



Resettlement Policy Framework

**FOR CONSTRUCTION AND OPERATION
OF THE
500 kV JVARI-TSKALTUBO TRANSMISSION LINE
AND TSKALTUBO SUBSTATION**

FINAL DRAFT

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1. INTRODUCTION

The Georgian State Electrosystem intends to construct and operate a new 500 kV transmission line between Jvari and Tskaltubo and a new substation in Tskaltubo. The new transmission line is intended to serve two main purposes. First, it will improve reliability of the existing grid. To accomplish this, it will provide necessary backup for existing Imereti and Zekari lines and will help ensure a steady energy supply to east Georgia and the Akhaltsikhe-Borchkha export line to Turkey. There are two main reasons for the new line:

- To provide an alternative route for electricity in case there are interruptions on the 500 kV lines between Zestafoni and Akhaltsikhe and between Akhaltsikhe and Gardabani.
- To increase capacity for electricity transmission from western Georgia to eastern Georgia, which will further improve the reliability of existing supplies. This increase in transmission capacity will be increasingly important as new hydropower projects in western Georgia begin to supply additional electricity to the national grid.

The German company Fichtner prepared a preliminary design of the transmission line and substation and determined they are technically and financially feasible.

The layout of the overhead line and substation is shown on 0. The initial alternative routes were developed during the Feasibility Study by Fichtner, and then optimized during preparation of the Environmental and Social Impact Assessment by the environmental consulting company DG Consulting.

1.1 Resettlement Policy Framework

This document represents the Resettlement Policy Framework (RPF) for the proposed Jvari-Tskaltubo transmission line and substation project. The transmission line corridors and substation locations introduced above and described in section 2 are preliminary. Final locations of the corridor, tower locations, substation, and other areas that will be affected by the project will be selected by the construction contractors later in 2019 –one contractor will design and construct the transmission line and another will design and build the substation. Once the final locations are known, one or more detailed Resettlement Action Plans will be prepared and implemented. In the meantime, this Framework describes the policies, procedures and processes that will be followed in order to mitigate the adverse social impacts among people whose land, properties, or other assets will be needed for completion of the project, whether they have legal title to the land and property or not.

The Resettlement Policy Framework has been prepared to guide land acquisition and potential resettlement in accordance with Georgian law and World Bank Environmental and Social Standard 5, “Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement”.



Fig. 1.1.1 Alternative Routes and Municipalities Crossed by the Jvari-Tskaltubo Transmission Line

The Framework is organized as follows:

- Chapter 2 describes the project and the land that will be needed, permanently or temporarily, for construction and operation, and the number of people who may be affected.
- Chapter 3 describes the principles and objectives of the process that will be followed for land acquisition and, if necessary, resettlement.
- Chapter 4 describes the legal framework under which land acquisition and resettlement will be carried out.
- Chapter 5 describes the process for preparing and approving the Resettlement Action Plan(s).
- Chapter 6 describes criteria that will be used to determine if people are eligible for compensation or other benefits.
- Chapter 7 describes how the value of land and assets will be determined,
- Chapter 8 describes how compensation and other assistance will be provided, including arrangements for managing funding.
- Chapter 9 describes how the compensation process will be implemented.
- Chapter 10 describes the process by which affected people can express opinions or convey grievances to GSE.
- Chapter 11 describes the mechanisms by which GSE will consult with affected people during planning, implementation, and monitoring of the program.
- Chapter 12 describes how the resettlement program will be monitored during and after completion.

2. PROJECT DESCRIPTION

The project entails the construction of a new 500 kV transmission line to connect the existing substation in Jvari with a new substation in Tskaltubo. In the future, the new substation will be connected to an existing 220 kV substation in Tskaltubo.

Two alternative routes for the transmission line were considered, and both pass through five municipalities: Tskaltubo, Khoni, Martvili, Tsalenjikha and Chkhorotsku. The route known as Alternative A (the blue line in Fig. 1.1.1) is 79.6 kilometers long and passes through mountainous terrain in its central section. Alternatives B (the red line) is 71.6 kilometers long and passes much

nearer to settlements. Alternative A is the preferred route because it will affect much less private land and will not require any households to be relocated.¹

To protect public safety, Georgia law does not allow any residences or auxiliary buildings to be located within 30 meters of an energized high-voltage transmission line. Therefore, there will be a safety zone 74.5 meters wide (30 meters on each side and 14.5 meters between the wires) along the entire corridor.

Construction of the transmission line will involve the following activities:

- Acquisition of private land by GSE where approximately 80-120 towers² will be located (up to about 82 of the 205 towers under Alternative A are located on what is now private land, as are about 126 of the 211 Alternative B towers). Each tower will require about 400 metres of land: up to about 256 square meters for the tower itself plus another 144 square meters to support construction activities. The average distance between towers will be 350-400 meters, with a few being up to a kilometer or more apart.
- Leasing of land by the construction contractors at locations along the corridor for storage, technical works, and other support activities.
- Establishment of access roads where there are no existing roads and forest tracks. Roads will be about 4-6 meters wide, averaging about five meters.
- Installation of concrete foundations for the towers and erection of towers, which will be about 35-45 meters tall.
- Stretching wires between towers and installation of insulators and other equipment.
- Cutting trees higher than four meters in a vegetation control zone 54.5 meters wide (20 meters on each side plus 14.5 meters between wires). This is necessary to prevent trees from falling on the line.

In addition, GSE will acquire about 14 hectares of unused agricultural land near Tskaltubo for the substation. The contractor will lease about three hectares near this location for offices, storage, and other activities to support the design and construction program. Construction of the transmission line and substation is expected to last for about two years.

From southeast to northwest, the corridor can be divided into three main sections:

- For the first 20-25 kilometres from the Tskaltubo substation, both alternative routes pass through mostly privately owned agricultural land on relatively flat terrain. The section is

¹ See the Environmental and Social Impact Assessment (ESIA) conducted for this project for details about the assessment of alternatives.

² It is estimated that about 40 percent of the land under Alternative A and 60 percent of the land under Alternative B is privately owned and the remaining 60 percent is owned by the state (Forest Fund or municipality).

easily accessible and construction will require construction of only a few new access roads and little or no vegetation clearance.

- The central section is 45-50 kilometers long. Alternative A passes over mountainous terrain with difficult access and few resident population. Here, the corridor passes through forests that will need to be cut to less than four meters high. Most of the forest is in the Forest Fund and is managed by the National Forestry Agency; this land will not be acquired but will be transferred from the National Forestry Agency to GSE. Alternative B is at a lower elevation and nearer settlements. It passes through broken forest and agricultural lands. Some roads will need to be established and some trees will need to be cut in this section, but fewer under Alternative B.
- For the last 5-8 kilometers until the line reaches the Jvari substation, both alternative routes cross hilly terrain covered in mixed agricultural and forested lands, mostly privately owned.

GSE will acquire and own the land needed for towers and the substation if the land is currently privately owned. In addition, private land in the 74.5-meter corridor will be covered by an easement that restricts future activities. Forest Fund land where towers will be located and in the corridor will be transferred to GSE management. The ROW corridor will be managed by GSE, e.g., in terms of vegetation control and safety of the transmission line operation, while land ownership will remain with the state. Although construction of the entire project will take about two years, activity in any one location along the transmission line corridor is not expected to last over one or two months.

Table 2.1.1 shows preliminary estimates of land that will need to be acquired and land that will be placed under restrictions through easement under two Alternatives, namely, Alternative A and Alternative B. The easement restrictions will be that there can be no houses or auxiliary buildings within the full 74.5-meter corridor and no trees over four meters in the narrower 54.5-meter corridor centerline. In addition, tall equipment will not be able to be used under the line.

As noted, about 40 percent of the land under Alternative A is estimated to be privately owned, and 60 percent under Alternative B. The rest of the land is state land, mostly Forest Fund but also some municipal lands. It is important to note these are indicative estimates, based on preliminary surveys. Exact information will be determined during development of the Resettlement Action Plan and will take account of the final design.

Table 2.1.1 Preliminary Estimates of Land Use to be Affected by Jvari-Tskaltubo Transmission Line and Tskaltubo Substation

Category of land	No. towers	Length of corridor	Land to be acquired (ha)	Land to be under easement (ha)
Alternative A				
Forest Fund land	111	46.59	n/a	
Unused, partially forested and bush land	64	23.43	2.56	121.37

Table 2.1.1 Preliminary Estimates of Land Use to be Affected by Jvari-Tskaltubo Transmission Line and Tskaltubo Substation

Category of land	No. towers	Length of corridor	Land to be acquired (ha)	Land to be under easement (ha)
Annual crops	20	6.81	0.80	52.89
Perennial crops (orchards)	10	2.45	0.4	17.4436
Substation (agricultural not cultivated)	0	0.0	14.0	0.0
Totals	205	79.2	3.76	191.71
Alternative B				
Forest Fund land	15	21	n/a	
Unused, partially forested and bush land	149	32.05	5.96	227.58
Annual crops	30	10	1	72
Perennial crops (orchards)	17	5.2	0.7	38.4
Substation (agricultural not cultivated)	0	0.0	14.0	0.0
Totals	211	72	21.84	337.62
- Notes: - Totals may not add up due to rounding error - Length of corridor in each land use type based on number of towers and the average distance between towers - Assumes all access roads are new, permanent, and in corridor, which leads to significant worst-case overestimates - Land to be acquired includes 400m ² per tower and 14 hectares for the Tskaltubo substation - Land to be under easement includes land in 74.5m corridor, excluding land to be acquired and land that may be leased by the contractors				

3. MAIN OBJECTIVES OF THE RESETTLEMENT PROGRAM

This Resettlement Policy Framework will be considered applicable if construction or operation of the project causes physical or economic displacement of people or households, even if this is only on a temporary basis. Project impacts that will be considered to be physical or economic displacement (collectively referred to as “displacement” or “resettlement”) include:

- Land acquisition for towers and substation, whether voluntary or by expropriation
- Land acquisition due to restrictions on land use that result in the need for households to relocate
- Land acquisition made necessary when the land loses its value or use due to being separated from other land that is acquired or restricted and thereby becomes too small to support its prior beneficial use
- Restrictions on land use that result in the loss of buildings, trees, standing crops, other property, and/or sources of income for those who own or use the land and its assets
- Restrictions on land use
- Loss of standing crops, trees, other property, income sources, or livelihoods due to damage or destruction caused by project activities

- Restricted access to natural resources, public places, or services that results in economic losses.

For purposes of this Framework, affected people and households (also known as “project-affected people” or “affected people and households” or PAPs) include those who own the land and those who live on or use the land or its resources, including those without formal, traditional, or recognizable usage rights. The Framework will apply to affected people who are occupying or using land prior to a specific cut-off date that is the day when census is taken and will be established in the future Resettlement Action Plan.

The primary objectives of the resettlement program include:

- Displacement is to be avoided, of avoidance is not possible, minimized.
- Replacement is to be preferred over compensation, as agreed by the affected people (that is, the PAPs).
- Land will be acquired, and the right to use land will be agreed, with the consent of the owners and users wherever possible, with expropriation used only as a last resort.
- Lack of formal legal land title will not be a barrier to compensation or alternative forms of assistance.
- Relocation and compensation will aim to improve living standards and/or livelihoods of affected persons, and if that is not possible to restore to equivalent levels.
- Compensation is to be paid at full replacement cost, without deductions for depreciation or other purpose.
- Resettlement assistance will be provided in lieu of compensation for land to help improve or at least restore the livelihoods of PAPs who do not have legal rights to lands or claims to such land that are recognized under the laws of Georgia.
- PAPs, local communities, and local governments will be provided with opportunities to participate in the planning, implementation, and monitoring of the resettlement program, including development and implementation of procedures for determining eligibility for compensation benefits and development assistance, and for establishing appropriate and accessible grievance mechanisms.
- PAPs are to be provided assistance in their efforts to improve, or at least restore, incomes and living standards.
- GSE will identify and pay particular attention vulnerable groups, such as ethnic minorities, female-headed households, elderly households, poor households, and others as appropriate, and Additional assistance will be provided as needed to help them adapt to project-related changes. Additional compensation will be provided as needed for people in such groups to ensure their living conditions and economic conditions are improved, or at least no worse than before they were displaced.

- When owners of land to be acquired cannot be located or consulted, payments will be deposited in an interest-bearing account until such owners or heirs are located; if they have not been located within two months, GSE will initiate proceedings to expropriate the land for acquisition or use, but will leave the account in place. Efforts to identify owners and/or heirs will include public notices, records searches, interviews of knowledgeable people, and other means. All such efforts will be documented.
- Relocation arrangements and/or compensation, as appropriate, must be complete for all PAPs prior to displacement occurring and prior to ground levelling, demolition, and in any case, before an impact occurs.

After a detailed inventory of people, land, and assets determine who and what losses are eligible for compensation (see Chapter 6), GSE will establish a cut-off date which is the day when census is taken, after which people who buy land or rights to land to be acquired will not be considered to be displaced and thus will not be considered PAPs who are eligible for compensation. In addition, there will be no compensation for increases in value due to improvements to the land or associated assets, newly planted crops or trees, or other activities that are after the cut-off date. GSE may establish different cut-off dates for different sections of the line. Detailed information regarding the “cut-off date”, and the restrictions that will apply after it is announced, will be provided to PAPS in advance, who will acknowledge their acceptance by their signature on an inventory document. The cut-off date will also be announced in local media.

The period from the cut-off date and the actual date of compensation is expected to be no more than one (1) year. In case of necessity and appropriate justification, GSE may increase the period to two (2) years. If such an extension is needed, all assets subject to compensation will be inventoried again.

4. LEGAL FRAMEWORK

As noted above, land acquisition and resettlement of people by GSE will have to be accomplished in compliance with Georgia law and the World Bank’s Environmental and Social Standard 5, “Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”. The three subsections that follow address:

- Key legislative requirements under Georgia law
- World Bank requirements
- Gaps between Georgia law and World Bank requirements.

4.1 Georgia legal requirements

The Constitution of Georgia recognizes the right to property. Therefore, it is generally impermissible for the state to abolish the universal right to ownership, acquisition, alienation, or inheritance. However, it is permissible to restrict the right to property for pressing social needs so that the essence of property right is not violated. The deprivation of property for pressing social needs is permissible in specific cases that are prescribed by law, by court decisions, or in cases of urgent necessity established

by the organic law, but only with the condition of preliminary, full, and fair compensation. The compensation is exempt from all taxes and fees. Table 4.1.1 identifies the laws that are relevant to GSE's land acquisition, resettlement, and compensation under this project.

Table 4.1.1 Potentially Applicable Georgian Legislation

Legislative Act	Acceptance Date	Last Modified	Registration Code
Constitution of Georgia	24.08.1995	04.10.2013	010.010.000.01.001.000.116
Civil Code of Georgia	26.06.1997	30.06.2017	040.000.000.05.001.000.223
Law of Georgia on "Public Registry"	19.12.2008	24.04.2017	040.150.000.05.001.003.390
Law of Georgia on "Notary"	04.12.2009	10.03.2017	170.000.000.05.001.003.794
Law of Georgia on "Agricultural Land Ownership"	22.03.1996	16.06.2017	370.030.000.05.001.000.132
Organic law of Georgia on "The Procedure For Expropriation Of Property Upon The Urgent Necessity Of Ensuring Public Needs"	11.11.1997	20.09.2013	020.060.040.05.001.000.288
Law of Georgia on "the Procedure for the Expropriation of Property for Pressing Social Needs"	23.07.1999	03.09.2013	020.060.040.05.001.000.670
Law of Georgia on "Legalization of Property"	22.06.2007	22.03.2011	170.040.000.05.001.002.907
Law of Georgia on "State Property"	21.07.2010	04.05.2017	040.110.030.05.01.004.174
The Law of Georgia on "Recognition Of Property Rights Of The Parcels Of Land Possessed (Used) By Natural Persons And Legal Entities Under Private Law"	11.07.2007	03.06.2016	370.060.000.05.001.003.003
Law Of Georgia on "Cultural Heritage"	08.05.2007	01.06.2017	450.030.000.05.001.002.815
The Forest Code of Georgia	22.06.1999	01.06.2017	390.000.000.05.001.000.599
Law of Georgia on "Protected Territories"	07.03.1996	17.02.2016	360.050.000.05.001.000.127
Law of Georgia on "The Red List"	06.06.2003	01.06.2017	360.060.000.05.001.001.297
Law of Georgia on "Social Assistance"	29.12.2006	04.05.2017	280.080.020.05.001.002.699
Law of Georgia on "Social Protection of Persons with Disabilities"	04.06.1995	23.03.2017	280.080.020.05.001.000.111
Law of Georgia on "Internally Displaced Persons from the Occupied Territories of Georgia"	06.02.2014	30.04.2014	010170000.05.001.017337
The ordinance of Government of Georgia #242 on "the establishment of Forest Use Rules"	20.08.2010	03.07.2017	000000000.00.000.000000
The ordinance of Government of Georgia #366 on the "Establishment of protection rules and protection zones for linear constructions of power grid"	24.12.2013	12.04.2017	300160070.10.003.017533

The Civil Code of Georgia regulates private civil relations, including property and related rights. Several fundamental rights are or could be important for GSE's acquisition or use of land or placement of restrictions on land:

- The **right to property** entitles the owner to freely possess and use property. Property rights may be restricted by legislation or other agreements (Section 3 "Ownership" section of the Civil Code).
- **Superficies** allows the land owner to transfer the land to another person for temporary use (total usage period not to exceed 99 years) in exchange for a fee or free of charge. The recipient obtains the right to place or construct buildings on or under the land, as well as the right to alienate, legally transfer, and rent the land. (Chapter Five "Limited Use of Property Belonging to another Person", article 233 of Civil Code).
- **The Right of Way of Necessity** may be considered as an alternative to expropriation. According to Article 180 of the Civil Code, The Right of Way of Necessity can be used: "If a land parcel lacks a connection to public roads, electricity, oil, gas and water supply lines that are necessary for its proper use, the owner may require that a neighbour tolerate the use of his/her plot to create the necessary connection. The neighbours on whose land parcels the right of way of necessity or transmission line passes shall be given monetary compensation which, by agreement of the parties, may be made as a lump-sum payment. The obligation to tolerate the right of way of necessity or transmission line shall not arise if an already existing connection to the plot of land was discontinued by the voluntary action of the owner."
- **Easement right** is granted under Article 247 of the Civil Code as "servitude": "A plot of land or any other immovable property may be used (encumbered) in favour of the owner of another parcel or other immovable property so that the owner may use the plot of land in particular instances; or so that certain actions may not be undertaken on this plot of land or so that the exercise of a right towards the other plot of land is excluded (easement). The rules for the acquisition of immovable things shall apply to the creation of easement. The Civil Code of Georgia, allows compensation for easements to be paid as a onetime payment or in the form of periodic payments. For this project, compensation will be paid in a single payment.

As mentioned above, land may also be expropriated (that is, taken by the Government without agreement) due to the needs of society. Among the reasons that land can be expropriated include power transmission lines and the electricity distribution grid. Prior to commencement of the expropriation process, the project developer should take all the measures and consider all possible legal options.

The right of expropriation is granted on the basis of an Order of the Minister of Economy and Sustainable Development of Georgia and a decision of the court. The Minister's order defines societal needs and the inevitability of the expropriation of the assets. If GSE cannot reach agreement with

owners of land and no other solution can be found, land may need to be expropriated for the Jvari-Tskaltubo transmission line corridor and/or Tskaltubo substation.

The final decision on the actual expropriation of land has to be made by the court of Georgia, not by the Minister's order. Owners whose land is expropriated are given fair and full compensation, as described in chapters below, before the land can be taken.

All property owners whose property is subject to expropriation (that is, public necessity is confirmed by the order and agreement on fair compensation cannot be not reached with land owner) are notified by the project developer – in this case, GSE -- regarding the decision for expropriation of property. Information regarding the expropriation needed for the project will have to be published in the local and central newspapers. An example of such an Order to establish the public necessity granted for the Akhaltsikhe-Batumi transmission line, as described in the text box. A similar order will be issued for the current project.

If the expropriator and the property owner fail to agree on the market value of the property and/or the compensation amount, or on the alternative property offered as compensation, each party has the right to file a claim to the court.

In case of agricultural land, the assessment and compensation must include income that the owner would have received from crops during the year ahead. The compensation will be based on the type of crop currently or most recently grown on the respective land plot (to be determined during the RAP socio-economic survey and prior to cut-off date).

The transmission line linear structures and protection zones are regulated by Ordinance #366 of the Government of Georgia on the "Establishment of protection rules and protection zones for linear constructions of power grid" dated December 24, 2013. This resolution defines rules for protection of power transmission lines, including specific protection zones (area, distance, width, and clearance), width of forest clearance, access roads and right-of-way in agricultural zones. The purpose of the protection zones is to facilitate uninterrupted functioning of the electricity network, to ensure its safe operation, to protect sanitary norms (that is public health and safety), and avoid accidents.

According to the resolution, the width of the buffer or safety zone for a 500 kV transmission line must be 30 meters on each side of energized conductors (measured horizontally)—a total of 74.5 meters, with 30 meters on each side and 14.5 meters between the conductors). The resolution also establishes the height and width of clearances in forests, public parks, and other territories—vegetation must be controlled in a zone at least as wide as the average tree height (20 meters on each side in the case of the preliminary transmission line corridor), and there must be a minimum vertical between the tree or other vegetation and an energized conductor (8.5 meters on level ground). If the height of a tree or group of trees outside the vegetation control zone is higher than the average on which the vegetation control zone is based, those tall trees will need to be cut – authorization to cut such trees must be obtained through the ordinary process: if trees are located on private land, the owner must be compensated, and an easement agreement should include limitations on tree height in this location. If trees are located on Forestry Fund land or municipal land, permission to cut trees has to

be obtained from the relevant authority (that is, from the National Forestry Agency or the municipality). All trees that are to be cut must be inventoried and documents submitted to the relevant authority in order to receive permission to cut. The timber then must be handed over to the authorities in accordance with applicable law. GSE will consult with forest managers to determine if wood can be given to affected people and households and/or other local people.

The legal entity – that is, GSE – that owns the transmission line has the right to do the following to secure service provision and safety:

- Arrange access roads, bridges, and other facilities as necessary to operate and maintain lines and structures
- To cut trees/branches within the clearance zone, including disposal of the cut material.

Special clearance schemes or ground works are allowed to carry out the above-mentioned works. On state forest fund slopes with inclination of less than 30 degrees, or from 30 to 35 degrees, the developer must notify the Ministry of Environment and Natural Resources Protection 15 or 20 days in advance (respectively). The notification letter must include information on X and Y coordinates, as well as electronic versions of GIS-based shape files.

It is important to note that the line will cross land in the Forest Fund and thus forests will need to be cut. According to the Forest Code of Georgia, the state Forest Fund can be used for a number of purposes relevant to this project, including:

- For hydroelectric/water-engineering systems, pipelines, roads, power transmission and communication, or construction of channels and related engineering-geological works
- To prevent restriction or damage of infrastructure [such as transmission lines] by a potential fall of trees
- For the implementation of infrastructural projects of state and/or public importance.

4.1.2 Governmental bodies and organizations involved in land acquisition

GSE – Georgian State Electrosystem

GSE has the overall responsibility of design, land acquisition and resettlement, construction, construction monitoring and supervision of the Jvari-Tskaltubo transmission line. This also includes financing and executing land acquisition and resettlement tasks and cross-agency coordination. GSE will exercise its functions through its existing Resettlement Management Team (RMT), which consists of representatives of GSE's Permissions and Resettlement Department (PRD), Legal Department, and [International Projects Department].

A Resettlement Management Team (RMT) having specific experience and skills in land acquisition and compensation, is responsible for land acquisition and resettlement activities related to the project. The Team is responsible for supervision of all technical work to accomplish RAP preparation and implementation tasks and coordination within GSE, as well as at central and local government levels.

Based on the prices for land acquisition and easements established by an Assessor/Valuator (see later chapters), GSE will make an offer to purchase of land parcels or to provide compensation for easements. If the owner agrees, he/she will confirm such agreement in writing by signing the Land Purchase/ Acquisition Agreement, which will then be registered with the Public Registry. This agreement will serve as the basis for compensation payment processing and release. If agreement is not reached, the GSE Resettlement Management Team will start the expropriation process..

Public registry

The governmental office in charge of official registration of land ownership is National Agency of Public registry (NAPR). NAPR is also in charge of property transfer through land purchase/ acquisition agreement from landowners to the GSE. Previously operating Municipality (Rayon) Archives have been transferred to the possession of the Municipal Registration Offices of the NAPR and information is registered and stored in centralized database. The Municipality Archives are used for cross-verification of ownership documentation and validity of physical possession of land by persons seeking registration as legalizable owners. If valid registration in the NAPR database does not exist for land to be acquired or placed under easement, the archives can be used to prove the rights of the interested person on particular land parcel and historical documentation can be used for legal registration. Before GSE can compensate owners for land or for easement, ownership must be registered. If that is necessary, GSE will pay all associated costs.

The time-frame for legalization will be dependent on available documentation. If all the necessary documentation is available and is submitted to the public registry, the registration process will take about four days, or for extra charge can be completed within one or two days. If all information is not available and it is necessary to use historical information proving ownership, and the information can be found in the municipality (Rayon) archives, then registration can take one month or more.

GSE is seeking partnership with Public Registry given the experience under the on-going TGSP in which land registration process took a considerable time.

Property Rights Recognition Commission

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 Property Rights Recognition Commission (PRRC) at the municipal level for recognition of ownership rights of owners/users for registration. PRRC verifies and authorizes application of ownership for registration with the NAPR. PRRC authorizes application of only those interested persons who are not registered but have non-agricultural or agricultural plots adjacent to the parcel where the applicant lives. In such a case, the recognition commission has one month to discuss these cases.

GSE is seeking partnership with the Commission given the experience under the on-going TGSP in which land registration process took a considerable time

Court of Georgia

The Court of Georgia will be the last resort for issues and concerns regarding the implementation of the RAP. In case there is no agreement between GSE and an owner concerning the acquisition of private property or placement of an easement on private property, GSE will submit to the Court a request for expropriation (GSE is able to do this because it has a mandate for expropriation based on existing legislations). The GSE will then obtain the targeted assets after obtaining the expropriation right and implementing respective procedures. Upon its approval and following prescribed procedure, GSE will then take over the concerned property after having been given by the Court the right of the Expropriator. Before GSE takes the property, it must pay the proper compensation, as determined during RAP implementation.

4.2 World Bank requirements

Because the project is expected to be financed by the World Bank, the Bank's Environmental and Social Framework will apply, especially Environmental and Social Standard (ESS) 5: "Land Acquisition, Restrictions on Land Use and Involuntary Resettlement." This Standard establishes special requirements if projects financed by the Bank could lead to physical or economic displacement.

When projects are expected to cause physical or economic displacement but the magnitude of land acquisition or restrictions on land use is unknown at the time the project is being prepared, the Borrower must develop a framework that establishes general principles and procedures that meet the requirements of ESS 5. Since the exact location of land that will be needed for this project, this Resettlement Policy Framework has been developed to meet this requirement. Once the final locations of towers, corridor, and substation are determined during final design, a detailed Resettlement Action Plan has to be developed and approved by the World Bank.

"Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both."

World Bank ESS 5, Introduction

The objectives of ESS 5 are:

- "To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives.
- "To avoid forced eviction.
- "To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by:
 - a. "providing timely compensation for loss of assets at replacement cost and
 - b. "assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

- “To improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.
- “To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant.
- “To ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.”

4.3 Gaps between Georgia law and World Bank requirements

The most significant difference between Georgian legislation and the World Bank requirements is that Georgian legislation places emphasis on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and compensated, while the World Bank emphasizes both compensation for affected assets and on livelihood restoration, with the goal to improve, or at least not degrade affected people’s economic and social conditions, and the World Bank does not consider the lack of legal rights to be an impediment to compensation.

World Bank requirements go beyond and complement Georgian legislation/regulation, including requirements for:

- Compensation for loss of assets at replacement cost
- Economic rehabilitation of all affected parties, including those who do not own property or even who do not have legal or formal rights to use property or assets that are lost. This includes compensation for loss of business and income
- Provision of special allowances covering the expenses of affected people during the process of resettlement, and additional assistance to severely affected or vulnerable people
- Preparation of detailed planning documents, such as this Resettlement Policy Framework and the future Resettlement Action Plan.
- Extensive consultations with potentially affected people during the entire resettlement process.

The differences between Georgia law/regulation and World Bank requirements are outlined in Table 4.3.1 below, along with how GSE intends to meet the additional requirements of the World Bank.

Table 4.3.1 Key Gaps Between Georgia Legal Requirements and World Bank Requirements

Georgia Laws and Regulations	ESS 5 requirements	Gap filling measures
Land compensation only for titled landowners.	Lack of title is not a bar to compensation and/or rehabilitation. Non-titled	– In practice legalizable land owners are also compensated after they are issued with necessary documents. In this case,

Table 4.3.1 Key Gaps Between Georgia Legal Requirements and World Bank Requirements

Georgia Laws and Regulations	ESS 5 requirements	Gap filling measures
	landowners receive rehabilitation.	GSE will support PAP's without legal titles so they can be titled. – In cases where land users cannot be titled, GSE will provide compensation per entitlement matrix of this RPF
Only registered houses/buildings are compensated for damages / demolition caused by project-related land acquisition	All affected houses/buildings, regardless of legal status, are compensated for damages / demolition caused by project-related land acquisition	Most or all properties will ultimately be registered to actual users, with legal and registration support where needed. Regardless, compensation will be paid to all affected households/persons. In case of damages during construction, the construction contractor will be responsible for compensation and GSE will supervise the process. If a property cannot be registered, the method for compensation will be identified and the affected person(s) will be compensated accordingly.
Loss for crops and trees is compensated only to registered landowners	Compensation for crop and tree losses has to be provided to landowners and sharecrop/ lease tenants, whether registered or not	If cropland or orchard is not registered, GSE will provide support to legalise the property and compensate any loss to owners. In case of leased land plots, compensation will be paid to renters for their actual losses and assistance will be provided to allow access to some other land to continue agricultural activities. Owners of crops and trees who cannot legalize the land will be compensated for crop or tree losses as per this RPF.
Compensation for loss of assets is based on market value without taking into account depreciation	Compensation for loss of assets is based on market value without taking into account depreciation and includes transaction costs such as taxes and registration fees. It also includes other resettlement costs, such as cost of preparing land for cultivation.	Compensation will be paid based on market value without taking into account depreciation, and including transaction and other costs. The Resettlement Action Plan will include clear procedures for calculating and compensating for transaction and other resettlement costs. Asset evaluation criteria will be based on replacement value as per ESS5.
Administrative body implementing the Project (GSE) 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. No Grievance Redress Mechanism is required, nor is	There must be a Grievance Redress Mechanism in place as early as possible in the process, to address, in an impartial manner, concerns about compensation, relocation, or livelihood restoration. Where possible, the GRM should use existing formal or informal mechanisms, supplemented as needed with project-specific arrangements (for example, Grievance Redress Committees (GRC), local governments, NGO,	GSE will establish an affordable and accessible grievance redress mechanism to receive, register and process grievances from affected people. Community representatives will be on redress committees. The mechanism will not preclude pursuit of legal and/or judicial remedies if disputes cannot be resolved.

Table 4.3.1 Key Gaps Between Georgia Legal Requirements and World Bank Requirements

Georgia Laws and Regulations	ESS 5 requirements	Gap filling measures
community participation at the local level.	and/or local community-based organizations (CBOs).	
Decisions regarding land acquisition and resettlement are discussed only between the landowners and the agency in charge of land acquisition.	The Resettlement Policy Framework and the future Resettlement Action Plan will be publicly disclosed during the planning process. The documents will provide information on eligibility, criteria for valuation of affected assets, entitlements, and compensation/ financial assistance.	This Framework has been developed through engagement with relevant stakeholders and further consultations will be held prior to and during preparation of the Plan. The Framework will be disclosed along with the ESIA, and the Plan will be disclosed as required. (The Framework and Plan will not disclose personal information or amounts households and individual will receive.)
No provision for income/livelihood restoration or for allowances for severely affected or vulnerable people, or for resettlement expenses.	Incomes/livelihoods must be restored to at least equivalent levels, allowances must be provided to severely affected and vulnerable people, and expenses for resettlement must be paid. .	The Framework introduces, and the Plan will include more details on, the procedures that will be implemented for livelihood restoration, special assistance or severely affected and vulnerable people, and for compensating for resettlement expenses.
No specific requirements are set for implementation of public consultations under relevant Georgian laws	Public consultation and participation is an integral part of land acquisition and resettlement. The process should be continuous process that begins at project conception and continues through preparation and implementation.	The Framework introduces, and the Plan will include more details on, the stakeholder engagement program for affected people that are in addition to consultation program that will be described in the project’s overall Stakeholder Engagement Plan. Engagement and consultations with affected people will meet World Bank requirements.

To reconcile the gaps between Georgia laws/regulations and WB Policy, GSE has adopted this RPF for the project, ensuring compensation at full replacement cost of all items, the compensation of extra-legal settlers and users, and the provision of subsidies or allowances for affected people and households who will be relocated, suffer business losses, are vulnerable or will be severely affected.

5. PREPARATION AND APPROVAL OF THE RESETTLEMENT ACTION PLAN

GSE has developed a Standard Operating Procedure for Implementation and Commencement of Construction Works (SOP) to serve as a management tool which, with this RPF, will guide preparation and implementation of land acquisition and compensation programs. It provides in summary form the activities that are described in more detail in narrative form in this chapter and in subsequent chapters of the RPF. This SOP is presented as Annex 3.

The GSE Permissions and Resettlement Department will be responsible for development and implementation of the Resettlement Action Plan, with the assistance of one or more qualified consultancies. This will include maintaining the list of PAPs who are eligible for compensation and for working with the GSE Financial Department to pay compensation. compensation of PAPs. Day-to-day work will be performed by a Field Team responsible for the RAP preparation that is headed by the external consultant and includes representatives of GSE and municipalities.

5.1 Resettlement Action Plan Preparation Procedures

As noted, above, the route of the proposed transmission and location of the proposed substation described in this Framework are preliminary, with final locations to be selected by the construction contractors. Once the design is completed and locations are known, a detailed Resettlement Action Plan (RAP) will be prepared to meet the objectives listed in section 3 above.

GSE will appoint a qualified consultant to prepare the RAP, which will require much more detailed baseline information on affected people and on land and property ownership and uses than is currently available. The primary field works will include:

- **Cadastral and geodesic works:** identifying and measuring land parcel boundaries, preparing measurement drawings of residences and auxiliary buildings
- **Development of the Inventory of Loss (IoL):** gathering accurate primary information regarding the subject parcel (dwelling house, auxiliary structures, fences etc.) and plants cultivated on the land (annual, perennial, trees and orchards)
- **Social and economic profile:** gather on information household size and makeup, living standards and livelihoods, income, special characteristics, ethnicity, and other factors
- **Valuation by Assessor/Valuator:** valuating and inspecting impacted residences, auxiliary structures, and other assets to be compensated.

All field work will be preceded by office work needed to prepare field teams and followed by office work to compile and analyze the data. Table 5.1.1 provides more detail on field and office work that will be implemented for RAP preparation. The actions are roughly in chronological order, but there will be overlap between many of the actions. The overall purpose of the actions is to determine how much compensation is owed to each person or household.

Table 5.1.1 Studies, Reports, and Other Actions Needed for the RAP

Action to be implemented	Results and comments
Final design of locations of towers, corridor, and substation	Identification of land, buildings, and other assets that will be affected
Identification of usage or ownership of land plots	Identification of owner or owner's authorized person and determination of status of impacted person (using registry and records search)
Consultation with PAPs	Consult with PAPs individually and publicly throughout the process, as described in Chapter 11

Table 5.1.1 Studies, Reports, and Other Actions Needed for the RAP

Action to be implemented	Results and comments
Develop instruments to collect information	<ul style="list-style-type: none"> – Develop questionnaires to collect information on PAPs (see annexes for preliminary versions) – Develop checklists to guide activities of field teams (see annexes) – Prepare maps, including preliminary cadastral maps, for use by field teams – Define technical tools/requirements for teams (GPS, measurement tools, cameras and other recording devices, etc.)
Initial field survey works ³	<ul style="list-style-type: none"> – Equip teams with proper technical means (cameras, GPS instruments, measuring devices, possibly survey instruments, etc.) Identify borders of safety zone, vegetation control zone, substation – Identify borders of impacted land plots, as agreed by owner and neighbours. In case of neighbouring land plots outside border, identify borders of those plot
Cadastral desk studies and maps	<ul style="list-style-type: none"> – Prepare exact cadastral maps of impacted land plots showing full extent of land that could be affected – Determine overlaps of owned or used parcels with state-owned land (municipalities, forest fund, etc.)
Inventory impacted land plots, houses and buildings, annual and perennial crops	<p>Through surveys and interviews of land owners and/or occupants, inventory ad survey team(s) to:</p> <ul style="list-style-type: none"> – Locate/verify/agree boundaries of towers, transmission line corridor, and substation – Complete inventory and social questionnaires. – Inventory impacted land parcels, buildings, and other assets using appropriate topography equipment (KORS system GPS and topography tools) – Identify and inventory annual and perennial crops that could be affected, with consideration of existing location, topography, and accessibility in order to help determine compensation – Determine age and growth phase of trees (as stated by owner and verified by inventory team) to help determine compensation – Develop record of land, buildings, crops, fences, assets, etc., with photographs taken from different perspectives
Inventory socioeconomic status of affected people and households (“census”)	<ul style="list-style-type: none"> – Through interviews and reviews of public records: – Collect information and documentation of potential loss of income or livelihood – Determine PAPs living standards, household makeup (members, ages, sexes, vulnerability status, etc.) and other demographic and social status – Identify vulnerable households, including households headed by women, elderly households, poor, minorities, and possibly others as appropriate
Engaging and seeking cooperation of local governmental representatives	<ul style="list-style-type: none"> – Verify inventory documents and determine ownership and registration status – Verify inventory documents by local government authorities and affected land owners/users, with signature of responsible person

³ Initial survey works will cover an area wider than the expected right-of-way (ROW) corridor to account for possible realignments during detailed design. The exact width of area to be covered in initial survey will be agreed upon by GSE and RAP Consultant.

Table 5.1.1 Studies, Reports, and Other Actions Needed for the RAP

Action to be implemented	Results and comments
Informing PAPs regarding “cut-off date”	Inform owner of cut-off date (see section 3), receive acknowledgement/acceptance by signature of owner/user
Processing of field data (inventory and social census)	<ul style="list-style-type: none"> – Transfer field data to digital formats: create databases, scan and store, primary documents – Prepare individual digital inventory and social questionnaires without financial values: personal and contact information about the owner, all types of property assessed during fieldworks that may be subject to compensation – land, dwelling house, other auxiliary structures and buildings, annual and perennial crops, etc.
Assessment/audit of the impacted land parcels, annual, perennial crops and buildings.	<p>Qualified Assessment/Evaluation company will:</p> <ul style="list-style-type: none"> – Audit land and assets to be affected – Establish unit rates to be used in establishing value of land, crops, and assets for acquisition and easement compensation – Prepare audit report that includes information on individual compensation packages (that is, which people/households will receive what compensation and assistance)
Preparation of summary compensation database	<ul style="list-style-type: none"> – Prepare summary tables for packages based on field, desk studies, audit conclusion and other relevant information, including unit rates defined by Assessor/Valuator and estimated values of properties, crops, and assets – Determine overall budget for RAP
Preparation of Draft RAP	<ul style="list-style-type: none"> – Prepare draft RAP for review and approval by GSE and World Bank – Prepare disclosure draft RAP available for public review and comment – Prepare actionable RAP
Monitoring and supervision	GSE/consultant to monitor implementation/compensation and prepare reports for World Bank
Update of RAP and preparation of final document for approval	<ul style="list-style-type: none"> – Prepare final report based on actual compensation paid, and other assistance provided – Submit to World Bank for review and approval – Submit to Government of Georgia for review and approval – Third-party consultant to audit and prepare Compliance Report

The preparation and implementation of a resettlement program for a transmission line is a complex process that typically requires permanent acquisition of many widely separated small land parcels and legal restrictions on land use over a long corridor. This in turn requires experienced and qualified personnel to conduct the field and office work and to deal with affected people and households.

GSE will appoint a consultancy to conduct the desk and field studies and prepare the RAP. It is critical to ensure the borders of land plots and measurements of other assets are measured and recorded accurately, so the RAP consultant must employ and mobilize personnel with relevant qualification and be authorized by Georgian legislation with relevant CORS and GPRS systems. They will need experience in downloading records from land and forest fund databases to measurement devices so field maps and drawings can be prepared. This will help correct errors in the databases, such as overlapping of neighboring land parcel or forest fund territory. Also, this will allow owners/users to receive information about any such overlapping errors. Resolution of such issues at an early stage will

help avoid misunderstandings and delays related to land ownership and ownership status at a later stage.

The RAP consultant's field teams will need to ensure that owners of the subject land parcel and neighboring land parcels or their representatives are present for the field measurements whenever this is possible. This reduces inaccuracies in the delineation of borders, crops, buildings, and other assets, and can reduce future disagreements. The correct boundaries agreed by the land owner and neighboring owners will be recorded by the survey team. The RAP team will verify the status of the land, whether it is legalizable (in cases where the actual size of a parcels is larger than already registered parcel, or where the parcel was not registered in the NAPR database). If the parcel is legalizable, the updated Cadastral map with support documentation is submitted to the NARP for legal registration before the acquisition or easement agreement is created between the land owner and GSE. If owners do not agree, GSE has to follow the expropriation procedure in order to impose the easement without the owner's agreement.

Field teams will be made up of a number of specialists, including:

- Geodesists/surveyors to survey and record boundaries
- GIS specialists and data managers to develop databases and produce maps and drawings
- Botanists, silviculturalists, and agronomists to identify and estimate conditions and ages of trees, crops, and agricultural land
- Social specialists to interview affected people to acquire information on households, living standards and livelihoods, and social status

In addition, special consideration will need to be given to the following:

- A special consolidated electronic database should be prepared and used by the teams. After the database is approved one person should be responsible for managing the database, with no one allowed to enter or change data without authorization.
- Surveyors will need to be equipped with relevant technical equipment, with recommended equipment being tablet computers with GPS support and special software enabling identification of the location in the field. The tablet computers should have pre-loaded GIS-based images that can be used in the field.
- At the initial assessment stage, it will be necessary for the cadastral team to be equipped with proper technical means, as noted above. The geodesist will determine exact borders of affected and potentially affected land plots, which will help to identify, separate and record impacted infrastructure, plants and other assets subject to inventory (considering relief forms, difficulty, parcel extension, plants and target infrastructure layout and access roads), with maximum accuracy. In case of difficulties, a "note" section of the inventory form will allow issues to be documented (for example, trees already felled, house is damaged, condition of assets etc.).

- Close consultation and cooperation with local authorities will be necessary where physical, visible boundaries do not exist or where the accuracy of marked boundaries is questionable. This is especially important when dealing with neighboring land parcels that may be partly or entirely outside the corridor.
- All field teams should have digital cameras with the capability to record the location and the date and time of the photograph is taken. All photos will need to be logged, saved, and archived.
- If the land that will be acquired or placed under easement is integrally associated with other land (such as part of a larger parcel) and the other land becomes economically less valuable as a result, GSE will acquire the other land or otherwise compensate for the loss in value.
- The end products of the survey field team will be a database to which value indicators can be added to determine individual compensations and the overall program budget.

5.2 RAP approval

When the RAP consultant completes the draft RAP, including the compensation packages and other confidential information, the draft RAP will be reviewed and accepted by GSE before being submitted to the World Bank. Following World Bank clearance, the draft RAP will be submitted to the Government of Georgia, which will promulgate a Decree of the Prime Minister to approve the RAP and allocate the budget, including funds for compensation.

5.3 RAP implementation

Experience under the on-going TGSP shows that cadastral data are often erroneous and need to be corrected in order to determine the exact amount of land loss and thus the amount of compensation affected people are entitled to. Such verifications of cadastral data can be time-consuming for various reasons including disputes with neighbors over land boundaries, land owners missing some critical documentations, absentee owners, insufficient human resources for cadastral offices, and so on. Also, detailed on-site inspections by the Contactor prior to the start of work may find that towers need to be built on locations other than has been originally anticipated, leading to changes in the transmission line corridor and the scale and scope of impact. As a result of such challenges, the GSE faced significant challenges in ensuring compliance with the Bank's OP 4.12 which requires payment of compensation prior to start of works.

In order to address such challenges, the GSE developed Standard Operating Procedures (SOP) that seek to ensure compliance with the Bank's OP 4.12 while minimizing delay in construction processes. The SOP sets out detailed processes and procedures that aim to address the implementation challenges mentioned above, namely:

- The contractor develops a construction plan at the beginning of each three-month period and submits it to the GSE, through the supervision consultant.

- The GSE Permissions and Resettlement Department (PRD) negotiates compensation with people who will be affected under the three-monthly plan, assess if they have all necessary documents to complete compensation payments, and check if any disputes exist between affected people and their neighbors.
- The PRD develops the list of affected people with whom they have reached an agreement on compensation measures but will unlikely be able to sign land acquisition agreements within three months of the beginning of negotiations for a variety of reasons.
- The PRD sends to the GSE's Financial Department the list of affected people with whom land acquisition agreements have been signed and compensation can be paid to their bank accounts, and the list of affected people with whom land acquisition agreements cannot be signed and whose compensation should be sent to an escrow account.
- The GSE's Financial Department sends compensation to affected people's bank accounts or an escrow account.
- The PRD sends to the GSE management the list of tower constructions and other civil works where compensation payment has been completed and which are ready for construction.
- Supervision consultant conducts an on-site verification that all resettlement activities have been completed for the list submitted by the PRD, and informs the result directly to the GSE management.
- GSE management instructs the civil works contractor to start works if all resettlement activities have been confirmed by supervision consultant; otherwise, management instructs the PRD to complete resettlement activities.
- The contractor develops another three (3) monthly construction plan for the next batch of civil works and submit it to the GSE.
- RAP monitoring consultant will monitor resettlement implementation independently and report to the GSE's senior management directly. Supervision consultant will report the result of the on-site verifications in quarterly progress report.
- For those affected people with whom the PRD cannot reach an agreement on compensation measures within three months of the beginning of negotiations, the GSE will build towers elsewhere and avoid impacting them, or proceed with expropriation measures.
- All instructions should be in writing and the WB task team will be copied of key communications including in particular when tower locations have to change.

The SOP will be updated based on the initial implementation experience and will be used for this project. The SOP is attached to this RPF as **Annex xxxxx**.

6. ELIGIBILITY CRITERIA

This chapter describes the proposed criteria by which a person may be eligible for relocation assistance, compensation for lost or damaged assets, or other assistance that may be needed due to physical or economic displacement. Meaningful consultations with affected persons, local authorities, and community leaders will allow for establishment of the final criteria by which displaced persons' eligibility for compensation and other resettlement assistance are determined. Affected persons would fall into one of the three categories defined by the World Bank, as shown in the text box.

Those covered under paragraphs (a) and (b) will be provided compensation for the land to be acquired, for loss of buildings, crops, or other assets, for restrictions that are placed on land they own or use, and other assistance specified in this RPF and in the RAP. Persons covered under paragraph (c) are to be provided with resettlement assistance in lieu of compensation for the land they occupy, for loss of crops or other assets, and other assistance. The cut-off date to qualify for compensation for improvements to land or assets that increase value will be established by GSE as the date of census in consultation with affected people, local community leaders, and the respective local authorities; it will also need to be found acceptable by the World Bank. Thus, project-affected persons will be eligible for assistance under the RAP even if they are not entitled to compensation under Georgia law.

“Affected persons may be classified as persons:
“(a) Who have formal legal rights to land or assets;
“(b) Who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or
“(c) Who have no recognizable legal right or claim to the land or assets they occupy or use.”

World Bank ESS5, paragraph 10

Persons who encroach on or make improvements to lands or property that will be acquired or placed under easement by GSE after the cut-off date will not be entitled to compensation other than would have been due on the cut-off date. All persons included in (a), (b) or (c) above will be provided with compensation for loss of assets other than land. It is therefore clear that all project-affected persons irrespective of their status or whether they have formal titles, legal rights or not, squatters or otherwise encroaching illegally on land, are eligible for some kind of assistance if they occupied the land or had use of it, before the entitlement cut-off date.

Owners and/or users of land and property who have made improvements after the cut-off date will be given advance notice and requested to vacate premises and dismantle any new structures prior to project implementation. Material from their dismantled structures will not be confiscated (that is, they can keep the materials for use elsewhere) and the PAPs will not pay any fine or suffer any sanction. Forced eviction of such people will only be considered after all other efforts are exhausted.

6.1 Compensation Eligibility

The following categories of people will be eligible for compensation or other allowances due to project-related impacts:

- All people whose land that must be acquired is either covered by legal title/traditional land rights, land without legal status that is legalizable, or land without legal status and not legalizable
- All people whose use of land they own or use is restricted
- Tenants and sharecroppers, whether registered or not
- Owners of buildings, crops, plants, or other objects attached to the land
- People losing business, income, and salaries including project-affected businesses or farms, or their employees. People who are eligible for compensation under the project include:
 - Titled PAPs (registered land owners, according to public registry) will be fully compensated at replacement cost. This will be in cash at replacement value or land-for-land with a combination of productive potential, location advantages, and other factors that collectively are at least equivalent to the advantages of the land taken, to the satisfaction of the PAP (that it must be of at least equal size and/or productive value and be satisfactory to the PAP).
 - Untitled PAPs have plots either with a house or adjacent to a plot with a house on the cut-off-date. Titles for these lands and structures will be legalized at GSE project expense and then fully compensated at replacement cost, on the same terms as described for titled PAPs.
 - Untitled PAPs who use or cultivate the land they occupy on the cut-off-date only extemporaneously and who cannot be legalized will not be eligible for compensation for land, but in lieu of land compensation will receive compensation for crops and other assets attached to land and other assistance as required to improve or at least restore their living conditions. An example of such PAPs would be those who use forest fund land and receive value from that use.
 - Residents in houses with legal titles who must move (that is, whose houses are within the safety zone) will be compensated for the land and structure at full replacement value and assisted to relocate to a new residence with equivalent or better access to services.
 - Residents in houses without legal titles but with a right to reside therein will not be compensated for land value, but will receive compensation at full replacement cost of the housing structure and will receive assistance to relocate to equivalent or better housing with access to equivalent services.
 - Residents in houses without a right to live therein will not be compensated for the house or land, but will receive assistance to identify and relocate to equivalent or better housing.
 - Absent landlords (i.e. remotely living landlords) are also eligible for compensation. The consultant appointed by GSE to implement the RAP will make efforts to find them or their heirs and inform them about the process. This could include requesting neighbors to contact them, placing newspaper announcements regarding the resettlement, and other measures. If an owner and/or landlord cannot be contacted, the compensation amount will be deposited on an interest-bearing escrow account in the owner's name, and will be available as soon as the owner makes contact. GSE will maintain such escrow accounts at least for 12 months, following which the compensation may be transferred to the GSE's interest-bearing subaccount designated to save outstanding compensation, earmarked for entitled PAPs.

- Employees of businesses and farms losing incomes/jobs as a result of project implementation.

Households and people that are considered vulnerable will be eligible for further assistance to fully mitigate project impacts, as described in later sections. At present, the following groups are considered vulnerable, although this may change based on information gained during the inventory stage. The ESIA reported that about 43 percent of the people in the two regions are poor, elderly, or internally displaced, so there may be a relatively high percentage of vulnerable people and households.

- Households headed by single women
- Households with disabled people living alone or only with caretakers
- Elderly households (living alone)
- Households eligible for public assistance due to poverty
- Internally displaced people (IDPs may possibly be considered vulnerable, depending on the status of the household since many or most IDPs have been in the area for decades and may not actually be vulnerable to social or economic hardship. This will be determined during the census described in a later chapter).

At present, it is not known if there are any minority households who could be considered vulnerable could be affected. If the census determines there are such people present, and they are vulnerable to social or economic hardship, they would be considered vulnerable.

6.2 Project eligibility

The descriptions of each type of compensation to be included in the compensation packages of PAP's are described in Table 7.1.1. The compensation types are broken down by the type of loss and the status of the affected person.

6.3 Gender considerations

Women have important economic roles in the project area and engage in a wide range of income-generating activities in the agricultural and other sectors. The project will need to pay particular attention to ensure that women are the recipients of compensation that is relevant and at least proportional to their activities and ensure that women who are *de facto* household heads are clearly listed as beneficiaries of compensation and assistance. Beyond considering women-headed households as vulnerable, the means to accomplish this include:

- Including women in the inventory team as impact enumerators
- In the process of constructing profiles of affected people and households, disaggregating groups and families by gender to pinpoint how many women are likely to be affected and establish their pre-project conditions, and identifying heads of households

- Including women in the teams that participate in the consultation processes and that determine compensation entitlements
- Including women in consultations and as survey respondents; if low proportion of women attends consultations, design alternative consultation methods such as focus group discussions or individual outreach to engage women
- Where joint ownership title is held (e.g. by husband and wife), deliver compensation to both owners or ensure the written agreement of one owner to transfer compensation to the other
- Considering the disproportionate impact that resettlement has on women and accounting for that in developing compensation packages
- Ensuring that monitoring of resettlement is attentive to women's issues and whether additional measures are required to ensure the objectives of the program are met for affected women.

7. METHODS FOR VALUATION OF AFFECTED PRIVATE ASSETS

Compensation for all land use and assets in kind or cash, as guided by the entitlement matrix, will be required for:

- Land that is used temporarily or permanently
- Land whose future use is restricted
- Residential buildings, structures, and fixtures
- Cultivated crops, including both cash and food crops
- Perennial crops such as nut and fruit trees or timber crops, including both cash and food crops
- Businesses (e.g., timber companies)

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
Land			
Permanent loss of agricultural and non-agricultural land (e.g. tower and substation footprints, areas for some access roads)	PAPs permanently losing land regardless of impact severity	Registered owners	<ul style="list-style-type: none"> - For agricultural lands: Cash compensation at full replacement cost or replacement land of same or greater value, and at location acceptable to PAPs where feasible. Valued at market value without deduction. - For non-agricultural lands (including agricultural land used only for residence). Cash compensation at full replacement cost at market value without deduction. - If any remaining part of an owner’s land, outside the footprint, is no longer appropriate for use, such remaining part will be purchased at market value or replaced subject to agreement with the owner - If land is not being used according to its registration (such as for an occupied house on agricultural land), compensation will be for the actual use, not the registered use - If residual land (remaining after land acquisition process) becomes unviable for productive use the whole land plot will be acquired.
		Legalizable owner	<ul style="list-style-type: none"> - For agricultural lands: legalization and registration at GSE expense, compensation or replacement as for registered owners - For non-agricultural lands (including agricultural land used only for residence): legalization and registration at GSE expense , then compensation or replacement same as for registered owners - This compensation entitlement will also apply to legalizable owners using unregistered land plots far from their residence, without registration of such land - If land is not being used according to its registration (such as for an occupied house on agricultural land), compensation will be for the actual use, not the registered use - If residual land (remaining after land acquisition process) becomes unviable for productive use the whole land plot will be acquired.
		Renters/Lessee	<ul style="list-style-type: none"> - Not eligible for land compensation (that is, replacement land or payment for land value) - Allowance provided in compensation package for other losses (for example, see crops and buildings below) - Compensation packages to be determined individually
		Non-legalizable owners (squatters/encroachers)	<ul style="list-style-type: none"> - If agricultural land plot is the only land plot used and provides main source of income for household, compensation with one-time allowance

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
			– Allowance provided in compensation package for other losses.
Restrictions on use of land in transmission line corridor safety zone and vegetation control zone, and possibly some access roads outside the corridor	No loss of ownership but prohibition on buildings in safety zone and tall trees or tall equipment in vegetation control zone	Registered owners	– Compensation with standard easement fee based on land category and use, with exceptions negotiated for land or assets with higher than average values – Standard easement fee to be established by independent valuator
		Legalizable Owner	– Ownership to be legalized and registered at GSE expense – Eligible for easement fee established by independent valuator same as registered owners
		Renter/Leaseholder	Eligible only for direct losses (as described for other losses)
		Non-legalizable users	Eligible only for direct losses (as described for other losses)
Buildings and Structures			
Residences	Houses within the safety zone of the transmission line corridor must be removed/demolished	Registered owners	– Compensation and replacement value for the house in addition to compensation for loss of land described above – Resettlement assistance to help the household relocate to a new house (packing, transporting, unpacking, labor, etc.), with equivalent access to services and security of tenure – Compensation of three months' subsistence income, five months for vulnerable households
		Legalizable Owners	– Legalization and registration of new house/property at GSE expense – Compensation and replacement value for the house in addition to compensation for loss of land described above – Compensation and assistance same as registered owners
		Renter/Leaseholder	– Not eligible for compensation for houses or other structures – Informed well in advance of the need to move – Compensation equivalent to three months' rent and support to pack, transport belongings to new location, unpack, labor support if required – Compensation for vulnerable renters equivalent to five months' rent, plus either subsistence income equivalent to previous income for one year, or provided equivalent alternative housing at no greater cost
		Non-legalizable users	– Not eligible for compensation for house unless built by the non-legalizable user – Compensation at full replacement cost for the house if built by the non-legalizable user – Additional assistance to ensure that adequate housing with security of tenure and access to services is provided

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
Non-residential structures and permanent improvements (barns, irrigation, fences, etc.)	Auxiliary buildings in the safety zone of the transmission line corridor must be removed, some fences may need to be moved	Registered owners	Compensation at full replacement cost for lost structures and improvements in addition to compensation for loss of land
		Legalizable Owners	<ul style="list-style-type: none"> - Legalization and registration of new structure/improvement at GSE expense if necessary - Compensation same as for registered owner
		Renter/Leaseholder	<ul style="list-style-type: none"> - Not eligible for compensation for structure - Informed well in advance of the need to move - Compensation equivalent to three months' rent and, if necessary, support to transport materials and/or contents of structures to new location
		Non-legalizable users	<ul style="list-style-type: none"> - Eligible for compensation at full replacement cost for all structures built by the non-legalizable user - Compensation to transport materials and/or contents of structures to new location
All structures	Houses and other buildings	All PAPs	<ul style="list-style-type: none"> - GSE to pay for demolition by construction contractor or another contractor - Materials can be used by PAP for new house/building, with transport paid by GSE - If buildings can be moved and both owner and GSE agree, GSE will pay for moving the building to another location plus 20% of replacement cost
Community Infrastructure/Common Property Resources			
Common property and/or resources	Damage or destruction of buildings or other community/public Assets	Community/Government	<ul style="list-style-type: none"> - Consultations with community/government authorities to agree on restoration/compensation - Reconstruction or compensation for lost buildings or assets - Restoration of agricultural or other lands, or compensation for damages
Income and Livelihood			
Annual crops	Standing crops affected or loss of planned crop incomes	All PAPs regardless of legal status: <ul style="list-style-type: none"> - Registered owners - Legalizable users 	<ul style="list-style-type: none"> - Compensation for annual crops, at rates established by the Assessor/Valuator that are directly affected by the project or by activities that limit germination of annual crops⁴

⁴ Based on income received from crops on affected agricultural land during previous years. If the land is generally used for crop cultivation, but if no crops are planted during the year when the inventory of crops and land is conducted (due to the need for periodic rest of the land, illness of the farmer, or other justifiable reason), the land parcel will be considered as used for crop cultivation and relevant compensations will be granted, with income from past years used to establish values.

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
		<ul style="list-style-type: none"> - Non-legalizable users - Renters 	<ul style="list-style-type: none"> - When possible, enough time will be given to allow partial or complete harvest of existing crops - Annual crops to be compensated at gross market value of actual or expected harvest. Compensation for crops will be provided even if the crops is able to be harvested. - Compensation is in addition to other compensations (such as permanent acquisition of land or easement fee) - Compensation paid for crops that are harvested for either commercial or personal use
Perennial crops (for example, timber, fruit and nut orchards)	No trees over 4m allowed in 54.5m vegetation control zone of transmission line corridor	All PAPs regardless of legal status	<ul style="list-style-type: none"> - Timber: cash compensation at market rate on the basis of type and age of tree & market price of timber, in addition to compensation for acquisition of land or easement fee - Fruit, nut, other productive trees: cash compensation based on price of a replacement sapling plus the annual value of the crop/nut produced by that tree for the number of years it will take the sapling to reach full maturity, using Government or highest market price, whichever is higher without any deductions. Compensation based on average production for trees of that species, with possible exceptions if there is evidence of higher production. For not-yet-producing trees, compensation based on average production. - In case there are multiple PAPs (such as registered owner and non-legalizable user), owner will be compensated for lost timber/crop value over the period of time until a newly planted tree will provide equivalent value and non-legalizable user will be compensated for that year's harvest - When possible, enough time will be given to allow partial or complete harvest of existing crops - Compensation will be paid even if crops can be harvested before tree is cut, or even if tree does not have to be cut at time of initial corridor clearance, if trees have the potential to grow higher than 4 meters in height - Compensation to be paid for crops that are harvested for either commercial or personal use. - Compensation will be paid for perennial crops whose ownership can be determined even if the owner of the crops cannot legalize ownership of the land on which crops/trees stand.
Business/Employment	Business/employment loss	Business owners	<ul style="list-style-type: none"> - Permanent loss of income: cash compensation of two years' income - Temporary loss of income: cash compensation for net income for the months of business stoppage/loss plus one additional month, established the same as permanent income - Assessment to be based on tax declaration or, in its absence, minimum subsistence income, or as otherwise established by Assessor/Valuator

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
		Workers/employees	Compensation in case for lost wages equal to three months of previous income or minimum subsistence income, plus job training
Allowances			
Significant Impact	>20% loss of fertile land or major modification of traditional land use, or >20% loss of income	All PAPs regardless of legal status	<ul style="list-style-type: none"> - Additional compensation for three years' income from lost land based on most recent income for registered and legalizable owners, one year for renters and non-legalizable, and five years for vulnerable people - Additional compensation equivalent to lost income for three years for registered and legalizable owners, one year for renters and non-legalizable, and five years for vulnerable people - Value to be based on highest of the previous three years' crop value or income, or five years for vulnerable people
Moving expenses	Moving house	All PAPs subject to physical displacement	<ul style="list-style-type: none"> - Compensation for packing, moving, transporting, and unpacking household and other goods from acquired property to new location, and labor support as needed - Additional allowance for livelihood expenses if properly justified
Impact on vulnerable people and households	Vulnerable people and households (eligibility to be determined during RAP survey based on the categories described here)	<ul style="list-style-type: none"> - Women-headed households - Elderly households (living alone) - Poor households (receiving social assistance) - Households with persons with disability - Internally displaced people (by conflict or eco-migrants) 	<ul style="list-style-type: none"> - Allowance equivalent to five times minimum subsistence income (minimum subsistence value is defined officially for the country) - Other compensation as described in relevant categories - In case vulnerable person possesses relevant expertise, priority for employment
Loss of forest resources			
Loss of forest fund timber	Loss of timber on forest fund lands in corridor transferred to GSE	PAP's Using the land	<ul style="list-style-type: none"> - If agreed by National Forestry Agency, wood from cut trees to be given to local communities for use in public buildings at no charge - Compensation for two year's value of timber lost, based on proportion of timber over the past two years that came from corridor given the local community.
Temporary use of land			

Table 7.1.1 Entitlement matrix

Type of Loss	Description	PAP status	Compensation Packages
Temporary use of land for construction	Land to be leased by contractor for project purposes (storage, camps, etc.)	All PAPS	<ul style="list-style-type: none"> - Leases and payments to be between construction contractor and owners—GSE will not be a party to leases - Leases to be negotiated freely with registered and legalizable owners with right of refusal by owners and at agreed-upon rates. Lease rates must be equal or greater than current market rates for losses and/or land rental, plus compensation for any loss of crops or tress at gross value of two year’s harvest of crops on the affected lands. - Preference for land not rented or leased or used by non-owners. Renters and leaseholders to be compensated as agreed with owners - Non-legalizable users to be compensated by amount equivalent to income lost over the period they will lose access to the land - Maximum period for lease and temporary use to be two years, with renegotiation if needed longer - Land to be fully restored to former use, or better use if agreed in lease agreement
Construction (or maintenance) impacts not related to land acquisition			
Damage to houses, buildings and other property	<ul style="list-style-type: none"> - Accidental damage to houses and property - Damage or destruction of crops or trees - Injuries or death to livestock 	All PAPS regardless of legal status	<ul style="list-style-type: none"> - Compensation to be paid by contractor during construction and by GSE during operation and maintenance - Compensation by contractor or GSE in cash at full cost of repair or mitigation, or replacement if repairs not possible, free of deductions for depreciation, transaction costs, or salvaged materials - Amount of compensation to be agreed between contractor or GSE and affected person, with no limit on legal appeals by affected person - This requirement to be included in contract with construction contractors

In addition, disturbance allowances, replacement of lost services, and other assistance will be given as outlined in the Entitlement Matrix above. It is essential that the detailed RAP defines replacement cost values which will be used to determine actual compensation. All cash amounts will be adjusted to reflect any economic changes and buying power of currency after the preparation of the RAP. GSE and the World Bank will evaluate the compensation amounts recommended in the RAP and ensure that they reflect market reality and that it is consistent with Georgia laws as long as it meets the requirements of World Bank ESS5.

When land, buildings, and other assets that may be affected are surveyed, each asset (land area, house, building, asset, crop, etc.) that could be affected will be enumerated and recorded in an inventory and the valuation of the asset established using the principles and guidance of this Framework and the RAP. The total list of affected assets and their assigned values including any additional compensatory measures will be recorded in a register and shown to the affected person for agreement. The register will be signed and a copy given on the spot to the affected person. The document will indicate when the affected person will be notified, and that the inventory will not be official until a second signed copy, verified by RAP implementation staff, is returned to the affected person. A copy of the grievance redress mechanism described in Chapter 10 will also be given to the affected person (by this time, the person should be very familiar with the mechanism through previous consultations and discussions).

GSE will appoint an independent audit company (referred to as the “Evaluator/Valuator” to determine compensation unit values and to prepare fiscal and non-fiscal compensation packages. This company will use the principals and objectives of this resettlement program, and the eligibility criteria defined above.

- Compensation for occupied houses and other buildings will include full replacement costs without depreciation based on existing market values, including the considerations below. The independent and licensed auditor will describe the methodology and use the most recent costs data available in markets to determine market value and replacement value accounting clearly and in detail.
- For annual and perennial productive crops, or other trees giving economic benefit, the harvest quantity and the market value per quantity (e.g., value of crop per kilogram and the per-kilogram value), as well as price of replacement tree sapling, will be determined/verified.

Other considerations will include:

- Real estate and property depreciation value will not affect the valuation
- If the value of some land or assets that will not be directly affected results in the reduction in value of the other land or assets, or makes them worthless, compensation at replacement value will be provided for the other land and/or assets, not only the affected ones

- The market value of building materials and replacement value for buildings will be determined. Also, the accounting of compensation value for restoration should include similar on better building construction costs
- The cost of transporting building materials and the costs for workers will be included in the accounting
- Tax liabilities, registration and financial transaction related costs caused by the project implementation will be covered by the project and included in the accounting. Compensation will be provided in net, as determined by an independent and licensed valuator, following the principles and methodology described in this RPF, and elaborated in formulas in respective RAP. No tax deductions will be applied to the compensation amount.⁵
- To the extent possible, market value will be based on both official and non-official real estate and other transactions
- Evaluation of land plots and real estate will take into consideration their type and condition and their locations
- Qualified experts will assess values, including experts as needed in local real estate, markets, construction, crops and orchards, livestock, etc.
- Establishment of market values and rates will consider existing market studies and evaluations and also recent local/regional transactions, if such studies and transactions exist.

All data collected during field surveys/inventory will be processed by a qualified expert. All inventoried assets and land parcels will be checked and assessed through field checks. For categories of land, annual and perennial crops, buildings, and other assets, the Assessor/Valuator will establish unit values. Amounts of compensation will be based on the assigned value of each unit times the number of units.

Detailed information about market values, unit prices/values, and compensation types will be included in the draft RAP for further review by affected people, community leaders, and other interested parties. In revising the draft RAP and preparing the final versions, information provided and opinions expressed by stakeholders, especially affected people, will be taken into account as much as possible. The criteria, methodologies, and defined compensation unit prices proposed by the appointed experts will also be reviewed and approved by GSE and the World Bank.

⁵ In the event that taxes apply to the compensation amount, the appropriate tax amount will be topped up and covered by GSE.

Detailed information about the types of assets subject to compensation and the methodology to establish unit compensation values are described in the subsections below.

7.2 Structures

The replacement value of occupied houses, commercial spaces, and other impacted structures (for example, barns, summerhouses, worksheds, and similar structures) will consider the building type, material cost, worker, transportation and other construction costs. As noted above, building depreciation or transaction costs will not be included in the replacement value. The evaluation of houses and other buildings will include an on-site assessment, not only desk studies.

The only buildings that will be affected are those in the safety zone of the transmission line corridor. The following rules will apply in determining compensation for such buildings:

- If an occupied house is in the safety zone and has to be acquired, the entire land plot and every building on it are subject to full compensation or replacement. Even though the house becomes GSE property, GSE will allow the affected person(s) to take the materials from demolished buildings for use on the new land, and GSE will pay for moving the materials to the new land.
- If a building in the safety zone is not used as a dwelling and it is possible to move the building to a place outside the safety zone, the owner will be entitled to get the replacement value. This would be 20 percent of the cost to construct a new building, unless there is justification for a higher percentage. If it is not possible, the affected person(s) will be allowed to take the materials to their new land at GSE's expense.

The compensation for buildings does not include the compensation for the underlying land, which will be valued and compensated separately. Even houses that are incomplete or depreciated will be evaluated at the cost of the required materials and construction costs to replace it with another house in its current state.

The replacement value will be determined by taking into account the building market value, building materials, building type, labor costs, transportation, and other costs related to the construction unless the assessor develops and presents an alternative evaluation methodology that is approved by GSE and the World Bank.

Fig. 7.3.1 shows an example of the corridor under Alternatives A (red dashed line) and B (blue solid line), with the safety zone for also shown (very fine red line for A, blue for B). In this example, there are no buildings in the safety zone of Alternative A and therefore there would be no impact on buildings. Under Alternative B, however, there are a few houses and other auxiliary buildings in the safety zone that would have to be acquired and affected people relocated and compensated.

7.3 Land

Land reforms that have been implemented in Georgia, including real estate and legal status, are not complete and as a result some registration forms are not accurate. Therefore, issues related to incomplete or inaccurate registration will need to be resolved, which will take place during the detailed inventories and assessments described above. As noted above, land registration data will be obtained before the surveys so it can be compared to information gained during the inventory. Where the legal status does not match the actual status, the preference will be for the actual status, and that is what compensation will be based upon. In particular, the following will be considered in establishing status:

The plots where residential structures are located will be considered as non-agricultural plots even if the Public register documents designate the status of the plots as agricultural. In such cases, this land will be considered to be non-agricultural and compensation for the replacement value will be used as for non-agricultural land. The change of official status is not required because the replacement value for the land is equal for agricultural and non-agricultural land.



Fig. 7.3.1 Example of buildings that could be affected

- Agricultural land will include other land plots classified as agricultural, regardless of their current usage, even if there are nonresidential/noncommercial buildings on the territory.

Nonagricultural land plots will be evaluated by the land replacement value and with consideration of its urban or semi-urban location. The evaluation will take into account nearby service facilities and existing infrastructure so that the market value can be based on other land of the same size and purpose, with similar or better infrastructure.

Agricultural land assessment will be based on the replacement value, which can be accounted using two different methods. The chosen method will depend on the active land market in the region, in particular:

- Where the land market is active, replacement compensation value will be determined based on sales of similar lost land plots in the past three years. This information will be retrieved from official sources, and wherever possible values will also consider information from other information sources.
- Where the land market is not active, the land compensation value will have to be established by considering the value of land with similar productivity, accessibility, size, and configuration. A clear methodology of evaluation will be described in the RAP.
- Compensation will also be made for any permanent improvements that have been made to the land, such as irrigation structures. This will be calculated based on the price of making the permanent improvement at current prevailing market rates for labor, equipment and materials.

Most land in the transmission line corridor will not be acquired but will have restrictions placed on it via easements. The terms and conditions of easement will be described in easement agreements, and will require that compensation be paid in cash. Factors to be considered in determining easements and compensation, for various types of land use:

- **Agricultural land used for annual crops.** It is expected that planting, cultivation, and harvesting of most or all annual crops will be allowed in the safety zone and the vegetation control zone. Thus, the basis of negotiation will be the land value rather than crop value. In general, the only restriction on annual crop cultivation will be that tall equipment that could reach the transmission line must not be used and no auxiliary buildings are allowed.
- **Agricultural land used for perennial crops.** This would include private forestland as well as fruit and nut orchards. All trees that are currently, or have the potential to grow, over four (4) meters high will be cut to a height of 0.7 to 1.0 meters, if they could come within 8.5 meters of the energized wires. Compensation will be paid based on lost production for the number of years it would take a new or young tree to come into full production. Following the initial compensation for lost trees and crops (over the lifetime of the lost trees), compensation will be based on land value rather than the value of the crops. If trees grow back and need to be cut again during maintenance operations in the future, no further compensation will be paid.
- **Non-agricultural land.** Negotiations for easements in the safety zone will be based on actual economic losses due to restrictions on use of the land. The easements will prohibit construction or placement of any buildings or structures, the growth of trees over four meters high, or other activities that could interfere with the functioning of the transmission line.

7.4 Annual crops

The value for annual crops, whether grown on agricultural or nonagricultural land, will be established based on applying the existing market tariff to expected harvests, and compensation will be for one-year harvest income. Compensation will be based on the type of crop/s that have been cultivated on the given plot at the time of or prior to cut-off date which is the day when census is taken. If the affected person is subject to compensation for multi-year harvest (for example, vulnerable people or those with severe impacts as defined above), the compensation accounting will be based on the full market value. The market value, harvest costs, and harvest values for annual crops will be established by the Assessor/Valuator.

7.5 Perennial crops

The valuation of perennial crops will require a different methodology, based on plant productivity or usage (for example: timber material).

- Trees grown for timber, whether for personal or commercial use, will be evaluated based on their age category (for example, saplings, mature, aged) and by their timber value and volume.
- Productive trees will also be evaluated by a qualified pomologist or botanist for their maturity and age, but with additional expertise required to define the age categories and productivity for the type of tree/crop and to determine market value.
 - Sapling phase will extend from planting to the time a tree reaches its adult productive phase, and compensation will be for a new sapling plus lost production for the years it would take for a newly planted sapling to enter its adult productive stage. Production will be assumed to be equivalent to average production for trees of that species. Compensation will be paid even if the sapling has not yet reached a height where it needs to be cut.
 - Adult productive phase is the period that begins when the plant/tree begins to produce a harvestable crop and extends through the period when it produces a stable maximal crop. The evaluation will need to assess the annual productivity for the particular tree and/or the particular type of tree throughout its mature life and the market value of the crop. Compensation would be based on predicted production through its expected productive life.
 - Decrease or termination of fruit/nut production phase begins when production declines to a level less than half of the stable production during its adult phase. The evaluation must consider this reduced production and the possibly reduced value of its produce over the number of years this period would last.

Compensation for productive trees will be determined based on the price of sapling, the number of years required for the sapling to reach productive age, annual productivity of the tree (in kg), and market value per kg of the fruit/nut produced by the tree, without any deductions. Unit rates of compensation for productive trees will be determined by the independent and licensed valuator based on the principles set out above and using the most recent cost data available in markets. The exact formulas to be used to determine compensation will be provided in site-specific RAP.

7.6 Easement

The land categories based on which easement will be calculated will be described in RAP. The valuator will propose a common rate of compensation for easements based on the area, the land category and use, and the reduction in land value that would be caused by restrictions on land use. This common rate will be paid to registered owners and legalizable owners based on the amount of their land that will come under easement, with adjustments possible for specific areas/easements if any factors are significantly different from those used to establish the common rate (for example, higher market values in specific locations).

8. ORGANIZATIONAL PROCEDURES FOR COMPENSATION AND ASSISTANCE

Implementation of the RAP and delivery of compensation to people who are eligible rests with GSE. To implement delivery, the GSE and its agents will work closely with local administrations.

It is very important for GSE to ensure that:

- All affected people who are eligible for compensation receive compensation prior to the contractor entering the land for construction
- In cases where the land owner cannot be identified and/or located, or land with multiple property claims that will need to be sorted out, the money will be put into an interest-bearing escrow account until the rightful recipient or heir can be identified, contacted, and paid, and will initiate legal proceedings to allow acquisition or imposition of easement restrictions. GSE will maintain such escrow accounts at least for 12 months, following which the compensation may be transferred to the interest-bearing GSE's subaccount designated to save outstanding compensation, earmarked for entitled PAPs.

8.1 Land Acquisition Process

Complete and accurate registration of private land is a precondition for GSE's acquisition of private land and property. As noted above, registration is not always accurate or complete. In such cases, GSE will support registration, and pay the costs of registration, for legalizable landowners whose parcels are not completely registered or land is being used without registration at all, and will provide assistance as described above for non-legalizable owners. In addition, GSE will pay the costs for correcting borders or other aspects of registered land. All activities will be implemented in accordance to the SOP adopted by GSE for the implementation of RAP, as described in section 5.3.

The amount of compensation for the replacement cost for registered and nonregistered land plots or/and other assets, will be determined based on detailed methodology described in the RAP and in the current RPF. Compensation values will be provided by a licensed and independent valuator following the methodology described in RAP and in this RPF. The valuation will be conducted within a short period (no more than one year) prior to delivering the compensation. The valuation will be based on detailed survey of market rates for similar land plots, to the extent possible, including recent market transactions and real estate offers. In all cases, expropriation will be used only as a last resort, to be sought only in case when agreement on land acquisition or easement cannot be reached and it is not feasible to change the route so the land is no longer needed.

GSE will appoint a consultancy with relevant qualification and expertise to prepare the RAP. The RAP consultants and the assessment teams will identify and determine the eligibility of each PAP for compensation and the land and assets that will be affected by the project, and the Assessor/Evaluator will determine compensation rates and the total amount of compensation each person and household is due. From the time of RAP approval, GSE will prepare a plan to complete land acquisition and

compensation within a three-month period (either in total or, if the RAP will be implemented by section, for each section).

GSE will offer to each person who is eligible for compensation the amount that is owed. Upon successful agreement, Land Purchase/ Acquisition Agreements will be signed with legalized/titled owners of acquired land parcels, Agreements of Entitlement will be signed with non-titled PAPs, and agreed easements will be registered. All agreements will be verified by the GSE Monitoring Service. If agreement cannot be reached and there is no feasible alternative to taking or restricting the use of the land, GSE may seek to expropriate the land or take steps for involuntary imposition of easement. When documentation is complete, the FSE Financial Department will process payments or, if owners cannot be identified and/or located, place compensation amounts in escrow accounts. GSE will maintain such escrow accounts at least for 12 months, following which the compensation may be transferred to the interest-bearing GSE's subaccount designated to save outstanding compensation, earmarked for entitled PAPs. If documents are not complete, owners will be allowed three weeks to obtain them, after which GSE will initiate proceedings to expropriate the land or impose easement restrictions, after which compensation will be made.

If at any point in the process any PAP is not satisfied with the process or the compensation, they can submit a grievance using the grievance redress mechanism presented in Chapter 10. If no resolution can be reached even after using the grievance mechanism, and there is no feasible alternative to acquiring/using the land, GSE will seek concurrence of the appropriate authority and proceed with the legal expropriation process. The RAP will not restrict a PAP's ability to pursue legal options at any stage in the process.

8.2 Easement Agreements

Georgian legislation establishes a buffer zone, referred to in the ESIA and this RAP as the "safety zone" in the right-of-way corridor for high voltage transmission lines. For the 500kV Jvari-Tskaltubo transmission line, as noted previously, the safety zone is 74.5 meters wide: 30 meters on each side of the energized wires plus 14.5 meters between the wires. The current corridor and safety zone are preliminary, based on the feasibility study and optimized during the ESIA, with final locations to be determined by the contractor who is appointed to design and construct the line.

Besides land that must be acquired for permanent use for towers (and the substation), the other land in the safety zone must be restricted through the use of easements, with restrictions including prohibitions on any buildings, on the use of tall equipment that could reach the energized wires, and on trees or other plants over four meters tall.

The Assessor/Valuator will calculate easement compensation values, differentiated according to regional, municipal or/and other criteria as noted in section 7.6, "Easements". The RAP will describe the evaluation methodology in detail, along with the unit values that will serve as the basis for easement compensation. Just as for land acquisition, the land must be correctly registered before an

easement can be entered, as described in section 8.1, “Land Acquisition Process”. Once agreed, easements will be registered in the appropriate registration body through proper proceedings. As noted above for cases where the PAP does not agree with the process or the compensation, GSE may seek to impose the easement through the court and the PAP may submit a grievance or pursue legal remedies.

8.3 Occupied houses and other auxiliary buildings and infrastructure

Based on desk and field studies, the office and field teams will need to obtain and record accurate information:

- Aerial photographs, registries, and field surveys will be used to identify buildings and other structures.
- Details on the buildings, including materials, sizes, condition, usage types, and function (occupied or unoccupied dwelling, barn, animal shed, mill, irrigation or other water channel, etc.) will be recorded on inventory forms by field teams. Historical uses of buildings and infrastructure will also be recorded (such as unused irrigation systems or unoccupied houses).
- Cadastral and thematic maps will be prepared for all functional buildings, including amortized or/and unfinished structures, that will clearly show what impact there could be, if any

The Assessor/Valuator will use the maps, recorded data, information on markets in the region and recent transactions, to determine replacement values. If a building is not current in use but could be put in use with little or no investment, the replacement value will be determined as if it were actually in use; if substantial investment would be required, the replacement value will be determined for the highest use it could serve in its current condition. (As noted previously, owners will be allowed to remove and use materials from demolished houses and buildings at no cost.)

8.4 Annual and Perennial Crops

The field teams will identify and record detailed information (crop, expected or known planting and harvest dates, anticipated yields, etc.) for all annual and perennial crops in the safety zone and substation, and on neighboring land parcels, which in the future could become subject to compensation.

There may be some time between the initial field surveys and the time construction is to begin. For that reason, information on crops in the affected areas will need to be confirmed prior to development of the final compensation package.

9. PUBLIC CONSULTATIONS, STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE

Consultations with affected people and stakeholder engagement will be carried out throughout project implementation including the processes through which site-specific RAP(s) are developed, following the processes and procedures described in the Stakeholder Engagement Plan (SEP). The exact locations and timing of RAP disclosure and consultation meetings with affected people will be established in the RAP.

The availability of the draft RAP, the locations and times of public meetings, and the other means by which people can submit comments (or grievances) will be announced in at least the following ways:

- Posters/flyers posted in municipal buildings and in village centers (if there are any such places)
- Press release by GSE and announcements/advertisements in local media.
- In letters sent to those who have attended meetings on the ESIA, if addresses or other contact details are available, and to local government authorities and village leaders for which contact details are available
- On the GSE website and, if agreed, on the websites of the five municipalities (Tsalenjikha, Chkhorotsku, Martvili, Khoni, and Tskaltubo) and two regions (Samegrelo and Imereti) through which the line passes
- In letters sent to known affected people, including especially those who may need to be resettled

Paper copies of the RAP (in Georgian language) will be placed in municipal offices, at GSE Tbilisi and local offices, and at NGO offices if they request this to be done, and possibly at other locations. Exact locations will be specified in the RAP. The brochure or pamphlet that explains consultation processes will also be made available in these places. In addition, electronic copies of the RAP (in Georgian and English languages) will be posted on the GSE and World Bank websites.

Not earlier than the 25th day and not later than the 30th day⁶ following the announcement, a public meeting will be held in each of the project affected municipalities and in village where households have to be resettled (if any).

In addition to this public consultation, during the field surveys the resettlement team from the RAP consultant and GSE will meet at least one time with every person (or at least one person in each household) whose land or property could be affected or a representative of the person or household. The team will explain the overall process and also will provide information on the grievance mechanism.

⁶ Please note there is no requirement under Georgian law to prepare a resettlement plan or to disclose it. The time the RAP must be disclosed is taken from the Georgian requirements for ESIA's.

10. GRIEVANCE MECHANISM

10.1 Objectives

A grievance redress mechanism will be established to allow PAPs to comment and/or complain about the temporary or permanent loss of their land, assets, or sources of income, and/or about compensation. This mechanism will use the same grievance form and general procedures as the mechanism included in the Stakeholder Engagement Plan, but grievances related to resettlement, land acquisition and restriction, and compensation issues will be managed separately. Grievance resolution dealing with land acquisition and compensation issues will be a two-stage process.

- **Stage 1.** – At this initial stage, after the grievance is received and registered, a Stage 1 Grievance Redress Committee (see below in section 10.2) will consider the grievance and attempt to resolve it quickly and informally by discussion and decision, with minutes of discussions and decisions recorded and signed by Committee members. If the grievance is not resolved at this stage, it will proceed to Stage 2. Also, if the person who made the complaint does not agree to Stage 1, the complaint will go directly to Stage 2.
- **Stage 2.** For grievances that are not resolved in Stage 1, the Stage 2 GRC (again, see section 10.2 below) will review the complaint and make every effort to resolve the issue in a way that is both consistent with the RAP and satisfactory to the person who made the complaint. Decisions by the Stage 2 GRC will be made in a manner that meets requirements of the Administrative Code of Georgia.

The grievance redress procedure at Stage 1 represents an informal (that is, extralegal) tool of dispute resolution that is intended to provide complainants and the GSE project implementation team the opportunity to resolve issues and disagreements without the delays that are inherent in any formal procedure. As described in section 10.2, local government representatives will be involved at this Stage both to allow some local representation of the complainant and to allow quicker changes to the legal instruments that are required for all land acquisition and compensation. It is anticipated that most and possibly all grievances will be resolved at Stage 1.

As noted above and in the Stakeholder Engagement Plan, the grievance redress mechanism, including the function of the Stage 1 and 2 committees, will be introduced and described during consultations. This will include details of how the mechanism will function, how and where grievances can be submitted (in person to a project representative or in writing), and how complaints that are still not resolved can be carried into the legal system.

If a dissatisfied PAP does not wish to use the grievance redress mechanism, or does not wish to accept decision of the Stage 1 and/or Stage 2 GRC, the PAP may pursue legal remedies under Georgia law.

10.2 Grievance redress committee

A Grievance Redress Committees (GRC) will be established in each municipality (Gmgeoba) by an order of the Ministry of Regional Development and Infrastructure (MRDI) and the Ministry of Energy. GSE and municipality authorities will each nominate two representatives for Committee, with one of the GSE representatives to be the chairperson. At least one member should be from the village of the person who submitted the grievance (assuming all are not family members).

For individual grievances at Stage 1, the Committee may choose to include other members as well, such as experts or representatives of local communities (Rtsmunebuli). If needed, the Committee may request information from others, such as auditors, accountants, attorneys, NGOs, etc., and may also conduct investigations to learn more about the facts of the case.

The GSE representative in the Municipal Land Acquisition and Resettlement (LAR) Team will coordinate formation of the Stage 1 GRC. The chairman of the Stage 1 GRC will then be responsible for coordinating GRC activities and organizing meetings for Stage 1 discussions. As noted above, if complainants are not satisfied with the Stage 1 GRC decision, they can proceed to Stage 2.

For Stage 2, the GSE chairman of the Stage 1 GRC will establish a Stage 2 Committee comprising at least three members, including at least one from GSE and one from the municipality—members must not have been on the Stage 1 GRC. The chairman may also appoint additional members, including representative of local authorities, NGOs, auditors, affected people, or other persons, to participate in the Committee’s discussions and decisions. Decisions of the Stage 2 GRC have to be made according to the Administrative Code of Georgia, i.e. legal requirements will be considered during the decision making process.

The expenses of the Grievance Redress Committees will be included in the budget for the RAP. The process and target deadlines for steps in the grievance submission and resolution process are shown in Table 10.2.1

A brochure describing the GRM process for resettlement and non-resettlement related grievances under the Project will be prepared and distributed in all project communities.

Table 10.2.1 Claim revision procedures and deadlines

No.	Process	Description	Revision deadline (days after receipt)	Responsible body
1	Grievance registration	Logging and registration, with log to assign a number and to record date, claimant, location, subject of claim	1 day	GRC Chairperson or local Gameoba (to be determined)
2	Grievance acknowledgement	Acknowledgment of receipt of grievance (in writing, to grievant)	3	GRC Chairperson
Stage 1				
3	Stage 1 GRC consideration	<ul style="list-style-type: none"> - GRC1 assigns representative to investigate as needed - GRC1 invites complainant to attend meeting - GRC1 meeting, discussion, decision on grievance and on additional compensation due, if any - Presentation of decision in person to complainant, in GRC1 meeting or by GRC1 representative - Written acknowledgment of decision by GRC1 members and complainant - Note that there would be one or more meetings with complainant 	14	Stage 1 GRC & complainant
4	Additional compensation or land	If claim is agreed, compensation per eligibility matrix and RAP	21	GSE
Stage 2 (if required)				
5	Establishment of Stage 2 GRC	If Stage 1 GRC rejects complaint/claim or complainant does not accept offer from step 3	21	GSE chairman
6	Stage 2 GRC consideration	<ul style="list-style-type: none"> - GRC2 reviews record from Stage 1, assigns representative to investigate further as needed - GRC2 invites complainant to present complaint in person - GRC2 meeting(s), discussion, decision on grievance and additional compensation due, if any (GRC may decide to invite complainant to meeting if desired) - Presentation of decision in person to complainant by GRC2 representative - Written acknowledgment of decision by GRC2 members and complainant 	35	Stage 2 GRC and complainant
7	Compensation -OR-	If claim is agreed, compensation per eligibility matrix and RAP	42	GSE

Table 10.2.1 Claim revision procedures and deadlines

No.	Process	Description	Revision deadline (days after receipt)	Responsible body
	Issuance of Order by GRC2 -AND-	Either modify land needed or issue Order for additional land/ compensation, or denial of claim	40	Stage 2 GRC
	Court order	Claim to court for granting expropriation or the Right of Way of Necessity	45	GSE

11. BUDGET FOR LAND ACQUISITION AND COMPENSATION

The costs of the resettlement program will be included in the budget for the project. It will be paid by GSE as part of its contribution to the overall project budget (the contribution will not be part of overall WB loan). The budget will involve not only direct expenses related to compensation but also indirect expenses incurred as part of the program. The budget would include the costs for:

- Consultant and staff costs for conducting desk and field surveys and inventories, assisting with consultations, establishing unit rates and compensation amounts, training and capacity building, preparation of RAP and other activities required to design and implement the resettlement program, including administration of the entire land acquisition and resettlement program.
- Payments made directly to affected people and households, and GSE/consultant costs, for compensation paid for houses, land, and easement fees, plus payments made for livelihood restoration and other assistance and goods provided to affected people and households
- Implementation of the grievance mechanism
- Monitoring implementation of the RAP, both during and after implementation.

Another part of this Framework is considered confidential and will not be disclosed to the public. This confidential part is a stand-alone document that includes the estimated resettlement budget for the project and the determination of total compensation amounts based on the project specific information.

All RAP preparation and implementation costs, including cost of compensation will be considered an integral part of Project cost and will be contributed as part of the funding being contributed to the project by the Government of Georgia, in particular GSE. The Ministry of Finance will provide funds to GSE specifically assigned for the RAP purposes. The World Bank will review and approve this Framework, the RAP, and will provide other support as appropriate.

GSE will be responsible for the timely allocation of funds needed to implement the RAP. Allocation will be reviewed twice a year based on the budget requirements indicated by the RAP. The budget for compensation and rehabilitation will be directly disbursed by GSE to the PAPs.

12. MONITORING AND REPORTING

The goal of the resettlement program is to improve, or at least restore, living standards and livelihoods of people affected by the project. Therefore, monitoring of implementation will need to assess not only whether the procedures and amounts in the RAP are being implemented, but also whether the living standards and livelihoods of affected people and households are actually being improved or restored.

To verify this, GSE will assign a senior person within the organization to be responsible for developing and overseeing implementation of a monitoring program, beginning at the time of initial consultations with potentially affected people during preparation of the draft RAP. The objectives of the program will include:

- Verifying that the principles and procedures of the RPF are followed during development and implementation of the RAP
- Enduring that stakeholders are meaningfully engaged during preparation and implementation of the RAP
- Verifying that the procedures of the RAP are being implemented as intended and required
- Determining whether RAP implementation is proceeding as per schedule and that timelines are being met
- Ensuring that that the standards of living and livelihoods of affected people and households are actually being restored or improved, including whether compensation and assistance are sufficient to achieve this
- Collaborating with GSE management and implementation teams to identify solutions to issues identified during monitoring activities
- Verifying solutions are sufficient to overcome the issues they were deigned to address.

12.1 Internal Monitoring

The manager of the GSE Permissions and Resettlement Department will oversee approximately internal monitoring by the Supervision Consultant and the RAP consultant. Internal monitoring will begin during RAP preparation and consultations and continue throughout the compensation process and until the end of construction. Indicators for routine internal monitoring will be those related to process, immediate outputs, and impacts. Monitoring will include reviews of:

- Information campaign and consultation with community leaders and authorities and with affected people and households
- Status of land acquisition and payments on land compensation
- Compensation for affected structures and other assets
- Relocation of PAPs
- Payments for loss of income
- Selection and distribution of replacement land areas (if any)
- Income restoration activities.

Monitoring will also include reviews of census information, interviews of affected people and households, sample surveys, and periodic community meetings.

The Supervision Consultant and the RAP Consultant will submit formal reports on the status of RAP implementation on a quarterly basis to the GSE Permissions and Resettlement Department, Technical Department, and International Projects and Reporting Department. The Departments, in turn, will report summaries of progress and issues to GSE higher management. In addition, the RAP consultant will report to project management and the Permissions and Resettlement Department on at least a weekly basis on issues that have been encountered that could affect the ability of the program to meet objectives, and/or that could affect the efficient completion of the project. The International Projects and Reporting Department will consolidate Information from all reports into a quarterly report to the World Bank.

12.2 External Monitoring

Third-party external monitoring will be conducted by a qualified consultant⁷ appointed by GSE. If each section of the line is handled separately, the same consultant will be used for each one unless for some reason the consultant's work is not completely satisfactory. For each section of the transmission line and substation that involve discrete programs of land acquisition/resettlement, the consultant will closely monitor the implementation of the RAP and engage in the following tasks:

- Review of RAP, Information pamphlet disclosure, and internal status and monitoring reports
- Review of actions taken by the GSE to compensate affected people and households, with particular attention to how the program has complied with requirements of the RAP
- Review compensation budgets and payments
- Verify whether the compensation has been provided to all affected people and households in the amounts defined in the RAP and agreed contracts

⁷ Qualifications will include past company and personnel experience in conducting audits of internationally financed resettlement programs and the availability of sufficient numbers of qualified and experienced staff.

- Assess satisfaction of people and households with both the information campaign and with the compensation/rehabilitation package that was offered and paid
- Review the legalization process and assess its effectiveness
- Review grievances processing and resolution
- Carry out a satisfaction survey with at least a 20 percent sample of affected people and households
- Upon completion of RAP implementation and full compensation payments, prepare a Compliance Report for review and approval by GSE and the World Bank
- If the Compliance Report, or an earlier Addendum to the Report, requires corrective actions, conduct follow-up reviews/audits and prepare an Addendum to the Compliance Report for review and approval by GSE and the World Bank.

The consultant's work will involve both desk and field activities, and will be carried out in close communication with GSE. The monitoring activities assigned to the consultant will start immediately after Government approval of the RAPs and will last until RAP implementation is concluded.

GSE's Transmission Grid Strengthening Project, of which the Jvari-Tskaltubo transmission line and substation is one component, will not be considered complete until the Compliance Report has concluded the objectives of the RAP have been achieved.

13. ANNEXES

Annex 1: PAP’s Socio-Economic Survey Questionnaire

Questionnaire for PAP’s Socio-Economic Survey (Census)

Questionnaire №

General Information

1.1	Section of the Project Corridor	<input type="text"/>
1.2	Address	<input type="text"/>
1.2.1	Village/town	<input type="text"/>
1.2.2	Territorial Unit	<input type="text"/>
1.2.3	Municipality	<input type="text"/>

Information regarding the household

2.1.	Gender of household head 1. Male, 2. Female	<input type="text"/>
2.2.	Age of household head	<input type="text"/>
2.3.	Ethnic belonging 1. Georgian, 2. Armenian, 3. Azerbaijani, 4. Russian 5. Other.	<input type="text"/>
2.4.	Religious belonging 1.Orthodox Christian, 2. Catholic Christian, 3. Gregorian, 4. Muslim, 5. Other	<input type="text"/>

2.4. Family members

Age	Male	Female	Total
Children (under 15)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Adult (15 to 65)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Elderly (over 65)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>	<input type="text"/>

3. The Education

	Preschool	Primary	Secondary	Higher	Uneducated	Total
Male	<input type="text"/>					
Female	<input type="text"/>					
Total	<input type="text"/>					

4. The economic activity of the family

4.1. Main economic activities of family members

Type of Activities	The number of family members
Agriculture	<input type="text"/>
Working in other’s farms as a worker	<input type="text"/>
Small entrepreneurship	<input type="text"/>
Governmental Job	<input type="text"/>
Business and Commerce	<input type="text"/>
Hourly wages	<input type="text"/>
None	<input type="text"/>
Other	<input type="text"/>

Economic activity of Family members above 15

	Economically Inactive (not seeking employment)	Employed	Self-employed	Unemployed	Total
Male					
Female					
Total					

5. Land ownership

5.1. Agricultural land (ha)

Arable		Under perennials		Hayland/ pasture	Total
Irrigated	Not irrigated	Fruit Garden	Plantation (Vineyard, nuts, tea)		

5.2. Non-Agricultural land (ha)

Homestead	Commercial	Other	Total

Tentative price of land parcel (GEL/100 sq.m)

Agricultural			Homestead	Commercial	other
Irrigated	Not irrigated	Hayland/ pasture			

6. Harvest

Crops	Land area (ha)	Total Harvest (Tons)	Total Income(Gel)
Grain			
Legumes			
Vegetables			
Fruits			
Nuts / kiwi / tea			
Citrus			
Hay / grass / straw			
Other			
Total			

7. Total family income

Source	Monthly Income (GEL)	Annual Income (GEL)
Paid employment		
From the sale of agricultural products		
Own business other than agriculture		
Income from property leasing		
Pension/other social assistance		
Donations from abroad (family / friends)		
Local donations (family / friends)		

1.	Residential							
2.	Commercial							
3	Other (please specify)							

- 10.2. Is your house supplied with electricity? 1. Yes, 2. No
- 10.3. How many rooms are there in your house?
- 10.4. Is your house supplied with natural gas? 1. Yes, 2. No
- 10.5. **Drinking water source:** 1. Municipal water supply, 2. Village Spring, 3. Wells, 4. Channel 5. other
- 10.6. **Toilet type:** 1. Flush toilet 2. Pit toilet
- 10.7. **Fuel for heating:** (1. Electricity, 2. Firewood, 3. Gas, 4. Diesel/kerosene, 5. Other)

11. The perception of poverty

11.1 How would you rate your family's living standards?

Description	1. Yes 2. No
1- Irregular income	
2- Insufficient nutrition	
3- Lack of heating	
4- Insufficient funds for children's education	
5- Insufficient money for clothes	
6- Other (please specify)	

12. Availability of utility infrastructure and services

12.1. How far is the hospital from your residence place?

1. Very near, by walking 5-10 minute. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means.

12.2. How far is the nearest school from your residence place?

1. Very near, by walking 5-10 minutes. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means.

12.3. How far is the nearest kindergarten from your residence place?

1. Very near, by walking 5-10 minutes. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means.

12.4 How far is the nearest shopping centre/Market from your residence place?

1. Very near, by walking 5-10 minutes. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means.

12.5. How far is the main road from your residence place?

1. Very near, by walking 5-10 minutes. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means.

12.6. How far is the bus/Railway station from your residence place?

1. Very near, by walking 5-10 minutes. 2, Near, by walking 10-15 minutes. 3. Far away, by walking 20-30 minutes. 4. it's impossible to reach by walking, require transportation means

13. Attitude to the project

13.1. What is your attitude to the project?

1. Very negative, 2. Negative, 3. Neither negative nor positive, 4. Positive, 5. Very positive, 6. Cannot specify

13.2. In your opinion, what impact will project have on the socio-economic activity in your municipality?

1. Very negative, 2. Negative, 3. Neither negative nor positive, 4. Positive, 5. Very positive, 6. Cannot specify

14. Please, list the most important cultural and historical monuments on the territory of your village/community

15. Please, list the most important public infrastructure on the territory of your village/community

16. Special Status

How many members of your household have any of the following special status?

Description	Number
1- Pensioner	
2- Disabled	
3- Invalid	
4- Registered as living below poverty line	
5- IDP due to armed conflicts	
6- IDP due to natural hazards	
7- Other	

Interviewer _____

Date of Interview _____

Annex 2: Affected Assets Inventory Forms

Inventory Form

1. General Data

		Date:	
1	Owner's first name, last name, father's name:		
2	ID N:		
3	Social questionnaire N:		
4	Owner's address:		
5	Parcel location:		
6	Contact number:		
7	Parcel N:		
8	Total area:		
9	Impacted area, sq.m:		
10	Ownership status (public, private):		
11	Owner: 1-Registered, 2-lawful, legalizable, 3-unlawful, legalizable, 4-non-legalizable user		
12	User status: owner-1, official leasee-2, not official leasee-3, newly settled-4		
13	Land parcel type: Agricultural-1, non-agricultural-2		
14	Types of land use: agricultural-1, dwelling-2, commercial-3, other non-agricultural-4 (please specify)		
15	Use of agricultural land: arable-1, garden-2, pasture-3, other-4		
16	Irrigation: irrigation-1, drainage-2, non-amelioration-3		
17	Relief: lawland-1, slope-2, steep-3, mixed-4		

2. Information regarding Cut-off Date:

- The cut-off date for specified segment is _____ (day/month/year).
- The usage of land parcels or other assets after "cut-off" date "is not subject to compensation.
- Real estate (dwelling houses, auxiliary infrastructure and buildings) built after "cut-off" date will not be compensated.
- Improvements to real estate (new roofs, new rooms, etc.) made after "cut-off" date will not be compensated.
- Perennial crops planted after "cut-off" date will not be compensated.

I have read and agree obligations under "cut-off date" principles, which I confirm with signature

3. Perennial crops on affected land

#	Crop	Age	Amount	Indicate amount with words
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				

4. Annual crops on affected land

N:	Crop	Crop area, sq.m
1		
2		
3		

5. Description of buildings/structures

N:	Description	Building/s tructure N:1	Building/s tructure N:2	Building/ structur e N:3	Building/ structure N:4	Building/ structur e N:5	Building/stru cture N:6
1	Function						
2	Construction date						

3	Seismic resistivity class						
4	Floors						
5	Total area						
6	Attic area						
7	Basement area						
Construction type							
8	Foundation						
9	Walls						
10	Partition						
11	Attic						
12	Roof						
Type of finish							
13	External coating						
14	Internal coating						
15	Floor						
16	Celling						
17	Windows						
18	Doors						
Availability of services							
19	Sewage system						
20	Water supply						
21	Power supply						
22	Heating						
23	Natural gas						

6. Description of fencing and gates

	Title	Fence N:1	Fence N:2
Fencing			
1	Length		
2	height		
3	Width		
4	Foundation type		
5	Used materials		
Gate			
1	Length		
2	height		
3	Used materials		

7. Business activities on affected land

N:	Title			
1	Business type			
2	Annual income			
3	Number of employees			
4	Average salary			
5	Amount paid in budget			

Interviewer Notes:

	Name Surname, Position	Signature
Property owner (PAP)		
Representative of consulting company responsible for RAP preparation		
Representative of GSE		
Representative of local authority		



Annex 3 – GSE Standard operation procedures (SOP)

STANDARD OPERATING PROCEDURE

For

**Resettlement Action Plan Preparation, Approval, Implementation and Commencement of Construction
Works**

220kV Akhaltsikhe-Batumi Overhead Transmission Line Project

Transmission Grid Strengthening Project (Project ID: P147348)

Loan No. 83770-GE

August 30, 2018

Management and ownership of the Standard Operating Procedure

Management & ownership	Job title	Responsible department	Signature	Date
Prepared by author David Gogshelidze	International Project Manager	International Projects & Reporting Department		
Approved by owner Giorgi (Zaza) Sharkov	Member of Management Board	Management		
Approved by owner Mariam Shalamberidze	Head of International Projects & Reporting Department	International Projects & Reporting Department		
Approved by owner David Utmelidze	Technical Project Manager	Technical Department		

1. Scope and Applicability

1.1. Objectives

The main objectives of this Standard Operating Procedure (SOP) are as follows:

- Defining the way the Resettlement Action Plans (RAPs) are prepared, agreed, implemented in a manner fully integrated in construction procedures;
- Providing clear guidance on RAP implementation processes to all stakeholders concerned, in particular, the Civil Works Contractor, the Supervision Consultant, and the Technical Department, Permission and Resettlement Department, Monitoring Service and Financial Department of the GSE,
- Providing clear guidance on how and when the construction works can be commenced on site;
- Ensuring that all actions linked with the RAP implementation and construction performance are fully in line with the Project Resettlement Policy Framework (RPF) and the World Bank’s Operations Policy 4.12¹;
- Definition of responsibility lines and reporting duties that need to be adhered to;
- Providing a more structured management tool, to support management decision making.

1.2. Procedure Overview

This Standard Operating Procedure (SOP) is developed in order to address issues raised during implementation of RAPs for 220kV Akhaltsikhe-Batumi Overhead Transmission Line Project (ABTLP), and to ensure that all respective steps and actions fully adhere to the Project RPF and the World Bank’s Operations Policy 4.12. On the other hand, this SOP envisages to comprehend all major actions by the stakeholders in the process of RAP implementation and giving proper notice to proceed with construction works. Each activity of the procedure shall contribute towards the effectiveness of the whole process.

The procedure is elaborated by first presenting a ‘to-be’ process flow-chart and successive descriptions of the activities or process steps involved in performing the operations. The description of each step takes into consideration: (i) the flow of activities and documentation (inflow-processing-outflow); (ii) the clarity of task execution (who, what, when, where, and how?); (iii) timeline and (iv) the responsibility and reporting lines.

¹ <https://policies.worldbank.org/sites/ppf3/PPFDocuments/090224b0822f89db.pdf>

The basis of elaboration of this SOP is the “Completion Report for Resettlement Issues of 220kV Akhaltsikhe-Batumi Overhead Transmission Line Project”, dated July 31, 2018, which describes the GSE procedures and gap analysis with respective corrective actions.

This SOP will become an integral part of the Operations Manual of the Transmission Grid Strengthening Project (TGSP).

1.3. Stakeholders

This SOP includes the following stakeholders of the ABTLP:

Key stakeholders:

- 1) **GSE/Employer** - with Permission & Resettlement Department with number of specialists (6 Resettlement Department Specialists on site on permanent basis with the additional support of HQ staff), 1 Social Safeguards Consultant, 1 Environmental Coordinator, 1 Communication Expert, International Projects and Reporting Department and Technical Department (as required) being basic participants in this process – overall, at least 11 persons from GSE work on permanent basis for the Project’s resettlement and RAP implementation issues;
- 2) **Social Safeguards Consultant** (under the International Projects and Reporting Department) who works tightly with the WB, GSE Permission & Resettlement Department and Supervision Consultant;
- 3) **Permissions & Resettlement Department** (PRD) is managing implementation of the RAPs: preparation and revision of RAPs and their approval by the Government, manages list of APs who are entitled to compensations and deals with compensation payments itself. In total the Department has 6 specialists on site on a permanent basis, who are backed up by 3 managers of the Department in HQ.
- 4) GSE Technical Department managing the construction works and involved in this SOP as a key stakeholder to communicate with GSE PRD, Construction Supervision Consultant and Contractor;
- 5) GSE Monitoring Service is involved in this SOP on the stage of verification of agreements with the PAPs, prior to submitting the information to GSE Financial Department for payment of compensations;
- 6) Financial Department is involved in this SOP on the stage of payment of compensations or allocation of funds on the special escrow account;
- 7) **Construction Supervision Consultant** (CSC) – GOPA-Intec has assigned one key expert - Environmental & Social Safeguard Specialist who leads the EHS part of the supervision process. The Specialist has got his team of 4 non-key experts, who support the day-to-day supervision of activities and monitor preconstruction and construction works, so that all environmental, social and health & safety requirements are respected by the contractor. These 4 experts are: a) ESI & Safeguard Specialist, b) Environmentalist & Forestry Specialist, c) Environmentalist for Field Supervision and d) Social Specialist. 2 out of these 4 experts are permanently monitoring the site activities and are based on site. The head of the team - Environmental and Social Safeguard Specialist – visits the site from time to time and manages the preparation, review, approval and implementation of major EHS documents (which are including as part of obligation in contractor’s contract).
- 8) **Contractor** – KEC – has also got 2 persons managing the social issues: a) Social Expert generally managing the social part and communicating with the Supervisor’s and GSE’s counterparts, and b) local Social (Field) Officer, handling the social issues and grievances on-site, also monitoring day-to-day construction activities;

Supporting stakeholders:

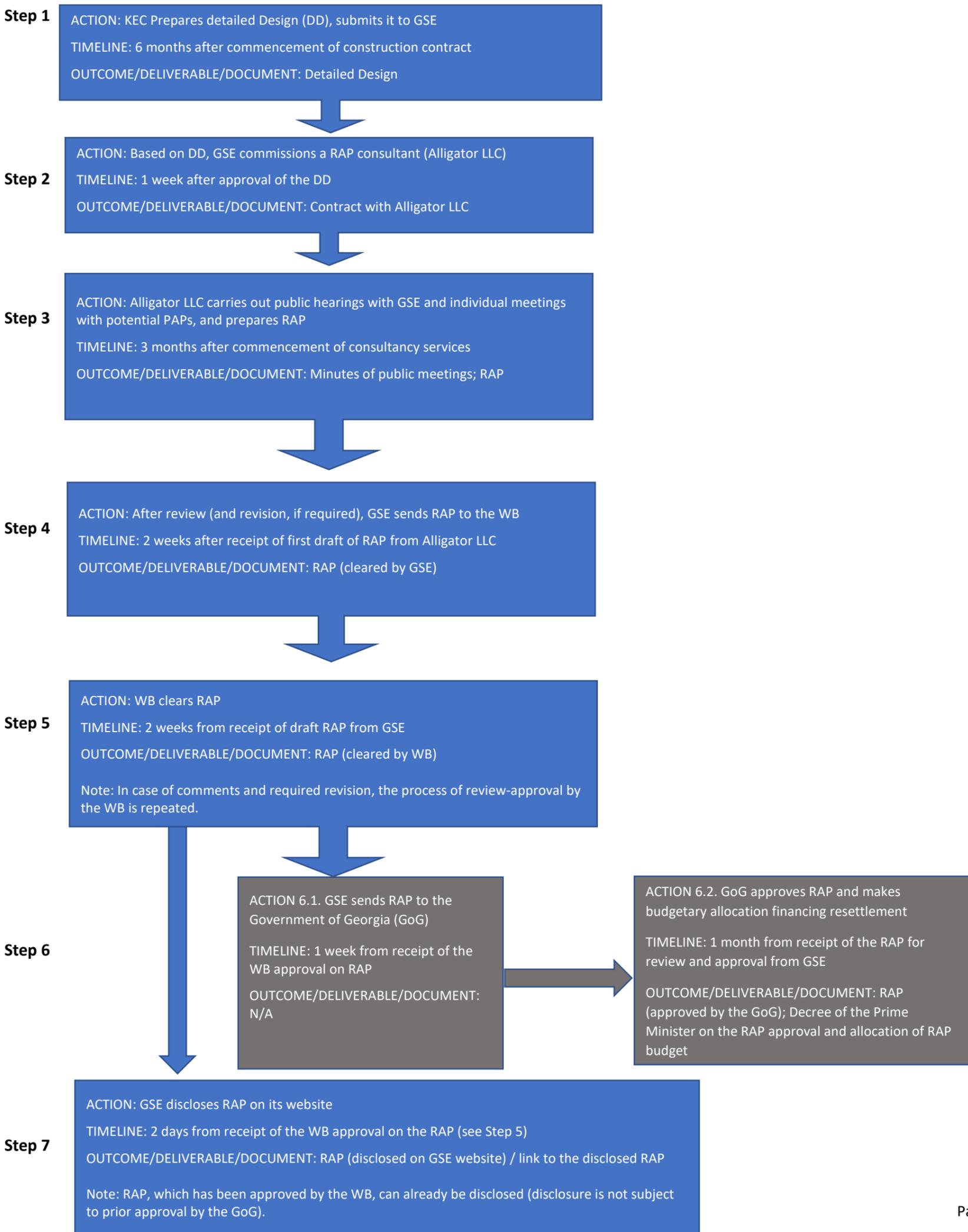
- 9) **Consultant for preparation of RAP** (Aligatori LLC) is responsible for elaboration of RAP for section 3 of the Segment I (Phase II) of ABTLP;

10) **Communications Expert**, hired by GSE in June 2017 by recommendation from WB, to elaborate communications strategy for the OHL project (the strategy basically addresses proper communication of the two major issues: electric & magnetic fields and compensation rates and procedures);

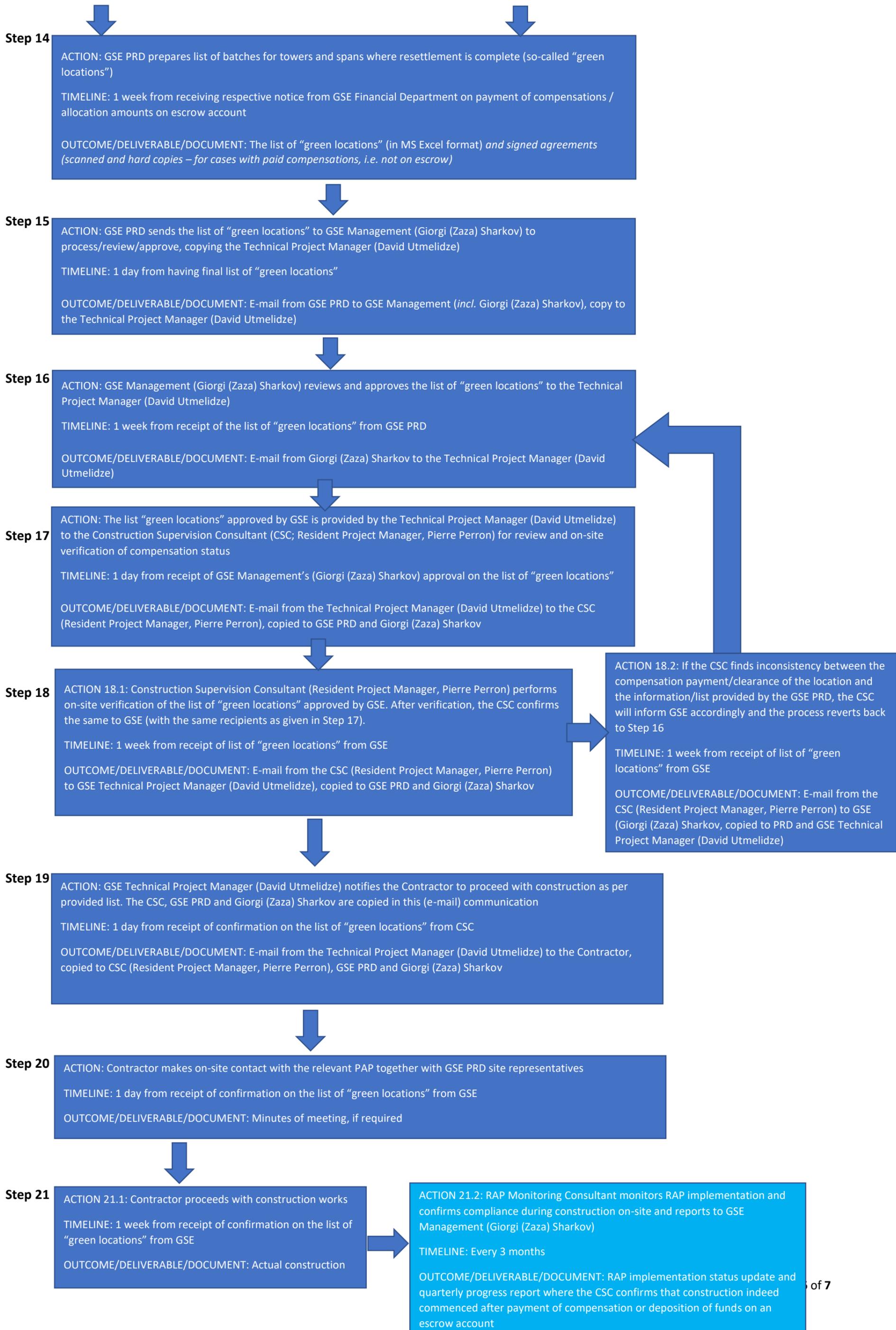
11) **Environmental Coordinator**. The abovementioned three experts are actively managing and participating in public meetings with the APs.

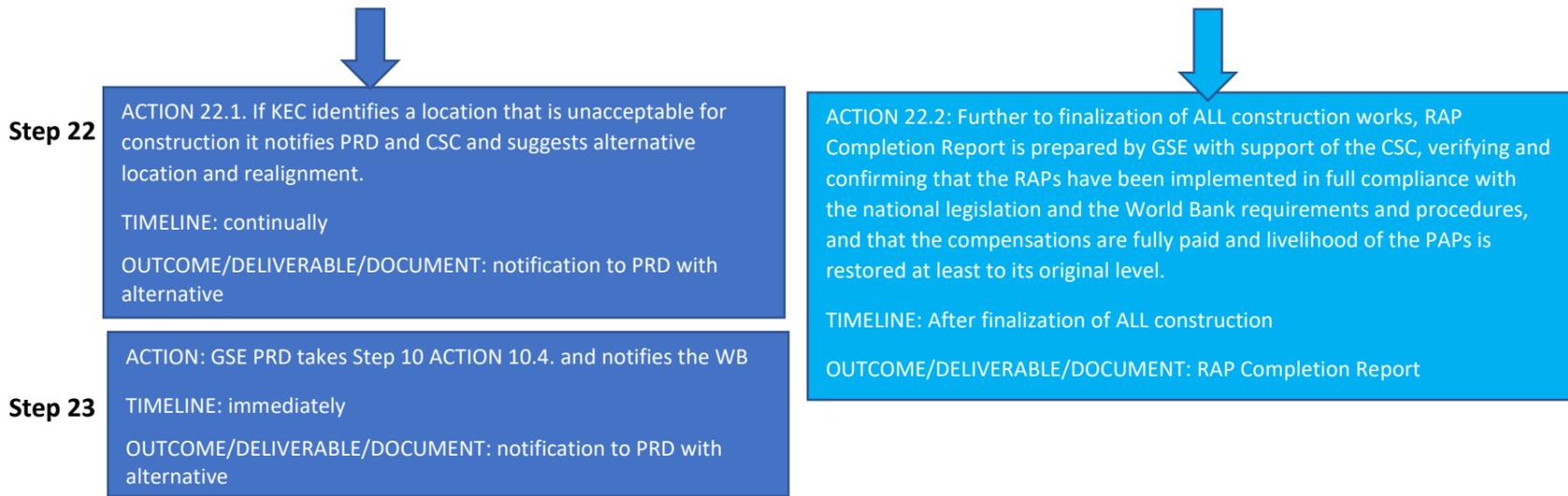
2. Procedural Flow-Chart

The major steps and actions of this SOP is represented in the form of flow-chart as given below:









3. Monitoring and Reporting

GSE Management, GSE PRD, GSE Technical Department and GSE International Projects & Reporting Department, together with the CSC, will closely monitor the due performance and application of this SOP and specifically of the above flow-chart.

It has to be noted that this SOP shall be seen as a tool and therefore, it is modifiable to best meet management decision-making needs. If specific activities are undertaken – adjusted to achieve a narrowly defined target – additional steps/actions may be needed and reports may need to be structured to best present the results of the activities undertaken.

As indicated above, the two major reports are delivered during the implementation of the described flow-chart:

- 1) **Quarterly Progress Report of the CSC**, verifying and confirming that the RAPs have been implemented in full compliance with the national legislation and the World Bank requirements and procedures;
- 2) **RAP implementation status update by the RAP Monitoring Consultant**, to be provided every 3 months, in order to monitor RAP implementation and confirm compliance during construction on-site and to report to GSE Management.

In addition, the “notification of RAP implementation modification” acceptable to the Bank enables GSE to proceed with construction without separate RAP Addendums, where realignment is found to be necessary during RAP implementation leading to significant change in scale and scope of impact. Specifically, the notification of RAP implementation modification will address (i) description of realignment and reasons that has led to realignment; (ii) description of new impact and the list of affected people, including those who are not identified in the RAP; (iii) compensation strategy; (iv) demographic information of affected people newly impacted under the alignment; and (v) results of consultation with newly affected people and people with significant impact.

Annex 4. Sample RAP Outline

Introduction

- Briefly describe the project.
- List project components including associated facilities (if any)
- Describe project components requiring land acquisition and resettlement; give overall estimates of land acquisition and resettlement.

Minimizing Resettlement

- Describe efforts made to minimize displacement.
- Describe the results of these efforts.
- Describe mechanisms used to minimize displacement during implementation.

Census and Socioeconomic Surveys

- Provide the results of the census, assets inventories, - natural resource assessments, and socioeconomic surveys.
- Identify all categories of impacts and people affected.
- Summarize consultations on the results-of the various surveys with affected people.
- Describe need for updates to census, assets inventories, resource assessments, and socioeconomic surveys, if necessary, as part of RAP monitoring and evaluation.

Legal Framework

- Describe all relevant local laws and customs that apply to resettlement
- Identify gaps between local laws and World Bank Group policies, and describe project specific mechanisms-to address conflicts.
- Describe entitlement policies for each category of impact and specify that resettlement implementation will be based on specific provisions of agreed RAP.
- Describe method of valuation used for affected structures, land, trees, and other assets
- Prepare entitlement matrix.

Resettlement Sites

- Does the project require community relocation sites? Have affected people been involved in a participatory process to identify sites, assess advantages and disadvantages of each site, and select preferred sites?
- Have the affected people been involved in developing an acceptable strategy for housing replacement? Will new housing be constructed/allocated?
- Does the project involve allocation of agricultural land or pasture/rangeland? Have the individual households that will be allocated lands been involved in identifying-potential new sites, and have they explicitly accepted the selected sites?
- Describe the specific process of involving affected populations in identifying potential housing sites, assessing advantages and disadvantages; and selecting, sites.
- Describe the feasibility studies conducted to determine the suitability of the proposed sites, including natural resource assessments (soils and land use capability, vegetation' and livestock carrying capacity, water resource surveys) and environmental and social impact assessments of the sites.
- Demonstrate that the land quality sand area are adequate for allocation to all of the people eligible for allocation of agricultural land. Provide data-on land, quality and capability, productive potential, and quantity.
- Give calculations relating to site requirements and availability.
- Describe mechanisms for:1) procuring, 2).developing and 3) allotting resettlement sites, including the awarding of title or use rights to allotted lands.
- Provide detailed description of the arrangements for site development for agriculture, including funding of development costs.
- Have the host communities been consulted about the RAP? Have they participated in the, identification of likely impacts on their communities, appropriate mitigation measures, and preparation of the RAP? Do the host communities have a share of the resettlement benefits?

Income Restoration

- Are the compensation entitlements sufficient to restore income streams for each category of impact? What additional economic rehabilitation measures are necessary?
- Briefly spell out the restoration strategies for each category of impact and describe their institutional, financial, and technical aspects.
- Describe the process of consultation with affected populations and their participation in finalizing strategies for income restoration.

- How do these strategies vary with the area of impact?
- Does income restoration require change in livelihoods, development of alternative farmlands or some other activities that require a substantial amount of training, time for preparation, and implementation?
- How are the risks of impoverishment to be addressed?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?
- Describe the process for monitoring the effectiveness of the income restoration measures.
- Describe any social or community development programs currently operating in or around the project area. If programs exist, do they meet the development priorities of their target communities? Are there opportunities for the project proponent to support new programs or expand existing programs to meet the development priorities of communities in the project area?

Institutional Arrangements

- Describe the institution(s) responsible for delivery of each item/activity in the entitlement policy; implementation of income restoration programs; and coordination of the activities associated with and described in the resettlement action plan.
- State how coordination issues will be addressed in cases where resettlement is spread over a number of jurisdictions or where resettlement will be implemented in stages over a long period of time.
- Identify the agency that will coordinate all implementing agencies. Does it have the necessary mandate and resources?
- Describe the external (nonproject) institutions involved in the process of income restoration (land development, land allocation, credit, and training) and the mechanisms to ensure adequate performance of these institutions.
- Discuss institutional capacity for and commitment to resettlement.
- Describe mechanisms-for ensuring independent monitoring, evaluation, and financial audit of the RAP and for ensuring that corrective measures are carried out in a timely fashion.

Implementation Schedule

- List the chronological steps in implementation of the RAP, including identification of agencies responsible for each activity and with a brief explanation of each activity.
- Prepare a month-by-month implementation schedule (using a Gantt chart, for example) of activities to be undertaken as part of resettlement implementation.
- Describe the linkage between resettlement implementation and initiation of civil works for each of the project components.

Participation and Consultation

- Describe the various stakeholders.
- Describe the process of promoting consultation/participation of affected populations and stakeholders in resettlement preparation and planning.
- Describe the process of involving affected populations and other stakeholders in implementation and monitoring.
- Describe the plan for disseminating RAP information to affected populations and stakeholders, including information about compensation for lost assets, eligibility for compensation, resettlement assistance, and grievance redress.

Grievance Redress

- Describe the step-by-step process for registering and addressing grievances and provide specific details regarding a cost-free process for registering complaints, response time, and communication modes.
- Describe the mechanism for appeal.
- Describe the provisions for approaching civil courts if other options fail.

Monitoring and Evaluation

- Describe the internal/performance monitoring process.
- Define key monitoring indicators derived from baseline survey. Provide a list of monitoring indicators that will be used for internal monitoring.
- Describe institutional (including financial) arrangements.
- Describe frequency of reporting and content for internal monitoring.
- Describe process for integrating feedback from internal monitoring into implementation.
- Define methodology for external monitoring.

- Define key indicators for external monitoring.
- Describe frequency of reporting and content for external monitoring.
- Describe process for integrating feedback from external monitoring into implementation.
- Describe arrangements for final external evaluation.