluntary negotiations (based on voluntary purchase or lease agreement). Maximum term for temporary usage is 2 years. Payable compensation rates should not be less than the current market price for 4 year crop yield, expected on this land. It is obligatory that land plot (or other assets) will be cleaned and restored after usage.

6. Valuation of Affected Property

107. Valuation of compensation rates of different affected assets is various. Methodology used for determination of the compensation amount payable for damage to land owners:

Method N1 Cost Replacement approach – which contains full expenses of constructing (creating) analogous property, including:

Direct costs:

- Cost of material;
- Construction expenses:
- Workers' wages;
- Construction profit and overhead costs;
- Transportation costs;
- And other expenses necessary for construction activities.

Indirect costs:

- Professional service costs:
 - Architect/designer service costs;
 - Legal service costs;
 - Other expenses.
- Permit costs;
- Insurance costs;
- Other expenses.

Cost (replacement) approach in its turn includes 3 methods:

1. Method of square (cubic) meters;
2. Element (cost estimation) method;
3. Resource method.

108. In the given case, cost replacement - element (cost estimation) method has been used for calculation of the value of the project affected structures.

109. We draw up cost estimation for construction (arrangement) of the structures in replace to the structures, located on the project affected private land parcels. The type and amount of the construction material, used for the construction of the particular buildings and structures are given in this cost estimation. As for the cost of the construction materials, they are taken according to the Construction Resource Prices, published by the Construction Assessors Union.

110. The prices given in the mentioned publication were checked through the survey of market prices, when the conformity of main construction material was checked. In the result it was proved that the prices, given in the Construction Resource Prices corresponded to the existing market prices.

111. The construction (arrangement) expenses of the structures on the private land plots are fully reflected in the attached cost estimations.

Method N2 Sales Comparison Approach – direct comparison of the appraisal object with other object, the market price of which is known (it is sold or similar action is taken).

Following actions are taken while using this approach:

- Obtaining market data, analyses and classification, which gives the possibility to determine analogous property;
- Determination of the comparable elements, used for comparison of the object of the estimated property with analogues;
- Determination of the type and the degree of differences between selected comparable elements;
- Adjustment of prices of the defined comparable elements of analogues;
- Adjustment of all analogue prices in relation to the estimated property according to the defined comparable elements;
- Determination of the market price of the estimated property according to the adjusted prices of analogues.

112. Amendments are introduced according to comparable elements with following order:

- Transfer of property rights;
- Financial conditions;
- Selling conditions;
- Further expenses related to the sale;
- Market sale dynamics (sale date);
- Location;
- Physical characteristics;
- Economic characteristics;
- Usage;
- Absence of movable property.

113. In the given case sales comparison approach has been used for calculation of the market prices on land plots.

114. Market prices of land parcels and other immovable property are calculated according to the official exchange rate of GEL (stated by the National Bank of Georgia for the given period of time).

6.1 Calculation methods of Compensation Costs for Perennials

115. Determination method of the loss revenue has been used for identification of compensation value of the perennial plants during the period that is essential for growing the analogue seedling to the corresponding age of the existing plants.

116. Cost of perennial plants is determined in accordance with their age. Price of fruit trees will be calculated by multiplying of the annual harvest market price to those years that is essential for growing the new perennial seedling to the same age of existing trees.

117. Estimation of fruit trees is performed by the following formula:

$$Q = pY \left[a_f - x \right]^1, \left[x - 1 \right]^2, \left[a_s - 1 \right]^3 \quad a_s < x < a_f$$

Where:

Q – Compensation value of perennial trees;

P – Retail price of fruit/product that is set in accordance with the current market prices;

Y – Yield rate that is determined according to the Department of Statistics and monograph "Georgian Fruit-Growing" Vol. II (1973) and Vol. IV (1978) by Mr. Gogotur Agladze – Doctor of science of agriculture, member of the Academy of Science of Agriculture of Georgia and Russian Federation, the state prize laureate of Georgia, yield rate is also defined by data summarizing. Results are given in the table #5.

X – Current age of perennials that is determined by visual inspection and interview with owners.

a_s – full fruit bearing starting age is determined according to the table #6 that is compiled based on results of interviews conducted by specialists.

a_f – last age of fruit bearing is determined according to the table #6 that is compiled based on results of interviews conducted by specialists.

1 – Number of years remaining until completion of fruit bearing for each specific tree species;

2 – Number of years that a tree needs to achieve the proper age;

3 – Number of years that a tree needs to achieve the age of full fruit bearing.

Note: Out of 1, 2 and 3 options, only one is used, these options are used according to relevance, (prioritizing of less years), in order to define compensation value of the loss income for each specific tree.

118. Based on the above given formula, compensation value of perennial plants has been calculated by considering the principle of the loss income (sum of values of a certain tree total harvest during the period of growing a new tree to the age of an existing one).

7. CONSULTATION, AND PARTICIPATION

7.1 Introduction

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

120. The focus of these consultations are to ensure that the AP and other stakeholders are informed, educated, consulted and allowed to participate actively in the process of road development and preparation of social and resettlement plan; reducing public resistance to change; helping mitigate and minimize any probable negative impact and bringing in the benefit of the project to the people. The project design and preparation of land acquisition and resettlement plans, therefore, attempted consultation and participation of the AP and communities to incorporate their views, needs and aspirations into the Project components. The consultation process has stepped up at detail design through public consultation meetings and individual contacts during land acquisition and resettlement survey. The public consultations have been completed; Detailed information on consultation meetings is given in annex 3.

7.2 Consultation Process and Methodology

121. Consultation with local communities and government bodies in the project process was instrumental for alignment demarcation and selection of route, intersection and underpass sites for the Grigoleti-Kobuleti section of Highway. The route of the project road underwent several adjustments to avoid dense settlement, environmentally protected areas, civic amenities, and land acquisition. The public consultation process entailed clearly explaining the project and its impacts to the community through introducing the project and its impacts through leaflets in local language, clearly explaining to the communities in informal and formal consultation meetings and individual level discussion during the census and detailed measurement surveys of land and property.

122. The methodology includes walk-through informal group discussion, focused group discussion, individual interview, key informant interviews, and informal discussion. The APs, their community, and local government officials were consulted to inform, educate and provide feedback in the project design.

123. Specifically for this RAP the APs 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, all likely AP persons were consulted through community level meetings and through individual contact at the time of census, socioeconomic survey and detail measurement survey.

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

Table 6.1: Summary on Party consulted and consultation methods

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

7.3 Summary of Consultation during Feasibility Study

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

- (i) The likely APs and their community are aware about the project.
- (ii) APs losing their properties expected a proper compensation package.

- (iii) The structure owners request adequate compensation to rebuild their structure at alternative site. They should get advance notice for relocation.
- (iv) Measures should focus on installing speed limit, children signs as well as putting pedestrian areas, adequate footpaths.
- (v) Government should provide the alternative land to the landless people for their relocation.
- (vi) The compensation should be based on the fair assessment.
- (vii) Contractors should be advised by the project authority to employ the local people.

7.4 Consultation meetings with the APs during RAP Preparation

125. Consultation Process is completed: meetings in all affected municipalities have been carried out and information leaflets distributed. The protocols of these meetings are reflected in the RAP (see annex 3).

7.5 Changes in LAR approach following the meetings

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

7.6 Consultation and Participation Plan

127. RU on behalf of RDMRDI will pursue information disclosure for effective implementation and timely execution of RAP. Village level consultations with APs will be conducted during the implementation process. For the benefit of the community in general and APs in particular, RAP will be made available in concerned offices at rayon Sakrebulo and the community level Gamgeoba. An information leaflet (in Georgian) will be distributed among the APs and their community.

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

- (i) Final RAP will be disclosed upon receiving approval from the EIB
- (ii) RDMRDI will organize public meetings and will apprise the communities about the progress in the implementation of resettlement, and social activities.
- (iii) RDMRDI through its RU will organize public meetings to inform the community about the compensation and assistance to be paid. Regular update of the progress of the resettlement component of the project will be placed for public display at the local level RDMRDI office and at local Rayon Office.

- (iv) All monitoring and evaluation reports of RAP component of the project will be disclosed to the community.
- (v) Key features of the entitlements will be disclosed along the project corridor.
- (vi) RDMRDI will conduct information dissemination sessions at Gamgeoba and solicit the help of the local community leaders to encourage the participation of the APs in RAP implementation.
- (vii) Attempts will be made to ensure that vulnerable groups understand the process and to take their specific needs into account.

7.7 Disclosure

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

8. Institutional Arrangements

8.1 Introduction

129. Ministry of Regional Development and Infrastructure (MRDI) is the executing agency (EA) of the Project on behalf of the Government and the Roads Department of the MRDI (RDMRDI) is the implementing agency (IA). Several other governmental departments and private agencies will assist Roads Department in preparation of the detailed design, construction and introduction.

130. Pursuant to the active legislations, National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the recognition of ownership rights of rightful owners, registration of land ownership, with process verification and certification from village communities, notaries, Property Rights Recognition Commission (PRRC), and Sakrebulo.

131. At rayon level, NAPR is also responsible for registering transfer of acquired land from landowners to the RDMRDI. The local government at rayon and village levels is involved in the legalization of land parcels, which can be legalized and subsequently land acquisition and resettlement of APs.

132. The Ministry of Environment and Natural Resources (MENRP) is responsible for environmental issues.

8.2 Land Registration Organizations

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

8.2.1 Gamgeoba of Communities

134. The community level Gamgeoba (local administrative body) is the executive branch of self-government headed by the representative of the Governor (Gamgebeli). Representative has the primary role in the process of legalization and registration of land parcels. Governor of the rayon confirms ownership of affected land plots, parameters of land plots and endorses the cadastral maps and related data prepared for case of legalization. The Governor also plays important role for legalization of non-rightful owners (owners in possession of land without prior permission of the government before the enactment of current law on privatization in Georgia). Neighbours of applicants for legalization have roles in the authorization process.

8.2.2 Sakrebulo

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

8.2.3 Property Rights Recognition Commission

136. Under the Law on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities (2007), the Government has established the PRRC at rayon level for recognition of ownership rights of non-rightful owners for registration. The main role of the PRRC is to verify and authorize application of ownership of land for registration with the NAPR.

8.2.4 Rayon Registration Office

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

138. Rayon Registration Office of the NAPR is the Rayon level authority for executing registration of land parcels in the name of the applicants based on package of application documents provided by rightful owners or by non-rightful owners after receiving appropriate certificate from PRRC as the case may be. The owners submit both soft copy

and hard copy of plot maps with geometric details for record in the Rayon and Central NAPR.

8.3 Land Acquisition and Resettlement Organizations

8.3.1 Road Department

139. 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 (RRDRD) which will be responsible for the general management of the planning and implementation of all LAR tasks.

140. 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:

- 1) Screening the projects and ensuring that the RAP is properly prepared and sent to for review;
- 2) Supervising the consultants that prepare the RAP and assist in implementation;
- 3) Establishing needed LAR capacity at each regional level office where LAR is relevant;
- 4) Ensuring proper internal monitoring; and
- 5) Hiring, the external monitoring agency.

141. RDRD will also provide all needed documentation to ensure the prompt allocation of LAR budgets to the APs and will maintain the coordination of all LAR related activities.

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

8.3.2 Rayon LAR Team

143. Rayon level LAR Teams will be established to assist the central LARC and provide assistance to APs in the process of legalization of legalizable owners. Based on the RDMRDI's LARC decision and the RAP compensation rates and prices, the offer of purchase of land parcels shall be undertaken. If an AP agrees on the acquisition he/she will confirm such agreement in writing by signing the Sales/Purchase Agreement that will be registered with the Public Registry. This agreement will serve as the basis for compensation payment processing and release. If agreement is not reached between the AP and the LAR Team, the later will inform the LARC, which will take decision to start expropriation.

8.3.3 Local Governments

144. The local administration, especially at Rayon level, has direct jurisdiction for land administration, valuation, verification and acquisition. To confirm the surveys and the asset valuations carried out by the consultants, RDMRDI will establish Rayon Level LAR Teams which will have designated officials from the Rayon administration (Rayon Sakrebulo; Gamgebeli) and representatives of each affected village/community administration (representatives of all affected community/village level Sakrebulo and Gamgebeli).

145. The Rayon level LAR Teams will be formed and will work closely with the consultants and RDMRDI. The Rayon level LAR Team will participate in RAP implementation

8.4 Other Organizations and Agencies

8.4.1 Civil Works Contractor

146. A civil works contractor to be appointed by the RDMRDI to undertake the construction will be responsible for mitigating impacts resulting from the construction activities.

147. Any parcel of land that will be identified and acquired as part of the road ROW will be demarcated to clearly delineate it from the remaining non-acquired parts. The construction activities shall be monitored closely by the RDMRDI to ensure compliance with standards.

8.4.2 Ministries of Finance and Justice

148. The budgets for the implementation of RAP/ACS will be provided to RDMRDI by the Ministry of Finance following its official approval. The budget will be allocated on the accounts of the TRRC, the agency responsible for the financial management of the Project.

149. The Ministry of Justice is responsible for legal matters regarding land ownership, and 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 RD.

8.4.3 Consultants and Auditors

- In coordination with RDMRDI, the design consultant will be responsible for preparation of the RAP and ACS while a construction supervision consultant (CSC) will be in place to supervise civil works construction.
- Design Consultant - the design consultant has an international social development and resettlement specialist and a national resettlement / social specialist for finalizing RAP for each construction stage. The design consultant has hired a survey and independent audit agency for land acquisition and resettlement survey and documentation including census, socioeconomic survey, inventory of losses, and valuation of land and assets for replacement value. The RAP has been prepared based

on findings of the surveys following the final alignment as per detailed engineering design.

- Construction Supervision Consultant – the CSC will have land acquisition and resettlement specialists to oversee implementation of the RAP before the commencement of civil works and will also be responsible for monitoring resettlement related issues that may arise during construction.

8.4.4 Courts of Georgia

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

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

9. Grievance Redress Mechanism

152. 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.

153. The GRM consist of project-specific systems established at the municipal level and regular system established at RDMRDI. Grievance Redress 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.

154. 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 other persons or entities can be included in the commission as its members.

155. 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.

156. 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 |

157. 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.

158. 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).

159. 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.

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.
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</p>

		<p>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	<p>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 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</p>

		<p>case to the appropriate court of law (Rayon Court) without any reprissal.</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>
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10. Implementation schedule

10.1 General

160. 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 Lanchkhuti Rayon has been identified through title search during the land acquisition and resettlement survey and documentation work in 18 January 2015 – 25 August of 2015. The titled and non-titled but legalizable owners of land parcels to be acquired have been identified in the survey.

161. The present document is the t final draf version of the RAP. RDMRDI has reviewed and approved this document including compensation package and compensation rates and forwarded to the EIB 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.

10.2 RAP Approval and Initial Tasks

11 The Resettlement Unit of the RDRD under RDMRDI sets up relevant institutions and line up ETCIC, 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 approves the document including compensation rates. RD will submit the approved RAP

EIB for approval. Meanwhile, RD will implement actions for legalization of legalizable owners listed in the ACS of RAP (ACS-I) at the field level. All arrangements will be set for signing the contract agreement with the 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:

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

10.30RAP Implementation

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

- (i) Signing of contacts with APs
- (ii) Disclosure and consultation
- (iii) Capacity building training of LAR institutions, APs and NGOs
- (iv) Grievance resolution
- (v) Requisition to ETCIC for payment of compensation and allowances
- (vi) Transfer of compensation and allowance to APs' bank account and registration of land in PR on RDMRDI name
- (vii) Relocation of affected structures/ assets
- (viii) Compliance review and reporting
- (ix) Notice to proceed for Civil works construction
- (x) Monitoring

10.4 Post Implementation Evaluation

10 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.

10.5 RAP Implementation Time Schedule

11 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

RAP Tasks	2016	2017												2018											
	December	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December
End of RAP surveys/valuation																									
LAR Institutions Establishment																									
AP Consultation																									
Draft RAP Finalized																									
EIB final review And approval																									
Government approval																									
Disclosure																									
Contract awards signing																									
Legalization																									
AP agreements signing																									

[illegible]

External Monitoring

11. Resettlement Budget and Financing

11.1 Review

12 All RAPs preparation and implementation costs, including cost of compensation and resettlement administration, will be considered in the project budget. Road Department is responsible for finding the project related funding.

13 All RAPs should contain the information about the budget, including:

- Unit compensation rates for all affected items and allowances by indicating methodologies.
- Assistance for vulnerable groups and families who lose more than 20% of land.
- RAP implementation costs.

11.2 Compensation for land

14 Land compensation value has been provided by independent auditor. Land plots have been divided in 8 categories based on their location;

Land categories:

Category 1	Residential land plots located located within the administrative borders of Supsa Village-7.00 GEL
Category 2	Other land plots located within the administrative borders of Supsa Village -5.40 GEL
Category 3	Other land plots located within the administrative borders of Shroma Village – 22.30 GEL
Category 4	Land plots located in Ureki town near the administrative border of Shroma Village-40.00 GEL
Category 5	Land plots located near Ureki central road- 60.00 GEL
Category 6	Other land plots located in administrative borders of Ureki town-35.00 GEL
Category 7	Land plots located between Sepa river and railway bridge-30.00 GEL
Category 8	Land plots located after railway bridge in th direction of Kobuleti -40.00 GEL

Detailed information about land compensation value is given in Table 11.2.1.

Table 12.2.1 Land Compensation

Land Category/ use and Group		Area (sqm)	Compensation (GEL)
Type 1	Residential land plots located within the administrative borders of Supsa Village-7.00 GEL	47,236	330652
Type 2	Other land plots located within the administrative borders of Supsa Village -5.40 GEL	160,038.2	864206
Type 3	Other land plots located within the administrative borders of Shroma Village – 22.30 GEL	239,050.66	5259114
Type 4	Land plots located in Ureki town near the administrative border of Shroma Village-40.00 GEL	16,607.59	664304
Type 5	Land plots located near Ureki central road- 60.00 GEL	76,387.18	4583231
Type 6	Other land plots located in administrative borders of Ureki town-35.00 GEL	66,499.11	2327469
Type 7	Land plots located between Sepa river and railway bridge-30.00 GEL	156,057.4	4681722
Type 8	Land plots located after railway bridge in the direction of Kobuleti -40.00 GEL	361,846.83	14473873
Total Compensable Land		1,010,825	33,184,571
Type 9	Illegally Used by Private Users (Squatters) and not compensable	8,231	0
Type 10	State Owned land parcels not used by private users and not compensable.	109,328	0
Grand Total		1,128,384	33,184,571

11.3 Compensation for structures

15 The compensation cost of structures are determined by considering all costs necessary for construction of the same building, current market prices.

In frames of the project, 21 structures are impacted, out of which 14 are houses with

auxiliary buildings, 2 structures one is combined with several demolished building and the second one is a building of the old sanatorium, which was assessed as destructed/demolished structure, 1 is closed shop and rest 4 are auxiliary buildings. Detailed information about the mentioned structure can be found in the annex 2.

Table 11.3.1 provides information about compensation value of structures.

Table 12.3.1

Structure N	Location	Category	Compensation
1	Supsa	Residential	240,815
2	Supsa	Residential	111,640
3	Supsa	Residential	104,125
4	Supsa	Residential	122,710
5	Supsa	Residential	178,150
6	Supsa	Residential	142,870
7	Supsa	Residential	97,310
8	Supsa	Residential	78,290
9	Supsa	Residential	62,590
10	Supsa	Residential	27,095
11	Ureki	Residential	67,315
12	Ureki	Residential	94,990
13	Shroma	Residential	82,030
14	Shroma	Residential	41,390
15	Ureki	Commercial	2,030
16	Supsa	Commercial	1,752
17	Shroma	Auxiliary facility	4,910
18	Shroma	Auxiliary facility	3,020
19	Natanebi	Auxiliary facility	12,830
20	Shroma	Auxiliary facility	6,765
21	Shroma	Commercial	11,330

11.4 Compensation for Loss of Business and other Incomes

No business or employment unit is under the impact of the project.

11.5 Compensation for Harvest

16 All affected persons will be paid compensation for harvest with full market rate. Detailed information about the compensation for harvest is given in the table 11.5.1

Table 11.5.1

Type of agricultural crop	Dimension unit	Harvest per 1 ha land area	Unit crop market price, GEL	Compensation value for agricultural crop harvest per 1 ha, GEL	Area	Compensation
Potato	Ton	26	600	15600	3021	4712.76
Bean	kg	800	5	4000	373330	149332
Tomato	Ton	20	800	16000	280	448
Corn	kg	5000	0.8	4000	416178	166471.2
Soybean	Ton	4	550	2200	357455	78640.1
Sunflower	Ton	2	720	1440	300	43.2
Pumpkin	Piece	1000	3.5	3500	343754	120313.9
Cucumber	Ton	15	0.7	10500	2380	2499
Broom-corn	Ton	12	150	1800	770	138.6
Pepper	kg	500	1.2	600	500	30
Other vegetables	-	-	-	5000	3861	1930.5
Total					1501829	525144.29

11.6 Compensation for Trees

17 Value of perennial plants was determined according to their age. Price of fruit trees was calculated by multiplying the market price of annual harvest to that number of years that is needed for growing new tree planting up to the age of the existing fruit trees.

Plants	Age group	Cost of seedling, Gel	Cost of harvest unit, Gel	Number of compensation years	Full productivity per year, kg	Harvest compensation for unit, GEL	Total compensation for adult perennial	Quantity	Compensation
1	2	3	4	5	6	7	8	9	10
Cherry (sweet cherry)	Seedling (<5)	5	2	5	4	8,0	35	12	420
	5-10	5	2	5	10	20,0	75	52	3900
	11-20	5	2	5	16	32,0	117	16	1872

	21+	5	2	5	10	20,0	75	0	0
Peach	Seedling (<5)	6	1,5	5	4	6,0	27	6	162
	5-10	6	1,5	5	15	22,5	85	3	255
	11-20	6	1,5	5	40	60,0	216	0	0
	21+	6	1,5	5	25	37,5	137	0	0
Walnut	Seedling (<5)	10	5	5	4	20,0	80	370	29600
	43013	10	5	10	15	75,0	535	105	56175
	44136	10	5	10	30	150	123 5	113	139555
	21+	10	5	10	40	200	151 0	54	81540
Quince	Seedling (<5)	4	1,5	5	3	4,5	20	0	0
	5-10	4	1,5	5	15	22,5	83	2	166
	11-20	4	1,5	5	30	45,0	162	1	162
	21+	4	1,5	5	20	30,0	109	0	0
Pear	Seedling (<5)	4	1,2	5	7	8,4	33	8	264
	5-10	4	1,2	7	20	24,0	122	47	5734
	11-20	4	1,2	7	70	84,0	416	32	13312
	21+	4	1,2	7	45	54,0	269	15	4035
Plum (variety of plum)	Seedling (<5)	4	0,8	5	8	6,4	26	4	104
	5-10	4	0,8	5	15	12,0	46	4	184
	11-20	4	0,8	5	30	24,0	88	1	88
	21+	4	0,8	5	20	16,0	60	1	60
Mulberry	Seedling (<5)	5	1,5	5	4	6,0	26	1	26
	5-10	5	1,5	5	10	15,0	58	13	754
	11-20	5	1,5	5	16	24,0	89	38	3382
	21+	5	1,5	5	10	15,0	58	2	116
Hazelnut	Seedling (<5)	2	4	5	2	8,0	30	197	5910
	5-10	2	4	5	5	20,0	75	1109	83175
	11-20	2	4	5	6	24,0	90	1061	95490
	21+	2	4	5	4	16,0	55	290	15950
Sour plum (cherry plum)	Seedling (<5)	3	0,8	5	7	5,6	23	23	529
	5-10	3	0,8	5	15	12,0	45	59	2655

	11-20	3	0,8	5	50	40,0	143	67	9581
	21+	3	0,8	5	25	20,0	73	0	0
Apple	Seedling (<5)	4	1	5	5	5,0	22	3	66
	5-10	4	1	6	25	25,0	109	14	1526
	11-20	4	1	6	70	70,0	298	19	5662
	21+	4	1	6	40	40,0	172	4	688
Vine	Seedling (<5)	2	1,5	4	5	7,5	23	1	23
	5-10	2	1,5	4	7	10,5	31	29	899
	11-20	2	1,5	4	9	13,5	40	621	24840
	21+	2	1,5	4	5	7,5	23	4	92
Fig	Seedling (<5)	3	1,5	5	5	7,5	29	2	58
	5-10	3	1,5	6	10	15,0	66	43	2838
	11-20	3	1,5	6	30	45,0	192	53	10176
	21+	3	1,5	6	20	30,0	129	11	1419
Kiwi	Seedling (<5)	3	1,5	4	5	7,5	24	10	240
	5-10	3	1,5	4	10	15,0	45	5	225
	11-20	3	1,5	4	30	45,0	129	11	1419
	21+	3	1,5	4	20	30,0	87	0	0
Tangerine	Seedling (<5)	3	1,25	5	10	12,5	47	1	47
	5-10	3	1,25	5	30	37,5	134	1	134
	11-20	3	1,25	5	80	100,0	353	42	14826
	21+	3	1,25	5	50	62,5	222	0	0
Orange	Seedling (<5)	4	1,5	5	10	15,0	57	1	57
	5-10	4	1,5	5	30	45,0	167	3	501
	11-20	4	1,5	5	80	120,0	424	0	0
	21+	4	1,5	5	50	75,0	267	0	0
Lemon	Seedling (<5)	4	1,3	5	5	6,5	27	0	0
	5-10	4	1,3	5	15	19,5	72	16	1152
	11-20	4	1,3	5	35	45,5	163	0	0
	21+	4	1,3	5	20	26,0	95	0	0
Bay-tree	Seedling (<5)	1	4	5	1	4,0	15	3	45
	5-10	1	4	5	2	8,0	29	5	145
	11-20	1	4	5	2	8,0	29	0	0

	21+	1	4	5	1	4,0	15	3	45
Cherry laurel	Seedling (<5)	2	0,25	8	2	0,5	5	0	0
	5-10	2	0,25	8	4	1,0	8	3	24
	11-20	2	0,25	8	10	2,5	16	12	192
	21+	2	0,25	8	7	1,75	12	0	0
Barberries	Seedling (<5)	5	2,5	5	3	7,50	31	4	124
	5-10	5	2,5	5	5	12,50	49	13	637
	11-20	5	2,5	5	7	17,50	66	9	594
	21+	5	2,5	5	5	12,50	49	0	0
Mildness	Seedling (<5)	4	1,5	6	3	4,5	23	0	0
	5-10	4	1,5	6	10	15,0	67	3	201
	11-20	4	1,5	6	20	30,0	130	5	650
	21+	4	1,5	6	10	15,0	67	0	0
Loquat	Seedling (<5)	4	2	6	3	6,0	29	6	174
	5-10	4	2	6	10	20,0	88	14	1232
	11-20	4	2	6	20	40,0	172	8	1376
	21+	4	2	6	10	20,0	88	0	0
Feijoa	Seedling (<5)	1	1.5	3	5	7.5	18.5	10	185
	5-10	1	1.5	5	10	15	56	30	1680
	11-20	1	1.5	5	25	37.5	133	63	8379
	21+	1	2	5	12	24	90	52	4680
Persimmon	Seedling (<5)	2	1	5	5	5,0	20	3	60
	5-10	2	1	6	10	10,0	44	17	748
	11-20	2	1	6	30	30,0	128	35	4480
	21+	2	1	6	20	20,0	86	3	258
Pomegranate	Seedling (<5)	4	2	5	5	10,0	39	0	0
	5-10	4	2	6	10	20,0	88	0	0
	11-20	4	2	6	30	60,0	256	2	512
	21+	4	2	6	20	40,0	172	0	0
Chestnut	Seedling (<5)	7	1	5	30	30,0	112	0	0
	5-10	7	1	10	50	50,0	357	2	714
	11-20	7	1	10	120	120,0	1057	1	1057

	21+	7	1	10	125	125,0	847	0	0
Strawberry tree	Seedling (<5)						15	1	15
	5-10						25	0	0
	11-20						50	0	0
	21+						80	0	0
Boxwood	Seedling (<5)						30	2	60
	5-10						120	0	0
	11-20						200	0	0
	21+						750	0	0
Paulownia	Seedling (<5)						10	0	0
	5-10						100	9	900
	11-20						400	0	0
	21+						600	0	0
Bamboo	Seedling (<5)						3	9	27
	5-10						7	0	0
	11-20						10	30	300
	21+						15	0	0

11.7 Resettlement Assistance

18 Three types of assistance are provided for the affected families:

- I. Assistance for strongly affected households: assistance for such households amounts to three month minimum subsistence wage for a family with 5 members – 1009.5 Gel (336.50 Gel x 3 months). Total number of severely affected lands is 700, accordingly compensation for above mentioned families is 706,650.00 Gel.
- II. Assistance for socially vulnerable families: assistance for such families is three month minimum subsistence wage for a family with 5 members - 1009.5 Gel (336.50 Gel x 3 months). Total amount of socially vulnerable families is 59, accordingly compensation for above mentioned families is 59,560.50 Gel.
- III. Assistance for resettled households: assistance for such families is three month minimum subsistence wage for a family with 5 members - 1009.5 Gel (336.50 Gel x 3 months), plus 200 Gel for transportation. Compensation for above mentioned families is 16,933.00 Gel.

Information about detailed calculation of assistance is given in the table 11.7.1

Table 12.7.1

Assistance	Unit price (Gel)	Number	Total compensation
Severe affected households	1009.5	700	706,650 Gel
Socially vulnerable families	1009.5	59	59,650 Gel
Resettled households	1209.5	14	16,933 Gel

11.8 Resettlement management cost

19 Roads Department will need to employ one independent monitoring agency for external monitoring of RAP implementation for a period of 2 months (unless construction supervision consultant is not hired during implementation of 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 12.8.1

Table 12.8.1

	Unit	Quantity	Unit cost	Total cost
Cost for external monitoring	Months	24	4,000	96,000
Various administrative expenses	Months	24	1,000	24,000
				120,00

11.9 Cost of resettlement

20 The budget of Resettlement Action Plan covers: proper compensation, resettlement allowance and contingencies, which is 10% of the total cost

Name	Unit cost	Amount	Total cost (Gel)
Land parcels	Various	1247537	33,256,288
Structures	Various	21	1,493,957
Other assets (fences, gates)	Various	115	45,918
Trees	Various	4957	651,538
Crop	Various	1501829	525,144
Vulnerability assistance	Subsistence minimum for 3 months (336.47x3)	59	59,560
Severe impact allowance	Subsistence minimum for 3 months (336.47x3)	700	706,650

Relocation/Shifting allowance	Subsistence minimum for 3 months (336.47x3)	14	16,933
Registration fee	Various	526	58,548
External and Internal monitoring	-		120,000
Sum			36,934,537
Unexpected costs	10%		3,693,454
Total			40,627,990

12. Monitoring and Reporting

21 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.

12.1 Internal Monitoring

22 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 EIB 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. EIB). 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.

23 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.

12.2 External Monitoring

24 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.

25 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.

26 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 EIB regarding the provision of No Objection Letter to start the civil works.

27 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.