

ARIS (Community Development and Investment Agency)

Third Village Investment Project

RESETTLEMENT POLICY FRAMEWORK

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Abbreviations

DDE	Detailed Design Estimates
FS	Feasibility Study
IOL	Inventory of Losses
KR	Kyrgyz Republic
LSGB	Local self-government bodies
OM	Operations and Maintenance
PAP	Project Affected Person
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
USD	United States Dollars
WB	World Bank

CHAPTER 1. INTRODUCTION

1.1. Project objective and background

One of the main goals of VIP-3 is building the local capacity for participatory planning of the process of development and improvement of the access to social and economic infrastructure among local residents by means of rural community grants.

To achieve the goal, the Project envisages implementation of three components:

- **Component 1** “Capacity building and empowering of LSG bodies”
- **Component 2** “Village investments”, including
 - 2.2 Grants for subprojects
 - 2.3 Small grants for microprojects;
- **Component 3** “Project management”

Component 1 “Building the capacity of LSG bodies and communities” envisages building the capacity of LSG bodies and communities and social mobilization activities.

Capacity building will be aimed at three target groups i.e. heads and staff of AO, deputies of AK and community members who will be supported in the field of effective management and planning, interaction of LSG bodies with population in decision-making at local level. One of the main requirements is participation of communities in budgeting. The openness and transparency of budgeting in aiyl okmotu will be a key aspect in project implementation.

Social mobilization will be conducted to identify priorities and search for internal resources for addressing those. Consultations will be provided on effective planning of donor funds and on preparation of investment plans. LSG bodies will be given a key role in mobilization, development and implementation of subprojects and microprojects.

Competition of investment projects will be held under **Component 2 “Village Investments”** (grants for subprojects and microprojects). Based on the results of the competition the “winning” communities will be provided with funds for financing sub/microprojects. The Project envisages implementation of subprojects (over USD 20,000 as a grant) and microprojects (below USD 20, 000 as a grant). Investment grants will account for 80% for subprojects, and 20% for microprojects of total amount of investment grants.

Component 3 “Project management” will finance the expenses related to project management, including coordination and supervision of activities, annual audit, and monitoring and evaluation. In course of implementation, the Project will coordinate the activity of construction, design and other organizations, manage the ARIS representatives in oblasts and coordinate aiyl okmotus with the parties involved in project implementation.

1.2. Justification for and Scope of the Resettlement Policy Framework (RPF)

This Resettlement Policy Framework (RPF) provides guidelines for development of appropriate mitigation and compensation measures resulting from land acquisition and resettlement caused by future project activities whose exact locations are not known.

This RPF is applicable to VIP-3 subprojects/microprojects which result in the following impacts:

- Relocation or loss of shelter;
- Loss of assets or access to assets; or
- Loss of sources of income or livelihood, whether or not the affected persons must move to another location.

Subprojects/microprojects that result in restriction of access to legally designated parks and protected areas will not be financed under VIP-3.

The VIP-3 will be largely aimed at rehabilitation of the existing agricultural infrastructure. It is expected that infrastructure elements in VIP-3 rural residential areas will be rehabilitated/constructed at the sites of municipal property, where no commercial facilities or private households are located and where no livelihood activities are underway. However, as project designs have not been detailed, there is a possibility that some construction may exceed available municipal land and may have to take place on sites not yet identified.

Since these detailed impacts will only be known once project implementation commences, at DDE design stage and during commencement of construction/rehabilitation works, the possibility of land acquisition and restrictions in access or assets loss cannot be ruled out at this stage, there is a need to develop an RPF. The RPF identifies, among other things, the possible impacts from project activities, the range of potential impacts (temporary and permanent) to land use/access and structures/buildings, livelihood and details the legal framework for land acquisition, and specifies the compensation rates and procedures for the same.

The RPF will serve as a tool to ascertain if there is any impact resulting from project activities. The RPF was designed as a practical tool to guide the preparation of Resettlement Action Plans (RAPs) for subprojects/microprojects during implementation of the VIP-3.

Where there are discrepancies between procedures specified in the Kyrgyz legislation and those specified in WB OP 4.12 “Involuntary resettlement”, the latter will prevail for all activities financed under this project.

1. 3. Objectives and Principles of Resettlement Planning

This VIP-3 Resettlement Policy Framework (RPF) outlines the principles and procedures to ensure that if resettlement needs are identified, then ARIS follows the WB’s policy OP 4.12 on Involuntary Resettlement together with the requirements of KR land legislation.

The RPF sets out, among other things, the legal framework, eligibility criteria for receiving compensations by displaced population, valuation methodology, compensation

provision, entitlement matrix, the process of implementation, disclosure, dissemination of information and consultation procedures as well as grievance redress mechanisms, entitlement payment procedures and monitoring-evaluation procedures for land acquisition and resettlement under VIP-3.

The basic objectives of the RPF are to:

- (i) guide and instruct ARIS in properly identifying, compensating, and restoring the livelihoods of Project Affected Persons (PAPs),
- (ii) provide direction in preparing, updating, implementing and monitoring subproject/microproject RAPs.

The RPF includes measures to ensure that PAPs are:

- (i) informed about their options and rights pertaining to resettlement;
- (ii) consulted on possible compensation options, offered right of choice and provided with technically and economically feasible resettlement alternatives; and
- (iii) provided with prompt and effective compensation at full replacement cost¹ for losses of assets attributable directly to implementation of VIP-3.

The RPF is developed based on the following principles:

- ✓ involuntary resettlement is to be avoided or at least minimized;
- ✓ PAPs should be at minimum provided with appropriate assistance for improvement or at least reinstatement of livelihoods to pre-project living standards;
- ✓ PAPs should be fully informed and consulted on compensation options;
- ✓ lack of formal legal land title should not be a hindrance to compensation or other support options;
- ✓ particular attention should be paid to socially vulnerable groups, such as ethnic minorities, female headed households, elderly households etc. and appropriate assistance should be provided during the resettlement process and to help them improve their livelihoods;
- ✓ land acquisition and resettlement should be conceived of and executed as a part of the project, and the full costs of compensation should be included in the project costs and benefits;
- ✓ compensation/rehabilitation assistance should be provided prior to displacement or any project-related activity that may cause harm to the PAPs;
- ✓ compensation is to be paid at full replacement cost to PAPs, without deductions for depreciation or any other purpose².

¹ **Replacement cost for land plots** is equal to the market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration of the rights of land ownership/use and transfer taxes and/or fees.

Replacement cost for buildings and structures is equal to the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any documentation and registration of property rights registration and transfer taxes. Depreciation of the asset and the value of salvage materials are not taken into account nor the value of benefits to be derived from the project.

Chapter 2. Legal Framework

2.1. Land acquisition and resettlement in KR

The principle document regulating the KR residents' rights for land is the Constitution enacted by the KR Law dated 27 June 2010. According to the KR Constitution, land is under state, municipal, private and other forms of ownership.

As such, **article 12** of the KR Constitution specifies as follows:

1. KR recognizes the variety of forms of ownership and guarantees equal protection of those.
2. Ownership is inviolable. None can be arbitrarily deprived of property. Expropriation of property against the will of the owner is possible only through a court decision.
3. Land, sub-soil resources, air space, waters, and forests are an exclusive property of the Kyrgyz Republic; those are used for protection of the unified environmental system being a basis of life and livelihood of KR people and protected by the government.
4. The extent and procedures used by owners to exercise their rights and ensure protection of those are regulated by Law.

Below are some articles of the Land Code of the Kyrgyz Republic mostly related to the matters of land use and acquisition:

Article 4. Ownership of land

1. In accordance with the Constitution of the Kyrgyz Republic, land may be the state, communal, private or other forms of ownership.
2. State - owned land shall include lands allocated to state land users, lands of forest, water funds, lands of especially protected territories, lands of reserve stock, lands of frontier area, lands of the agricultural ugodia re-allocation fund, pastures of rural settlements, pastures in the zone of intensive use, as well as distant pastures, and other land not transferred in private or communal ownership.
State ownership shall include lands of state pedigree cattle breeding, seed-growing, experimental farms, testing stations and areas, bases of education and scientific research institutions of agricultural profile formed on lands of the agricultural ugodia re-allocation fund, except lands allocated to citizens residing or working in the said farms as land shares.

The right of the State to land shall be exercised by the Government of the Kyrgyz Republic throughout the entire territory of the Republic within jurisdiction established by this Code.

3. Lands within the borders of rural councils, as well as within the borders of cities shall be communal ownership, except lands in private and state ownership.

Management and disposal of lands in communal ownership shall be exercised:

- within the borders of rural councils – by the executive body of aiyl or village council;
- within the borders of cities - by local state administrations and bodies of local self-government;

Management and disposal of lands within the borders of rural councils and cities being in state ownership shall be exercised by the bodies of local government in cases provided by this Code.

4. Pastures cannot be transferred in private ownership or leased out.

Article 7. Term of Utilization of a Land Plot by Land Users

1. The use of a land plot may be termless (without indication of term) or fixed-term (temporary).
2. The fixed-term (temporary) use of the land plot including the use right on the conditions of the lease agreement shall be recognized the use of land limited in term up to 50 years. After expiration of this period, the period of use of the land plot may be prolonged subject to the agreement of parties.
3. Land plots shall be provided to foreign individuals for fixed-term (temporary) use only.
4. Agricultural land of reallocation fund shall be leased out as a rule for the period of not less than 5 years.

Article 35. Transfer of a Land Plot. Payment for Transfer of a Land Plot (extract)

1. An owner of a land plot or a land user may transfer the rights he holds to a land plot fully or partially to other individual or legal entity without any permission of state agencies unless otherwise provided by this Code, other legislative acts of the Kyrgyz Republic, conditions of allocation of a land plot.

2. Upon transfer of a right to land plot by the owner or land user to other individual or legal entity the amount of payment for land plot shall be determined by the agreement of parties.

Article 53. Creation of an Easement

1. An easement may be created by the agreement of the parties (voluntary easement) or in case of necessity, by the decision of the authorized agency (coercive easement).

2. Encumbrance of land with an easement shall not deprive the land owner/user of the right to use and dispose of its right to land plot.

Article 56. Purposes of Creation of a Coercive Easement

1. In cases provided by this Code and other legislation, an authorized agency may establish coercive easement upon demand of an interested party.
2. A coercive easement shall be established to secure:
 - 1) access to a land plot if another access is impossible, extremely difficult, or requires incommensurate expenses;
 - 2) laying and operation of electric transmission lines, communications, water supply, heat supply, reclamation, and other needs that may not be secured without establishment of a coercive easement.

Article 57. Indemnification of Damages Related to Establishment of a Coercive Easement. Fee for a Coercive Easement (extract)

1. Damages inflicted upon a land owner/user by establishment of a coercive easement shall be subject to indemnification by the person in whose advantage easement is established.

Article 62. Termination of the Right to Land Plot

The rights to land shall terminate in the event of:

1. Alienation of the right to land plot to another person;
2. Foreclosure of the land plot being in ownership or in use at claims of creditors in accordance with legislation;
3. Death of a land owner/user, provided that the owner/user have no heirs;
4. Voluntary waiver of the rights to land plot by the land owner/user;
5. Expiration of the term of the land use;
6. Termination of labor relations or of the relations equated to them which have conditioned the allocation of the official land plot for use;
7. Impossibility of further use of the land plot caused by a natural disaster;
8. Withdrawal of the land plot on the grounds and in the procedure provided in Chapter Eleven of this Code;
9. Liquidation of a state or a communal land user, of a public association, of a social fund, or of a religious organization;
10. Withdrawal of citizenship of the Kyrgyz Republic by the owner of the agricultural land plot or land plot, except in case of mortgage housing construction.
11. Termination of a concession agreement, a mining concession agreement, a production sharing agreement, and during termination of a right to use sub-soil resources;
12. Termination of an agreement concluded under public-private partnership.

Article 66. Grounds for Withdrawal of the Land Plot (extract)

Withdrawal of the land plot shall be allowed in the event of:

- 1) utilization of a land plot in violation of its targeted use;
- 2) withdrawal (redemption) of the land plot for state and public needs in accordance with provisions of this Chapter;

- 3) failure to use a land plot or part of the land plot allocated for agricultural production within three years;
- 4) failure to use a land plot allocated for non-agricultural production in accordance with the town-planning legislation;
- 5) failure to pay land tax within the period established by tax legislation;

Article 68. Withdrawal (Redemption) of the Land Plot for State and Public Needs

1. Withdrawal (redemption) of the land plot for state and public needs may be based on the agreement between the authorized agency and a land plot owners/user. In the event of disagreement of the land owner/user with withdrawal (redemption) or its conditions the authorized agency shall have the right to petition to the court within two months following the day of denial regarding compensable withdrawal (redemption) of the land plot.
2. In this case, pending the court decision on withdrawal (redemption) of the land plot, the land owner/user may exercise his right to land plot and make requisite expenses securing the use of the land plot in accordance with its targeted use. The land owner/user shall bear the risk of expenses and losses related to new construction, enlargement, or reconstruction of buildings and structures within the said period.
3. Upon calculation of the redemption price of the land plot, it shall include the market value of the right to land and of the buildings and structures located on the land, and the damages inflicted to the land owner/user by termination of the right to land plot, including the damages connected with early termination of his obligations to third parties.
4. In the event of withdrawal of the land plot for the state or public needs another land plot may be allocated to a land owner/user, subject to his consent and the value of the right to it shall be credited to the redemption price.

2.2. WB Policy on Involuntary Resettlement

The WB Operational Policy 4.12 “Involuntary Resettlement” (December 2001; Revised April 2013) aimed to mitigate risks related to involuntary resettlement through addressing the risk minimizing issues.

The overall objective of the Policy is as follows:

- (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
- (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. This policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by (a) the involuntary taking of land resulting in (b) relocation or loss of shelter; (c) lost of assets or access to assets; (d) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; (e) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

The policy requires the preparation of a Resettlement Action Plan to mitigate impacts of involuntary resettlement. Resettlement plan will comprise all measures to raise awareness of the proposed options and rights regarding resettlement; ensuring technically and economically appropriate resettlement options and ensuring prompt and effective compensation of expenses at full replacement cost for the loss of property directly associated with project implementation.

However, where impacts on the entire displaced population are minor or fewer than 200 people are displaced, an abbreviated resettlement plan may be produced. For the projects with considerable resettlement impact (over 200 people), a complete resettlement plan is required. In resettlement planning the Policy requires the following:

1. Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
2. In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).
3. Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or

other displaced persons who may not be protected through national land compensation legislation.

2.3. Comparison of Kyrgyz Republic and WB Resettlement Policy

Main differences between Kyrgyz Republic Land Law and WB policy are outlined in the table below.

Table 2.3.1

Provisions of Kyrgyz Republic's Land Code	WB's Policy on Involuntary Resettlement
Compensation for acquired land only for titled landowners, i.e. the PAPs with formal documents permitting the use of land, or holders of customary rights.	Lack of formal title to land will not bar PAPs from entitlements, those people without legal title to land and/or structures occupied or used by them are entitled to various options of resettlement assistance as per the entitlement matrix, provided they cultivated/occupied the land before the eligibility cut-off date.
Consultation with PAPs or communities in respect of land or asset confiscation not required.	PAPs are to be fully informed and consulted on compensation, entitlements and resettlement options incl. relocation sites. Includes consultation, participation, information dissemination campaigns and opportunities to participate in monitoring based on the nature and scale of impacts. Resettlement plans to be developed and prepared in consultation with PAPs and other stakeholders. Grievance redress mechanisms are to be established. Gender specific consultation and information disclosure will be required to ensure women receive information and appropriate opportunities to provide feedback.

<p>Land compensation shall be made based on redemption cost, which includes the market value of the right to land and of the buildings and structures located on the land, and the damages inflicted to the land owner/user by termination of the right to land plot, including the damages connected with early termination of his obligations to third parties.</p>	<p>Land for land as a priority, with replacement land to be acceptable to PAPs and to be of same size and productive capacity. If suitable land cannot be found, compensation in cash, or another land with additional payment at replacement cost shall be provided.</p> <p>Replacement cost for land plots is equal to the market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration of the rights of land ownership/use and transfer taxes and/or fees.</p>
<p>Compensation for other assets (structures, crops, trees, and business income) is provided by formal user at market value.</p>	<p>Replacement cost for buildings and structures is equal to the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any documentation and registration of property rights registration and transfer taxes. Depreciation of the asset and the value of salvage materials are not taken into account nor the value of benefits to be derived from the project.</p>
<p>No provision for rendering support to vulnerable PAPs.</p>	<p>Support will be provided to vulnerable groups.</p>
<p>Payments for transportation and transition are not provided.</p>	<p>Replacement cost includes expenses for delivery of construction materials and transition.</p>
<p>At DDE design stage, proposals for acquisition of agricultural, high-yielding land applied when other land is available.</p>	<p>Any land acquisition and resettlement is to be avoided, or if it cannot be avoided, it should be minimized by exploring all viable options.</p>
<p>No specific provision for temporary or permanent income/livelihood disruption.</p>	<p>Requires compensation for disruption of livelihoods and loss of income as a result of temporary or permanent land acquisition</p>

The Land Law of the Kyrgyz Republic envisages compensation at redemption cost, while the World Bank OP 4.12 “Involuntary resettlement” envisages compensation at replacement cost. Kyrgyz legislation does not provide the assistance to informal land users and in practice it is quite frequently that implementing parties carry out ad hoc arrangements in order to meet international requirements.

To reconcile eventual gaps between Kyrgyz legislation and World Bank OP 4.12 “Involuntary resettlement”, this RPF has been drafted in course of implementation of VIP-3, ensuring compensation at replacement cost of all items, the rehabilitation of non-titled people and the provision of allowances for PAPs that may be relocated and suffer business losses.

The main provisions affording reconciliation of the differences between Land Code and World Bank OP 4.12 include:

- ✓ Any PAPs, regardless of title, will be entitled to compensation (for structures, crops and trees) and rehabilitation measures under VIP-3.
- ✓ PAPs will be consulted on resettlement options.
- ✓ If land for land compensation is not technically or sociably feasible, compensation will be in cash at full replacement cost.
- ✓ Compensation for any other assets affected (structures, crops and trees, as well as business/income loss) will be in cash or kind at full replacement cost.
- ✓ To prevent further impact from RAP implementation, vulnerable and poor PAPs will be entitled to additional measures in terms of allocation of land plots and other assets, payment of cash allowances and compensations, employment etc., depending on situation. Gender issues shall be also taken into consideration.
- ✓ Considering the options, location and technical capacity of subprojects so as to avoid or minimize, to the extent possible, the necessity in land acquisition or resettlement.
- ✓ Compensation for temporary loss of land or assets, or for temporary disruption of income will be provided.

According to the WB OP 4.12, the status of those without legal title is clearly defined. In accordance with this policy, those people who do not possess official legal title or judicial rights for the land use, but still use the state land are entitled to receive compensation, taking into account the investments they made into the state land, their labor and lost assets, but not for land ownership as in the case of a titled owner. Instead, alternative sites are allocated for their use, or other forms of assistance in lieu of land compensation, are provided to those informally using or occupying land to the project cutoff date.

In case of disparity of the laws of the Kyrgyz Republic with the requirements of the policy of the WB on involuntary resettlement (OP 4.12), the principles and procedures of OP 4.12 should be applied. This priority of WB norms over the national legislation is required for World Bank financed projects.

Chapter 3. Eligibility Criteria and Procedures for Various Categories Of PAP

3.1. Eligibility Principles

The involuntary taking of land results in relocation or loss of shelter; and loss of assets or access to assets or loss of income sources or means of livelihood, whether or not the PAPs must move to another location or not. OP 4.12 suggests the following three criteria for eligibility:

- (a) Those who have formal rights to land including communal land, traditional and religious rights recognized under the legislation of the Kyrgyz Republic.
- (b) Those who do not have formal legal rights to land at the time the project or census commences but have a claim to such land or assets provided that such claims are recognized under the laws of Kyrgyz Republic or become recognized through a process identified in the RAP.
- (c) Those who have no recognizable legal right or claim to the land they are occupying, using or getting their livelihood from before the cut-off date.

Those covered under (a) and (b) above are to be provided compensation for the land they lose, and other assistance in accordance with this RPF.

Persons covered under (c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this RPF, if they occupy the project area prior to a cut-off date established by the project authorities in close consultation with the potential PAPs, local community leaders and the respective local authorities.

Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in (a), (b) or (c) above are to be provided with compensation for loss of assets other than land.

Therefore all project affected persons irrespective of their status or whether they have formal titles, legal rights or not are eligible for some kind of assistance if they occupied the land or had use of it, before the entitlement cut-off date. Also, persons whose ownership, use, or occupancy prior to the cut-off date can be demonstrated if absent at the time of the census remain eligible for assistance, regardless of their identification in the census.

3.2. Eligibility Criteria and Entitlements

The RPF stipulates eligibility and provisions for compensating all types of losses (land, crops/trees, structures, business/employment, and workdays/wages) in the entitlement matrix (see Table 3.2.1). All PAPs including non-titled or informal dwellers, will be compensated for lost assets (crops, structures, trees and/or business losses) and will receive: (i) compensation (at replacement cost), and/or (ii) land, structures, seedlings, other resettlement assistance such as moving allowance, assistance with rebuilding structures, compensation for loss of workdays/income, etc.

Lost assets will be compensated at full replacement cost.

The criteria for eligibility are based on the principles detailed in Section 3.1.

The PAPs who are entitled to compensation under VIP-3 include:

- ✓ Persons whose structures are in part, or in total, affected temporarily or permanently by the Project;
- ✓ Persons whose residential or commercial premises and/or agricultural land (or other land) is in part, or in total, affected (permanently or temporarily) by the Project;
- ✓ Persons whose businesses are affected in part, or in total, (temporarily or permanently) by the Project;
- ✓ Persons whose employment or hired labor is affected, temporarily or permanently, by the Project;
- ✓ Persons whose crops (annual and perennial) and/or trees are affected in part, or in total, by the Project;
- ✓ Persons whose access to community resources or property is affected in part, or in total, by the Project.
- ✓ Persons whose livelihoods are affected in part, or total, by the Project.

Where land is to be withdrawn, the owners (titled or legalizable PAPs) will receive compensation for land acquired by the Project at replacement cost, this will be in cash at replacement cost or land-for-land (of equal size and/or productive value and be satisfactory to the PAP). Informal PAPs are not eligible for compensation for land but will receive compensation for assets attached to land and other assistance as required, in lieu of land compensation. Secondary users will receive compensation for lost assets, lost crops, and remaining terms on their lease agreements.

Households headed by single women with dependents and other vulnerable households will be eligible for further assistance to fully mitigate project impacts. In preparation of RAPs in course of consultations with communities, vulnerable households will be identified together with the types of support to be provided to improve living standards depending on particular reasons for vulnerability.

Table 3.2.1 below presents the Project's entitlement matrix, based on potential losses Compensation eligibility will be limited by a cut-off date to be set for each RAP on the basis of the steps detailed in section 3.3 of this document.

PAPs who settle in the affected areas after the cut-off date will not be eligible for compensation. The information about the cut-off date will be properly and regularly disseminated among local population so as to avoid the influx of new residents to this area. The information will be posted in form of announcement in public places and frequently attended public places as well as in the respective LSG bodies.

They, however will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures will not be confiscated and they will not pay any fine or sanction. Forced eviction will only be considered after all other efforts are exhausted

Table 3.2.1: Entitlement Matrix: Eligible PAPs, Assets and Compensation Guidelines

Project Impact	PAP Category	Asset Affected	Compensation Guide
Temporary acquisition of land for works, or construction.	Land owner	Land	Rental value of land based on market rates (for the period used) and restoration of land and all assets thereon to former status, including compensation for transfer of a) movable assets, domestic materials, b) state and municipal assets; c) recovery of source of income for period used.
	Informal User	Land	Restoration, replacement or compensation of all assets damaged or removed at replacement cost. In the case of loss of income, disturbance allowance set on the basis of average income for each week (7 days) of disturbance calculated on a pro rata basis.

Project Impact	PAP Category	Asset Affected	Compensation Guide
Permanent acquisition of land for works, construction or as part of first sanitary protection area.	Land owner	Land	Replacement land of equivalent market value as priority option, to be acceptable to PAP and should be of the same size and productive capacity as affected one. Failing availability of land, cash compensation at replacement cost. If over 10% of land is acquired, an additional 5% of replacement cost including market value of land as well as cost and fees for documentation and re-registration of rights and expenses for reinstatement of land up to the condition similar to the condition of the land impacted by the project will be paid (increasing to 10% if over 20%) as a severe impact subsidy. If the remainder of the plot is not economically viable the entire plot will be acquired.
	Informal User	Land	There will be no provision of compensation for land.
		Assets	Cash compensation for affixed assets at replacement cost. In the case of loss of income, disturbance allowance set on the basis of minimum wage for six months will be paid as well as a right to salvage materials.

Project Impact	PAP Category	Asset Affected	Compensation Guide
Permanent acquisition of legal structure.	Owner of structure/building	Any structure including fence, sanitation structure etc.	Replacement structure or cash compensation at replacement cost as well as a right to salvage materials .
Permanent acquisition of illegal structure	Owner of structure	Any structure including house, fence, sanitation structure etc.	Replacement of structure or cash compensation at replacement cost as well as a right to salvage materials.
Restriction of access to homes.	Tenant or House owner	Section of residential compound temporarily affected or access to house affected by works	Restoration of land to original condition after works. In kind compensation for temporarily affected need such as alternative car parking facility and alternative access. Disturbance allowance set on the basis of minimum wage for each week (7 days) of disturbance calculated on a pro rata basis of minimum wage (a specific calculation of the allowance would be established in each RAP).
Vendors or business entrepreneur	Owner of business	Temporary loss of business due to works	Cash compensation of estimated business loss assessed from records of preceding 3 months or equivalent business (if no records) - Disturbance allowance equivalent to 7 days of business profit.
		Permanent loss of business due to works	Compensation for transition period.

Project Impact	PAP Category	Asset Affected	Compensation Guide
Farmer with land title	Owner	Crops	<p>In addition to land compensation, it will be allowed to take standing crop and cash compensation for 2 agricultural seasons at highest market value or according to rates of the Ministry of Agriculture and Reclamation of the Kyrgyz Republic, whichever is higher.</p> <p>For temporary use of land where a growing season will be lost, compensation will be provided for the lost growing season based on the market value of the last crop grown.</p>

Tenant farmer	Tenant	Crops	<p>It will be allowed to take standing crop and cash compensation for 2 agricultural seasons at highest market value or according to rates of the Ministry of Agriculture and Reclamation of the Kyrgyz Republic, whichever is higher.</p> <p>For temporary use of land where a growing season will be lost, compensation will be provided for the lost growing season based on the market value of the last crop grown.</p>
Fruit tree owner	Owner	Fruit tree	Price of a sapling and cash compensation for the value of the harvest multiplied by number of years it will take for the sapling to reach maturity.
		Unfruitful tree	Timber or cash equal to the value of timber
Vulnerable people	Identified both on the basis of social payments (disability payments, pensioners, widows/women headed households and impoverished households) and consultations.	Residential and commercial assets	<ol style="list-style-type: none"> 1. In addition to compensation for assets lost, a social allowance for the period of one year will be paid. 2. Assistance during moving and in transportation of materials will be provided as required. 3. Special attention will be paid to reinstatement of income.

		Livelihood restoration	Allowance set to be one year of supplemental social assistance payments.
Permanent land acquisition	Public assets	Structures/buildings	Compensation will be provided in kind (construction of new structures/buildings or repair of partially impacted assets).

3.3. Methods to Determine Cut-Off Dates

Once the design of a sub-project is finalized, all affected persons will be identified. Consultations with affected peoples will be undertaken to inform them of project design, footprint of the project, impacts, etc. It is expected that much of this information will already be known due to the community focused nature of the intervention, however care will be taken to ensure that affected persons are aware of this information and that feedback is solicited which may result in changes of the footprint to minimize resettlement impacts.

As a rule, the cut-off date is a date of commencement of census or the date of identification of project areas, providing that these areas had been identified prior to the census and that the information about the upcoming identification of project areas had been properly furnished to local population and that after the identification, the information was disseminated about non-admission of new residents to this area.

The consultation will be done by ARIS and the individuals responsible for resettlement matters assigned by LSG bodies in line with consultation procedures outlined in this document. The potential PAPs will be informed through both formal notification in writing and in a language and format understandable to them and by verbal notification delivered in the presence of the community leaders or their representatives.

Chapter 4. RPF and RAP Implementation Arrangements and Procedures

4.1. Overview

As the overall implementation of the project will be provided by ARIS, the agency will oversee all resettlement planning and coordinate all issues relating to the compensation. ARIS will collaborate closely with the participating Municipalities.

The RPF is based on implementation arrangements of:

- VIP-3
- Activities for resettlement and compensation in line with the requirements outlined in this document.

Actors involved in both these sets of institutional arrangements need to be taken into account in the implementation of resettlement and compensation activities for subprojects/microprojects. This section describes the arrangements that build on responsibilities already in place to ensure that the requirements of this RPF are met for each project activity. These are based on the institutional structure at the time of writing the RPF. Should these institutional structures change, The RPF and/or subsequent RAPs will be updated.

4.2. Evaluation of Project Activities

The first step in the process of preparing individual RAPs is the evaluation process to identify the land/ areas that may result in resettlement impacts. This evaluation is used to identify the types and nature of potential impacts related to the activities proposed under this project, and to provide adequate measures to address them. It also ensures that the avoidance or minimization of resettlement is a key criterion when designing subproject activities.

Evaluation will be undertaken, by consultants contracted to design the activity under the supervision of ARIS. No design will be finalized unless it is clearly determined that every effort has been made to minimize resettlement impacts.

4.3. Socio-Economic Review and Inventory of Losses

Should the evaluation process show that land acquisition is required, the next step will be the socio-economic identification and listing of all Project Affected Persons (e.g. their age, asset dependence, income, family status etc.). This is the equivalent of a census. This step should take place at the same time as the inventory and valuation of all assets affected for each individual PAP.

During census a cut-off date shall be established as per para. 3.3.

Once this census is completed a Resettlement Action Plan (RAP) will be developed on the basis of the data collected.

The census process will involve direct consultation with the PAP(s) who will work with the ARIS Safeguard specialist and local officials (such as land surveyor, deputies of local authorities, NGO representatives and other stakeholders) in a language and format understandable to them on-site to identify the affected assets and discuss their socio-economic situation. During consultations the PAP(s) will be informed verbally on their rights pertaining to the resettlement process. This will include sharing a copy of the grievance redress procedure and the entitlement matrix. Illiterate people will be informed verbally. PAP(s) will be given an opportunity to provide feedback and express concerns.

4.4. Development of the RAP

Socio-economic census and identification of PAP(s) will be followed by preparation of the RAP. The RAP will be prepared by the ARIS Safeguards specialist.

It will be prepared in consultation with affected parties, particularly in relation to the cut-off date for eligibility, disturbances to livelihoods and income-earning activities, methods

of valuation, compensation payments, potential assistance and timeframes. The basic elements of a RAP, as outlined in OP 4.12 are provided below. More detailed guidelines for preparing a RAP are available on the World Bank's website (www.worldbank.org) or in the World Bank's Involuntary Resettlement Policy.

It is expected that in this project, the impacts on the entire displaced population will be minor (i.e. affected people are **not** likely to be physically displaced and less than 10% of their productive assets will be lost). Overall it is expected that fewer than 200 people will be affected in any activity, so that abbreviated RAPs can be prepared. Also, for any given RAP it is likely that only a handful of people will be affected as RAPs will be prepared for individual sub-projects that require land acquisition. Thus it is proposed that the RAP will contain a number of standardized sections as front matter (subproject description, legal and institutional framework, eligibility and entitlement matrix etc.) followed by a section specific to the affected site, and the PAP(s) along with their assets (inventory of losses, compensation and resettlement costs and budget, socio-economic data etc.). While household-level data is essential to the RAP, for the purposes of privacy, information identifying individuals or households in the RAP will not be publicly disclosed. RAP for each subproject will include the information about a baseline census and social and economic survey, entitlement matrix, compensation cost, the rights associated with additional impact identified in course of census or surveys, description of resettlement sites and the programs for improvement or recovery of livelihoods and living standards, resettlement schedule, detailed cost estimates and grievance redress mechanisms.

4.5. Disclosure and Approval of RAP

Following RAP preparation, a number of steps must be followed:

- 1) Initial version of RAP is subject to discussion with LSGB and PAP(s), who were preliminary provided with copy of RAP.
- 2) After discussion the comments and proposals to be reflected in the RAP.
- 3) The RAP shall include a chapter on consultation process with a table of comments and proposals and their implementation.
- 4) The ARIS Safeguards specialist shall submit the RAP to ARIS Project coordinator for approval.
- 5) Following incorporation of comments from disclosure, and project coordinator's approval, the RAP must be formally sent to the World Bank for review to ensure compliance with OP4.12.
- 6) Following clearance from the World Bank, the final RAP will be disclosed on the World Bank's info-shop website, disclosed on the ARIS website and disseminated again to all interested parties.

No changes to the RPF entitlement matrix, eligibility criteria, compensation rates or other entitlements to assistance can be made without prior approval of the World Bank.

Estimates of PAPs and assets in project affected areas

Cases of temporary or permanent use of private land cannot be precluded during work implementation, especially in areas adjacent to public road right-of-ways, where water transmission mains, power transmission lines, bridges etc. will be constructed, should

designs necessitate any use of private land. It is not yet known whether any temporary or permanent land acquisition will be necessary in these cases or whether the access and use of land will be constrained on a temporary or permanent basis. ARIS does not expect any demolition of capital structures during implementation of the Project, though the destruction of smaller-scale structures (fences etc.) cannot be fully precluded at this stage. Given that affected populations and/or assets are not yet clear, estimates will be produced when the project commences.

It is assumed that the elements of infrastructure in VIP-3 rural residential areas will be rehabilitated/constructed on the sites of municipal properties, where no commercial facilities or private households are located. However there is a probability that some rehabilitation/construction works may spread beyond municipal sites and that some works will be carried out on unidentified sites.

It is expected that in this project, the numbers of people to be impacted will not be significant and that the impacts on the entire displaced population will be minor (i.e. affected people are not likely to be physically displaced and less than 10% of their productive assets will be lost). Overall it is expected that fewer than 200 people will be affected in any activity.

Chapter 5. Methods of Valuing Affected Assets

This chapter sets out the guidelines for determining the value of affected assets.

5.1. Type of Compensation Payments

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

- ✓ Land;
- ✓ Structures and fixtures;
- ✓ Cultivated crops (both cash and food crops) and trees; and
- ✓ Loss of businesses or employment.

In addition, disturbance allowance will be provided for disturbances during:

- economic or business activity;
- storage of goods;
- replacement of lost services;
- and other assistance as outlined in the Entitlement Matrix above.

However this is for guidance only, and it is essential that at the time of detailed RAP preparation current market values and replacement cost values will be used to establish actual compensation. In addition, any additional allowances as deemed appropriate may be given such as extra assistance for vulnerable families, disturbance allowances etc. All cash amounts will be adjusted to reflect any economic changes and buying power. ARIS will evaluate the compensation amounts as per the RAP and ensure that they reflect market reality and that it is consistent with Kyrgyz Republic law as long as it meets the requirements of WB OP 4.12.

5.2. Preparation of Asset Inventory

During the census, each asset will be enumerated and inscribed on an inventory and a valuation of the asset carried out using the principles and guidance of the RPF. A copy of the inventory list of assets is provided to PAPs. The total list of affected assets and their assigned values including any additional compensatory measures will be registered and agreed with the PAP. Moreover, it is specified that following approval by the WB and by the Project Coordinator, one copy of the final RAP will be given to PAP with description of the grievance redress mechanism.

5.3. Valuation Methods

5.3.1. Replacement Cost Approach:

This approach is based on the premise that the costs of replacing assets is based on damages caused by project operations. This approach involves replacement of expropriated assets and covers an amount that is sufficient for asset replacement, moving expenses and other transaction costs.

Replacement cost for land plots is equal to the market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration of the rights of land ownership/use and transfer taxes and/or fees.

Replacement cost for buildings and structures is equal to the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any documentation and registration of property rights registration and transfer taxes. Depreciation of the asset and the value of salvage materials are not taken into account nor the value of benefits to be derived from the project.

5.3.2. Schedule of rates:

Ministry of Agriculture and Reclamation of the Kyrgyz Republic has a compensation matrix for damages during land acquisition, loss of land, clearing of trees. When applied, rates current for the period of actual replacement must be used.

The Construction Departments have a schedule of rates for preparing estimates for construction works, which the consultant can use to assess costs for construction materials and labor cost. When applied to calculate replacement cost, rates current for the period of actual replacement must be used.

5.4. Compensation for Various Assets

5.4.1. Compensation for Land

In the event of permanent land acquisition, the first premise is provision of replacement land to official user. In the case where no alternative land is available within a reasonable distance, cash compensation at full replacement cost (see footnote 1 for definition).

In addition, the PAP will be compensated for any improvements made to the land (for instance irrigation structures). This will be calculated based on the current prevailing market rates for labor, equipment and materials.

Where land lost is only a small proportion of total land owned by the PAP, but renders the remaining land as unusable, the compensation provided should be calculated based on the total land affected (i.e., the actual land lost plus the remaining unusable land).

Where land is temporarily acquired, standing crop will be compensated at fully matured market rate or the rate proposed by the Ministry of Agriculture and Reclamation, whichever is higher. There will also be compensation for the cost of lost growing seasons. The compensation will be paid to the tiller rather than the owner, where the user is not the owner (e.g. tenant). Compensation will be paid for the lost yield of horticultural crop. Aside from the payment for standing crop, the project will ensure that the land is returned to its original form so it is suitable to resume its former use.

5.4.2. Calculation of Crops and Fruit Trees Compensation Rate

The current prices for the crops will be determined, taking into account the rate recommended by the Ministry of Agriculture and Reclamation and the highest market price, whichever is higher. The crops used will be the ones that are currently or have most recently been cultivated on that land.

Where rented land will be withdrawn, compensation for 2 agricultural seasons shall be paid.

If the land to be withdrawn is in individual land use, besides an alternative land plot or cash compensation, an owner gets compensation for 2 agricultural seasons of crop.

In addition, PAPs will be encouraged to harvest their produce before loss of land. In order to ensure that this is possible, and that appropriate market prices are received for yields, there needs to be sufficient consultation beforehand so that harvesting can be properly planned.

The value of the labor invested in preparing agricultural land will be compensated at the average wage in the community for the same period of time. The rate used for land compensation should be updated to reflect values at the time compensation is paid.

Fruit trees will be compensated based on the price of a replacement sapling along with number of years it will take the sapling to reach full maturity, as well as using rate of fruit yield produced by this tree during the specified time.

5.4.3. Compensation for Structures

The preferred option is to provide alternative structures (storage facilities and fences etc.) of improved quality where possible.

The second option is provision of cash compensation at full replacement cost. Replacement cost will be based on:

- Specifications of structures and detail of materials used;
- Prices of these items collected in different local markets;
- Costs for transportation and delivery of these items to acquired/ replacement land or building site;
- Estimates of construction of new structure including labor required and any necessary land preparation; andAny associated taxes, registration fees.

Compensation will be made for structures that are (i) abandoned because of relocation or resettlement of an individual or household, or (ii) directly damaged by project activities.

5.4.4. Compensation for Community Assets

Compensation will be provided for community assets identified through the socio-economic survey. In all cases these will be provided in kind and new facilities will be constructed or the old facilities repaired if partially impacted by the project.

5.4.5. Compensation for Loss of Businesses

Compensation will be paid for the lost income during the construction period (time lag between losing the income and re-establishment). This will be estimated based on records of the daily or monthly income of the affected parties.

Chapter 6. Implementation Schedule

Before commencement of project implementation, all PAPs will need to be compensated in accordance with RAP. For activities involving land acquisition or loss, denial or restriction to access, it is further required that these measures include provision of compensation and of other assistance required for relocation prior to displacement. Taking of land and related assets may take place only after compensation has been paid and, if applicable, resettlement sites and moving allowances have been provided to displaced persons.

The measures to ensure compliance with this RPF will be included in the RAP that will be prepared for each subproject involving land acquisition. RAP will include schedule for the implementation of activities related to resettlement including all stages: from preparation to completion of works with indication of precise dates of achieving expected benefits for both PAPs and local community and termination of various types of assistance. The RAP will be disclosed in a manner and location accessible to PAPs, both in draft and when finalized. The parties shall also agree on how these activities are related to the project implementation in general. The evaluation process must ensure that RAPs contain acceptable measures that link resettlement activity to civil works.

The timing mechanism of these measures would ensure that no individual or affected household would be displaced (economically or physically) due to civil works activity before compensation is paid and resettlement sites, as relevant, with adequate facilities are prepared and provided to the PAPs.

Compensation will be paid to individual PAPs only after a written consent of the PAPs.

Chapter 7. Grievances Redress Mechanisms

7.1. *The overall process of grievance is as follows:*

- 1) During the process of asset evaluation, the affected persons will be given copies of grievance procedures.
- 2) The first step in the grievance process will be to verbally contact a Project Representative from LSGB either in person or by phone (a cell phone number will be provided on information notice board at Aiyl Okmotu office). If the problem cannot be resolved within 5 days, then grievance process is moved to the next level.
- 3) The affected person should file his/ her grievance, relating to an issue associated with the resettlement process or compensation, in writing to VIP-3 Coordinator. The grievance note should be signed and dated by the aggrieved person. The ARIS Safeguards specialist will contact the PAP. ARIS will assess the substantiation of claim, notify the complainant and s/he will be assisted. A response will be given within 14 working days during which time any meetings and discussions to be held with the aggrieved person will be conducted. If the grievance relates to valuation of assets at the expenses of the project, a second or even a third valuation will be undertaken, until it is accepted by both parties. These can be undertaken by independent valuers. ARIS will provide assistance at all stages to the aggrieved person to facilitate resolution of their complaint and ensure that the matter is addressed in the optimal way possible.
- 4) If, after receiving a response from ARIS the complaint is not resolved, it should be addressed by the working group under Aiyl Okmotu.
- 5) Should there be objection regarding the decision of the working group (the decision of the working group is provided within 30 working days), then the case can be taken to court by the PAP.

Below is a procedure for application, consideration and addressing claims.

Table 7.1

Claim procedure	Who receive grievance from PAP	Form of complaint	Procedure of grievance redress	Time to consider grievance

Instance I	Project Representative, appointed by LSG bodies Tel._____	Verbal or by phone	Project representative reports in writing to the management of LSGB and ARIS on a weekly basis about the status of grievances redress.	5 working days
Instance II	Abykeev A. VIP-3 Coordinator Address: 102, Bokonbaev str., ARIS HO, 720040, Bishkek, Kyrgyz Republic tel.: + 996(312) 30-18- 05, 30-17-53, 30-17-54, 62-07-52 fax: + 996(312) 62-47- 48, e-mail: <u>office@aris.kg</u>	In writing, with signature and date	ARIS Safeguards specialist- 1) registers a grievance in the Grievance Log under sequence number; 2) Investigates the grievance 3) Organizes subsequent valuation as necessary. 4) Supervises the process of grievance redress; 3) Maintains direct contact with PAP; 4) In case the claim is justified, organizes, consults with the complainant and develops corrective action.	14 working days
Instance III	Working group under Aiyl Okmotu	In writing. In case of grievance denial by previous authority it is forwarded from ARIS to the working group	1) agreement with all the involved parties; 2) legal solution by aiyl okmotu	30 working days

Instance IV	Court of first instance	Grievance is forwarded to the court	Following court procedures	Following court procedures
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7.2. *Management of Reported Grievances*

The procedure for managing grievances should be as follows:

The Project representative will ensure weekly transfer of complaints received from PAP to ARIS, as well as results of grievance redress in the 1st instance.

The Safeguard specialist should ensure that each complaint has an individual reference number, and the process of consideration of each complaint is recorded in the log. The log also should contain a record of the person responsible for an individual complaint, and records dates for the following events:

- ✓ date the complaint was reported;
- ✓ date the Grievance Log was uploaded onto the project database;
- ✓ date information on proposed corrective action sent to complainant (if appropriate);
- ✓ date of response to the complaint.

General information about complaints received (number, the type of complaint), about the procedure of complaint addressing and the issues encountered shall be included in the regular reporting submitted to the WB.

Chapter 8. RPF Implementation Budget

At this stage, it is not possible to estimate the exact number of people who may be affected since the technical designs and details have not yet been developed; it is also not certain that the project design will definitively require temporary or permanent land acquisition. It is therefore not possible to provide an estimated budget for the total cost of resettlement that may be associated with implementation of VIP-3.

Detailed and accurate budget will be produced for each RAP that will be financed through the administrative and financial management rules and manuals like any other activity eligible for payment.

Budget shall include the following costs:

1. Compensation, as per RAP.
2. Payment for services to the safeguard specialist.
3. Expenses for awareness raising campaign including expenses for communication, arrangement and holding of consultations (rent of premises, printing out of information materials and other expenses).

4. Expenses for disclosure of information.
5. Expenses for arrangement and holding trainings.
6. Expenses for monitoring.
7. Expenses during implementation of grievance redress.

Chapter 9. Mechanism for PAP Consultations

Public hearings on the draft Resettlement Policy Framework were held in October 2014 2014 in Kant, Issyk-Ata Raion, Chui Oblast. Participants included representatives from Raion government and local level authorities, local kenesh members and officials of Raion authorities such as Architecture Department, Environmental Office, Land Management Department, Sanitary and Epidemiological Surveillance as well as non-governmental organizations and community members.. In addition to questions on the project design participants expressed concern regarding the financing of resettlement costs, specifically that the financing of costs at the local government level will be difficult given the limited resources at that level. The project team was requested to consider alternatives.

During the implementation of the project, PAPs will be consulted in the following manner at all stages of the project:

1. Consultations will be held with stakeholders at the VIP-3 pre-project stage to discuss the RPF.
2. Following the identification of a construction site, an ARIS consultations with affected peoples will be undertaken to inform them of project design, footprint of the project, impacts, etc. It is expected that much of this information will already be known due to the community focused nature of the intervention, however care will be taken to ensure that affected persons are aware of this information and that feedback is solicited which may result in changes of the footprint to minimize resettlement impacts.
3. Once the inventory and valuation of assets is complete, the ARIS consultant will discuss the details with the PAP(s) and whether or not the inventory is accurate and the valuation is acceptable to them.
4. Once the RAP is completed, the PAPs will be provided with a copy of the RAP in a form and language that is accessible to them.
5. Prior to subproject implementation the amount of cash or in kind offered for compensation will be discussed with each eligible PAP for consideration and endorsement before PAPs are affected.
6. PAPs are entitled to have a third party (as a rule, the representatives of LSG) present at this moment until this final transfer of assets. At any point PAPs can instigate a complaint using the grievance redress process described above.

Consultations will be take into account socio-cultural factors such as: levels of literacy, cultural barriers to participation of sub-groups within the communities and necessary

mitigation factors such as timing—to ensure maximum participation given household responsibilities, geographic spread, etc., and formats that are culturally appropriate. Relevant materials will be provided to affected groups in a timely manner prior to consultation and in a form and language that is understandable and accessible to the groups being consulted. Sufficient time will be provided to communities to review and discuss information shared with them prior to the completion of resettlement instruments. Feedback from communities will be integrated into the design and implementation of the Resettlement Action Plan and as necessary wider project implementation.

Consultations will be documented providing details on the consultation process such as participants of consultations, issues discussed during the consultation, nature of information disseminated at consultations, concerns raised and responses to concerns. The consultation report will also include demographic information on the participants (gender, age, representation of special interest groups, etc.).

Chapter 10. Arrangements for Monitoring and Evaluation

10.1. Overview

The arrangements for monitoring will fit the overall monitoring plan of the entire project which will be implemented through ARIS. All RAPs will set goals by which to evaluate their success, which will include:

- i. affected individuals, households, and communities being able to maintain their pre-project standard of living, and even improve on it,
- ii. the local communities remaining supportive of the project and
- iii. Number of grievances resolved

In order to assess whether these goals are met, RAPs will indicate parameters to be monitored, institute monitoring milestones and provide resources necessary to carry out the monitoring activities. All data collected will be gender disaggregated. ARIS will institute an administrative reporting system that will:-

- Provide timely information about all resettlement arising as a result of project activities;
- Identify any grievances that have not been resolved and require resolution;
- Document the timely completion of project resettlement obligations for all permanent and temporary losses;
- Evaluate whether all PAPs have been compensated in accordance with the requirements of the RAP;
- Alert project authorities to the necessity for land acquisition in the project's planned activities

The objective will be to make a final evaluation in order to determine:

- ✓ If compensations are paid out timely and at all replacement cost;
- ✓ Living standards of PAPs and maintaining their pre-subproject standards;
- ✓ Specific impacts on vulnerable households.

Indicators will be set within each RAP. Data will be gathered from communities or information collated through surveys, as required. The information for these indicators

should be collated at regular intervals (e.g., quarterly or half yearly depending on circumstances) and compared over time. The census information will be used as a baseline.

10.2. Monitoring RAP Implementation

ARIS staff responsible for resettlement and compensation issues will manage the compilation of basic information on all physical or economic displacement arising from the project, on a quarterly basis.

They will compile the following statistics:

- a. Number of subprojects/microprojects requiring preparation of a RAP;
- b. Number of households and individuals physically or socio-economically displaced by each subproject/microproject;
- c. Length of time from RAP finalization to payment of compensation to PAPs;
- d. Timing of compensation in relation to commencement of construction;
- e. Amount of compensation paid to each PAP household (if in cash), or the nature of compensation (if in kind);
- f. Number of people raising grievances in relation to each sub-project;
- g. Number of unresolved grievances.

ARIS will review these statistics in order to determine whether the resettlement planning arrangements as set out in this RPF are being adhered to. Financial records will be maintained by ARIS, to permit calculation of the final cost of resettlement and compensation per PAP or household.

ARIS will maintain a complete database on resettlements conducted. The database will be a part of official VIP-3 documents.

Chapter 11. Institutional arrangements

Below is a table with description of responsibilities for implementation of the RPF.

Table 11.1

Item No.	Party that participates in preparation, implementation and overseeing of land acquisition and resettlement	Responsibility
1	LSGBs	1) Participation in consultations. 2) Acquisition of land parcels for PAPs in case of compensatory replacement of land.
2	ARIS Safeguards Specialist Community Development Officers	1) Consultations with PAPs Preparation of RPF and RAP, taking into account that: (i) Land acquisition/resettlement expenses will be

		<p>financed from project funds</p> <p>(ii) Sub-projects that have resettlement costs exceeding 1 % of the overall requested amount will be disqualified. ARIS will do the screening and will inform AAAs before the proposals are submitted.</p> <ol style="list-style-type: none"> 2) Disclosure of information about RPF and RAP 3) Agreement on compensations with PAPs 4) Implementation of RPF and RAP 5) Identification of PAPs, inspection of entitling documents and list of assets affected by the project 6) Assessment of the list of assets of the affected households 7) Holding of socio-economic survey of PAPs 8) Holding of monitoring 9) Provision of the information about implementation of RPF and RAP to the World Bank 10) Managing grievances related to the project.
3	Working Group	Grievance redress during implementation of RPF