

DOCUMENT NUMBER					
<p align="center"> PREPARATION OF DETAILED DESIGN FOR NEW CONSTRUCTION OF KHEVI-UBISA-SHORAPANI-ARGVETA SECTION (E60 HIGHWAY ROUTE), BIDDING DOCUMENTS, ENVIRONMENTAL IMPACT ASSESSMENT AND DETAILED RESETTLEMENT ACTION PLAN </p> <p align="center"> Draft Final </p> <p align="center"> RESETTLEMENT ACTION PLAN </p>					
00	June 2018	ISSUED FOR APPROVAL	Consulta	Team Leader	Project Director
			Cons	TL	PD
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ABBREVIATIONS

ACS	acquisition and compensation scheme
ACM	Acquisition and Compensation matrix
ADB	Asian Development Bank
AH	affected Household
AP	Affected Person
CBO	community based organization
CSC	Construction supervision consultant
DD	Detail Design
DMS	Detailed measurement survey
EIB	European Investment Bank
EMA	external monitoring agency
ETCIC	Eurasian Transport Corridor Investment Center
ESIA	Environmental and Social Impact Assessment
EWHCIP	East West Highway Corridor Improvement Project
FS	Feasibility Study
GoG	Government of Georgia
GPS	Global Positioning System
GRCE	Grievance Redress Committee
GRCN	Grievance Redress Commission
GRM	Grievance Redress Mechanism
IA	implementing agency
IFI	International Financial Institution
IP	indigenous peoples
Km	Kilometer
LAR	land acquisition and resettlement
LARC	land acquisition and resettlement commission
LARP	Land Acquisition and Resettlement Plan
MOES	Ministry of Economic and Sustainable Development
M&E	monitoring and evaluation

MTFF	Multi Tranche Financial Facilities
MOF	Ministry of Finance
MPR	monthly progress report
MRDI	Ministry of Regional Development and Infrastructure
NAPR	National Agency of Public Registry
PAPs	Project affected persons
PIB	Public Information Booklet
PR	Public Relation
PRRC	Property Rights Recognition Commission
NGO	non-governmental organization
RAP	Resettlement action plan
RD	Roads Department
RDMRDI	Roads Department of the Ministry of Regional Development and Infrastructure of Georgia
RDRD	Road Department and Resettlement Division
RoW	Right of way
RPF	resettlement Policy framework
RS	resettlement service
RD	Resettlement Division
SES	socioeconomic survey
SPS	Safeguard Policy Statement
SSC	Social Safeguard Consultant
TRRC	Transport Reform and Rehabilitation Center

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 favor 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.

1. The Government of Georgia (GOG) has received a loan from the Asian Development Bank (ADB) through a Multi tranche Financing Facility (MFF) for implementing the Road Corridors Development Program (the Program) to rehabilitate, improve or construct several roads in various regions of Georgia. The program includes the Khevi–Ubisa-Shorapani-Argveta section (E60 Highway Route) which will be financed under different funds.

2. This RAP was prepared by IRD and SPEA consulting and it is based on a preliminary survey appraisal conducted on November 16, 2017, according to the requirements of the ADB's Safeguard Policy Statement (SPS) (2009) as well to the Resettlement Policy Framework prepared by the East –West Highway Corridor Improvement Project AF-Upgrading and construction of Khevi-Argveta Section F3 of the E-60 Highway.

3. Khevi-Argveta section represents an important section of the motorway; it is located in complicated topographic and geological conditions. This section represents the extension of Zestaphoni-Kutaisi motorway. Design section starts at km 160 of Tbilisi-Senaki-Leselidze motorway and ends at km 200 of the same road in Argveta. This section is directly connected to Argveta interchange which is under construction.

4. Preparation of detailed design of Section F3 Boriti-Shorapani section km 0+000-km 13+054 of E-60 motorway is envisaged under the present project.

5. The project road is based in Imereti region. The Lot F3 Alignment is the intermediate between initial lot F2 and final lot F4 of Khevi-Argveta. The start of Lot F3 (and of consequence the end of lot F2 has been moved in the latest phases of design, in order to incorporate part of the interchange which is between the two lots.

6. The total length of Section F3 is of 13+053,820 m - TA and of 13+070,83 m – AT.

7. Design alignment is located in Zestaphoni region. The relief is mountainous-hilly. Terrain is undulated, uneven, with sequences of deep ravines and ridges. Direction of slopes and ravines is variable, due to which construction of road bed requires a frequent succession of cuts and fills.

8. The main structures of the project consist of bridges aimed to cross valley, rivers or other kind of obstacles.

9. The total number of bridges is 27 – 13 along carriageway Tbilisi – Argveta and 14 along carriageway Argveta – Tbilisi.

10. In Section F3 are foreseen 18 tunnels (9 tunnel for each carriageway).

11. Below are mentioned main technical parameters adopted in the detailed design:

- Design speed - 100 km/h;
- Minimum radius of horizontal curve - 400 m;
- Maximum longitudinal gradient - 4%;

- Minimum convex curve - 15 000 m;
- Minimum concaved curve - 15 000 m.

12. Minimum radius of horizontal curve 400 m for the design speed 100 km/h is adopted based on Austrian standards and Russian standards (SNiP 2.05.02-85) for mountainous relief. However, wherever possible the radius has been envisaged of 500 meters or more.

13. A preliminary survey appraisal on the localization, assessment and evaluation measures to be delivered to the PAP has been done on May 2018.

14. A preliminary inventory of all the impacts has been done following the latest alignment as per detailed engineering design for the F3 section. Digitized cadastral maps were collected from Registration Offices of NAPR. The final road alignment will be superimposed on the digitized cadastral maps and land survey using GPS on site to identify precisely the affected land parcels, demarcation of land parcels including correction in geometric details and quantification of land parcels. Finally, adjustment of road corridor against the planned design will be further refined to better design the following issues: access roads to plots, area of small land, public utilities etc. After that, the cadastral details from land survey, the Detailed Measurement Survey (DMS) and census was completed for this F3 project.

2.1 Affected Land Plots

15. According to the survey results, mentioned road section will affect 195 land plots. From the mentioned 195 land plots, 11 are in state ownership, 184 land plots are in private ownership.

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

I category: Project affected private land plots, registered in Public Register: 95 with total affected area of 127100m².

II category: Legalizable project affected land plots: 89 land plot with affected area of 94705 m².

III category: Non legalizable; ownership is not subject for legalization- N/A

IV category: State land (is not occupied arbitrarily by population) 11 plot with affected area 4891 m².

17.The information on usage types of affected land plots is given in Table 2.1 below.

Table 2-1 Type of land

Type of land	Number
Agricultural	140
Residential area	27
Non-agricultural	28

2.2 Impact on Agricultural Crops

18.On the project impact there is arable land plot where populations have planted corn and beans. According to the survey under the project impact zone there is account for 74243 sq.m of corn, bean and other vegetables.

Table 2-2 Impact on agricultural crops

Agricultural crop	Unit	Harvest for 1 Ha land plot	Market cost of plant unit, GEL	Compensation of agricultural crops harvest per 1 Ha, GEL	Area
Potato	Tons	26	600	15600	2320
Beans	Kg	800	5	4000	28767
Garlic	Kg	1600	5	8000	70
Tomato	Tons	20	800	16000	420
Corn	Kg	5000	0.8	4000	31550
Pumpkin	Piece	1000	3.5	3500	7220
Cucumber	Tons	15	0.7	10500	220
Strawberry	Kg	4000	1.3	5200	140
Soybean	Tons	4	550	2200	2530
Raspberries	Kg			104000	75
Cabbage	Tons	22	0.66	6600	200
Other vegetables	-	-	-	5000	731
Total					74243

2.3 Impact on Trees

19. According preliminary data under impact zone of the project there are 16901 trees. The quantity of trees presented in table below is preliminary.

Table 2-3 Impact on 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 per year (Gel)	Total compensation for adult perennial seedling with considering the cost (Gel)	Quantity
1	2	3	4	5	6	7	8	9
Cherry(Sweet cherry)	Seedling (<5)	5	2	5	4	8,0	35	217
	5-10	5	2	5	10	20,0	75	231
	11-20	5	2	5	16	32,0	117	58
	21+	5	2	5	10	20,0	75	16
Peach	Seedling (<5)	6	1,5	5	4	6,0	27	37
	5-10	6	1,5	5	15	22,5	85	39
	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	32
	5-10	10	5	10	15	75,0	535	87
	11-20	10	5	10	30	150	1235	95
	21+	10	5	10	40	200	1510	61
Quince	Seedling (<5)	4	1,5	5	3	4,5	20	23
	5-10	4	1,5	5	15	22,5	83	39
	11-20	4	1,5	5	30	45,0	162	19
	21+	4	1,5	5	20	30,0	109	7
Pear	Seedling (<5)	4	1,2	5	7	8,4	33	89
	5-10	4	1,2	7	20	24,0	122	81
	11-20	4	1,2	7	70	84,0	416	53
	21+	4	1,2	7	45	54,0	269	37
Plum (Variety of plum)	Seedling (<5)	4	0,8	5	8	6,4	26	134
	5-10	4	0,8	5	15	12,0	46	80
	11-20	4	0,8	5	30	24,0	88	63
	21+	4	0,8	5	20	16,0	60	18
Mulberry	Seedling (<5)	5	1,5	5	4	6,0	26	61
	5-10	5	1,5	5	10	15,0	58	146
	11-20	5	1,5	5	16	24,0	89	117
	21+	5	1,5	5	10	15,0	58	28

Plants	Age group	Cost of seedling, Gel	Cost of harvest unit, Gel	Number of compensation years	Full productivity per year, kg	Harvest compensation for per year (Gel)	Total compensation for adult perennial seedling with considering the cost (Gel)	Quantity
1	2	3	4	5	6	7	8	9
Hazelnut	Seedling (<5)	2	4	5	2	8,0	30	653
	5-10	2	4	5	5	20,0	75	561
	11-20	2	4	5	6	24,0	90	814
	21+	2	4	5	4	16,0	55	11
Sour plum(Cherry plum)	Seedling (<5)	3	0,8	5	7	5,6	23	273
	5-10	3	0,8	5	15	12,0	45	471
	11-20	3	0,8	5	50	40,0	143	227
	21+	3	0,8	5	25	20,0	73	26
Apple	Seedling (<5)	4	1	5	5	5,0	22	106
	5-10	4	1	6	25	25,0	109	182
	11-20	4	1	6	70	70,0	298	80
	21+	4	1	6	40	40,0	172	18
Vine	Seedling (<5)	2	1,5	4	5	7,5	23	282
	5-10	2	1,5	4	7	10,5	31	140
	11-20	2	1,5	4	9	13,5	40	3157
	21+	2	1,5	4	5	7,5	23	6057
Fig	Seedling (<5)	3	1,5	5	5	7,5	29	81
	5-10	3	1,5	6	10	15,0	66	174
	11-20	3	1,5	6	30	45,0	192	74
	21+	3	1,5	6	20	30,0	129	26
Lemon	Seedling (<5)	4	1,3	5	5	6,5	27	0
	5-10	4	1,3	5	15	19,5	72	1
	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	1
	5-10	1	4	5	2	8,0	29	37
	11-20	1	4	5	2	8,0	29	8
	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	0
	11-20	2	0,25	8	10	2,5	16	0
	21+	2	0,25	8	7	1,75	12	0
Barberries	Seedling (<5)	5	2,5	5	3	7,50	31	7
	5-10	5	2,5	5	5	12,50	49	15

Plants	Age group	Cost of seedling, Gel	Cost of harvest unit, Gel	Number of compensation years	Full productivity per year, kg	Harvest compensation for per year (Gel)	Total compensation for adult perennial seedling with considering the cost (Gel)	Quantity
1	2	3	4	5	6	7	8	9
	11-20	5	2,5	5	7	17,50	66	12
	21+	5	2,5	5	5	12,50	49	1
Mildness	Seedling (<5)	4	1,5	6	3	4,5	23	1
	5-10	4	1,5	6	10	15,0	67	11
	11-20	4	1,5	6	20	30,0	130	21
	21+	4	1,5	6	10	15,0	67	0
Loquat	Seedling (<5)	4	2	6	3	6,0	29	8
	5-10	4	2	6	10	20,0	88	2
	11-20	4	2	6	20	40,0	172	1
	21+	4	2	6	10	20,0	88	0
Feijoa	Seedling (<5)	1	1.5	3	5	7.5	18.5	0
	5-10	1	1.5	5	10	15	56	2
	11-20	1	1.5	5	25	37.5	133	0
	21+	1	2	5	12	24	90	0
Persimmon	Seedling (<5)	2	1	5	5	5,0	20	125
	5-10	2	1	6	10	10,0	44	314
	11-20	2	1	6	30	30,0	128	117
	21+	2	1	6	20	20,0	86	15
Pomegranate	Seedling (<5)	4	2	5	5	10,0	39	1
	5-10	4	2	6	10	20,0	88	11
	11-20	4	2	6	30	60,0	256	40
	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	13
	11-20	7	1	10	120	120,0	1057	2
	21+	7	1	10	125	125,0	847	24
Apricot	Seedling (<5)	4	1,5	5	4	6	27	
	5-10	4	1,5	5	15	22,5	83	
	11-20	4	1,5	5	40	60,0	214	
	21+	4	1,5	5	25	37,5	135	
Dogwood	Seedling (<5)	3	2	5	2	4,0	17	3
	5-10	3	2	5	3	6,0	24	5
	11-20	3	2	5	4	8,0	31	7
	21+	3	2	5	3	6,0	24	0

Plants	Age group	Cost of seedling, Gel	Cost of harvest unit, Gel	Number of compensation years	Full productivity per year, kg	Harvest compensation for per year (Gel)	Total compensation for adult perennial seedling with considering the cost (Gel)	Quantity
1	2	3	4	5	6	7	8	9
Red raspberry	Seedling (<3)	2	5	3	1	5,0	12	484
	3-10	2	5	3	2	10,0	22	51
	10-20	2	5	3	1,5	7,5	15	0
Currant	Seedling (<5)	1.5	2	5	1.5	3	14	0
	5-10	1.5	2	5	2	4	18	0
	11-20	1.5	2	5	2.5	5	22.5	4
	21+	1.5	2	5	2	4	18	0
Hawthorn	Seedling (<5)						2	0
	5-10						4	4
	11-20						6	10
	21+						6	1
Staphylea	Seedling (<5)	2	1	6	3	3	16	33
	5-10	2	1	6	10	10	50	81
	11-20	2	1	6	15	15	80	120
	21+	2	1	6	12	12	65	5
Jujube	Seedling (<5)	5	2,5	5	3	7,50	30	11
	5-10	5	2,5	7	10	25,0	140	6
	11-20	5	2,5	7	35	92,50	550	2
	21+	5	2,5	7	30	75,0	445	0

2.4 Impact on Structures

20. Under the impact of this project there are 115 buildings which will be demolished during the construction of the road. From this 115 there are 19 residential houses, 75 auxiliary and 21 commercial or industrial structures.

Table 2-4 Impact on Structures

Type of building	Number
Residential	19
Commercial	21
Auxiliary	75
Total	115

2.5 Impact on Business

21. Under the impact of the project are 8 business objects, about of which 1 is restaurant, 2 shops, 1 bread bakery, 2 gas station, 1 pharmacy. The difference between the number of affected commercial building shown in table 2-4 above and number business affected is due to fact that some of affected commercial buildings are abandoned.

22. Collecting information about business is still on going and the final information will be presented in Final RAP.

N	Land plot N	Business Type	Employs
1	N 14	Pharmacy	-
2	N 15	Shop	0
3	N 16	Shop	0
4	N 17	Ceramic seller	0
5	N 23	Bread bakery	0
6	N 96	Restaurant	-
7	N187	Ceramic seller	-
8	N 188	Gas station	-
9	N 194	Gas station	-

2.6 Impact on Common Property

23. Under the impact of the project there is School's sport hall, kindergarten, post office and police office.

2.7 Impact on vulnerable households

24. Under the impact of the project are 6 vulnerable families, with 22 members, which are below bravery line.

2.8 Summary of IMPACTS

Table 2-5

N	Impacts	Unit	
Land Tenure Patterns			
1.	Total Land parcels affected	No	195
2.	Total land Area to be acquired	Sq.m	226,696
3.	Category 1. Private Registered Plots	No	95
		Sq.m	127100
4.	Category 3. Private Legalizable	No	89

		sq.m	94705
5.	Category 4. State Owned Illegally Used by Private Users (Non-legalizable).	№	N/A
		Sq.m	N/A
6.	Category 5. State Owned (Not Used by Private Users)	№	11
		Sq.m	4891
Agricultural Patterns			
7.	Potato	Sq.m	2320
8.	Beans	Sq.m	28767
9.	Garlic	Sq.m	70
10.	Tomato	Sq.m	420
11.	Corn	Sq.m	31550
12.	Pumpkin	Sq.m	7220
13.	Cucumber	Sq.m	220
14.	Strawberry	Sq.m	140
15.	Soybean	Sq.m	2530
16.	Raspberries	Sq.m	75
17.	Cabbage	Sq.m	200
18.	Other vegetables	Sq.m	731
19.	Affected Trees	№	16901
Affected Structures			
20.	Residential houses	№	19
21.	Commercial buildings	№	21
22.	Auxiliary buildings	№	75
Affected Businesses			
23.	Restaurants	№	1
24.	Gas Station	№	2
25.	Ceramic seller	№	2
26.	Shop	№	2
27.	Bakery	№	1
28.	Pharmacy	№	1
Affected Households			
29.	Severely affected Households	№	109
30.	Vulnerable Households	№	6
31.	Resettled households	№	19
32.	AHs losing non-legalizable land plots	№	N/A
33.	AH losing Jobs	№	N/A
34.	Total AH	№	127
35.	Total Affected Persons	№	485

3.1 General Overview

25. Imereti is one of the main historical, economic, cultural and educational regions of Georgia with area of 6.6 thousand sq. km (11 % of Georgia), population 700 thousand people (16 % of Georgian population).

26. Imereti is divided into two parts: Upper (Zemo) and Lower (Kvemo) Imereti. Imereti lies in the central part of Georgia in geographic terms. It is surrounded with distinctive natural borders: Racha-Lechkhumi and Lower Svaneti provinces (separated by Racha ridge) to the north, Inner (Shida) Kartli (separated by Likhi ridge) to the east, Samtskhe-Javakheti (separated by Adzhara-Imereti ridge) to the south and Guria and Samegrelo-Upper Svaneti (separated by r. Supsa and r. Tskhenistkali) to the west. Imereti occupies a territory of approximately 6,552 km² (9.4 percent of Georgia area) and consists of 12 administrative districts: Kutaisi (the Capital of the region), Tkibuli, Tskaltubo, Chiatura, Baghdati, Vani, Zestaphoni, Terjola, Samtredia, Sachkhere, Kharagauli, Khoni. There are up to 542 settlements in the region of which: 10 cities (Kutaisi, Tkibuli, Tskaltubo, Chiatura, Baghdati, Vani, Zestaphoni, Terjola, Samtredia, Sachkhere, and Khoni); 3 towns (Shorapani, Kulashi and Kharagauli); and 529 villages. The population of Imereti is about 703,485 (16 percent of Georgia population) at density 107 people/km².

27. Imereti is considered a lagging region and has only 40 percent of the income in Tbilisi. The incidence of poverty in Imereti is 14 percent, which is slightly lower than the Georgia average of 16 percent. The unemployment rate is 11 percent, which is below Georgia's

average of 16 percent and Tbilisi's rate of 30 percent. Such a relatively low unemployment rate results from the rural character of the region, with intensive participation of the population in agricultural self-employment and non-paid employment. 28. The expectation is that Imereti's development is anticipated to draw in skilled and unskilled labor from Imereti region itself, as well as surrounding areas and Tbilisi.

29. Mining and heavy industry used to dominate the region and there are still traces of them (manganese, construction materials and steel production are still important industries). Today, Imereti is based more on service and agricultural economy than industrial. Imereti is the largest producer of meat, milk, and corn in the country. Agriculture contributes with 12 percent of the GDP of Imereti (versus 8 percent for Georgia as a whole). But like the case of the country as a whole, both these sectors are significantly overshadowed by services.

30. The F3 Lot has a length of 10,429 km and will interest two regions, pass across two municipalities and touching three villages.

31. The starting point of the F3 section toward Argveta is at km 24+266 nearby the village of Ubisa on the north border of Kharagauli Municipality that is distant 25 Km and has total population of 250 units. It's not a well-known place and yet the church and its monastery go back to the 9th century and the church houses a unique cycle of murals from the late 14th, a real treasure in the middle of a natural areas.



Ubisa Monastery

The End of Section F''

32. The next interesting village toward Argveta is Shrosha with 400 inhabitants under the municipality of Zestaphoni. The village Shrosha is located on the bank of the Dzirula River. It is famous for its marble and granite but mostly for its pottery craft. The village is located just some hundred meters on the main road connecting Eastern and Western parts of Georgia. Along the main road there is a huge market with an amazing selection of beautiful handcrafted items.

33. Shrosha is the ancient home of clay-making in Georgia, known since ancient times for its masterpieces.

34. Red soil, useless for agriculture is perfect for making pottery. There was a factory built in Shrosha at the beginning of the 20th century to produce ceramic items, but traditional methods, passed on by ancestors, are still popular.

35. Bread, mushrooms and trout baked in clay bakeries are incredibly delicious. Qvevri (wine vessels made of clay) are usually stored in the ground to keep wine cool during summer and therefore increase its lifetime.

36. Storing drinking water in a clay jar is also convenient. Georgian festive tables are characterized by making toasts with "different" – and often very symbolic – cups. The village of Shrosha has a market for clay products offering a huge variety of wine jars, pots, plates, water jars, cups and drinking cups.



On the Road near Shrosha

37. The other village toward the West is Achara a very small rural dispersed village of 80 inhabitants that in 2011 counted about 400 residents.

38. The next village is Dzirula that's take the name from the Dzirula River. The village has a population of about 84 inhabitants.

39. All those villages rely first of all on the agricultural sector, on tourism, especially during the summer and also from the transit of the heavy traffic from West to East and vice versa. The way that a lot of ho.re.ca activities (Hotel, restaurants and café) can be found along the road and in the immediate proximity.

40. For those communities the Tourism development, together with the Recreational development brings potentially significant income for the local level promoting the benefits of small businesses (guest houses, cafes - restaurants, transportation services, souvenirs and handcrafts production), and also employment that can be generated and created by infrastructure development (roads and other communications, tourists or holiday homes, construction - reconstruction and other).

41. It's envisaged that the road construction will bring more opportunities into the whole area; first of all to the agricultural traditional sector whose products will easily reach the main market place like Tbilisi on the East and Kutaisi, Batumi and Poti to the West. It's also expected a seasonal adjustment of the tourism period stretching and increasing the presence of visitors all along the year encouraging moreover the week end holidays visits. In other words thank to the time travel reduction especially from the metropolitan area of Tbilisi an increase of presence will be significant allowing the consolidation of the tourist sector enlarged industry whose boundaries are not still completely reached.

42. That's mean the possibility to curb the emigration toward the main town and cities encouraging the creation of stable and well remunerated jobs.

43. Finally it can be said that the realization of the Khevi –Ubisa-Shorapani- Argveta sections, important part of the E60 highway route, comply the integrated geo- tourism development approach stated by the Strategic Environmental cultural heritage and social assessment contained in the ITDS (Imereti Tourist Development Project) comprising multi-sectoral interventions, managed vertical investments, coordinated elaboration of tourist circuits and destination sites, targeted support to cost efficient and environment-friendly tourist packages, and protection of local communities and cultural heritage through promotion of responsible tourism.

44.All these contained in the Component 1: Infrastructure Investment Urban regeneration that includes:

45.a) the rehabilitation of municipal infrastructure and utilities in the central area, b) conservation and

46.upgrading of public spaces and cultural buildings, and c) conservation of public buildings with special architecture.

47.Tourism circuit development: Integrated approach to culture heritage site upgrading and improved

48.management in the most attractive 5 cultural and natural heritage sites located along the main tourism circuit/route in Imereti.

49.These include a) improved urban landscaping and public parking; b) construction of info kiosks, cafes and public toilets; and c) improving access roads and signage. The main tourism and culture heritage circuit has been identified, connecting the following cultural and natural heritage sites, which are targeted for upgrading: Gelati Church; Vani Museum; Ubisa Monastery; Katskhi Church and Katskhi Column.

An aspect of the Social Dimension of the Imereti Region: pension and social package.

50.According to the Ministry of Labour, Health and Social Affairs of Georgia despite the “ rural attitude of the region toward the agricultural sector, during the year from 2014 - 2016 the person receiving a pension and social packaged decreased compare to the Capital Tbilisi together with Kakheti,Mtskheta-Mtianeti,Racha-Lechkhumi and Kvemo Svaneti, Samegrelo-Zemo Svaneti,Samtskhe-Javakhet and Shida Kartli. This as consequence of the attitude of the people to be employed in agriculture as well in the emigration suffered also in the last three years.

Persons Receiving Pension and Social Packages by Regions and Gender											
Year	2014				2016				2014-2016		
Gender	W	%	M	Total (W+M)	W	%	M	Total (W+M)	W	M	Total
GEORGIA – total	556.326	64,2	309.844	866.170	573.626	64,6	313.712	887.338	17.300	3.868	21.168
of which:				-				-			
Tbilisi	156.594	66,8	77.885	234.479	165.598	67,2	80.662	246.260	9.004	2.777	11.781
Abkhazia AR ¹⁾	-		-		-		-				-
Adjara AR	41.810	62,6	24.976	66.786	43.323	62,9	25.606	68.929	1.513	630	2.143
Guria	20.013	64,0	11.261	31.274	20.251	64,0	11.405	31.656	238	144	382
Imereti	96.798	63,5	55.599	152.397	97.177	63,7	55.400	152.577	379	(199)	180
Kakheti	50.071	62,8	29.633	79.704	51.145	63,4	29.517	80.662	1.074	(116)	958
Mtskheta-Mtianeti	13.996	62,3	8.472	22.468	14.203	63,0	8.336	22.539	207	(136)	71
Racha-Lechkhumi and Kvemo Svaneti	7.913	63,5	4.544	12.457	7.639	63,2	4.455	12.094	(274)	(89)	(363)
Samegrelo-Zemo svaneti	61.598	65,0	33.225	94.823	62.653	65,1	33.591	96.244	1.055	366	1.421
Samtskhe-Javakhet	22.128	62,6	13.208	35.336	22.568	63,5	12.959	35.527	440	(249)	191
Kvemo Kartli	48.250	63,5	27.693	75.943	51.291	64,3	28.535	79.826	3.041	842	3.883
Shida Kartli	37.155	61,4	23.348	60.503,00	37.778	61,9	23.246	61.024	623	(102)	521
¹⁾ Includes only Zemo Abkhaze											
²⁾ As at January 2008											
³⁾ According to the Laws of Georgia “State budget” starting from September 1st, 2012 under people receiving pension package was included “Old age Pensioners” and all other people in receiving social package group. 2007-2011 State Pension Recipients.											
Source: Ministry of Labour, Health and Social Affairs of Georgia.											

3.2 Socio-Economic Survey Results

51. This chapter provides information about the results of social-economic survey conducted in the villages of Zestaphoni and Kharagauli municipality.

Population and Families.

52. Survey of 20% of population was conducted in Zestaphoni and Kharagauli municipality's project affected villages: Ubisa, Shrosha, Adjara, Dzirula.

53. The next table provides information on the villages where social survey took place, indicating that the fully population's awareness about the project :

Table 3-1

Name of the Village	Number of Interviewed Families	People Aware	% of Household informed
Ubisa	21	21	100
Shrosha	26	26	100
Achara	8	8	100
Dzirula	6	6	100

54. 61 families were interviewed totally with 220 members, out of which 105 are male and 115 women in line with the rest of the Imereti region and others villages along the Khevi –Argveta corridor. Information about surveyed families is given in the following table

Table 3-2

Number of interviewed household	Average number of family members of interviewed households	Interviewed males	Interviewed females
61	4	105	115

55. As for age distribution, 23% are under 18, 52% from 19 to 59 years, and 25% -60 years or more. The age distribution is given in Figure 3-1. Distribution of people by sex and age is given in Figure 3-2.

Figure 3-1

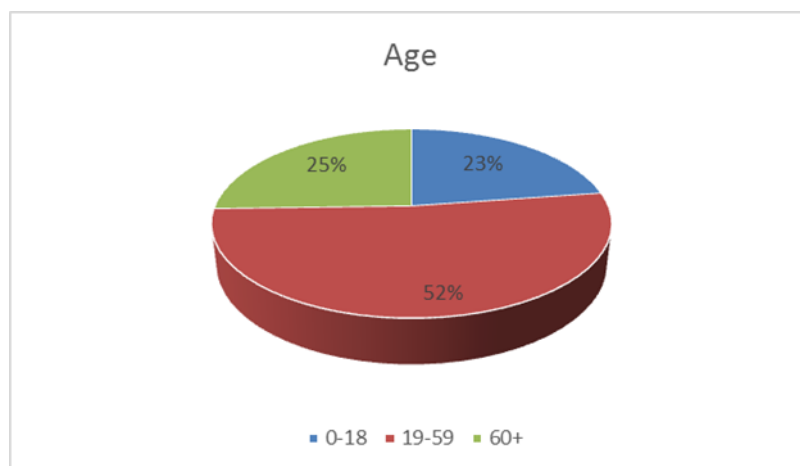
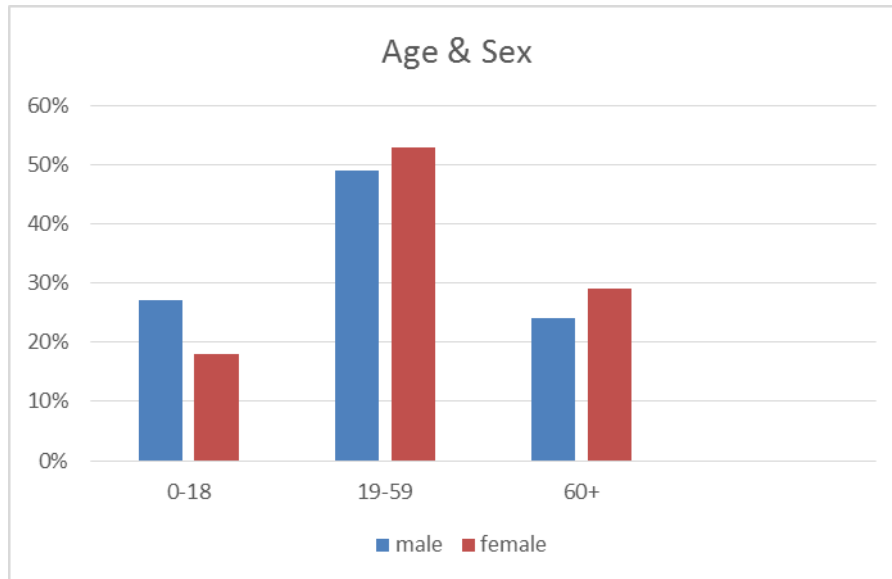


Figure 3-2



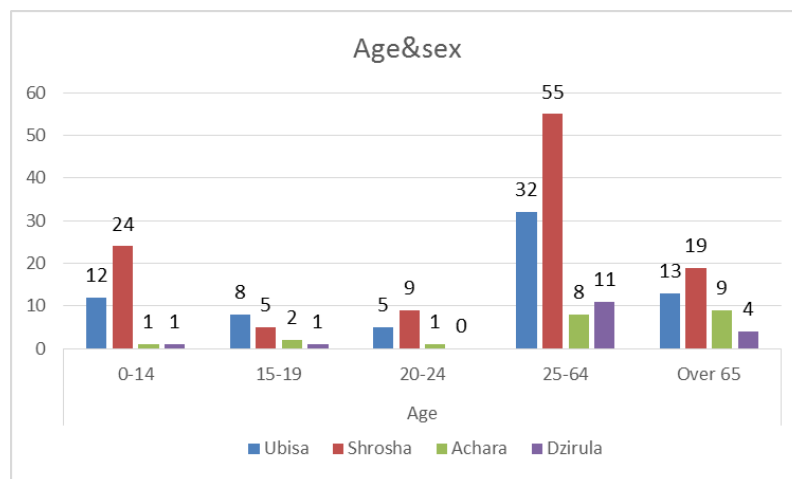
56. In table 3-3 and figure 3-3 is provided the distribution of interviewed people by age and sex .

57. To be noted that the majority of the population is situated in the population segment from 15 to 64 years and the amount of the elder population, over 65, is 16,9% (45) that for a mountainous and relatively isolated area is almost amazing.

Table 3-3

Name of the village	N of interviewed people	Age					Sex	
		0-14	15-19	20-24	25-64	over 65	Male	Female
	220							
Ubisa	70	12	8	5	32	13	35	35
Shrosha	112	24	5	9	55	19	52	60
Achara	21	1	2	1	8	9	11	10
Dzirula	17	1	1	0	11	4	7	10
Total	-	38	16	15	106	45	150	115

Figure 3-3



58.51 % of interviewed people are married and 37% is single. Detailed information about marriage status is given in table 3-4.

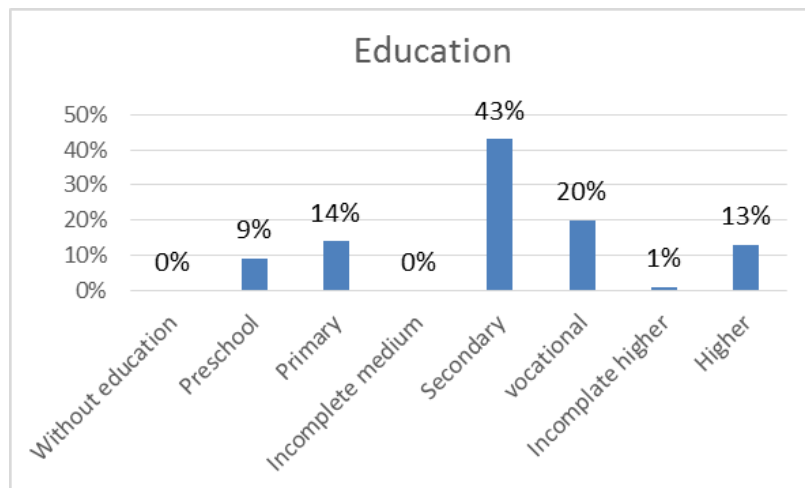
Table 3-4

Status	%
Married	51%
Single	37%
Divorced	1%
Widow	11%

Education

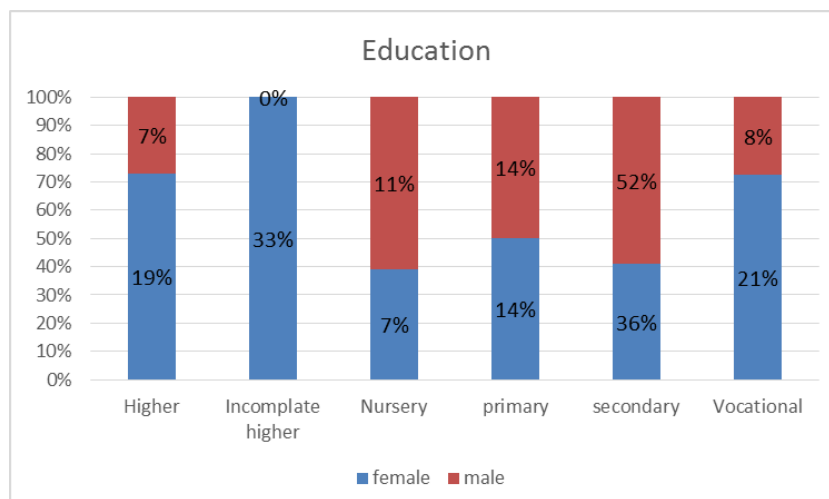
59. Most of the surveyed people - 43% have secondary education, 13% - higher education and 20% - professional education that deliver a strongly schooled image of this area. Figure 3-4 gives information about the level of education in affected villages: data is taken out of the results of the socio-economic survey implemented within the framework of the project.

Figure 3-4



60. Moreover, according to the survey results the majority of respondents with vocational education are female (21%). Detailed information is given in Figure 3-5.

Figure 3-5



61. In table 3-5 is given information about education level by the villages. The table clearly shows that the village of Shrosha and Ubisa have the majority of residents with higher education as well the majority for secondary and vocational education level. These figures probably reflect the legacy of the historical presence of the Ubisa monastery as well the traditional handicraft activities of the ceramic and amphorae for wines storage, now exported also in the western countries.

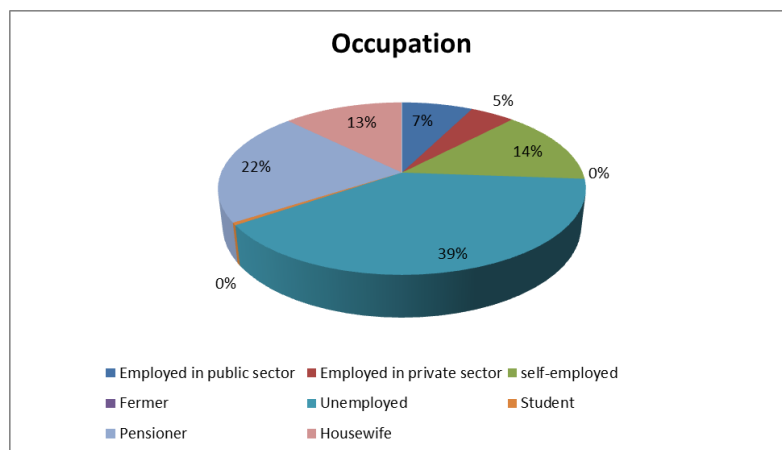
Table 3-5

Name of the village	Interviewed people	Educational Level								
		None	Nursery	Primary	Incomplete secondary	Secondary	Vocational	Incomplete Higher	Higher	Other
Ubisa	70	0	10	8	0	27	12	0	13	0
Shrosha	112	0	9	20	0	49	22	3	9	0
Achara	21	0	1	1	0	15	3	0	1	0
Dzirula	17	0	0	2	0	3	6	0	6	0

Employment

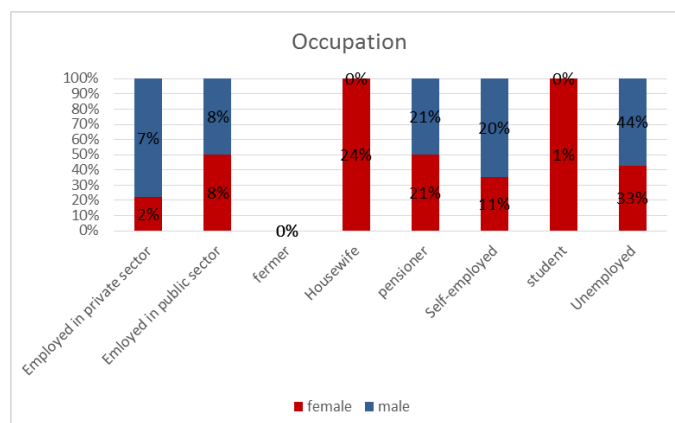
62. According to the employment status of the respondents, 26% of respondents are employed, 39% are unemployed, 13% are housewife, and 22% are pensioners. Figure 3-6 shows the percentage distribution of the population according to the employment status.

Figure 3-6



63. In figure 3-7 is given distribution of respondent by employment and sex.

Figure 3-7



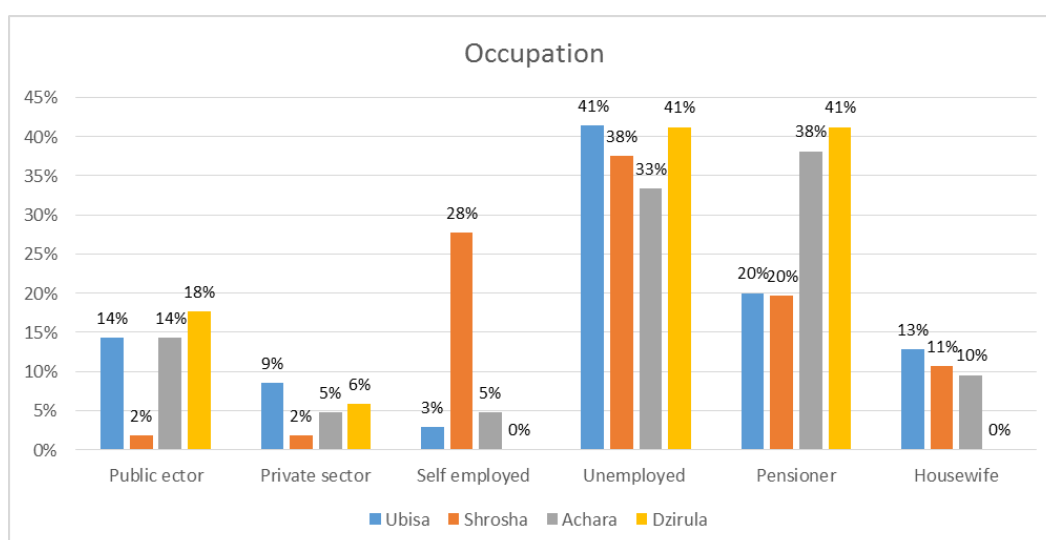
64. In table 3-6 and figure 3-8 is given information about occupation by the villages. It must be noted the total absence of farmers in a such strongly rural area. That means that the agriculture activities are carried out only as part-time activities and as income supplements and integration. Part-time farmers are probably among those who said they were unemployed

Table 3-6

Name of the village	Interviewed people	Occupation								
		Public sector	Private sector	Self employed	Farmer	Unemployed	Student	Pensioner	Housewife	Other
Ubisa	70	10	6	2	0	29	0	14	9	0
Shrosha	112	2	2	31	0	42	1	22	12	0
Achara	21	3	1	1	0	7	0	8	2	0
Dzirula	17	3	1	0	0	7	0	7	0	0

* One person from Adjara is working in the public sector and is a pensioner, one person from Dzirula works in the public sector and is a pensioner, and three person from Shrosha are employed and are pensioners.

Figure 3-8



Vulnerability

65. In table 3-7 is given detailed information about vulnerable families.

Table 3-7

Name of the village	Interviewed people	Vulnerability					
		Below Poverty	Lonely Pensioner	Internally displaced person	Group of Disability	Woman headed household	Other
Ubisa	70	10	0	0	2	0	0
Shrosha	112	2	0	0	2	0	0
Achara	21	3	0	0	0	0	0
Dzirula	17	0	0	0	1	0	0

** One person from Ubisa is below poverty line and also has group of disability.
One person from Shrosha is below poverty line and also has group of disability.

66. Overall almost 7% of the population is below the poverty line.

67. In table 3-8 is given distribution of people by employment status and education. To be noted the inability of the private sector to absorb the most schooled population and therefore the relative fragility of the sector against the public sector, which instead absorbs as much as 50% of the most highly educated people.

Table 3-8

Employed	Higher	Secondary	Vocational
Employed in private sector	10%	40%	50%
Employed in public sector	50%	33%	17%
Housewife	16%	8%	76%
Self-employed	3%	76%	21%
Unemployed	17%	52%	21%
Total	100%	100%	100%

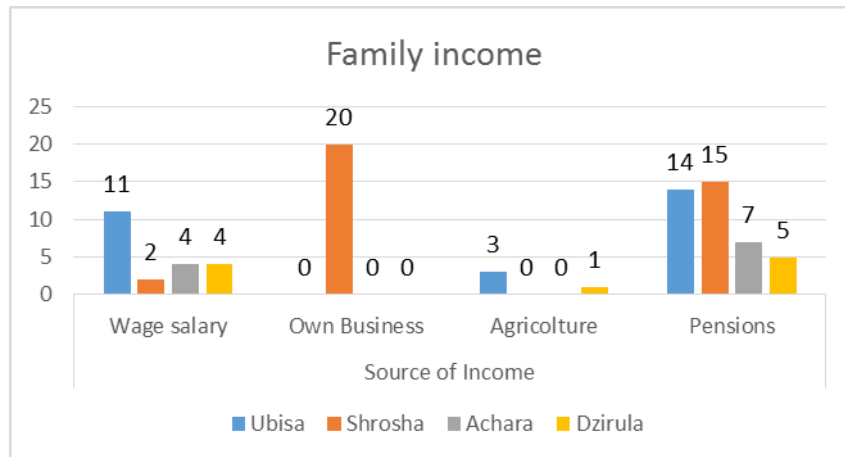
Family Income

68. In table 3-9 and figure 3-9 provides information about income sources by villages. It must be noted that the threshold of 600 US\$ (1500 GEL) per month is not reached in any of the communities and that the maximum threshold of about 400 US \$ (1000 GEL) is found in 3 out of 4 of the villages surveyed.

Table 3-9

Name of the village	Class of Monthly income				
	UP to 300 GEL	From 305 to 600	From 605 to 1000	From 1005 to 1500	from 1505 over
Ubisa	6	10	2	0	0
Shrosha	13	7	2	0	0
Achara	4	2	1	0	0
Dzirula	2	2	2	0	0

Figure 3-9



Migration

69. Table 3-10 provides information about income sources by villages and the amount of family members leaving abroad. As can be noted just two family members are leaving abroad that mean the migratory wave of past years seems to have finally ended.

Table 3-10

Name of the village	Interviewed People	E.1 Family Members living abroad		E.6 Money received per year from relatives abroad in GEL			
		Yes	No	< 3000	3001-5000	5001-10000	> 10000
Ubisa	70	1	69	1			
Shrosha	112	1	111				
Achara	21		21				
Dzirula	17		17				

Household assets

70. Most families have electrical energy and mobile phone, 97% say that electrical energy works properly, almost 85% say they have no central water supply and no hot water and sewerage. Detailed information is provided in table 3-11.

Table 3-11

1. Electricity	98%
2. Water	13%
3. Hot water heater	0%
4. Central Gas	0%
5. Central drainage	0%
6. Mobile phone	100%

Agriculture

71. Table 3-12 provides information on how many families grow one year harvest. Table 12 and following show how agriculture in the area is important but only as an integration

of income and never as the main activity capable of ensuring full family income. The data shows that only some hand-made products are sold and that the rest of the production is for self-consumption.

72. Table 3-13 shows information about harvest by villages.

Table 3-12

Crops	Number of Families
Corn	23
Fruit	29
Potatoes	19
Vegetables	38
Walnut/Hazelnut	19
Grapes	19
Hay	1
Other	0

73. Table 3-13 shows information about harvest by villages.

Tab.13

Name of the village	G.1 Crops							
	Corn	Fruit	Potatoes	Vegetables	Walnut/hazelnut	Grapes	Hay	Other
Ubisa	9	10	8	11	8	8	1	0
Shrosha	10	10	7	16	7	7	0	0
Achara	2	5	2	6	2	2	0	0
Dzirula	2	4	2	5	2	2	0	0

74. Table 3-14 provides information on how many households are breeding and table 15 shows information about breeding families by villages.

Table 3-13

Livestock	Villages
Cow, Ox and buffalo	30
Horse or donkey	0
Pigs	7
Sheep	0
Chicken or Turkey	33
Other	0

Table 3-14

Name of the village	G.2 Livestock					
	Cow/Ox , Buffalo	Horse/ Donkey	Pigs	Sheep	Chicken/turkey	Other
Ubisa	0	0	3	0	10	0

Shrosha	4	0	3	0	16	0
Achara	2	0	1	0	3	0
Dzirula	3	0	0	0	4	0

75. In table 16 is given information about families who are selling products.

Table 3-15

Product Sell	Villages
Dairy product	0
Honey	0
Handmade items	26
Fruit	0
Vegetables	0
Flour	0
Other	0

4.1 General

76. The legal and policy framework of the Project is based on national laws and legislations related to Land Acquisition and Resettlement (LAR) in Georgia, EIB Involuntary Resettlement Policy and ADB's Safeguard Policy Statement 2009.

4.2 Legal Framework

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

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

- The Constitution of Georgia, August 24, 1995 (Last update 16 October 2013)
- The Civil Code of Georgia, June 26, 1997 (amend. 2000, 2002, 2003, 2004, 2005, 2006, 207, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016)
- The Law of Georgia on Notary Actions , December 4 2009 (amend. 2010, 2011, 2012, 2013, 2014, 2015)
- Law on Public Health 27 June 2007 (amend. 2009, 2010, 2011, 2012, 2013, 2014, 2015)
- The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996 (amend. 1997, 1998, 1999, 2000, 2003, 2004, 2007, 2010, 2012, 2014, 2016)

- Law on Compensation of Land Substitute Costs and Damages due to Allocating Agricultural Land for Non-Agricultural Purposes 1997 (amend. 2005, 2006, 2007, 2009, 2010, 2011, 2013, 2014, 2015)
- The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 11 June 2007 (amend. 2007, 2008, 2009, 2010, 2011, 2012)
- Law on state property 2010 (amend 2011, 2012, 2013, 2014, 2016)
- The Law of Georgia on Public Register- No820 –IIs; December 19 of 2008; (amended 2009, 2010, 2011, 2012, 2013, 2014, 2015)
- In frames of national project, the Law of Legal Power of Land Parcels Systemic and Sporadic Registration and Improvement of Quality of Cadastral Data. June 17 of 2016. (amended December 14 2016)
- The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999 (amend. 2005, 2007, 2010, 2013, 2017)
- The Civil Procedural Code of Georgia, November 14, 1997(amend. 1998-2015)
- The Law of Georgia on State property, June 21, 2010
- Labour Code, May 25, 2006
- Tax Code, January 2005
- Law on Entrepreneurship, October 28, 1994

78. The existing Laws provide that compensation for lost assets, including land, structures, trees and standing crops, should be based on the current market price without depreciation. Overall the above laws/regulations provide that the principle of replacement cost compensating at market value is reasonable and legally acceptable. The laws also identify the types of damages eligible to compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of incomes. Finally, these laws place strong emphasis on consultation and notification to ensure that the 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:

- 1) Obtaining the right on way without expropriation through the payment of due compensation (on the basis of a contract of agreement or a court decision) prior to commencement of the activities.
- 2) Expropriation which gives the possibility of obtaining permanent right to land and/or other real estate property on the basis of Eminent Domain Law or a court decision through the payment of due compensation.

79. Land will be acquired, first on the basis of negotiated settlement with individual affected entities. Should the contract negotiation not yield an agreement, the expropriation process under the eminent domain will start. Under the existing Law in Georgia, the President will issue an order for expropriation based on the request from relevant state agencies. Relevant regional court will assess the presidential order and determine the case of public needs, and grant the expropriation entity rights to obtain land. The court will also appoint a third party to assess the market value of lost assets and determine the compensation payable to relevant land owners accordingly to the value of assets thus found.

80.

4.2.2 EIB's Policy on Involuntary Resettlement

81. 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.

82. 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.

4.2.3 ADB's Policy on Involuntary Resettlement

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

- (x) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning

- through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (xi) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
 - (xii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
 - (xiii) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
 - (xiv) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
 - (xv) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
 - (xvi) Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
 - (xvii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
 - (xviii) Disclose a land acquisition and resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons

- and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- (xix) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
 - (xx) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
 - (xxi) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

4.2.4 Comparison of EIB Policy with Georgian Laws and Legislation

84. 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 4-1 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	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).

through community participation at the local level.	
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 provided under the Georgian laws	Public consultation and participation is the integral part of EIB's policy which is a continuous process at conception, preparation, implementation and finally at post implementation period

85.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.

4.2.5 Comparison of ADB Policy with Georgian Laws and Legislation

86.Overall, the legislation of Georgia adequately reflects the major provisions of the ADB Safeguards Policy Statement 2009 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 ADB 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, ADB 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 LARPs based on extensive public consultations. The differences between Georgia law/regulation and ADB policy are outlined in Table 4-2.

Table 4-2 Comparison Of Georgian Laws On Lar And ADB Resettlement Policy

Georgia Laws and Regulations	ADB Involuntary Resettlement Policy
Land compensation only for titled landowners. In practice legalizable land owners are also compensated after they register their ownership with the NAPR.	Lack of title should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation assistance.
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 LARP
Land Acquisition Committee is the only pre-litigation final authority to decide disputes and address complaints regarding quantification and assessment of compensation for the affected assets.	Complaints & grievances are resolved informally through community participation in the Grievance Redress Committees (GRC), Local governments, and NGO and/or local-level community based organizations (CBOs).

Decisions regarding LAR 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
Loss of income is considered for compensation but no provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses.	ADB policy requires rehabilitation for income/livelihood, severe losses, and for expenses incurred by the APs during the relocation process.
There is provision for consultation with APs but there is no specific plan for public consultation under the Georgian laws	Public consultation and participation is the integral part of ADB's policy which is a continuous process at conception, preparation, implementation and finally at post implementation period

87.To reconcile the gaps between Georgia laws/regulations and ADB Policy (ADB's SPS 2009), 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.

4.2.6 Resettlement Policy Commitments for the Project

88.The resettlement policy for the project has been designed to (a) cover all APs irrespective of their title to land, (b) provide replacement cost 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.

89.Physically and economically affected households will receive due compensation, relocation assistance, and allowances in accordance with the following of Georgian laws on land acquisition, EIB's Policy on Involuntary Resettlement and ADB's SPS 2009:

- Land acquisition, and other involuntary resettlement impacts will be avoided or minimized exploring all viable alternative project designs.
- Where unavoidable, a time-bound RAP will be prepared and APs will be assisted in improving or at least regaining their pre-program standard of living.
- Land will be acquired through a contract agreement to the extent possible. Expropriation process will be sought only as the last resort when all possibilities of negotiation fail.
- Vulnerable and severely APs will be provided special assistance.
- Non-titled APs (e.g., informal dwellers or squatters, APs without registration details) will receive a livelihood allowance in lieu of land compensation and will be fully compensated for losses other than land.
- Legalizable APs (APs possessing ownership documents but with title formalization pending, as well as APs who are not registered but have residential land or agricultural plots adjacent to the residential land) will be legalized and fully compensated for land losses.
- Provision of income restoration and rehabilitation compensation will be made.
- The RAP will be disclosed to the APs in the local language which is Georgian.
- Payment of compensation, resettlement assistance and rehabilitation measures the rates set in this RAP will be fully provided prior to the contractor taking

physical acquisition of the land and prior to the commencement of any construction activities on a particular package.

- Compensation will be provided at least at the rates detailed in this RAP although some modification in excess will be possible during the discussions preceding the signing of the contract
- Complaints will be reviewed using the existing grievance redress mechanisms.
- For projects that entail large-scale involuntary resettlement, resettlement action plans must be prepared and made available to the public.
- Appropriate participation of affected people must be promoted in planning, implementation, and monitoring of resettlement action plans.
- Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based.
- Provide support for the transition period (between displacement and livelihood restoration).
- In preparing a resettlement action plan, consultations must be held with the affected people and their communities based on sufficient information made available to them in advance. When consultations are held, explanations must be given in a form, manner, and language that are understandable to the affected people.

4.2.7 Land Acquisition Process

90. 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 Khevi-Argveta road 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 there is no agreement to land acquisition, expropriation will be sought.

91. The detail design consultant has prepared an estimate of compensation and entitlement of individual APs under the subtitle of Acquisition and Compensation Matrix (ACM). ACM is a detailed program for execution of RAP as per land acquisition and resettlement framework consistent with ADB's involuntary resettlement policy (SPS 2009).

92. Following the ACM, LARC, assisted by LAR Team at local level will offer to each of the APs the compensation rates defined in this RAP. Upon successful settlement, Land Acquisition 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.

93. In case an AP does not accept the rates defined in this RAP even after attempts to resolve 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 local courts.

94. 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.

4.3 Compensation Eligibility and Entitlements

4.3.1 Eligibility

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

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

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

4.3.2 Definition of Entitlements

97. **Agricultural land impacts** will be compensated at full replacement cost. When 10% or more of total agricultural land owned by AP is acquired, AP (owners, leaseholders and sharecroppers) will get an additional allowance for severe impacts equal to one additional crop compensation or 3 months income at minimum subsistence (in case if crop compensation is not applicable). Legalizable APs will be legalized and paid as titled owners. APs who are not registered but have residential land or agricultural plots

adjacent to the residential land will be fully compensated but not legalized. APs that are not

legitimate land users or squatters (these are APs who were not land leasers under the old system or occupy a plot illegally) will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence⁶.

If the remaining part of a particular plot becomes inaccessible or unviable for cultivation or for any use after the acquisition, then the remaining land may be considered for acquisition if the owner requests.

98. **Non-agricultural land (Residential/commercial land).** Titled settlers will be compensated at full replacement cost free of depreciation. Legalizable settlers will be legalized, registered in NAPR and compensated as titled APs. Non-titled and non-legalizable land users will be compensated with one time self-relocation allowances in cash equal to 1 year of minimum subsistence.

99. **Houses, buildings, and structures** will be compensated in cash at full replacement cost free of deductions for depreciation, and transaction costs irrespective of the registration status of the affected land. In case of partial impacts and unwillingness of the owner to relocate, compensation will cover only the affected portion of a building and

its full rehabilitation to previous use. Full compensation will be paid if partial impacts imperil the viability of the whole building. Construction materials remaining after the demolition of the structures will be deemed as ownership of the AH.

100.Crops: Cash compensation at current market rates for the gross value of 1 year's harvest by default. Crop compensation will be paid both to landowners and tenants based on their specific sharecropping agreements.

101.Trees: Cash compensation at market price based on type, age and productivity of trees.

102.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 maximum income waived from income tax; temporary business losses will be compensated in cash for the business interruption period based on tax declaration or, if unavailable, official maximum income waived from income tax.

103.Agricultural Tenant: if agricultural tenants are affected, it will be compensated in the form of assistance equivalent to 1 year of cash return from the land under tenancy as per recorded proof, or in its absence, official minimum subsistence income for 1 year.

104.Loss of wages/employment: if employees loss their wages due to the project interventions, they will be compensated in the form of assistance equivalent to 3 months of minimum subsistence.

105.Relocation/Shifting Allowance: Physically displaced households forced to relocate will receive a relocation subsidy sufficient to cover transport costs and living expenses for 1 month.

106.Community Structures and Public Utilities: Will be fully replaced or rehabilitated so as to satisfy their pre-project functions.

107.Vulnerable people Livelihood: Vulnerable AH (below poverty line, women headed or with members with disabilities or pensioners) will receive an allowance equivalent to 3 months of minimum subsistence.

89.Tasks under the Project will be implemented according to a compensation eligibility and entitlements framework in line with Georgia laws and regulation, EIB and ADB Policy (SPS 2009). A summary entitlements matrix is included in Table 4-3 below.

Table 4-3 Entitlement and compensation matrix

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

			<p>unusable, the project will purchase the land wholly, if it is acceptable for AP.</p> <p>It has been adopted for this program that compensation will be paid in cash.</p>
		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/as sets		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 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	<p><i>Owner:</i></p> <p>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 3 months;</p> <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 salary.</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	>10% income loss	All project affected households, who loss more than 10% of the land (including squatters) or more than 10% 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.

4.3.3 Assistance for severely affected and Vulnerable AH

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

109. Below poverty line, women headed households, households with members with disabilities or lonely pensioner is considered as vulnerable. The vulnerable household requires special assistance for resettlement.

110. Vulnerable AHs are entitled to an allowance equivalent to 3 months of minimum subsistence for a family of 5 person and employment priority in project-related jobs. AHs are considered as vulnerable in case they are registered as poor in the local social services or are women-headed. In absence of an official minimum subsistence, these figures are taken from the Government of Georgia Statistics Department data on minimum subsistence income for a family of 5 people.

111. Severely AH will receive an allowance equivalent to 3 months minimum subsistence for a family of 5 person.

4.3.4 Valuation and Compensation Rates

112. 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, includes:

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.

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

114. 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.

115. 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.

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

117. Method N.2 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.

118. 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.

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

120. 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.

Calculation methods of Compensation Costs for Perennials

121. 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.

122. 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.

Estimation of fruit trees is performed by the following formula:

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

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.

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).

5.1 Introduction

123. The Road Department of the Ministry of Regional Development and Infrastructure of Georgia (RDMRDI) will be the Executing Agency (EA) having the lead responsibility for road construction, as well as the implementation of this RAP. RDMRDI with the assistance of the consultants will develop and implement the RAP for each project based on the policy and procedures set out in the RPF. In addition to the RDMRDI, a number of other government departments and private agents will play an instrumental role in the design, construction and operation of the project. Pursuant to the active legislation, the Ministry of Natural Resources and Environmental Protection is responsible for environmental issues. The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of land ownership and its transfer through purchase agreement from landowners to the Road Department. The local government at Sakrebulo and village level will also be involved.

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

5.2 Land Registration Organizations

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

5.2.1 Gamgeoba of Community

126. Community level Gamgeoba is the executive branch of self-government headed by Mayor. Mayor has the primary role in the process of legalization and registration of land parcels. Mayor confirms ownership of affected land plots, parameters of land plots and endorses the cadastral maps and related data prepared for case of legalization⁷. Mayor plays important role for legalization of non-rightful owners (owners in possession before the enactment of current law on privatization of land in Georgia without prior permission of the government). Gamgeoba has power to authorize details of the occupied land parcel and verify its usage pattern as the first hand verification and authorization for further consideration in the Property Rights Registration Commission (PRRC) as a basic step for registration with the Public Registry. Neighbors of applicants for legalization have roles in the authorization process.

5.2.2 Sakrebulo

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

5.2.3 Property Rights Recognition Commission

128. Under the Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 2007, the Government of Georgia has established the PRRC (Property Rights Recognition Commission) at the local level for recognition of ownership rights of non-rightful owners for registration. PRRC verifies and authorizes application of ownership for registration with the NAPR. PRRC authorizes application of only those PAPs, who are not registered but have residential land or agricultural plots adjacent to the residential land ("non-rightful land owners", according to definition of Georgian regulations).

5.2.4 Local Registration Office

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

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

5.3 Land Acquisition and Resettlement Organizations

5.3.1 RDMRDI of Georgia

131. RDMRDI has the overall responsibility of design, land acquisition and resettlement, construction, construction monitoring and supervision of the Project. This also includes financing and executing land acquisition and resettlement tasks and cross-agency coordination. RDMRDI will exercise its functions through its existing Resettlement Division (RD), which is subdivision of the Roads Development and Resettlement Division (RDRD), and LAR Commission.

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

133. As for the monitoring and management resettlements 9 officials are assigned to the central office of RD. This project will be monitored by 2 officials of the central unit.

134. LAR Commission (LARC) within RDMRDI has the authority to finally endorse all LAR related decisions and actions (i.e. approval of RAP, initiation of compensation payments etc.). LARC sits for reviewing issues for decision on as and when necessary basis. LARC will oversee and monitor implementation of the RAP to ensure that all APs are duly compensated and that mitigating measures are instituted by the Civil Works Contractor as a result of temporary impacts. It is also the final pre-litigation authority to provide decision on grievances those cannot be resolved at the regional level. LARC will ensure that the Project is implemented in accordance with the EIB and ADB policy requirements and the approved RAP. A Grievance Redress Committee (GRC) at the Gamgeoba level of the Rayons will be working to resolve the grievances of APs as a means of reducing grievances and avoiding expropriation process for acquisition of land.

135. The structure of the LARC includes experienced and skilled experts of economics and law, who simultaneously take responsible positions in RDMRDI. In case of need, on the basis of agreement with RDMRDI management and LARC the structure can be expanded inviting professionals of different sectors in response of the volume of LAR work for a project. The core team of the LARC is represented by RD, which is supplemented by legal experts, financial experts, engineers and the like from other departments of RDMRDI.

136. The specific tasks of the RD will be to (i) establish LARC capacity at the regional level offices of the RDMRDI; (ii) ensure proper internal monitoring; and (iii) hire, following EIB and ADB policy recommendation the external monitoring agency; (iv) conduct all technical work to accomplish all LAR preparation and implementation tasks; (v) maintain the coordination of all land acquisition and resettlement related activities within the RDMRDI, as well as at central and local government levels; and (vi) provide all necessary documentation to ensure the prompt allocation of land acquisition and resettlement budgets to the APs.

137. As for the monitoring and management resettlements 9 officials are assigned to the central office of RD. This project will be monitored by 2 officials of the central unit.

5.3.2 TRRC

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

139. The main field of the Center's activities is to provide consulting services for international finance institutions (the World Bank, Asian Development Bank, Japanese International Cooperation Agency, etc.).

5.3.3 Rayon LAR Team

140. Rayon LAR Team will 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 prices, the offer of acquisition 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/Acquisition 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.

141. Kutaisi team of RD will be responsible on implementation of the project. The team of Kutaisi is composed by 2 senior officials and 2 consultants, out of them 2 will be assigned to the project.

5.3.4 Local Governments

142. 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 LAR consultants, RDMRDI through its consultants will establish Rayon Level LAR Teams which will have designated officials from the Rayon administration (Rayon Sakrebulo; Mayor) and representatives of each affected village/community administration (representatives of all affected community/village).

5.4 Other Organizations and Agencies

5.4.1 Civil Works Contractor

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

5.4.2 Consultants and Auditors

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

145. **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. RAP has been prepared based on findings of the surveys following the final alignment as per detailed engineering design.

146. **Construction Supervision Consultant:** Construction supervision consultant (CSC) will have land acquisition and resettlement specialists to oversee all resettlement related issues that may arise during the construction works.

5.4.3 Court of Georgia

147. The Court of Georgia shall be the last resort for issues and concerns regarding the implementation of the RAP. In case there is no agreement between the RDRD and the

APs concerning the acquisition of private properties, the RDMRDI with the mandate for expropriation based on existing legislations 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. Review of specific cases starts at local courts.

148. 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. Supreme court of Georgia as a last resort. Its decision shall be final and executor.

5.4.4 Ministry of Finance

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

5.4.5 Ministry of Justice

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

5.4.6 Ministry of Economy and Sustainable Development

151. Ministry of Economy and Sustainable Development (MOESD) issues a decree confirming necessity for expropriation and assigning RD as an entity that can be granted the right for expropriation. Decision on the expropriation will be resolved in about 1 month.

5.4.7 EIB

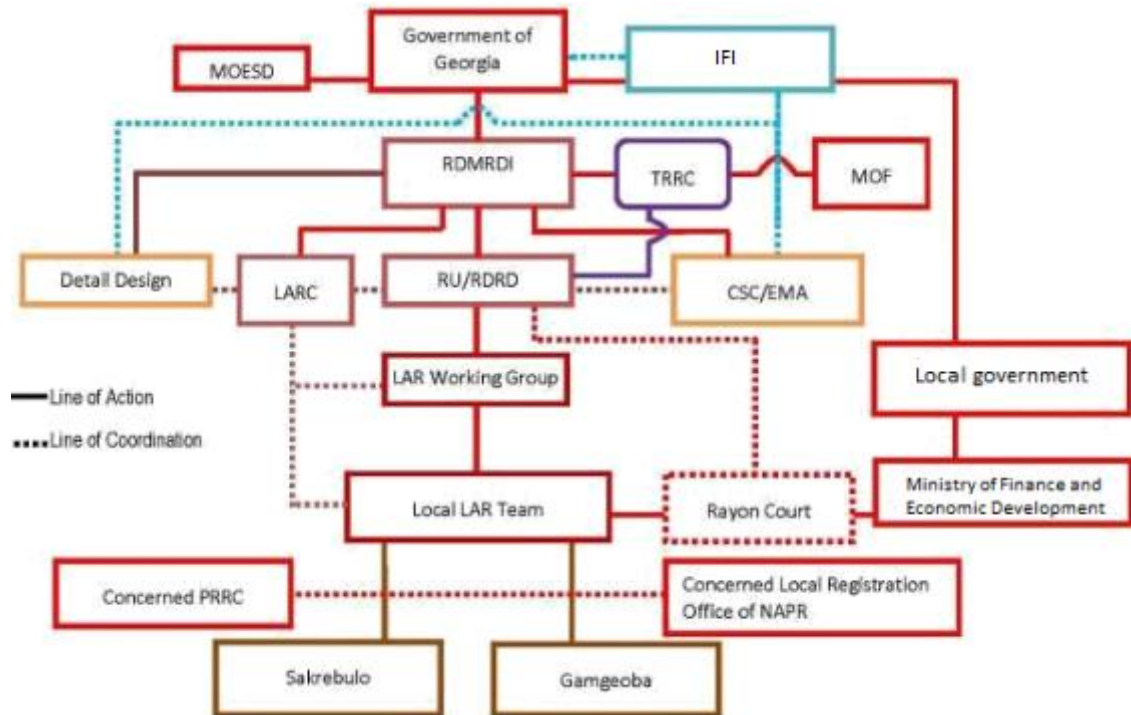
152. Besides supervising the Project periodically, EIB will review RAP and External and Internal Monitor's compliance reports, and provide clearance to contract awards signing and initiation of civil works.

5.4.8 Monitoring Agency

153. RDMRDI will appoint an independent external monitoring agency (EMA) for external monitoring and ex-post evaluation of the RAP implementation. External monitoring covers all aspects of RAP implementation, starting from legalization and finishing with payment of all compensation and rehabilitation allowances before starting civil works. The external monitoring will be executed by the hired company or person.

154. An organization chart showing all the concerned institutions to be involved in the LAR activities is depicted in the following Figure:

Figure 5-1 LAR Organization Chart



General overview

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

156. All government agencies involved in RAP preparation and implementation process will be informed about the project, and their assistance will be solicited in the conduct of the inventory of affected assets and the census of PAPs. In addition, prior to RAP finalization and its submission, PAPs will be thoroughly informed on the results of the census and inventory of impacts, and their preferences on compensation and/or other resettlement assistance will be given due consideration. The processes and mechanisms ensuring the active involvement of PAPs and other stakeholders will be

detailed in the RAP, which will also include an appendix with dates, list of participants, and minutes of consultation meetings.

Objectives of Public Information and Consultation

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

- Fully sharing information about the proposed subproject components and RAP activities with the PAP;
 - Obtaining information about the needs and priorities of PAPs, as well as receiving information about their reactions to proposed policies and activities;
 - That PAPs are fully informed about the decisions that will directly affect their incomes and living standards, and that they will have the opportunity to participate in activities and decision-making about issues that will directly affect them;
 - PAPs are given contact information of project responsible persons from local authorities/RD that will provide timely sufficient feedback to their inquiries
- Obtaining the cooperation and participation of the PAPs and communities in activities necessary for resettlement planning and implementation;
 - Transparency in all activities related to land acquisition and resettlement.

Consultation during RAP Preparation and Implementation

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

- Conduct information dissemination and consultation for all PAPs, NGOs and other stakeholders;
- Establish the rates/unit prices to be used as the basis of compensation awards, and confirm land acquisition and impact on properties identified through the DMS/census, demarcation and inventory, in consultation with PAPs;
- Conduct a survey as part of the DMS to:
 - inform them about possible resettlement options;
 - request information from PAPs about their preferences and choices of resettlement options; and,
 - request that PAPs indicate services such as education/health/markets that they are currently using and their distance from such services;

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

Public Information Booklet

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

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

Brief description of the project, implementation schedule;

- Project impacts, entitlements and rights of PAPs;
- Resettlement and rehabilitation policies for all types of impacts;
- Institutions responsible for resettlement and time-frame (schedule);
- Information dissemination to and consultations with PAPs and stakeholders;
- What to do if PAPs have a question or a problem;
- Outline of the grievance redress procedure; and
- Requirements for monitoring and evaluation, including independent monitoring.

RPF and RAP Disclosure

160. The Final RAP in Georgian will be disclosed on the RD website and at RD offices. The Georgian RAP will be disclosed to the PAPs at the relevant rayon centers and Municipality buildings once road projects are identified.

161. Once a RAP for a road project will be prepared and approved by RDMRDI, and the IFI, it will be disclosed at the relevant rayon centers and Municipality buildings. A pamphlet in Georgian, summarizing compensation eligibility and entitlement provisions, will be sent to all PAP/AHs before the initiation of the compensation/rehabilitation process and before signing contract awards. The consultation process will be continued throughout the project cycle.

162.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 7-1.

163.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.

164.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 Implementing

Agency - 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.

165.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)..

166.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 Division of IA | : Convener; Contact Person |
| (ii) Representative Rayon LAR team | : Member Secretary |
| (iii) Mayor – 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 |

167.Representative of the Resettlement Division 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.

168.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 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).

169.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 7-1 Grievance Resolution Process

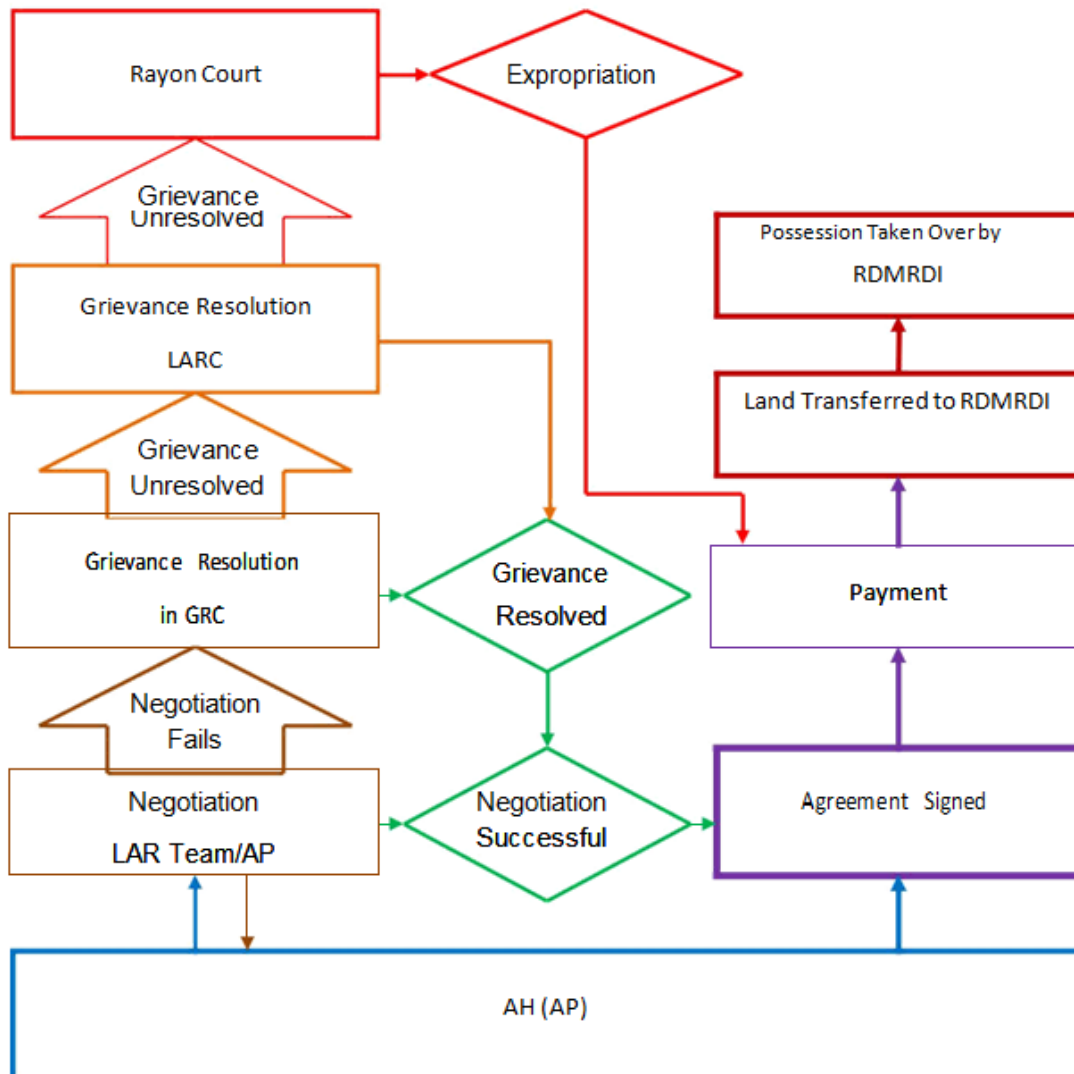
Steps	Action level	Process
Step 1	Negotiations with APs	The complaint is informally reviewed by the grievance redress committee (GRC), which takes all necessary measures to resolve the dispute amicably.
Step 2	GRC Resolution	If the grievance is not solved during the negotiations, the GRC will assist the aggrieved APs to formally lodge the grievances to the GRC. The aggrieved APs shall submit their complaints to the GRC within 1 week after completion of the negotiations at the village level. The

Steps	Action level	Process
		<p>aggrieved AP shall produce documents supporting his/her claim. The GRC member secretary will review the complaint and prepare a Case File for GRC hearing and resolution. A formal hearing will be held with the GRC at a date fixed by the GRC member secretary in consultation with Convener and the aggrieved APs. 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 Convener 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 case to the appropriate court of law (Rayon Court) without any reprisal.</p> <p>The aggrieved AP can take a legal action not only about the amount of compensation but also any other issues, e.g. occupation of their land by the contractor without their consent, damage or loss of their property, restrictions on the use of land/assets, etc.</p>

7.1 GRC Records and Documentation

170.RD of RDMRDI headquarters will keep record of complaints received for its use as well as for review by IFI policy during regular supervisions

Figure 7-1 Grievance Organization Chart



8.1 General

171. 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 titled and non-titled but legalizable owners of land parcels to be acquired have been identified in the survey.

172. The present document is the RAP. RDMRDI has reviewed and approved this document including compensation package and compensation rates and forwarded to the IFI 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.

8.2 RAP Approval and Initial Tasks

173. The Resettlement Division of the RD under RDMRDI sets up relevant institutions and line up ETCIC (Eurasian Transport Corridor Investment Center), LARC, Working Group/LAR Team, GRC and the like for the Project. Upon completion of the RAP from

the detail design consultant, the RD reviews and approves the document including compensation rates. RD will submit the approved RAP to IFI for approval. Meanwhile, RD will implement actions for legalization of legalizable owners listed in the ACS (Acquisition and Compensation scheme) 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;
- (v) Confirmation of updated impact data and of compensation amounts;
- (vi) Approval of RAP by IFI and Government.

8.3 RAP Implementation

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

- (i) Signing of contracts 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

8.4 Post Implementation Evaluation

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

8.5 RAP Implementation Time Schedule

176. 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.



177.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.

178.Land compensation value has been provided by independent evaluator. Land plots have been divided in 4 categories based on their location and usage.

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

- 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.

9.1 Compensation for Land

I Price category: Land plots with fronts towards Tbilisi-Senaki motorway -25 Gel

II Price category: Residential and commercial land plots-155 Gel

III Price category: Cultivated Agricultural-6 Gel

IV Price category: Other land plots- 3 Gel

V Price category: State land- 0 Gel

Table 9-1 Compensation for land

		Price per 1 m ² (GEL)	Area	Compensation (GEL)
I	Land plots with fronts towards Tbilisi-Senaki motorway	25	56063	1401575
II	Residential and commercial land plots	15	43857	657855
III	Cultivated Agricultural	6	86122	516732
IV	Other land plots	3	35763	107289
V	Price category:	0	4891	0
	Total			2,683,451

9.2 Compensation of Structures

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

181. Under the impact of the project is 115 buildings located on 48 land plots. Detailed information about structures is presented in table

Table 9-2 Compensation for structures

Nº	Village	Compensation
1	Boriti village	37345
2	Boriti village	64000
3	Boriti village	7780
4	Boriti village	51385
5	Boriti village	22720
6	Boriti village	395495
7	Boriti village	37845
8	Boriti village	100000
9	Boriti village	19280
10	Boriti village	125100
11	Boriti village	34415
12	Boriti village	28995
13	Boriti village	52895
14	Boriti village	187875

15	Boriti village	10915
16	Boriti village	195640
17	Boriti village	135080
18	Boriti village	32060
19	Boriti village	18020
20	Boriti village	3385
21	Boriti village	17590
22	Boriti village	2030
23	Makaubani village	12035
24	Ubisa village	84595
25	Ubisa village	15060
26	Ubisa village	158075
27	Ubisa village	46665
28	Ubisa village	29860
29	Ubisa village	10375
30	Shrosha village	38295
31	Shrosha village	211470
32	Shrosha village	63800
33	Shrosha village	49590
34	Shrosha village	127515
35	Shrosha village	53945
36	Gantiadi village	71350
37	Gantiadi village	38110
38	Gantiadi village	14240
39	Gantiadi village	14430
40	Dzirula village	67965
41	Shrosha village	118310
42	Shrosha village	27885
43	Shrosha village	12115
44	Shrosha village	59145
45	Shrosha village	170000
46	Shrosha village	80000
47	Dzirula village	8595
48	Dzirula village	38145

		3190505
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9.3 Compensation for Loss of Business and other Incomes

Under of impact of the project is 8 buisnes object, aout of which 1 is restorant, 2 shops, 1 bread bakery, 2 gas station, 1 parmacy.

Table 9-3 Business¹

N	Land plot N	Income with tax dectARATION	Employs	Income Compensation	Salary Compensation
1.	N 14	-	-	-	-
2.	N 15	-3853.04	0	1057.5	0
3.	N 16	0	0	1057.5	0
4.	N 17	0	0	1057.5	0
5.	N 23	5500	0	5500	0
6.	N 96	-	-	-	-
7.	N187	0	-	1057.5	-
8.	N 188	-	-	-	-
9.	N 194	-	-	-	-
	Total			9,730	0

Table 9-4 Rent/Lease

Land plot N	Lease Amount	Compensation
N 187	150	1500
N 194	1000	3000
Total		4500

9.4 Compensation for Harvest

182.All affected persons will be paid compensation for harvest with full market rate. Information about crop compensation is presented below.

¹ Collecting information about business is still on going and the final information will be presented in Final LARP.

Table 9-5 Compensation For harvest

Agricultural crop	Unit	Harvest for 1 Ha land plot	Market cost of plant unit, GEL	Compensation of agricultural crops harvest per 1 Ha, GEL	Area	Compensation
Potato	Tons	26	600	15600	2320	3619.2
Beans	Kg	800	5	4000	28767	11506.8
Garlic	Kg	1600	5	8000	70	56
Tomato	Tons	20	800	16000	420	672
Corn	Kg	5000	0.8	4000	31550	12620
Pumpkin	Piece	1000	3.5	3500	7220	2527
Cucumber	Tons	15	0.7	10500	220	231
Strawberry	Kg	4000	1.3	5200	140	72.8
Soybean	Tons	4	550	2200	2530	556.6
Raspberries	Kg			104000	75	780
Cabbage	Tons	22	0.66	6600	200	132
Other vegetables	-	-	-	5000	731	365.5
Total					74243	33138.9

9.5 Compensation for Trees

183. Value of perennials 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.

Table 9-6 Compensation for 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 per year (Gel)	Total compensation for adult perennial seedling with considering the cost (Gel)	Quantity	Compensation
1	2	3	4	5	6	7	8	9	10

Cerry(Sweet cherry)	Seedling (<5)	5	2	5	4	8,0	35	217	7595
	5-10	5	2	5	10	20,0	75	231	17325
	11-20	5	2	5	16	32,0	117	58	6786
	21+	5	2	5	10	20,0	75	16	1200
Peach	Seedling (<5)	6	1,5	5	4	6,0	27	37	999
	5-10	6	1,5	5	15	22,5	85	39	3315
	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	32	2560
	5-10	10	5	10	15	75,0	535	87	46545
	11-20	10	5	10	30	150	1235	95	117325
	21+	10	5	10	40	200	1510	61	92110
Quince	Seedling (<5)	4	1,5	5	3	4,5	20	23	460
	5-10	4	1,5	5	15	22,5	83	39	3237
	11-20	4	1,5	5	30	45,0	162	19	3078
	21+	4	1,5	5	20	30,0	109	7	763
Pear	Seedling (<5)	4	1,2	5	7	8,4	33	89	2937
	5-10	4	1,2	7	20	24,0	122	81	9882
	11-20	4	1,2	7	70	84,0	416	53	22048
	21+	4	1,2	7	45	54,0	269	37	9953
Pulm (Variety of plum)	Seedling (<5)	4	0,8	5	8	6,4	26	134	3484
	5-10	4	0,8	5	15	12,0	46	80	3680
	11-20	4	0,8	5	30	24,0	88	63	5544
	21+	4	0,8	5	20	16,0	60	18	1080
Mulberry	Seedling (<5)	5	1,5	5	4	6,0	26	61	1586
	5-10	5	1,5	5	10	15,0	58	146	8468
	11-20	5	1,5	5	16	24,0	89	117	10413
	21+	5	1,5	5	10	15,0	58	28	1624
Hazelnut	Seedling (<5)	2	4	5	2	8,0	30	653	19590
	5-10	2	4	5	5	20,0	75	561	42075
	11-20	2	4	5	6	24,0	90	814	73260

	21+	2	4	5	4	16,0	55	11	605
Sour plum(Cerry plum)	Seedling (<5)	3	0,8	5	7	5,6	23	273	6279
	5-10	3	0,8	5	15	12,0	45	471	21195
	11-20	3	0,8	5	50	40,0	143	227	32461
	21+	3	0,8	5	25	20,0	73	26	1898
Apple	Seedling (<5)	4	1	5	5	5,0	22	106	2332
	5-10	4	1	6	25	25,0	109	182	19838
	11-20	4	1	6	70	70,0	298	80	23840
	21+	4	1	6	40	40,0	172	18	3096
Vine	Seedling (<5)	2	1,5	4	5	7,5	23	282	6486
	5-10	2	1,5	4	7	10,5	31	140	4340
	11-20	2	1,5	4	9	13,5	40	3157	126280
	21+	2	1,5	4	5	7,5	23	6057	139311
Fig	Seedling (<5)	3	1,5	5	5	7,5	29	81	2349
	5-10	3	1,5	6	10	15,0	66	174	11484
	11-20	3	1,5	6	30	45,0	192	74	14208
	21+	3	1,5	6	20	30,0	129	26	3354
Lemon	Seedling (<5)	4	1,3	5	5	6,5	27	0	0
	5-10	4	1,3	5	15	19,5	72	1	72
	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	1	15
	5-10	1	4	5	2	8,0	29	37	1073
	11-20	1	4	5	2	8,0	29	8	232
	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	0	0
	11-20	2	0,25	8	10	2,5	16	0	0
	21+	2	0,25	8	7	1,75	12	0	0
Barberries	Seedling (<5)	5	2,5	5	3	7,50	31	7	217
	5-10	5	2,5	5	5	12,50	49	15	735

	11-20	5	2,5	5	7	17,50	66	12	792
	21+	5	2,5	5	5	12,50	49	1	49
Mildness	Seedling (<5)	4	1,5	6	3	4,5	23	1	23
	5-10	4	1,5	6	10	15,0	67	11	737
	11-20	4	1,5	6	20	30,0	130	21	2730
	21+	4	1,5	6	10	15,0	67	0	0
Loquat	Seedling (<5)	4	2	6	3	6,0	29	8	232
	5-10	4	2	6	10	20,0	88	2	176
	11-20	4	2	6	20	40,0	172	1	172
	21+	4	2	6	10	20,0	88	0	0
Feijoa	Seedling (<5)	1	1.5	3	5	7.5	18.5	0	0
	5-10	1	1.5	5	10	15	56	2	112
	11-20	1	1.5	5	25	37.5	133	0	0
	21+	1	2	5	12	24	90	0	0
Persimmon	Seedling (<5)	2	1	5	5	5,0	20	125	2500
	5-10	2	1	6	10	10,0	44	314	13816
	11-20	2	1	6	30	30,0	128	117	14976
	21+	2	1	6	20	20,0	86	15	1290
Pomegrante	Seedling (<5)	4	2	5	5	10,0	39	1	39
	5-10	4	2	6	10	20,0	88	11	968
	11-20	4	2	6	30	60,0	256	40	10240
	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	13	4641
	11-20	7	1	10	120	120,0	1057	2	2114
	21+	7	1	10	125	125,0	847	24	20328
Apricot	Seedling (<5)	4	1,5	5	4	6	27		0
	5-10	4	1,5	5	15	22,5	83		0
	11-20	4	1,5	5	40	60,0	214		0
	21+	4	1,5	5	25	37,5	135		0
Dodwood	Seedling (<5)	3	2	5	2	4,0	17	3	51

	5-10	3	2	5	3	6,0	24	5	120
	11-20	3	2	5	4	8,0	31	7	217
	21+	3	2	5	3	6,0	24	0	0
Red raspberry	Seedling (<3)	2	5	3	1	5,0	12	484	5808
	3-10	2	5	3	2	10,0	22	51	1122
	10-20	2	5	3	1,5	7,5	15	0	0
									0
Currant	Seedling (<5)	1.5	2	5	1.5	3	14	0	0
	5-10	1.5	2	5	2	4	18	0	0
	11-20	1.5	2	5	2.5	5	22.5	4	90
	21+	1.5	2	5	2	4	18	0	0
Hawthorn	Seedling (<5)						2	0	0
	5-10						4	4	16
	11-20						6	10	60
	21+						6	1	6
Staphylea	Seedling (<5)	2	1	6	3	3	16	33	528
	5-10	2	1	6	10	10	50	81	4050
	11-20	2	1	6	15	15	80	120	9600
	21+	2	1	6	12	12	65	5	325
Jujube	Seedling (<5)	5	2,5	5	3	7,50	30	11	330
	5-10	5	2,5	7	10	25,0	140	6	840
	11-20	5	2,5	7	35	92,50	550	2	1100
	21+	5	2,5	7	30	75,0	445	0	0
Total								16901	1040865

9.6 Resettlement Assistance

184. 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 (352.5* Gel x 3 months).
- II. Assistance for socially vulnerable families: assistance for such families is three month

minimum subsistence wage for a family with 5 members (352.5 Gel x 3 months).

- III. Assistance for relocation/shifting: assistance for such families is three month minimum subsistence wage for a family with 5 members - (352.5 Gel x 3 months), plus 200 Gel for transportation.

185.Information about detailed calculation of assistance is given in the table 9.8

Table 9-7 Resettlement Assistance

Assistance	Unit price (Gel)	Number	Total compensation
Severe affected households	1,057.5	109	115267.5
Socially vulnerable families	1,057.5	6	6345
Relocation/Shifting	1,257.5	19	23892.5
Total			145,505

* 352.5 GEL is a subsistence minimum for a family with 5 members of April 2018.

9.7 Resettlement management cost

186.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 9-6

187.Cost of external monitoring shown in table blew is only for external monitoring phase two. Because phase one monitoring will be done by RDMRI employ.

Table 9-8 Resettlement management cost

	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
				120,000

9.8 Cost of resettlement

188. The budget of Resettlement Action Plan covers: proper compensation, resettlement allowance and unexpected costs, which is 10% of the total cost.

Table 9-9 Resettlement Budget

Name	Unit cost	Amount	Total cost (Gel)
Land parcels	Various	226696	2,683,451
Structures	Various	115	3,190,505
Trees	Various	16,901	1,040,865
Crop	Various	74243	33,139
Fences and Gates	Various	-	38,904
Other assets	Various	-	16,820
Severe impact allowance	Subsistence minimum for 3 months	109	115,267.50
Relocation/Shifting allowance	Subsistence minimum for 3 months + Transportation cost (200 Gel)	6	6,345.00
Vulnerability allowance	Subsistence minimum for 3 months	19	23,893
Business, employment and venders compensation	-	9	9,730
Rent/Lease	Various		4,500
External and Internal monitoring	-		120,000
Sum			7,283,419
Unexpected costs	10%		728341.886
Total			8,011,761

189.LAR tasks requests external monitoring for the project. 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.

Internal Monitoring

190.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. 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.

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

- Review of census information for all APs;
- Consultation and informal interviews with APs;
- In-depth case studies;
- Sample survey of APs;
- Key informant interviews; and
- Community public meetings.

External Monitoring

192. 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.

193. **Phase One.** This external Monitoring phase will be carried out by RDMRDI 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.

194. 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) assess the satisfaction of the APs with the information campaign and with the compensation/rehabilitation package offered to them; (f) review the legalization process and assess its effectiveness; (g) review complaints & grievances case; (h) carry out an AP satisfaction survey with a 20% sample of the APs. The SSC will prepare the Compliance Report immediately after the completion of RAP implementation. The Compliance report will include well-argued sections on the following:

- 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 RDMRDI.

195. **Phase Two.** Within one year from the completion of the RAP, the whole construction will be assessed. The supervision consultant will hire phase two external monitoring agency/consultant. (The cost for EMA for 12 months has already included to total cost of the supervision consultant.)

196. 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.