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AND SUSTAINABLE DEVELOPMENT  
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THE WORLD BANK  
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## Construction of 500 kV Jvari-Tskaltubo Overhead Transmission Line

Energy Supply Reliability and Financial Recovery Project P P169117

Phase 2

Resettlement Action Plan (Draft Version)



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## **I. Abbreviations**

CLO	Community Liaison Officer
EA	Executing Agency
EIA	Environmental Impact Assessment
EMA	External Monitoring Agency
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESS	Environmental and Social Standard
FS	Feasibility Study
GPS	Global Positioning System
GRC	Grievance Redress Commission
GRM	Grievance Redress Mechanism
GSE	Georgian State Electrosystem
IA	Implementation Agency
IDP	Internally Displaced Person
IFI	International Financial Institution
IMA	Independent Monitoring Agency
KV	Kilovolt
LAR	Land Acquisition and Resettlement
NAPR	National Agency of Public Registry
NGO	Non-Governmental Organization
OHL	Overhead Transmission Line
PAH	Affected Households
PAP	Affected Person
RAP	Resettlement Action Plan
ROW	Right of Way
RPF	Resettlement Policy Framework
RU	Resettlement Unit
TL	Transmission Line
WB	World Bank

## II. Glossary

Term	Definition
Compensation	Payment in cash or in kind of the replacement cost of the acquired assets.
Cut-off date	In this case, the cut-off date is set as the date of the census and assets inventory of PAP. Persons occupying the Project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the cut-off date will not be compensated.
Easement	An easement is the right held by GSE and granted by landowners to access and use occasionally, at one time, and indefinitely the future, the strips of land necessary to install, operate, maintain and repair overhead and underground transmission lines. This right implies that GSE can access this land occasionally, and therefore may have implication on the use of land by the landowners. For example, it will not be possible to build a structure on a piece of land included in an easement for the overhead line or an underground cable, because it may be necessary to access this overhead line or underground cable for maintenance purposes.
Economic displacement	Economic displacement is the loss of land, assets, access to assets, income sources, or means of livelihoods as a result of: (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to Project Affected People, depending on the nature of their losses, to restore their economic and social base.
Improvements	Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.
Land Acquisition	Land acquisition refers to all methods of obtaining land for Project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilized land whether or not the landholder relies upon such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts that result in land being rendered unusable or inaccessible. 'Land' includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements.

Term	Definition
Livelihood restoration	Livelihood restoration comprises a set of measures which will be implemented to address economic displacement in order to improve or, at a minimum, restore livelihoods and standards of living of PAP to pre-displacement levels.
Negotiated settlement	<p>Legal arrangement, initiated and completed outside of the formal judicial process; without the involvement of courts and judges, between a buyer (GSE) and a seller (land and property owners) to undertake the land acquisition transactions necessary for the Project.</p> <p>However, in the context of the Project, the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.</p>
Residual land	Unacquired parts of a land parcel which are left unusable or undevelopable (either temporarily or permanently) as a result of the project or expropriation.
Project-Affected Household (PAH)	All members of a household residing under one roof and operating as a single economic unit, are adversely affected by the Project. It may consist of a single nuclear family or an extended family group.
Project-Affected Person (PAP)	Project Affected Person (PAP), in the context of involuntary resettlement, are any person, firms, or private institutions who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of: (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Rehabilitation	Allowances paid and compensatory measures provided under the LARCF on involuntary resettlement other than payment of the replacement cost of acquired assets.
Relocation/ Physical displacement	The physical relocation of a PAP/PAH from his/her pre-project place of residence.
Replacement Cost	<p>Replacement cost is defined as the market value of the assets plus the transaction costs related to restoring such assets. Depreciation of structures and assets is not taken into account. For land, replacement cost is based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued; (iv) transitional and restoration costs; and (v) other applicable payments, if any.</p> <p>Compensation at full replacement value is sufficient for the affected person to replace project affected land, structures and other assets to the same or better standard in another location.</p>

Term	Definition
Resettlement Action Plan	The document in which the Project specifies the procedures it will follow and the actions it will take to mitigate adverse effects, compensate losses and provide development benefits to persons and communities affected by the Project.
Resettlement process	All measures taken to mitigate any and all adverse impacts of the Project on PAP's property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.
Right of Way	The protection zone around an overhead transmission line as defined by Decree 366 (Government of Georgia, 2014) where buildings and trees are prohibited as described in section 3.3.1, Volume 2.
Sakrebulo	This is the representative body of local self-government. The representative branch of Municipality level is the local-level Councils and the executive branch is represented by Mayor. The representative and executive branches of self-government are represented accordingly by the Local Council (Sakrebulo) and the Representative of Mayor from the municipal level. The exclusive responsibilities of self-government include land-use and territorial planning, construction permits and supervision, housing, and communal infrastructure development.
Vulnerable household	A vulnerable household is any that might suffer disproportionately or face the risk of being marginalized by the effects of resettlement. Examples of vulnerable households are those comprising: (i) female-headed households with dependents; (ii) households with members of persons with disabilities (iii) poor households as defined by the official poverty line; (iv) elderly households with no labour or means of support; (v) Internally Displaced Persons (IDPs)
Informal Settlers	Non-legalizable PAHs/APs losing land plot used without authorization, for living and/or provision of source of income for the AH/AP.
Severe affected HHs	PAPs permanently losing (e.g., due to tower footprints) more than 10% of affected agricultural land (including registered owners, legalizable and non-legalizable users, Renters are not eligible)
Permanent impact:	The right of land is fully transferred to the project owner.
Partial Impact	The land is not taken and is left in a possession of the private owner; however certain limitations are imposed on the mentioned land plots in terms of admissible land use.



# 1 Introduction

## 1.1 Information About the Project

JSC "Georgian State Electrosystem" ("GSE") is a 100% state-owned company and provides dispatching and transmission of electricity throughout the territory of Georgia. "GSE" is implementing the Energy Supply Reliability and Financial Recovery project financed By the World Bank.

Project includes the construction and operation of approximately 80-kilometer 500 kiloVolt (KV) overhead transmission line (OHL) between Jvari and Tskaltubo and a new 500 kV substation near an existing substation in Tskaltubo (collectively, "the Project"). The new transmission line is intended to serve two main purposes. First, it will improve the 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. The new line will provide an alternative route for electricity in case there are interruptions on the 500kV lines between Zestafoni and Akhaltsikhe and between Akhaltsikhe and Gardabani. Second, the new Jvari-Tskaltubo OHL and Tskaltubo substation will increase the capacity for electricity transmission from western Georgia to eastern Georgia, which will further improve reliability of existing supplies.

GSE will be responsible for the construction and operation of the 500KV transmission line and substation. GSE hired a contractor to complete the final design and construct the transmission line and a second contractor to design and construct the substation. GSE will also hire a third company to serve as the supervising engineer, responsible for overseeing the contractors' design and construction; Support GSE compliance with environmental and social policy requirements under the project.

The project is divided into three sections, Total area of the project is 77 km. The present RAP covers the following sections:

- Section I - From the existing Tskaltubo 200kV substation to the under construction Tskaltubo 500kV substation covering the village Khuntsi, Martvili Municipality which is 24 km and.
- Section III - From the village Salkhino of Martvili Municipality to the existing Jvari substation covering 41 km.

The RAP for Section II in Martvili (12 km) will be developed separately as soon as the detailed designed for the designated area is finalized.

Picture1. Project Area



## 1.2 Resettlement Action Plan Objectives

In order to manage the process of Involuntary Displacement according to IFI standards and policies, GSE has developed the generalized approach **Resettlement Policy Framework (RPF) for construction and operation of the 500 KV Jvari-Tskaltubo transmission line and Tskaltubo substation** in 2019. The 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”.

As stipulated in ESS5 and as described in this RAP all project related impacts should be identified through the relevant studies undertaken during RAP preparation and addressed accordingly, meaning that all project affected persons will be provided with relevant compensation and other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, effective taking of land and material impact on any assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons.

The primary objectives of the resettlement program include:

- (i) Minimizing or avoiding involuntary resettlement
- (ii) Compensation/Rehabilitation provisions to ensure the maintenance of the PAPs' pre-project standards of living.
- (iii) Compensation is to be paid at full replacement cost, without deductions for depreciation or other purposes.
- (iv) PAPs to be fully informed and consulted on compensation options.
- (v) Lack of legal title not to obstruct the compensation and/or rehabilitation.
- (vi) Particular attention to be paid to households headed by women and other vulnerable groups and appropriate assistance to be provided to help them improve their status.
- (vii) Resettlement Action Plan to be conceived and executed as a part of the project, and the full costs of compensation to be included in project costs and benefits.
- (viii) Compensation and resettlement subsidies will be fully provided prior to clearance of right of way/ ground levelling and demolition.
- (ix) An accessible, transparent and free of cost grievance mechanism has to be established and information on the existence of this mechanism to be disclosed.
- (x) 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.
- (xi) 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.

### **1.3 Minimizing the Scale of Land Acquisition and Resettlement**

The project was divided into two distinct phases. In the initial phase, the registration of land plots within the projected impact area was conducted, which allowed to ascertain the extent of the impact. Subsequently, during the design preparation, extensive fieldwork was undertaken by the design team joined by the GSE Social Division. Collaboratively, the area was examined to avoid any suspected zones of physical relocation. The request to steer clear of these sensitive areas was duly acknowledged and diligently incorporated into the project's detailed design, while the project's technical requirements remained wholly uncompromised. The project will not affect any kind of business and will not result in physical displacement. While considerable efforts were invested in exploring various alternatives and solutions, due to the geographical location of the project it was not possible to fully avoid the impact on some kinds of auxiliary buildings. Also, economic displacement (loss of land) could not be avoided.

## **2. Description and Impact Assessment**

### **2.1 Introduction**

This impact assessment describes the loss of land, buildings and other assets. Compensation and rehabilitation measures have been worked out based on these impacts. A detailed inventory of all the impacts has been done following the final alignment of the transmission line corridor and tower locations.

Digital cadastral maps were collected from the National Agency for Public Records (NAPR) and updated based on actual field surveys. In parallel with the field survey implementation, a detailed measurement survey (DMS) and a census of affected persons were carried out. These studies were conducted from January 2023 to March 2023. Along with this, a Socio-Economic Survey (SES) of PAHs was conducted in the project-affected areas to identify the socio-economic status of the project affected persons (PAP). The date of commencement of the detailed surveys and census of PAPs is considered as the beginning of the reporting period for eligibility for compensation under the project.

The cut-off date for eligibility for compensation in the Project is January 23, 2023. In the initial stages of land registration that started in 2020, PAPs were provided with details about the significance of the cut-off date, including its essential aspects and the methods through which its announcement would be carried out. During the public consultations conducted on January 23, it was communicated that an aerial survey would be conducted to meticulously record the assets owned by all PAPs. Additionally, it has been duly apprised that subsequent to the designated cut-off date, a comprehensive census-inventory would be executed. Consequently, any properties or assets not duly recorded during this process would no longer be eligible for compensation.

### **2.2 Impact on Land and Other Assets**

#### **2.2.1 General Classification of Affected Land**

The impacts on land have been distinguished as both permanent (with full or partial land take – such as easements) and temporary impacts on land are anticipated. Temporary impacts are related to the usage of private land during the construction period. In addition, it is predicted that during the construction period the temporary usage of private land will be required: namely for construction activities and for maintenance and storage during the operation phase. The exact scope of impact is not presently fully clear; however, all avoidance and minimisation principles will be applied the same compensation approach and entitlements will be used in these cases as stated in the Entitlement Matrix.

Permanent partial impact means that the land is not taken and is left in a possession of the private owner, however certain limitations are imposed on the mentioned land plots in terms of admissible land use. The limitations comprise prohibition of growing trees higher than 4m within the RoW

and prohibition of presence of structures and buildings in the RoW (which is 30 meters for the 500 kV line)<sup>1</sup>.

Permanent full impact is related to the land plots where towers will be located or to the land plots, on which the residential houses are situated. (For additional information see the chapters 2.5 Impact on buildings

## 2.9 Physical Relocation)

The land plots for erection of towers needs to be acquired. As all the structures within the RoW, including residential houses, should be demolished, the mentioned land plots lose their value as a residential land, respectively the land plots and affected structures will be compensated at full replacement cost and this land will be permanently acquired by the project, as well as the land plots under the towers. The land plots imposed to partial impact will remain in the ownership of PAHs, and the PAHs will be compensated for the partial impact (limitations on land use) through the Easement Agreement. The cost to be paid as a compensation for partial impact will reflect the loss of real estate value of the affected land plots due to the imposed limitations. As asset inventory and detailed measurement surveys are completed, the full replacement cost of affected assets and lands have been evaluated. This was done by the independent accredited valuator, following the methodologies indicated in Chapter 5

In total, 523 land plots are affected by the project; 251 land plots are non-compensable as they are under state ownership and are not used informally. Initially, 272 land plots<sup>2</sup> were identified as compensable, however, they had to be split into two and sometimes three parcels to be fully acquired (40 plots to accommodate 41 towers)<sup>3</sup> and subject to easement (272 plots). Thus, eventually, the 'final' number of the affected plots became 315. 315 affected land plots are owned/used by 207 PAHs. Table 2.1 presents both partially and permanently affected lands.

### 2.2.2 Land Category by Legal Status

**Category 1.** Private land plots with full and valid registration. There are 138 (287 399 sq.m.) category 1. land plots under the power transmission line. Out of this number 27 land plots (4 928 sq.m) will be permanently impacted and these lands need to be acquired, while 138 plots (282 471sq.m.) will be partially affected and subject to easement. The land plots where the towers will be erected are subject to division into two or three plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

**Category 2.** Lands rightfully used or occupied by PAHs (who have legally recognized rights to these land plots) that are subject to registration and compensation. There are 134 (263 411 sq.m.)

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<sup>1</sup> The Decree No 366 of the Government of Georgia of 24.12.2013 about protection rules and protection zones of the Electric Transmission Lines Linear Facilities

<sup>2</sup> 2 land plots out of 272 are owned by the State, but has a formal leaseholder. So, they are included in the total number of compensable land plots.

<sup>3</sup> . For this particular RAP, it is necessary to accommodate two towers on a single plot spanning two hectares. Consequently, the plot is subdivided into three distinct parts.

category 2. land plots under the power transmission line. Out of this number the towers will be located on 15 land plots (3007 sq.m) resulting in permanent impact and thus these lands need to be acquired, while 134 plots (260 404 sq.m) will be partially affected. The land plots where the towers will be erected are subject to division into two or three plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

**Category 3.** Non-legalizable plots of land that are informally used. Non-legalizable land, generally state owned, land used informally by local community members. This category includes all private users of lands that cannot be privately registered under the current legal framework. For the time being Category 3 plots are not identified as the process of land registration is ongoing. Some of the land plots of Category 2 which will not be entitled to be registered in the private ownership will be moved to Category 3 and registered as state owned. Informal users will not be compensated for land but will get compensation for any other assets.

**Category 4.** State-owned land plots illegally used by private users (squatters). A detailed inventory of all the impacts has been done and actual field surveys have been conducted to identify any impact by illegal users. The analysis of the inventory data does not depict the existence of Category 4 land.

**Category 5.** State-owned land plots that are not used by private users. There are 251 (1,953,224 sq.m). Category 5 land plots under the line.

**Table 2.1: Land Category by Legal Status**

Tenure Categories	Permanent Land Claim (land for purchase)		Partial impact (Land Plots within the RoW/Easement)		Initial number of affected land plots	Final numbe r of affecte d land plots	Total area of affected land		%
	Number of plots	Area (sq.m.)	Number of plots	Area (sq.m.)	Number of plots	Numbe r of plots	Area (sq.m.)		
<b>Compensable land</b>									
Category 1. Private registered plots	27	4 928	138	282 471	138 <sup>4</sup>	166	287 399	26%	
Category 2. Rightfully owned land Plots subject to registration	15	3 007	134	260 404	134	149	263 411	26%	
<b>Compensable subtotal</b>	<b>41</b>	<b>7 935</b>	<b>272</b>	<b>542 875</b>	<b>272</b>	<b>315</b>	<b>550 810</b>	<b>52%</b>	
<b>Non-compensable land</b>									
Category 3. Land plots that are not subject to registration					0	0	0	0	
Category 4. State-owned land used by private individuals – illegal					0	0	0	0	

<sup>4</sup> As one land plot is affected by the two towers, it will be divided into three parts.

<b>Category 5. State-owned land, not used by private individuals</b>	<b>251</b>			
<b>Non-compensable subtotal</b>	<b>251</b>			<b>48 %</b>
<b>Total</b>	<b>523</b>			<b>100 %</b>

### 2.2.3 Categorization by Land Use

**Type 1** – Non-Agricultural land plot. 9 plots of Type1 (29 808 sq.m; owned by 3 PAHs) fall between the towers (partial impact) and are subject to easement compensation. 1 land plot (3 sq.m; owned by 1 PAH) impacted by a tower will be acquired. In total, the number of plots of Type 1 will be 10 (total area affected 29 811 sq.m.), as certain plot is to be divided in two (2) separate plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

**Type 2** - Agricultural Pastureland plot. 1 plot of Type 2 (14 695 sq.m; owned 1 PAHs) falls between the towers (partial impact) and are subject to easement compensation. The same number of land plots (256 sq.m; owned by 1 PAHs) impacted by a tower will be acquired. In total, the number of plots of Type 2 will be 2 (total area affected 14 951 sq.m.), as certain plot is to be divided in two (2) separate plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

**Type 3** - Agricultural Arable land plot. 256 plots of Type 3 (486 508 sq.m; owned 198 PAHs) fall between the towers (partial impact) and are subject to easement compensation. 37 land plots (7570 sq.m; owned by 39 PAHs) impacted by a tower will be acquired. In total, the number of plots of Type 3 will be 296<sup>5</sup> (total affected area 494 0788 sq.m.), as certain plot is to be divided in two or three separate plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

**Type 4** - Agricultural Residential land plot<sup>6</sup>. 6 plots of Type4 (11 864 sq.m; owned 6 PAHs) fall between the towers (partial impact) and are subject to easement compensation. 1 land plot (106 sq.m; owned by 1 PAHs) impacted by a tower will be acquired. In total, the number of plots of Type 4 will be 7 (total affected area 11 970 sq.m.), as certain plot is to be divided in two separate plots (one to be acquired due to permanent impact and the other to be compensated under the easement agreement due to partial impact).

<sup>5</sup> As 1 land plot is affected by the two towers, it will be divided into the parts.

<sup>6</sup> 5 out of 6 Residential land plots are vacant (there are no structures). 1 residential land plot with the house is affected by the project of area 129 sq.m out of 12 500 sq.m. Distance between the house and the protection zone is 90m.

**Table 2.2: Categories by Land Use**

Categories by Land Use	Permanent Land Claim (land for purchase)		Partial impact (Land Plots within the RoW/Easement)		Initial number of affected land plots	Final number of affected land plots	Total amount of affected land	
	Number of plots	Area (sq.m.)	Number of plots	Area (sq.m.)	Number of plots	Number of plots	Area (sq.m.)	
<b>Compensable land</b>								<b>%</b>
Type-1.	1	3	9	29 808	9	10	29 811	3%
Type-2.	1	256	1	14 695	1	2	14 951	0%
Type-3.	37	7 570	256	486 508	256	293	494 078	94%
Type-4.	1	106	6	11 864	6	7	11 970	2%
<b>Total</b>	<b>40</b>	<b>7 935</b>	<b>272</b>	<b>542 875</b>	<b>272</b>	<b>312</b>	<b>550 810</b>	<b>100%</b>

## 2.3 Impact on crops

Affected crops on the project affected agricultural land plots are corn, pumpkin, beans, Soy, Oats and Hay. Hay is the most cultivated plant occupying 122 156 sq.m of land. In total, 122 households grow the specified crops on their 146 land plots of 324 707 sq.m. area<sup>7</sup> (see Table 2.3).

All PAPs regardless of legal status of ownership will be eligible for crop compensation.

**Table 2.3: Affected agricultural crops**

Culture	Plots of land	Area in sq.m.	Number of PAHs
Corn	67	100 724	57
Pumpkin	67	46 760	57
Bean	67	46 765	57
Soy	24	122 156	19
Oats	2	1 088	1
Hay	79	122 156	73
<b>Total</b>	<b>146</b>	<b>324 707</b>	<b>122</b>

<sup>7</sup> As per entitlement matrix: when possible, PAPs will be given enough time to harvest existing crops. Crop compensation will be paid at gross market value of actual or expected harvest. Compensation for this item will be provided in case of non-standing crops and even if the crops were harvested.



## 2.4 Impact on Trees

In total, 5 213 trees (owned by 71 PAHs) are affected by the project, the distribution of which by species and age groups is presented in Table 2.4. Also, tea plantation is affected (owned by 3 households), this crop is occupying 10 090 sq.m of the affected land. All PAPs regardless of legal status of ownership will be eligible for the tree compensation.<sup>8</sup>

It is prohibited to plant trees within the RoW and the existing trees should be cut (but not all, as explained further). The inventory studies identified 5 213 privately owned fruit and timber trees and 10 090 sq. m area of tea plantation within the RoW. The actual number of the trees to be cut will be determined before the civil works, the inventory will be conducted by GSE in the presence of the owner of the trees and civil work contractor. As per N366 Ordinance of the GoG, defining the OHL protection and cutting zones, where only the trees higher and larger than 4 meters, the trees under the towers and located on the temporary access roads or the area required for the stringing activities will be cut. The affected timber trees are mostly state owned and are not included in the inventory list. The timber trees as well as timber from fruit bearing trees that will be cut on private land plots will be passed in a possession of the owners<sup>9</sup>: they may use it as timber material; this is an addition to the compensation for trees as per the Entitlement Matrix. On most land plots several species of trees are grown. In total 71 PAHs lose trees. The details of the impacts on trees is given in table 2.4.

**Table 2.4. Impact on trees**

Spec	Number of trees inside the Cut zone				Number of trees inside the protection zone (Except Cut zone)				Number of PAH
	(<5)	6-10	11-20	20+	(<5)	6-10	11-20	20+	
<b>Age group</b>	(<5)	6-10	11-20	20+	(<5)	6-10	11-20	20+	
<b>Sub-total</b>	157	416	1237	77	207	775	2253	91	71
Cherry	3	19	16	3	9	22	25	2	5
Grape	0	3	6	0	0	0	1	0	2
Apple	5	4	16	2	26	23	23	0	18
Mespilus	0	0	0	1	0	1	1	0	1
Blueberry	0	194	0	0	0	401	0	0	1
Hazelnut	86	37	1003	2	152	89	1906	0	40
Walnut	1	10	28	55	1	48	25	65	19

<sup>8</sup> The census-inventory form, signed by the PAP, distinctly differentiates the trees situated within the cutting and protection zones. Throughout the course of public consultations as well as census-inventory process, explicit clarification was provided to the PAPs, that the trees within the cutting zone would unequivocally be subject to logging, while those within the protection zone would be contingent upon the necessities of the project. Consequently, compensation would solely be rendered for trees that are cut.

<sup>9</sup> Timber trees cut on unregistered land will be moved to the possession of the state/local municipality and will be distributed the local population.

Spec	Number of trees inside the Cut zone				Number of trees inside the protection zone (Except Cut zone)				Number of PAH
	(<5)	6-10	11-20	20+	(<5)	6-10	11-20	20+	
<b>Age group</b>	(<5)	6-10	11-20	20+	(<5)	6-10	11-20	20+	
<b>Sub-total</b>	157	416	1237	77	207	775	2253	91	71
Persimmon (Khurma)	54	66	65	0	0	89	81	6	5
Quince	0	0	3	1	7	0	0	2	2
Fig	0	4	8	2	4	5	34	4	11
Avocado	0	0	1	0	0	0	0	0	1
Mulberry	1	25	51	7	0	26	85	7	20
Pear	4	2	3	1	4	3	17	0	14
Wild plum (Tkemali)	1	32	25	2	4	37	41	2	22
Plum	1	0	0	0	0	0	0	0	1
Chestnut	0	0	1	1	0	4	9	0	5
Apricot	0	0	0	0	0	0	1	0	1
Pomegranate	1	1	11	0	0	0	3	0	2
Bladdernuts	0	4	0	0	0	17	0	0	3
Cherry Laurel	0	0	0	0	0	1	0	0	1
Boxwood	0	0	0	0	0	0	0	3	1
Eriobotrya japonica	0	0	0	0	0	2	0	0	1
Laurel	0	0	0	0	0	0	1	0	1
Aleurites	0	15	0	0	0	7	0	0	1

## 2.5 Impact on buildings

The majority of structures affected by the project are 95 fences, the others are 1 auxiliary building, 2 sheds, 1 cattle shed, a pigsty and a storage. Domestic structures described below are subject to demolition/compensation. Detailed information of structures is provided in table 2.5.

**Table 2.5. Impact on Buildings**

N	Type of Structure	N of Affected Land Plot	Area of the Fence	HHs
1	Fences	95	13 245	81
2	Auxiliary	1	15	1
3	Shed	2	18	2
4	Cattle Shed	1	22	1
5	Pigsty	1	13	1
6	Storage	1	30	1
	Total	95 <sup>10</sup>	13 343	81

## 2.6 Impact on Common Property

The project will not affect any kind of state land used by the local community.

## 2.7 Impact on Business and Employment

The project will not affect any kind of business.

## 2.8 Severely Affected Households

Detailed measurements showed that there are 4 PAHs that permanently lose 10% or more than 10% of agricultural land under the project impact or assets generating income and thus should be considered severely affected. The households imposed to partial impact are not considered to be severely affected, as they do not lose permanently their agricultural land and other sources of income.

**Table 2.6: Severely affected households**

#	PAH ID	Plot ID	Total area (sq.m)	Affected area (sq.m)	%
1	28	029	2470	272	11.0%
2	44	049	2850	442	15.5%

<sup>10</sup> Without double counting

3	59	064	1504	155	10.3%
4	178	222	2897	361	12.5%

## 2.9 Physical Relocation

Great efforts have been made to prevent physical displacement, as a result, there is no need for physical relocation.

## 2.10 Vulnerable Households

A vulnerable household is any that might suffer disproportionately or face the risk of being marginalized by the effects of resettlement. Examples of vulnerable households are those comprising: (i) female-headed households with dependents; (ii) household with members of persons with with disabilities t; (iii) poor households as defined by the official poverty line<sup>11</sup>; (iv) elderly households with no labor or means of support; (v) IDPs.

As a result of the census conducted in the area of impact of the project, 27 households were identified, which according to the SES belong to the vulnerable category.

**Table 2.7: Vulnerable Households**

N	Type of vulnerability	Number of PAH	Number of PAH members
1.	Female-headed PAH with dependents	5	6
2.	PAH below the poverty line	11	47
3.	Elderly households with no labor or means of support	7	11
4.	Household with members of persons with disabilities	2	9
5.	IDPs	2	11
<b>Total without double counting<sup>12</sup></b>		<b>27</b>	<b>84</b>

<sup>11</sup> The poverty line of PAHs is defined in Ordinance of the Government of Georgia N145, July 28, 2006. PAHs that obtain less than 65001 scores or households with less than 120001 scores with a family member younger than 16 years old, are entitled to allowance.

<sup>12</sup> Some households may fall in several categories at the same time. The compensation will be given under one category.

## 3. Socio-economic Data

### 3.1 Introduction

The OHL crosses three municipalities of the Samegrelo region and two municipalities of the Imereti region. The total population in these five municipalities is approximately 140 thousand. As most rural areas in other parts of Georgia, all of the five municipalities are quite poor. While there is no municipal level data on poverty, analysis of the Targeted Social Assistance (TSA) database<sup>13</sup> is that the share of the population who receive state support is quite high. For example, the share of the population who have a score of 100 thousand or less (making them eligible for most state support programs) is 29%, with Martvili (35%) and Tsalenjikha (40%) having particularly high rates. The national average is slightly less than 20%. The Social Services Agency (SSA) is quite effective in identifying vulnerable groups and providing monetary assistance. However, relying on social assistance is extremely challenging and the poverty levels are very high in the country, especially in the regions.

Most of the population in the target municipalities rely on subsistence agriculture. Maize, hazelnuts, and Laurus leaves are particularly widespread, and farmers manage to sell them in small quantities to retailers. Households usually have around 1 hectare of land, which is fragmented and not viable for commercial agriculture. Households also sometimes have 1 or 2 heads of livestock mostly for making cheese and other dairy products for home consumption. Households use nearby territories as grazing areas. Usually, these lands are not registered, or belong to the state.

In Georgia, especially in rural areas, there is a strong presence of bonding social capital, characterized by high levels of trust and cooperation within closely connected communities. Georgians demonstrate remarkable generosity in their mutual support, readily offering and receiving assistance from family members, friends, and neighbors, often prioritizing the well-being of others over their own.<sup>14</sup>

A socio-economic survey was carried out within the framework of the project, 127 out of 206 (62%) PAH participated in the survey. There was no need for the sampling because it was planned by the survey team that a census of 100% of the directly affected PAHs available on site would be conducted to enumerate the PAPs. In case of unavailability of the desired interviewee (for instance, the interviewee is busy, is not at home) the interviewer, according to the instruction, tried to contact the non-respondent three times. In case of the non-respondent's flat refusal or failure to contact him/her for the third time, the interview would mark them as "failed interview" and the selected interviewees were replaced by others.

The non-response follow-up procedure was described (date & time of each visit, reason for non-response, etc.) in a specially developed form as a remark for each HH.

The socio-economic survey, as well as the inventory, was conducted from January 2023 to March 2023. The special inventory form and final questionnaire were developed for semi-structured interviews. The purpose of the socio-economic survey was to obtain and document the baseline

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<sup>13</sup> <https://ssa.moh.gov.ge/statistik.php?lang=1&id=202212070000144333422303&v=0>

<sup>14</sup> [http://crrc.ge/uploads/tinyMCE/documents/Completed-projects/CRRRC\\_Social\\_Capital\\_Briefing\\_Paper.pdf](http://crrc.ge/uploads/tinyMCE/documents/Completed-projects/CRRRC_Social_Capital_Briefing_Paper.pdf)

information about the socio-economic status of the affected population. The collected data was entered into the Excel spreadsheet and analyzed.

The characteristics specified in this chapter are obtained according to the results of this socio-economic survey. The SES of 127 PAHs fully (100 %) covers all vulnerable PAHs as well as 50% of PAPs residing permanently in the affected villages. There are several stages to ensure the information regarding vulnerable HHs: (1) Before starting the field works, special inventory form was elaborated for HH survey, which includes the questions about the types of vulnerability. During the field survey all interviewed HHs were asked for information if there are vulnerable members in HHs and also if they are aware about the other villagers with vulnerable status. (2) In addition, the Local Government and the Ministry of IDPs from the Occupied Territories, Labour, Health and Social Affairs of Georgia was asked to provide the information regarding the vulnerable HHs under the project impact. (3) After receiving the list of HHs this information was double-checked with the representative of municipalities in each village under the project impact. After implementing all these stages, complete information regarding the all the vulnerable categories under the project impact were obtained, therefore all PAH/HHs who indicated any types of such impact were 100% covered by SES.

Below is presented the socio-economic information of the affected population, which was obtained as a result of the census and socio-economic survey.

## 3.2 Persons Affected by the Project

### 3.2.1 Demographic Characteristics

The survey covered 508 PAPs from 127 interviewed PAHs. The census of identified households shows that 51% (259 persons) are women and 49% (249 persons) are men. Average family size is 4 members. Demographic data of affected households are detailed in Table 3.1.

**Table 3.1: Demographic Profile of the Population Which Participated In Census**

Age group	Woman		Man		Total	
	Quantity	%	Quantity	%	Quantity	%
Children (0-5 years)	14	5%	4	2%	18	3,5%
Children (6-17 years old)	42	16%	37	15%	79	15,6%
Adults (men aged 18-65 and women aged 18-60)	132	51%	167	67%	299	58,9%
Retirement age (65 years and above for men and 60 years and above for women)	71	27%	41	16%	112	22,0%
<b>Total</b>	<b>259</b>	<b>100%</b>	<b>249</b>	<b>100%</b>	<b>508</b>	<b>100,0%</b>

The socio-economic survey of PAPs over 6 years revealed that 30% of the population has higher education. 12% Technical / professional, 46% secondary, 10% elementary (see the table 3.2 below). There is no significant difference in the data between the education levels of women and men, number of men with high education is around 3 percentage points lower than women, also the number of men without education is more than 2 percentage points higher than women.

**Table 3.2: Education level of the affected population (adults)**

Education	Woman		Man		Total	
	Quantity	%	Quantity	%	Quantity	%
Without education	1	0%	2	1%	3	1%
Preschool	0	0%	0	0%	0	0%
Elementary	0	0%	2	1%	2	0%
Secondary education	92	45%	106	51%	198	48%
Technical / professional	32	16%	28	13%	60	15%
High education	78	38%	70	34%	148	36%
<b>Total</b>	203	100%	208	100%	411	100%

Regarding the marital status of adult PAPs, 61 % of the PAPs are married, and 25 % are not married. Details are given in Table 3.3.

**Table 3.3: Marital Status of The Affected Population**

Marital status	Woman		Man		Total	
	Quantity	%	Quantity	%	Quantity	%
Married	123	61%	126	61%	249	61%
Unmarried	38	19%	64	31%	102	25%
Divorced	4	2%	5	2%	9	2%
Widow	38	19%	13	6%	51	12%
<b>Total</b>	203	100%	208	100%	411	100%

### 3.2.2 Socio-Economic Situation of Households

In all 60% of the surveyed households have more than one source of income. Pension is the most common source of income. The households have the highest monthly income from employment in the private sector, **PAHs** receive significant income from money transfer abroad. Some households receive income from private business. The average monthly income is 657 GEL.

**Table 3.4: Source of Income of the Affected Households**

Sources of income	Quantity of PAHs	Average monthly income in GEL
Salary from the public sector	30	855
Salary from the private sector	26	1312
Income from agriculture	25	391
Pension	79	447
Social allowance	22	277
Financial allowance received from relatives	1	200
Private business income	6	1083
Temporary jobs	16	600
Money transfers from abroad	3	1233
Other	3	173
Average monthly income		657

The basic expenses of an average household in GEL are as follows: The monthly expenditure on meals or food is approximately 484 GEL, Clothing expenses amount to around GEL 113 per month. For communal services, including utilities and housing-related expenses, the average monthly expenditure is 101 GEL. Services expenses, which may include various subscriptions and other miscellaneous costs, amount to 74 GEL per month. Medicines, including healthcare expenses, have an average monthly expenditure of 163 GEL. Lastly, education expenses, which encompass educational fees and related costs, average 217 GEL per month. Transportation costs, covering travel and commuting expenses, are around 80 GEL per month.

**Table 3.5. Expenses**

Basic expenses	quantity of PAHs	Average monthly expenditures in GEL
meal/food	84	484
Clothes	43	113



communal	64	101
Services	31	74
Medicines	77	163
Education	19	217
Transportation	53	80

More than half of the surveyed households (54%) do not have loans. For the remaining PAHs the most common way is to borrow money from the banks (40%) (Table 3.6). The PAHs can use several sources, so the sum of answers distribution is more than 100%.

**Table 3.6: Credit consumption by households**

Credit consumption	Quantity of PAHs	%
Has no loan	68	54%
Loan from the bank	51	40%
Loan from a private person	0	0%
Loan from a micro-finance organization	9	7%

### 3.2.3 Access to Infrastructure

The main source of water for the surveyed households is tap water inside the house and inside the yard. Some households use their own well (9%). The PAHs can use several sources, so the sum of answers distribution is more than 100%.

64% of surveyed households use pits for sewage purposes, and 37% use sewage system. Some PAHs have both sewage systems available.

**Table 3.7: Sources of Water Supply and Sewage System**

Water supply and sewage system	Quantity PAHs	%
Tap water in the yard	50	39%
Tap water inside the house	118	93%
Spring water	2	2%
Own well	11	9%
Common use well	26	20%
Moving water tank	0	0%
Sewage pit	81	64%
Central sewage	47	37%

Electricity stands as the most accessible energy option, being available to 100% of households. Following closely is natural gas, which is accessible to 80% of households. Liquid gas is available to 14% of the PAHs, while wood serves as an energy source for 51% of the households.

**Table 3.9: Availability of energy sources**

Energy sources	Quantity	%
Electricity	127	100%
Natural gas	102	80%
Liquid gas	18	14%
Wood	65	51%

## 4. Legal Framework

### 4.1. General Overview

The legal and policy framework of the project is based on national legislation and norms related to Land Acquisition and Settlement (LAR) in Georgia and IFI requirements. Project-related LAR principles were developed based on the requirements of applicable legal norms and policy analysis.

#### 4.2.1 Georgia Legislation and Regulations Related to Procurement and Accommodation

In Georgia, the legislative acts given below<sup>15</sup> regulate the issues of obtaining State ownership rights to privately owned land parcels based on the necessary public needs established due to road construction activities:

- (i) Civil Procedure Code of Georgia.
- (ii) Law of Georgia on the Procedure for the Expropriation of Property for Pressing Public Needs.
- (iii) General Administrative Code of Georgia.
- (iv) Administrative Procedural Code of Georgia;
- (v) Constitution of Georgia;
- (vi) Civil Code of Georgia;
- (vii) Organic law of Georgia on Agricultural Land Ownership Law of Georgia;
- (viii) Law of Georgia on Recognition of Property Rights of the Parcels of Land Possessed (used) by Natural Persons and Legal Entities under Private Law;
- (ix) Law of Georgia on the State Property;
- (x) Law of Georgia on the Public Register;
- (xi) Law of Georgia on the Improvement of Cadastral Data and the Procedure for Systematic and Sporadic Registration of Rights to Plots of Land;
- (xii) Tax Code of Georgia;
- (xiii) Law of Georgia on the Entrepreneurship;

Overall, the above laws/regulations provide that the principle of compensation at full replacement cost is reasonable and legally supported. The laws also identify the types of damages eligible for compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of income. Finally, these laws place strong emphasis on consultation and notification to ensure that the APs participate in the process. Income loss due to loss of harvest and business closure will be compensated to cover net loss. The above-listed laws and regulations allow for the application of the following legal mechanisms related to property rights:

- (i) Obtaining the right on way without expropriation through the payment of due compensation (on the basis of a contract or agreement) prior to commencement of the activities.
- (ii) The Law of Georgia 'On the Rules for Expropriation of Ownership for Necessary Public Need' allows expropriation which gives the possibility of obtaining permanent right to land and/or other real estate property on the basis of Eminent Domain Law and a court decision through the

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<sup>15</sup> For the purposes of this LARP, the versions of the legislative acts are deemed those that are valid by the time of preparation of this LARP

payment of due compensation. Additionally, Civil Code (articles 180 and 247) regulates The Right of Way of Necessity and Easement right which is granted by the court decision.

#### **4.2.2 Lenders' Policies**

The Lenders' Policies that are relevant to land acquisition and compensation are as follows:

- E&S standards of the WB Group (WB ESS) within the framework of donor harmonisation (Paris Declaration).

Specific World Bank requirements concerning resettlement are contained in the ESS5 on Involuntary Resettlement that is based on the following principles:

- 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 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 participation of affected households.

ESS5 contains the obligation to provide support and assistance in the course of the compensation and resettlement process, during and following the resettlement process.

Assistance during the compensation and resettlement process shall include:

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

As part of the quoted World Bank Policy, particular attention is paid to vulnerable groups of the population. These are groups of people who, under the impact of the Project, by virtue of gender, ethnicity, age, physical or mental disability, economic status, or social status may be more adversely affected by resettlement caused by the Project than other population groups, or who may be limited in their ability to claim or take advantage of resettlement assistance.

The following categories of persons will be eligible for different types of mitigation measures under the elaborated RAP:

- a) Persons who have legal formal rights to land (including legal title or customary and statutory rights of occupancy recognized under the Law),
- b) Persons who do not have formal legal rights to land at the time the census begins but have

a claim to such land or assets provided that such claims are recognized under the national law or become recognized through a process identified in the resettlement and compensation plan,

c) Persons who have no claim to land they are occupying or using.

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

The associated facilities will involve land acquisition and economic displacement and could potentially also require involuntary resettlement. As most of these developments are financed by international financing institutions, they will apply international policies on land acquisition and involuntary resettlement, such as EBRD PR5 or similar. Therefore, the eligibility and entitlement should not differ between the Project and these associated facilities. To avoid substantial gaps in entitlements and the valuation of unit rates for cash compensation at full replacement cost, each detailed RAP implemented by the Project will include a review of the compensation rates established for the associated facilities and coordinate with their developers.

### 4.2.3 Comparison of Georgian Legislation and WB ESS

In Georgia, entitlements for payment for the exchange of land are based on registration of ownership. However, under the Lenders' involuntary resettlement policies, affected persons are entitled to some form of compensation whether or not they own a registered land title, if they occupy or use the land prior to the cut-off date. The focus of the Lenders' policies is to mitigate the adverse impacts of poverty, where any adverse impacts occurring are directly or indirectly attributable to activities funded by the project. In cases where PAP have no ownership or tenure rights according to Georgian law due to lack of registration, the provisions of the Lenders' requirements will be applied in terms of their rights for compensation, consultation, and grievance mechanisms. Where there is a difference between the compensation requirements of the laws of Georgia and Lenders' requirements, the more beneficial to the affected people, will be employed in order for the Lenders to support and fund the project.

Table below provides an analysis of the differences between Georgian Laws and Lenders' requirements.

**Table 4.1: Comparison of Georgian laws/norms and Lender's policy**

Issue	Georgia laws and regulations	WB land acquisition, involuntary resettlement and livelihood restoration requirements	Measures taken by the GSE to Bridge Gaps Between Georgian law and Lenders' requirements
Resettlement Planning	As per the Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, the State of Georgia has a constitutional right to carry out acquisition of property through expropriation (Clause 21). The preparation of a RAP (including socio-economic survey, census of the population affected by the project, monitoring and reporting of the process) is not required by Georgian legislation.	Development of a resettlement and land acquisition plan or framework is obligatory for involuntary resettlement. The process includes a socioeconomic survey with gender disaggregated data and a vulnerability assessment. Lenders require that measures are taken to address the needs of female-headed households and that both men and women can access compensation and assistance.	RAP will be prepared for each project (see Section 8) The RAP should include meaningful consultation with PAP (see Section 9), socio-economic surveys and consideration of vulnerability (see Section 3)
Displacement avoidance	Does not specifically call for avoidance of displacement whenever possible.	Actively seek to avoid displacement by exploring project and design alternatives to minimise adverse impacts. Where not possible to avoid or minimise all displacement impacts, a project must identify mitigation measures.	The Project will seek to avoid physical and economic displacement or minimise these if avoidance is not possible.
Eligibility	Compensation only required for registered land owners or others with rights recognised by law. If land registrations	Lack of formal ownership does not preclude compensation to bona fide occupants or affected parties.	See Section 4.3 Displaced persons without titles to land or any recognizable legal

Issue	Georgia laws and regulations	WB land acquisition, involuntary resettlement and livelihood restoration requirements	Measures taken by the GSE to Bridge Gaps Between Georgian law and Lenders' requirements
	are in the process of being issued, compensation can be paid after completion of the regularisation process.	Displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	rights to land are eligible for resettlement assistance and compensation for loss of non-land assets at replacement cost.
Compensation for land	<p>Article 19.3 of the Constitution allows the expropriation of the private ownership only according to the Court Decision on basis of the appropriate and fair reimbursement.</p> <p>Cash payment to individuals is the usual option, but land-for-land compensation may be made with owner's agreement. No community level compensation measures are specifically required, although compensation for community-owned and – registered lands would presumably be required.</p>	<p>Land-for-land to be preferred in land-based economies, Cash compensation is only acceptable if land for land is not feasible and if loss of land does not undermine the livelihoods of PAPs.</p> <p>Community assets to be compensated at community level. Cash compensation based on replacement cost and technical assistance and monitoring provided to ensure cash compensation is used appropriately and livelihood restoration is completed. In cases where affected persons reject compensation offers that meet Lenders' requirements and, as a result, expropriation or other legal procedures are initiated, the Project owner will explore opportunities to cooperate with the responsible government authority, and if permitted by the authority, play an active role in the resettlement planning, implementation and monitoring</p> <p>Timing of compensation: The Project owner should promptly compensate economically displaced persons for loss of assets or access to assets. This process should be initiated prior to displacement.</p> <p>Where compensation is to be paid by a responsible government agency, the Project should collaborate with the agency to help accelerate the payments</p>	Cash compensation agreements will be based on full replacement cost.
Complaints and grievances	Article 42 of the Constitution protects citizens and encourages appealing to the court for protection of their	There must be an independent objective appeal mechanism that is open to the public and reported openly.	The GSE had established a transparent and accessible grievance mechanism for PAPs to

Issue	Georgia laws and regulations	WB land acquisition, involuntary resettlement and livelihood restoration requirements	Measures taken by the GSE to Bridge Gaps Between Georgian law and Lenders' requirements
	<p>rights and freedom in any claim dispute.</p> <p>In case of dispute over expropriated land value, both the landowner and GSE can bring a lawsuit.</p> <p>Only the regional court has authority to decide disputes over land value and compensation.</p> <p>The Georgian legislation does not necessitate setting up a grievance mechanism for the affected people and businesses, though there is a 30-day period in which the list of affected assets can be rejected in the case of a material mistake in the case of customarily owned lands</p>	<p>The Project owner should establish a grievance mechanism as early as possible in the process to receive/ address in a timely manner the concerns related to physical/ economic displacement.</p>	<p>use throughout the land acquisition process.</p> <p>See Grievance Resolution Mechanism presented in GSE Stakeholders Engagement Plan</p>
<p>Consultation with PAP to be compensated</p>	<p>No requirement for consultation with affected parties.</p>	<p>All affected and impacted people must be consulted prior to agreements. Compensation must be agreed prior to handover of assets and prior to civil works commencing in affected area.</p>	<p>See Sections 9 and 10</p> <p>All impacted people will be consulted prior to agreements.</p> <p>Compensation will be agreed prior to handover of assets and prior to civil works commencing in affected area.</p>
<p>Livelihood Restoration</p>	<p>No provisions for livelihood restoration.</p>	<p>Requires that affected people be in equal or better socioeconomic condition as a result of the project activities.</p> <p>The Project owner must provide assistance that will offset any loss of a community's commonly held resources.</p>	<p>The RAPs will assess if there is a need for livelihood restoration measures to restore or improve the socioeconomic conditions of the affected people. If this need is identified, livelihood restoration measures will be defined and implemented.</p> <p>See section 6</p>
<p>Livelihood restoration mitigation/ monitoring</p>	<p>No requirement for monitoring of compensation measures.</p>	<p>Proper monitoring, evaluation and reporting of livelihood restoration mitigation measures are required.</p>	<p>Compensation and livelihood restoration will be monitored during project implementation via internal and external monitoring, completion</p>



Issue	Georgia laws and regulations	WB land acquisition, involuntary resettlement and livelihood restoration requirements	Measures taken by the GSE to Bridge Gaps Between Georgian law and Lenders' requirements
			report and independent audits. See section 12
Vulnerable People	No specific provision.	Vulnerable people who warrant specific assistance must be identified and supported throughout the resettlement compensation process. Lenders require that measures are provided to enable poor and vulnerable people (including women) who are physically displaced or affected by economic displacement to improve their incomes to at least national minimum standards.	The RAPs will define vulnerability criteria and identify affected vulnerable persons (see Section 9) Affected households categorized as vulnerable will receive specific assistance (see Section 6)
Public consultation and disclosure	No direct provision for public consultation in Georgian laws pertaining to land acquisition, but there are information and disclosure requirements.	Public consultation and participation of affected people required throughout project process from planning through implementation, including public notifications of activities and consideration of the needs of vulnerable groups. Resettlement documentation should be disclosed.	See Section 10 Consultation with key stakeholders and PAPs regarding resettlement aims for a participatory approach. Vulnerable groups were considered in the implementation of consultation activities. Resettlement documentation will be disclosed.
Monitoring and evaluation	No requirement.	Monitoring and evaluation to be clearly defined in the resettlement planning instrument. Monitoring and evaluation to confirm attainment of equal or better conditions than pre-project or recommend measures to attain those conditions. External monitoring for projects classified as high social risk.	See Section 12 Internal and external monitoring are defined by the LARCF. Completion reports, and external completion audits will assess if the objectives of the LARCF have been achieved. If this is not the case, corrective actions will be defined and implemented.

To reconcile the gaps between Georgia laws/regulations and WB Policy, GSE has prepared the Resettlement Policy Framework and this RAP, for the Project, ensuring compensation at full replacement cost of all items, the rehabilitation of informal settlers, and the provision of subsidies or allowances for the PAHs to be relocated, suffer business losses, or those severely affected.

### **4.3. Eligibility for Compensation and Eligibility Matrix**

#### **4.3.1 Eligibility**

PAPs entitled for compensation or at least rehabilitation provisions under the Project are:

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

Compensation eligibility is limited by the cut-off date. In the initial stages of land registration, PAPs were provided with details about the significance of the cut-off date, including its essential aspects and the methods through which its announcement would be carried out. For this RAP cut-off date was established as January 23, 2023. It was clearly communicated to the PAPs during the public consultations conducted in each municipality on 23-24 January 2023, with the participation of representatives of GSE and Aligator LTD, the residents of the Project affected villages in Dedalauri Community of Khoni Municipality, Jvari and Maglki communities of Tskaltubo Municipality and Sachino community of Tsalenjikha Municipality.

Persons who settle in the project area after this date will not receive compensation, although they will be notified in advance to vacate their residences and dismantle the affected structures before the project is implemented. The materials of the dismantled buildings will not be subject to confiscation, and these persons will not be subject to any fines or sanctions.

#### **4.3.2 Determination of Entitlements**

The Land Acquisition and Resettlement process started in 2019 for the Project and was conducted in two phases.

**Phase 1** consisted in the assistance to registration of land plots in the RoW of the Project and establishment of the organizational processes for the land acquisition and resettlement process in accordance with the Project Resettlement Policy Framework (RPF) and WB requirements. This process included assistance to landowners within the identified Right of Way of the Project lines, based on existing Feasibility Study and Preliminary Designs of the Overhead Lines to complete registration of their properties. Local municipality, Ministry of Justice, National Agency of Public Registry were involved in this process. Public consultations were held several times and as a result, all the effort was made to identify and reach all the PAHs.

**Phase 2** consists of preparation and implementation of Resettlement Action Plan ("RAP"), in compliance with WB ESS requirements and the Project RPF. The RAP is based on the Detailed Design studies which were completed in 2022.

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

Agricultural and Non-agricultural land: Titled settlers will be compensated at full replacement cost free of depreciation. Legalizable settlers will be legalized, registered in NAPR and compensated as titled PAPs. Non-titled landowners with non-legalizable land will be compensated with one-time self-relocation allowances in cash equal to 1 year of minimum salary in case the land that they lose is the only land plot used and provides main source of income for PAH. In case of absentee owners, the compensation amount for their affected assets will be allocated to an escrow account and be readily available when the absentee owner reappears.

- Houses, buildings, and auxiliary structures (fences, toilets, etc.): will be compensated in cash at full replacement cost free of deductions for depreciation, and transaction costs irrespective of the registration status of the affected land. Construction materials remaining after the demolition of the structures will be deemed as ownership of the PAH.
- Trees: Cash compensation at replacement value based on type, age and productivity of trees.
- Loss of wages/employment: if an employee loses their wages due to the project interventions, they will be compensated in the form of assistance equivalent to 3 months of minimum salary.
- Relocation/Shifting Allowance: APs forced to relocate will receive a relocation subsidy sufficient to cover transport costs and living expenses for 3 months.
- Vulnerable people Livelihood: Vulnerable PAH (below poverty line, women headed or with members with disabilities or pensioners) will receive an allowance equivalent to 3 months of minimum salary and will be prioritized for employment in scopes of the project.

#### 4.3.2 Compensation Eligibility Matrix

Project tasks will be carried out according to the authority and authority structure for compensation, in accordance with Georgian laws and WB policies. A summary of the authorization form is presented in Table 4.2 below which defines the categories of affected people eligible for compensation and other resettlement assistance and their entitlements. It should be noted that due to the nature of the impact not all the entitlement will be materialized within the project.

**Table 4.2: Entitlement Matrix**

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
<b>Land</b>			
Permanent loss of agricultural land (e.g. tower footprint, enhancement of access roads)	PAPs permanently losing land regardless of impact severity	Registered owner	Registered owner will receive cash compensation at full replacement cost at current market value without deduction of transaction fees. If residual plot becomes unusable the GSE will acquire it in full if the PAP so desires.
		Legalizable owner	These PAPs will be assisted to legalize their land right and then will be provided with cash compensation at full replacement cost of land. If residual plot becomes unusable the GSE will acquire it in full if the PAP accepts.
		Renters / Leaseholder	Non-eligible for land compensation; only for other losses of assets indicated in the Entitlement Matrix will be compensated.
		Non-legalizable owner	Non-legalizable PAPs losing arable land plot, without any formal legal right to it will not be

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
			compensated for the land itself but will be eligible for compensation on the assets sitting on the land (e.g. structures, productive trees, crops).
		Agricultural tenants and sharecroppers	These PAPs will receive a rental allowance in cash for 3 months + assistance to identify and rent or ease a replacement property
Permanent loss of non-agricultural land (residential-commercial)	PAPs permanently losing non-arable land regardless of impact severity	Registered owner	Registered owner will receive cash compensation at full replacement cost at market value without transaction fees.
		Legalizable owner	These PAPs will receive cash compensation as legalized owners after their title will be legalized and registered at the public register.
		Renters/ Leaseholder	Non-eligible for land compensation; only for other losses indicated in the Entitlement Matrix will be compensated.
		Non-legalizable owner	Non-legalizable PAPs losing agricultural land plot, without any formal legal right to it will not be compensated for the land itself but will be eligible for compensation on the assets sitting on the land (e.g. structures, productive trees, crops).
		Agricultural tenants and sharecroppers	Non-eligible for land compensation; only for other losses indicated in the Entitlement Matrix will be compensated.
Permanent restrictions on use land (e.g. easement for transmission line Right of Way)	PAPs not losing their land falling within RoW but land use restrictions imposed (prohibition of constructing structures and planting/growing trees)	Registered owner	These PAPs will receive a lump sum easement fee. Such a fee is established on base an independent valuation expert.
		Legalizable owner	These PAPs will be legalized and the owner will receive easement fee determined by an independent valuation expert.
		Non-legalizable user	Non-eligible for easement fee for land-use restriction; only for other losses of assets indicated in the Entitlement Matrix will be compensated.
		Agricultural tenants and sharecroppers	Non-eligible for land compensation; only for other losses indicated in the Entitlement Matrix will be compensated.
Temporary use of land during construction	Lease of land for project purposes (e.g. camps, storage, access road, working space)	All PAPs	Contractor will lease land required temporarily during construction on voluntary basis for at least one year. Landowner will have right to refuse the offer. Lease rates to be paid should not be less than lease at current market rates, plus compensation for any loss of crops or trees. Reimbursement of harvest will be made for the same period as the missed season on the affected lands. Affected trees and crops will be compensated in cash according to RAP fees. It is also required that lands (or other assets) be fully cleared and restored following use.
<b>Buildings and Structures</b>			

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
Loss of residential buildings	PAPS losing residential building within the Right of Way	Registered owner	In addition of compensation for loss of land, PAPs will receive compensation and replacement value (without depreciation) for the house and will be offered to be provided with resettlement assistance to ensure that the PAPs are relocated to a new house with access to services and security of tenure.
		Legalizable owner	The buildings of these PAPs will be legalized and in addition to compensation for loss of land, PAPs will receive compensation and replacement value for the house and will be offered to be provided with resettlement assistance to ensure that the PAPs are relocated in a new house with access to services and security of tenure.
		Renter/ Leaseholder	Non-eligible for compensation for the house. The PAPs will be informed well in advance of requirement to move and will receive the equivalent of 3 (three) months' rent and support to transport belongings to new location.
		Non-legalizable user	If the building was built and is occupied by the PAP, the building is eligible for compensation at full replacement cost plus support to transport belongings to a new location. If the building was not built by the PAP, PAP will be notified well in advance (at least three months) and will receive three months' rent for a similar dwelling and assistance to moving their belongings to new location.
Loss of non-residential structures (e.g. sheds, barns, fences,)	PAPS having non-residential structure within the Right of Way	Registered owner	Compensation at full replacement cost for lost structures, in addition to compensation for loss of land.
		Legalizable owner	These PAPs will be legalized and then will receive compensation at full replacement cost for lost structures, in addition to compensation for loss of land
		Renter/Leaseholder	Non-eligible for compensation of the non-residential structure they are renting, but eligible for affected ancillary structures they have built or own.
		Non-legalizable user	Eligible for compensation at full replacement cost of all structures built by the non-legalizable user.
<b>Community Infrastructure/Common Property Resources</b>			
Loss of common property and/or resources	Community/ Public assets	Community/ Government	Reconstruction of the lost structure or reestablishment of lands temporarily used, in consultation with community and restoration of their functions
Graves and cemeteries	Graves located in the footprints of the permanent structures (towers, substations)	Families of the deceased	Payment for relocation of the graves, and any costs associated with ceremonies to be agreed with the affected people.

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
	(if not possible to avoid)		
<b>Income and Livelihood</b>			
Crops	Removal of standing crops or loss of planned crop incomes	All PAPs regardless of legal status (including registered owners, legalizable, non-legalizable users, renters and sharecroppers)	When possible, PAPs will be given enough time to harvest existing crops. Crop compensation will be paid at gross market value of actual or expected harvest. Compensation for this item will be provided in case of non-standing crops and even if the crops were harvested.
Trees	Removal of trees from the Right of Way	All PAPs regardless of legal status (including registered owners, legalizable, non-legalizable users, and renters)	Registered and legalizable owners will be compensation at full replacement cost: compensation at market rate on the basis of type, age, market price of product and the productive life of the trees. non-legalizable users, and renters will be compensated if these trees are planted by them.
Business/Employment	Business/ Employment loss (entire Right of Way, where deployment of business structures is prohibited)	Business owner	(i) (permanent impact) cash indemnity of one-year net income; (ii) (temporary impact) cash indemnity of net income for months of business stoppage (up to maximum 12 months). Assessment to be based on tax declaration or, in its absence, minimum subsistence income wage for average consumer.
		Workers/employees	Indemnity for lost wages equal to Six-month subsistence wage for an average consumer.
Loss of access to communal natural resources	Affected community members	All affected households traditionally using the lost resources	Loss of access to communal resources, such as logging areas and pastures, will be mitigated by restoring access to those resource areas as soon as practicable.
Temporary loss of income or mean of livelihood due to loss of access to land or to businesses because of temporary project activities during construction	Loss of access or interruption of access to land parcel or business activities	Land owners and/or land users, business owners	Alternative temporary access will be set up by the Design and Build Contractors
<b>Specific assistance measures</b>			
Severe impacts	10% or more of permanent loss of productive lands	PAPs permanently losing (e.g., due to tower footprints) 10% and more than 10% of affected agricultural land (including registered owners, legalizable and non-legalizable users, Renters are not eligible)	Additional allowance equivalent to market value of two-year yield from affected land or compensation for Six-month subsistence wage for an average consumer (whichever is greater). Specific livelihood restoration measures to be defined in the Resettlement Action Plan.

Type of Loss	Application	Definition of PAPs	Compensation Entitlements
Physical displacement/ Transportation of personal belongings to new location (new house)	Transport/ transition costs	All PAPs to be physically relocated (including registered owners, legalizable, non- legalizable users, and renters)	Physically Displaced households are eligible for an allowance covering transport expenses and livelihood expenses for the transitional period equal to Six-month subsistence wage for an average consumer.
Vulnerable people allowance	Impact on vulnerable people	Economically Disadvantaged (under poverty line) PAHs, single women headed household, Persons with Disabilities or elderly (as defined in each RAP)	One-time allowance equal to subsistence minimum unit rate for three-month period and employment priority in project-related jobs for capable members of all vulnerable households
Extension of construction period due to the construction company's failure to complete on time or damages during rehabilitation works caused by construction contractor's activities	This applies to damage caused due to construction contractor's failure to comply with its contractual obligations and normal good practice, such as, for example, the unintentional destruction of assets situated on the property outside the ROW.	All PAPs	Compensation for such damages during construction and extension of construction period due to the constructor is a contractor's responsibility. Compensation will be assessed and paid per procedures and rates of the RAP.
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 of international valuation standard, and elaborated in formulas in respective RAP. No tax deductions will be applied to the compensation amount. In the event that taxes apply to the compensation amount, the appropriate tax amount will be topped up and covered by the project.			

## **5. Valuation Methodology**

This section describes the methodology that will be followed to determine compensation rates for property losses. This section only addresses the valuation of lost assets. The valuation of affected assets and establishment of compensation unit rate have been undertaken by an independent accredited valuator, following International Valuation Standards (IVS). Assets have been evaluated at replacement cost based on the average market value. The independent valuator has considered the principles described hereafter. Compensation for all land use and assets in cash, as guided by the entitlement matrix, is required for: Land that is used temporarily or permanently, land with restrictions on future use, residential buildings, structures, cultivated crops, perennial crops, fruit trees or timber trees, businesses (formal or informal) and loss of wages.

### **5.1 Valuation and Compensation Calculation Methodology for Land Plots**

#### **5.1.1 Valuation of Land**

- The value of the land plots affected by the Project has been determined by market or sales comparison approach that value the object in comparison to available valuation of other objects (for example, land acquisition is done, the land was recently sold or have been advertised for sale).
- The Market or Sales Comparison Approach values a land plot in comparison to the market value of other lands that have recently been sold or have been declared for sale. In accordance with this standard, a consistent approach was applied to determine the market value of land to be acquired: Market data of land sales, similar to the one to be valued, have been collected and analyzed. The market has been studied in detail, through obtaining reliable information on the factors affecting the cost of land to be valued. The relative unit of comparison was determined, the comparative analysis was made and the market value of the land to be acquired was determined.
- The difference between the established market values is caused by the location, area, accessibility, proximity to settlements, and utility proximity to the land plots to be evaluated. Accordingly, land plots located close to roads and utilities, and characterized by easy access have a higher value than land plots located away from roads, settlements, and utilities, in hard-to-reach locations. We also clarify that the market value of the land plots located in the same village, at the same location, for example, can vary significantly due to differences in the physical characteristics of the plot. The difference between the prices of the plots located in the neighboring villages is caused not only by the difference in their physical characteristics, but also by the difference in the prices of the plots put up for sale and alienable plots.

#### **5.2 Valuation of Structures.**

Full replacement cost of houses, commercial buildings and other structures (for example, barn, fences, summer-house and other auxiliary constructions, outdoor kitchens, cattle-shed or others) will be determined based on construction type, cost of materials, transportation, types of construction, land preparation, labour, and other costs at current rates. The value identified is the



value necessary for the construction of a comparable building or structure, i.e. the cost today for the construction of a building of similar parameters. No deduction for depreciation will be applied. The detailed methodology for determining valuations and compensation rates is included in **Annex 4**.

### **5.3 Valuation Method of Annual Crops**

The market value of annual crops was determined as the net market rates at the farm gate for the first-year crop. In the event that more than one year's compensation is due to the PAPs, the crops after the first year will be compensated at gross market value.

### **5.4 Valuation Method of Fruit-bearing Trees**

Fruit trees will be compensated differently if they are productive or yet to become productive. Productive trees will be compensated based on the future income lost for the years needed to re-grow a tree to the same age/production potential at which it was cut. Productive trees will be compensated based on the price of a seedling plus the income of the productive tree for the years needed to grow from the one-year seedling. The price of the seedling also includes the cost of fertilizers, water and other expenses.

## 6. Livelihood Restoration

### 6.1 Livelihood Impacts and Associated Monitoring

Permanent land acquisition for towers involves small pieces of land and usually in similar projects, landowners experience no impact to their livelihoods. Restrictions to the corridor can involve impacts to livelihoods in orchard-based agriculture, which is not the case here. In transmission line projects, livelihood impacts in rural areas are typically associated with the following components:

- Any physical displacement that either the towers or the restrictions in the line corridor may entail.

It is also useful to mention that none of the PAPs that were interviewed in socio-economic surveys or that participated in public meetings mentioned that they would require support in restoring affected livelihoods. During the RAP implementation and preparation of Completion Report the socio-economic conditions of PAPs will be double-checked and if the living conditions of HHs will be in worse as before project started, additional livelihood restoration measures will be elaborated based on PAPs needs and the approach listed below.

As a result, no livelihood restoration impacts are envisioned, and no specific livelihood restoration activities are planned apart from the specific provided by the compensation entitlement matrix. However, on-going monitoring of PAPs will allow to detect any adverse impact to livelihoods should such be experienced, and ad-hoc support would then be provided. This could include one of the following activities:

- Support to identification of alternative agricultural land;
- Support to transaction and to registration of new land;
- Technical agricultural support;
- Financial and legal advice to help PAPs in investing their compensation in a longterm perspective rather than contributing to a household boom and bust, caused by spending the compensation payment in an unplanned manner.

Only four households will lose more than 10% of their productive land and will be compensated accordingly. Usually, based on the experience of similar projects in Georgia, the population has strong preference for monetary compensation. This may be explained by the fact that for small parts of their land plots, it is unfeasible to find or use a similar or slightly larger land plot. Also, land market is not developed in the target communities, so purchasing similar land for compensation can't be arranged. Finally, as the unit price per sq.m. is adequate, people like to generate monetary income either from land sales (usually, around 200-250 sq. m. for erecting a tower) or easement (for land under the cables).

In regards of natural resource use, it was checked with representatives of local municipalities that the Project will not impede any use of forest or other natural resources that might entail livelihood impacts.

If new circumstances emerge during the RAP implementation affecting livelihood, specific measures will be applied. This might be the case in situations where:

- Collective customary right of use cannot be legally recognized on some areas of land, such as some grazing areas in remote mountainous areas; or
- Where significant livelihood impacts appear in regards of permanent or temporary land take (e.g., towers, areas dedicated to construction).

## **7. Institutional Arrangements**

### **7.1 Introduction**

The Georgian State Electrosystem (GSE) is the implementing agency (IA) for the Project. GSE is responsible for OHL construction as well as land acquisition and resettlement of the PAPs.

GSE is assisted by a number of other government departments and private agencies in the design, construction and operation of the Project. Pursuant to the active legislation, the National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the recognition of ownership rights of rightful owners and registration of ownership rights. The local NAPRs are also responsible for registration of ownership rights to land plots the GSE acquires from landowners on the basis of relevant sales agreements. The local governments at municipal levels are involved in the legalization of land plots, land acquisition and resettlement. The Ministry of Environmental and Natural Resources Protection is responsible for environmental issues.

Various features/sections of the OHL Project are located in the following municipalities: Tsalenjikha, Martvili, Khoni, Tskhaltubo. All corresponding Sakrebulo, Mayors Territorial Registration Offices will be involved in LAR. Local Sakrebulos and Representative of mayor in villages are involved for local level LAR activities.

### **7.2 Land Registration Organizations**

The National Agency of Public Registry (NAPR) plays an important role both, in developing and realizing the resettlement action plan. At the stage of developing the resettlement action plan, when the land owners/users are identified and their property rights are specified, the documents proving the property are to be obtained. Some of these documents (books of homesteads and the like) were kept with the archives in the past. At present, the regional archives are at the disposal of the territorial registration offices of the National Agency of Public Registry. The materials preserved with the archives of the territorial registration offices are an important source for the owners who have to legalize their rights to property, but have no full supporting documentation at hand, to obtain the documents proving their land property rights. The role of the National Agency of Public Registry in realizing the resettlement action plan is even more important, as under the Law of Georgia —On Public Registry, the National Agency of Public Registry is the registering body discharging the public and legal authorization set forth by the law, which registers the property right of the lands of the affected persons (PAPs) (termed as the Primary registration' as per the resettlement action plan terminology) and registering the legal act of transferring the property right from the owner to the state ('Secondary registration').

### **7.3 Village and Self-governing Unit**

The self-governing unit is the executive branch of self-government headed by Representative of Mayor. The representative of mayor has the primary role in the process of legalization and registration of land plots. Representative of mayor confirms ownership of affected land plots, parameters of land plots and endorses the cadastral maps and related data prepared for case of

legalization<sup>16</sup>. Representative of mayor plays important role for legalization of non-rightful owners (owners in possession before the enactment of current law on privatization of land in Georgia without prior permission of the government). Self-governing unit has power to authorize<sup>17</sup> details of the occupied land plot and verify its usage pattern as the first-hand verification and authorization for further consideration in the Property Rights Registration Commission (PRRC) as a basic step for registration with the Public Registry.

## **7.4 Sakrebulo**

Sakrebulo is the representative branch of self-government at municipal and village level. The village/municipal level of Sakrebulo has now less involvement in the process of legalization of legalizable land plots.

## **7.5 Property Rights Recognition Commission (PRRC)**

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

## **7.6 Land Acquisition and Resettlement Organizations**

### **7.6.1 GSE – Georgian State Electrosystem**

GSE has the overall responsibility of project design, land acquisition and resettlement, construction, construction monitoring and supervision of the Jvari-Tskaltubo project. 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 Social Affairs and Environmental Division and Legal Department of GSE. A Resettlement Management Team (RMT) having specific experience and skills in land acquisition and resettlement (LAR), is responsible for LAR activities related to the project. RMT is responsible for supervision of all technical work to accomplish RAP preparation and implementation tasks and coordination within the GSE, as well as at central and local government levels.

The specific tasks of the GSE RMT will be to (I) Prepare RAP following appropriate procedures as per LARCF/RPF and send to WB for approval, (II) supervise preparation of RAP for construction contracts and implement it after approval from donor IFI; (III) establish land acquisition and resettlement (LAR) capacity at the regional level; (iv) ensure proper internal monitoring; and (v) hire, following the donor IFI recommendation the RAP monitoring

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<sup>16</sup> Owners for legalization of their unregistered land plots, in normal procedure, use the services of private mapping agencies and experts on payment for preparation of land details (maps and plot parameters). In case of this project, the consultants have been assisting in preparing basic documents like maps and plot details.

<sup>17</sup> This is not mandatory but one of the possible procedures for legalization of the non-rightful owners.

consultant. RMT will also provide all necessary documentation to ensure the prompt allocation of land acquisition and resettlement budgets to the PAPs and will maintain the coordination of all land acquisition and resettlement related activities.

The GSE is responsible for ensuring that an independent agency/company for RAP preparation is engaged to conduct any survey and documentation, including cadastral survey, PAPs census, inventory of affected assets, assessment of losses, and valuation of land and assets for replacement value. RAP will be updated based on findings of the surveys following the final OHL RoW as per detailed engineering design.

Based on the GSE's decision and the values for land acquisition and easements, the offer of purchase of land plots shall be undertaken. If PAP agrees on the acquisition, he/she will confirm such agreement in writing by signing the Sales/Purchase Agreement that will be registered with the Public Registry. This agreement will serve as the basis for compensation payment processing and release. If agreement is not reached between the PAP and the GSE Resettlement Management Team later will take decision to start expropriation.

## **7.6.2 Municipal LAR Organization**

Municipal LAR Organization will be an informal group established through participation of municipal and village authorities and PAPs in order to provide technical assistance to the GSE in the preparation and implementation of the RAP. The assistance includes identification of the affected landowners and users, obtaining data on ownership, relations with PAPs, settling disputes in an informal way, ensuring unimpeded legalization of legalizable land plots, etc. Municipal LAR Organization comprises the Municipal Team (at the municipal level) and LAR Working Groups at the village level. The municipal level team is represented by the Representative of mayor, representative of the local office of NAPR (National Agency of Public Registry), and representatives of affected villages and Resettlement Management Team (RMT) of the GSE. By instructions of the Municipal LAR Team, LAR Working Groups comprising village representatives, RU representatives shall be established in each village. LAR Working Groups shall assist the Consultant hired by the GSE in identification of PAPs and communication with the local community. The staff of NARP local office and social service agency shall collaborate with the LAR Working Groups assisting them in obtaining archive documents, determining the social status of the PAPs and registration of their property. Based on the LARP recommendations RMT of the GSE shall start negotiations with the PAPs on the purchase of affected land plots and other assets in order to compensate their losses. In case of agreement PAPs will sign contract, agreement indicating that they accept the compensation provided to them and the contract shall be registered at NAPR. During the negotiations and property registration the Resettlement Team of the GSE shall be assisted by LAR group (both working groups and municipal team) members, including the *representative of mayor in village*, NAPR local office staff, etc. A purchase agreement is the basis for compensation payment. If the negotiation between a PAP and LAR team fails, the LAR team shall notify the GSE which will start the expropriation process. At the same time LAR Team shall inform the PAPs about the availability of grievance redress mechanism, which can be used for informal pre-litigation

## **7.7 Other Organizations and Agencies**

### **7.7.1 Construction Contractor**

A Construction Contractor will be responsible for mitigating impacts resulting from the construction activities. Based on the RAP and the Technical Design, the plot of land that will be identified and acquired as part of OHL ROW will be demarcated to clearly delineate it from the remaining non-acquired parts. The construction activities shall be monitored closely by the GSE and the implementation consultant to ensure compliance with the temporary mitigating measures.

### **7.7.2 Consultants and Auditors**

The RAP consultant will be responsible for preparation and GSE for implementation of RAP. The international RAP Consultant will support the National RAP Consultant and GSE in preparation and implementation of RAP construction supervision consultant will be in place to supervise construction.

- (i) **RAP Consultant:** The RAP consultant has an international social development and resettlement specialist and a national resettlement / social specialist for finalizing RAP for each construction stage. The RAP consultant has a survey team for land acquisition and resettlement survey and documentation including census, socioeconomic survey and inventory of losses. RAP consultant has engaged the certified independent valuator for valuation of land and assets for replacement value. Final RAP will be prepared based on findings of the surveys following the final OHL routing as per detailed engineering design.
- (ii) **International RAP Support Consultant:** will oversee implementation of RAP and will prepare reports before the construction start.
- (iii) **The Supervision consultant** will oversee temporary or unforeseeable resettlement impacts arising during the construction.

### **7.7.3 Court of Georgia**

The Court of Georgia shall be the last step for issues and concerns regarding the implementation of the RAP. In case there is no agreement between the GSE and the PAPs concerning the acquisition of private properties, the GSE with the mandate for expropriation based on existing legislations will submit to the Court a request for expropriation. The GSE will get 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.

Furthermore, in cases where complaints and grievances regarding RAP implementation and compensation are not solved at the various levels as prescribed in the agreed Grievance Redress

Mechanism, the PAPs will have the right to appeal the case to the Court as a last step. Its decision shall be final and executory.

#### **7.7.4 Ministry of Finance**

The budgets for the RAP implementation will be provided to GSE by the Ministry of Finance following its official approval. The RAP budget will be allocated on the accounts of GSE (or its fiscal agent) that is responsible for the financial management of the project.

#### **7.7.5 Ministry of Justice**

The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of land ownership and its transfer through purchase agreement from landowners to the GSE, as well as registration of the easement agreements.

#### **7.7.6 Donor Organization World Bank**

Besides financing and supervising the Project periodically, WB will review RAP and provide no-objection to contract awards signing and initiation of construction under the Project.

An organization chart showing all the concerned institutions to be involved in the LAR activities is depicted in **Chart 1**.

### **7.8 Capacity Building on LAR**

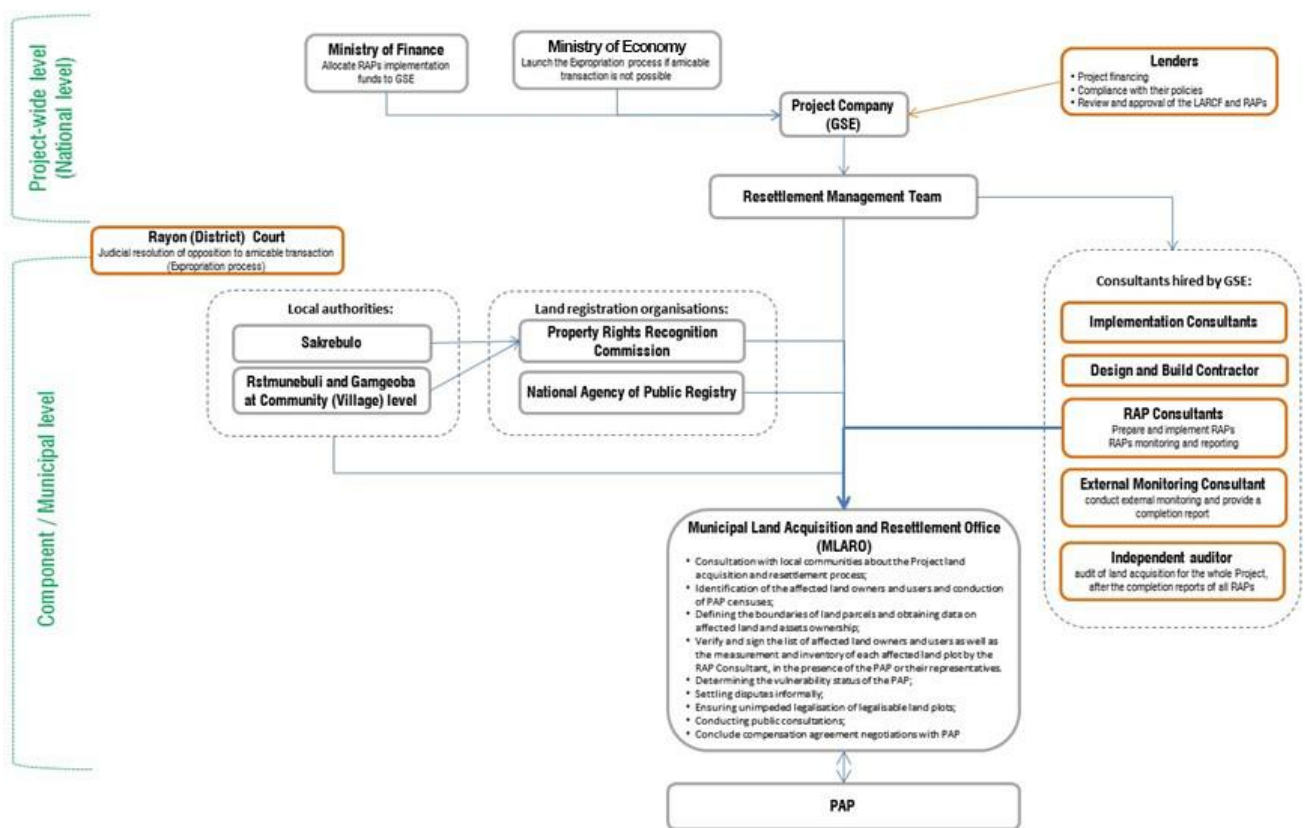
Initial level of capacity building exercise in the relevant agencies was carried out during the preparation of RAP at the feasibility study. Close consultations were held with all the concerned departments. GSE has established Resettlement Management Team dealing with land acquisition and resettlement. Training will be provided by the consultant's resettlement specialist to the officials on the requirements of WB ESS5 policy and how to develop a balanced compensation package fulfilling the requirements of PAPs, Government, GSE, donor IFIs. Capacity building training will also be initiated through a series of consultations and informal training sessions in the local administration level. The representatives of GSE at regional level are also responsible for the planning of LAR activities and for coordinating with the municipal administration. Municipal level LAR Teams will be formed at each municipality that will be responsible for LAR activities assisting the LARC of the GSE in the process of RAP implementation.

In terms of capacity and manpower resources within Resettlement Team of the GSE, some expansion of the capacity on LAR had been done to allow an effective execution of all LAR related tasks for the project. The Social Affairs Division was established within GSE in 2019. Currently, besides the head of the Division, there is one social safeguards specialist in the staff. The Resettlement Team is assisted by two resettlement consultants – Social Safeguards Consultant and Local Resettlement Consultant (LRC). Additional training for Resettlement Team staff and engaged Consultants has been done in the framework of ESMS. Training was provided for capacity building of executive agencies on involuntary resettlement. Training covered the following topics:



- (i) Principles and procedures of land acquisition (WB, EBRD and GOG);
- (ii) Stakeholders of the project;
- (iii) Organizations involved in the process of land acquisition and resettlement and their roles;
- (iv) Public consultation and participation process;
- (v) Entitlements and compensation disbursement mechanisms;
- (vi) Grievance redress;
- (vii) Monitoring of resettlement operations.

Chart1



## **8. Implementation schedule and the Steps of Resettlement Action Plan**

After preparing a detailed design the land take areas are defined by the RAP Consultant elected. The identification of land take areas will be prioritized by the Design & Build Contractor based on its construction schedule and methods. The RAP Consultant will plan its RAP preparation schedule according to this information.

Information about the process and land registration according to the recent practice, the land registration at an early stage has started in 2019 to reduce the first phase of RAP process.

The objective of the second phase is to provide initial information to the affected communities and undertake the land registration of all land not registered in the transmission line corridor.

The RAP consultant, with the assistance of the MLARO will identify all land plots to be affected by the Project (those in the lines Rights of Way, in the lines corridors and all land needed permanently or for temporary purposes). GSE provides free registration of land plots to the landowners of land plots not already registered that can be registered according to the legal framework. After land registration is started/ongoing, the RAP Consultant will start the preparation of the RAP.

The RAP Consultant conducted the census of affected persons and households, with the assistance of the MLARO. The census listed all affected households' members and their basic information allowing them to determine their entitlements as well as their phone number.

The RAP Consultant also conducted a cadastral survey to identify affected registered and non-registered land plots. A detailed measurement survey has been done for all land plots and structures, regardless of their legal status. The asset inventory and detailed measurement survey has been conducted by the RAP Consultant in presence of (i) the PAPs or their representative and (ii) the head of Community representing the Municipal authorities.

### **Specific surveys on informal and/or customary rights of use in highlands areas**

During the RAP preparation, additional attention was paid to address the specificities of the local land tenure practices and of the informal grazing rights, the RAP included a survey to identify customary or informal rights of the affected people to the seasonal activities in the affected areas. The survey results showed that the representatives of local municipalities confirmed that the affected people are not dependent on the informal collective or customary rights of use on the affected areas. Therefore, individual and/or collective livelihood restoration activities are not applied.

### **Valuation of affected assets**

After the completion of the inventory and detailed measurement surveys, the full replacement cost of affected assets and lands was evaluated. This was done by the independent accredited valuator, following the methodologies described in Chapter 5.

### **Assessment of impacts and need for additional livelihood restoration measures.**

After collection of information on the PAP and their losses, the RAP Consultant assessed the impacts of physical and economic displacement, gender specific issues, the vulnerability status, severely affected households.

### **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 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 identified as heads of households. (See the detailed info in chapter 2.10)
- Women in consultations and as survey respondents.
- 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
- 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.

### **Consultation with PAPs about the compensations**

The disclosure of information and consultation with the PAP during the RAP preparation was conducted. The RAP Consultant organized a meeting to announce general compensation rates. Focus group meetings were conducted with the vulnerable groups to ensure appropriate consultation. The results of the Public Consultations already held is provided in annex 1. Base of this consultations some provisions were explained in entitlement matrix developed for this RAP.

### **Resettlement Action Plan preparation and disclosure**

The draft RAP was prepared by the Local RAP Consultant. This draft RAP documents all the steps conducted to date and was submitted to the GSE, and to the WB. After approval by the GSE and the Lenders, the final RAP will be disclosed on GSE website and on the Lenders' websites. Hard copies of the draft RAP will also be available in the Municipality Town hall.

## **RAP implementation**

### **Signing and documentation of Compensation Agreements**

After the time given to the PAPs to consider the compensation offer, the RMT will proceed to the signature of the compensation agreement with the affected persons. The timing for payment will be indicated in the agreement. If the PAPs refuse the compensation offer, then the expropriation process will be initiated.

### **Payment of compensation and relocation notice**

Compensation will be paid prior to acquisition of land or possession of assets. Payment of compensation will be made by GSE by bank transfer to the PAPs in his or her bank account. Relocation notices will be given to the PAP by the RMT at the time of payment.

### **Resettlement and livelihood restoration**

Once all compensation has been paid, the PAP will be resettled. The PAP will have the authorization to salvage their structures' materials. Livelihood restoration measures will be applied if new circumstances or needs appear.

Start of construction works.

On each working site, the work will not be initiated before PAPs have been compensated, relocated and permission given to the Design & Build Contractor by the RMT.

### **Completion report**

After payment of compensations, an External and Internal Monitoring Consultant appointed by GSE will undertake an assessment of if the objectives of the RAP have been achieved and produce a close out audit/completion report. The internal monitoring will be conducted by GSE during the RAP implementation and presented to Lenders in quarterly reports, also relevant evaluation will be prepared as a completion report, which will be submitted to the Lenders.

The duration of the entire project covers a period of 2 years, out of which 8 months is allocated for the preparation and implementation of RAP. The construction works are planned to start in August 2023. Table 8.1 describes the main steps of RAP implementation.

**Table 8.1 RAP Preparation and Implementation Process**

Steps	Actions	Responsibilities
<b>Phase 1: Planification of the land take</b>		
1	Preparation of the preliminary design to avoid/minimize physical and economic displacement	Design Consultant
2	Selection of providers for the development and implementation of the phase 1 of RAP	GSE
3	Definition of the Land take schedule, coordination between RAP consultant and Design Consultant	GSE Resettlement Management Team, Design Contractor, RAP consultant
<b>Phase 2: Information about the process and Land registration</b>		
4	Initial information about the Project at the Municipality and Community levels	RAP Consultant; GSE
5	> Establishment and training of Municipal LAR Offices and Community level working groups. > Training and capacity building of the Municipal LAR Offices and Community level working groups.	> GSE Resettlement Management Team > RAP Consultant
6	Establishment of the local level Grievance Redress Mechanism (GRM)	GSE Resettlement Management Team and RAP Consultant
7	Registration of land not already registered in the line corridor.	RAP consultant, MLARO team, Property Right Recognition Committee and the National Agency for Property Registration.
<b>Phase 3: RAP preparation</b>		
8	> Definition of cut-off date > Information and communication about the Project – announcement of cut-off date	> GSE Resettlement Management Team + RAP Consultant > RAP Consultant + Municipal LAR Offices
9	Census and asset inventory	RAP consultant / MLARO team
10	Socioeconomic survey	RAP consultant
11	Specific surveys on informal and/or customary rights of use in highlands areas	RAP consultant
12	Valuation of affected assets	RAP consultant + accredited independent valuator

<b>Steps</b>	<b>Actions</b>	<b>Responsibilities</b>
<b>13</b>	Assessment of impacts and of need for additional livelihood restoration measures	RAP consultant
<b>14</b>	Consultation with PAPs about the compensations	RAP consultant
<b>15</b>	<ul style="list-style-type: none"> <li>&gt; Draft Resettlement Action Plan preparation</li> <li>&gt; RAP approval</li> <li>&gt; Final RAP disclosure</li> </ul>	<ul style="list-style-type: none"> <li>&gt; RAP consultant</li> <li>&gt; GSE, Lenders</li> <li>&gt; GSE, Lenders</li> </ul>
<b>Phase 4: RAP Implementation</b>		
<b>16</b>	Signing and documentation of Compensation Agreements	RAP consultant/MLARO team
<b>17</b>	Payment of compensation and relocation notice	GSE Resettlement Management Team
<b>18</b>	Relocation of Affected Structures/Assets and livelihood restoration	Affected persons / Livelihood restoration consultants (hired by GSE, see Section 9.2)
<b>19</b>	Start of construction works	GSE Resettlement Management Team
<b>20</b>	Completion report	External Monitoring consultant (hired by GSE)

Circumstances arising during the implementation stage may require an increase in the time allocated for each activity. Such circumstances may include delays in detailed design, time required to resolve complaints, seasonal factors, social and economic problems, support staff training and financial issues. The implementation schedule will be constantly updated.

The activities in the schedule below are divided into three main parts. The individual activities of project preparation, implementation and monitoring and evaluation are described in RAP schedule Table 8.2

**Table 8.2 – RAP Schedule**

	Activity	2023												2024		
		1	2	3	4	5	6	7	8	9	10	11	12	1	2	
A	Preparation of RAP															
1	Description and socio-economic plan															
2	Valuation of land, buildings and crops															
3	Preparation of eligibility matrix for compensation															
4	Public consultations															
5	Completion of the RAP preparation															
6	Submission of RAP															
7	Approval of RAP by Lender															
8	Disclosure of Final RAP															
B	Implementation of RAP															
9	Legalization of land															
10	Updating the RAP if necessary															
11	Addressing complaints															
12	Payment of compensations															
13	Construction															

## **9. Public Consultation, Engagement and Disclosure**

### **9.1 Introduction**

Consultation and participation are a process through which stakeholders impact and share control over development initiatives, and the decisions and resources that affect them. It is a two-way process where the executing agencies, policy makers, beneficiaries and PAP discuss and share their concerns in a project process. Consultation and participation have been a major principle in the planning and preparation of the detailed design of the Project. Lenders involuntary resettlement policy requires that a high priority has to be given to public consultation and participation to enhance the community voice and assure incorporation of community's views in design and implementation of a socially and environmentally compliant project.

The focus of these consultations are to ensure that the PAPs and other stakeholders are informed, educated, consulted and allowed to participate actively in the process of road development and preparation of social and resettlement plan; reducing public resistance to change; helping mitigate and minimize any probable negative impact and bringing in the benefit of the project to the people. The project design and preparation of land acquisition and resettlement plans, therefore, attempted consultation and participation of the PAPs and communities to incorporate their views, needs and aspirations into the Project components. The consultation process has started at an early stage of design preparation and will be continued through public consultation meetings and individual contacts during land acquisition and resettlement surveys in January - March 2023.

### **9.2 Consultation Process and Methodology**

The public consultation process entailed clearly explaining the project and its impacts to the community through introducing the project and its impacts through leaflets in local language, clearly explaining to the communities in informal and formal consultation meetings and individual level discussion during the census and detailed measurement surveys of land and property.

Specifically, for this RAP the PAPs were consulted through individual contact during the census survey at the basic stage, all likely PAP persons were consulted through community level meetings and through individual contact at the time of census, socioeconomic survey and detail measurement survey.

### **9.3 Consultation meetings with the PAPs during RAP Preparation**

Consultation Process is completed: meetings in all affected municipalities have been carried out and information leaflets distributed. The MoM of these consultations prepared by the RAP consultant are provided annex 1.



## **9.4 Consultation and Participation Plan**

RMT on behalf of GSE pursues information disclosure for effective implementation and timely execution of RAP. Village level consultations with PAPs will be conducted during the implementation process. For the benefit of the community in general and PAPs in particular, RAP will be made available in concerned offices at municipality. An information leaflet (in Georgian) was distributed among the PAPs and their community. A copy of the English version of RAP Leaflet is attached in Annex 2.

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

- (i) Final RAP will be disclosed upon receiving approval from the WB;
- (ii) GSE will conduct public meetings and will apprise the communities about the progress in the implementation of resettlement, and social activities; GSE will be supported by the local community leaders to encourage the participation of the PAPs in RAP implementation;
- (iii) GSE through its RMT will organize public meetings to inform the respective communities about the compensation and assistance to be paid. Regular update of the progress of the resettlement component of the project will be placed for public display at the local level GSE office and at local Municipal Office;
- (iv) All monitoring and evaluation reports of RAP component of the project will be disclosed to the community;
- (v) Attempts will be made to ensure that vulnerable groups understand the process and to take their specific needs into account;
- (vi) All PAPs should be provided a contact information of the person from local municipality/GSE who will provide feedback on all the issues concerning the project.

## **9.5 Disclosure of information**

Electronic version of the Final RAP will be placed on GSE web-site in both English and Georgian. The summary of the RAP will be translated into local language (Georgian) and will be disclosed to PAPs at local level. The copy of the RAP (Georgian version) will be available at the concerned offices of affected Municipality. Hard and soft copies of RAP will be delivered to municipalities. After the adoption of the of the RAP, GSE representatives will disclose the unit rates publicly during the public meetings.

# **10. Grievance Redress Mechanism**

## **10.1 Introduction**

The Grievance Resolution Mechanism (GRM) addresses grievances in an efficient, timely and cost-effective manner, that arise as a result of the Project, either the result of actions by GSE or the

Contractor employed by GSE, from affected communities and external stakeholders. GSE is responsible for managing the GRM, but many of the grievances on the Project will likely relate to the actions of the Contractor and likewise will need to be resolved by the Contractor. GSE will administer the GRM process deciding whether they or the Contractor is responsible and determine the best course of action to redress the complaint. GSE with the support of the implementation consultant will monitor the contractor if the grievance is redressed accordingly.

Typical grievances for transmission line projects include those related to:

- Land acquisition and physical displacement;
- Construction damages;
- Environmental impact;
- Indirect social impacts.

### **10.1.2 Grievance process**

The two-tiered grievance resolution process involves the following main steps:

- (I) receipt of complaints;
- (II) screening for standing;
- (III) Grievance Resolution Committee (first tier) and;
- (IV) GSE Grievance Redress Commission (GRC) (second tier);
- (V) Closure of grievances; and
- (VI) Grievance records and documentation.

#### **10.1.2.1 Receipt of complaints**

Anyone from the affected communities or anyone believing they are affected by the Project can raise a grievance:

- By completing a written grievance registration form that will be available (I) in the administrative office of the local municipalities and in the affected villages and by local CLOs (Community Liaison Officers) (i.e.) those within proximity of construction activities), (II) at the entrance of each construction site, (III) on the GSE's website and (IV) at the Project's headquarters in Tbilisi. An example of a grievance registration form is provided in Appendix. The Project's Community Liaison Officer of each Municipality will review these registers complaints.
- By contacting the GSE Community Liaison Officer, GSE Head of Social Affairs Division, or the environmental coordinator and community relationships managers of the Contractor, either by phone, or in person. Grievances received verbally will be written down by the Community Liaison Officer on the grievance registration form and logged into the Grievance Register. A copy of the logged grievance will be forwarded to the complainant, giving them the opportunity to alert GSE if the grievance has not been noted down correctly.

The Community Liaison Officers will explain the possibilities and ways to raise a grievance to local communities or GSE Head of Social Affairs Division during meetings organised in each affected

area at the time of disclosure. The GRM will be disclosed through the GSE's website<sup>18</sup>. Information material on the GRM will also be made available at the Municipalities City halls.

All grievances will be registered, reported and tracked by GSE in the Grievance Register by special person responsible for grievances redressing and logging. Once a grievance is logged, the related event(s) that caused the grievance will be tracked to prevent similar grievances (if the local community have similar grievances such as, effect of electromagnetic field, unit rates etc. the additional public consultation meetings with relevant explanations will be conducted). The status number and trends of grievances will be discussed between GSE, the Contractor and the Implementation Consultant during E&S meetings at the construction phase.

#### **10.1.2.2 Screening for Grievances**

The resolution of grievances of all types will follow the same steps, but the stakeholders involved will depend on the nature of the complaint. All grievances will be handled through the system described hereafter, involving respectively GSE, the Contractor's grievance resolution representative. Complaints related to resettlement (land take and its consequences) will also involve Resettlement Action Plan (RAP) consultant in the resolution of grievances related to land acquisition and resettlement.

Grievance information will be recorded in a grievance log by GSEs staff member, who is responsible for grievance logging and management. The following information will be recorded: (j) Name and contact details, (II) Nature of the grievance and how and when it was submitted, acknowledged, responded to and closed out. All grievances will be acknowledged by GSE within 10 days (Acknowledgement letter will be prepared by GSE's appropriate manager and send to PAP); and responded (response letter will be prepared by GSE's appropriate manager and send to PAP) to PAP no later than 30 days. Once a grievance is logged, the related event(s) that caused the grievance will be tracked to ensure proper close-out of the grievance and prevent similar grievances.

If the grievance is deemed as ineligible, the GSE Community Liaison Officer will record the reason and document that the complainant has been informed of this decision and the basis for this is explained. Ineligible cases will generally be those that GSE are confident have not occurred as a result of GSE or the Contractor's actions. If the complainant is not satisfied with this outcome, they can pursue further action by submitting their case to the appropriate court of law.

GSE will determine whether the resolution of the grievance is the responsibility of the Contractor, GSE or ESIA, RAP preparation Consultant. If the grievance is the responsibility of the Contractor or the ESIA, RAP Preparation Consultant, GSE shall review, comment and approve any corrective actions. After logging the grievance, the GSE Permissions Department Manager will inform the complainant in writing within 10 days.

Grievance resolution is a two-stage process, including:

Stage 1 – informal (oral) review of the PAP's complaint (whether written or oral). At this stage the PAP's complaint is reviewed in an informal (oral) way and the Committee make and sign the

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<sup>18</sup> <https://www.gse.com.ge/projects/Grievance-Redress-Mechanism>

minutes on the matter. If at Stage 1 the PAP's complaint is not resolved the PAP is informed about grievance resolution procedures of Stage 2. An PAP has the right to use the procedures of Stage 2 without applying to Stage 1 procedures. Timeframe for resolving the stage 1 grievance is 10 days. The GRC shall gather as per necessity (but at least once a month) and shall include eight members.

Stage 2 –If PAP's complaint is not resolved at stage 1 by local committee, it will be presented to Grievance Redress Commission (GRC), GRC reviews the written complaints of PAPs, which were not satisfied at Stage 1.

Grievance redress procedure of Stage 1 is an informal tool of dispute resolution allowing PAPs and the project implementation team to resolve the disagreement without any formal procedures, procrastination and impediments. The international experience of different projects shows that such informal grievance redress mechanism helps to solve most of the complaints without formal procedures (i.e., without using the procedures specified in the Administrative Code or litigation). This mechanism enables unimpeded implementation of the Project and timely satisfaction of complaints. If the PAP is not satisfied, the grievance redress mechanism should assist him/her in lodging an official complaint in accordance with the procedures of Stage 2 (the plaintiff should be informed of his/her rights and obligations, rules and procedures of making a complaint, format of complaint, terms of complaint submission, etc.).

The grievance redress mechanism deals with the issues of land and other assets acquisition (e.g. amount of compensation, suitability of residual land plots, loss of access roads, etc.) as well as the losses and damages caused by the construction works, any direct or indirect environmental and social impacts. Therefore, the grievance redress mechanism has to be in place by the time the GSE started preparation of RAP, ESIA and shall function until the completion of the construction.

At the relevant document's preparation stage during the consultations meetings and negotiations the PAPs have to be fully informed of the grievance redress mechanism, its functions, procedures, contact persons and rules of making complaints through oral information and booklets. Care is always taken to prevent grievances rather than going through Stage 2. The achievement of this goal can be ensured through active participation of PAPs, effective consultations, proper communication and coordination among local communities, GSE and local authorities.

### **Tier 1: Grievance Resolution Committee**

A local Grievance Resolution Committee (GRC) will be established in Municipality, with an office in the municipal building. Once a grievance has been logged, the corresponding local GRC will be engaged to define a solution to solve the grievance. The composition of each GRC is described in below. Special provisions will be made for any complaints of a confidential nature.

#### **Composition of the local grievance resolution committee**

- 1) Georgian State Electrosystem (GSE) representative as a committee coordinator;
- 2) Regional/municipal representative as a committee member;
- 3) Representative of a Project Affected People (PAP) as a committee member;

- 4) Woman – representative of the Project Affected Household (PAH) as a committee member;
- 5) Representative of local non-government organization (NGO) taking into account the grievance character – as a committee member;
- 6) Local specialist of social and environmental safeguards from the Supervision Consultant – as a committee member;
- 7) Local specialist of social and environmental safeguards from the Construction Company – as a committee member.

The GSE Head of Social Affair Division will act as secretary of the GRC (creation, coordination, and documentation). Members of the GRC will be invited by them in accordance with the types of complaints to be addressed. The meeting will be by the review of all PAP complaints received and to propose a solution to all grievances within the past one or two weeks. Then, the GRC will welcome the complainants whose complaint had been reviewed during the previous meeting to discuss the proposed solution.

For each complaint, the GRC will determine whether additional investigations are warranted. If so, the additional information will be collected before the GRC meeting with the PAP complainant and will be provided to the PAP before the meeting. The GRC will then inform the PAP about the date, time and place of its review meeting, and invite the PAP accordingly.

The GRC will receive the complainant and discuss with them a solution to their grievance. The committee shall draw up and sign the minutes of their discussion on the matter. If the complaint is satisfactorily resolved, the PAP will also sign the minutes in acknowledgement of the agreement. In cases where the project has agreed to put in place additional measures, these will be specified, with a timetable for delivery, in the minutes of the meeting.

## **Tier 2: GSE Resolution at Central Level**

If any aggrieved PAP is unsatisfied with the GRC decision, the next step will be to lodge the grievance with GSE at the central level. The GRC should assist him/her in lodging an official complaint. GSE shall then review the complaint at the grievance resolution commission. The complainant shall be informed of the decision within a maximum of 30 days.

The complainant shall be informed in writing of GSE's decision. If GSE's decision fails to satisfy the aggrieved affected persons, they can pursue further action by submitting their case to the appropriate court of law.

## **Composition of the Grievance Redress Commission (grc) at GSE Level**

1. General Director of Georgian State Electrosystem (GSE) as a Head of Commission;
2. First Deputy Director General / Member of the Board of Directors / Director of Project Management;
3. Member of the Board of Directors / Director of Legal, Environmental, Social Affairs and Permits;
4. Member of the of Directors/ Director of Financial Affairs;
5. Member of the Board of Directors / Director of Technical Affairs;
6. Member of the Board of Directors / Director of Procurement and Logistics;

7. Deputy Head of Legal and GNERC Relations Department;
8. Head of the of Environmental, Social and Permits Department;
9. Deputy Head of the of Environmental, Social and Permits Department;
10. Head of Operations and Maintenance Department;
11. Head of Construction and Repairs Department;
12. Deputy Head of International Projects and Reporting Department (Member-Secretary of the Commission);
13. Head of International Project Planning and Technical Supervision Department;
14. Head of Internal Audit Department;
15. Head of Energy Policy and Investment Projects Department of Ministry of Economy and Sustainable Development of Georgia.

### **Closure of Grievances**

A grievance will be considered “resolved” or “closed” when a resolution satisfactory to both parties has been reached, and after corrective measures has been successfully implemented. When a proposed solution is agreed between the Project and the complainant, the time needed to implement it will depend on the nature of the solution. However, the actions to implement this solution will be undertaken within one month of the grievance being logged and will be tracked until completion. Once the solution is being implemented or is implemented to the satisfaction of the complainant, a complaint closes out form will be signed by both parties (GSE Environmental and Social Manager and the complainant), stating that the complainant considers that its complaint is closed. This form will be archived in the Project Grievance database.

In certain situations, however, the Project may “close” a grievance even if the complainant is not satisfied with the outcome. This could be the case, for example, if the complainant is unable to substantiate a grievance, or it is obviously speculative or fraudulent. In such situations, the Project’s efforts to investigate the complaint and to arrive at a conclusion will be well documented and the complainant advised of the situation. GSE will not dismiss grievances based on a cursory review and close them in their grievance record unless the complainant has been notified and had the opportunity to provide supplementary information or evidence.

### **Grievance Records and Documentation**

The GSE Grievance Redress Specialist will manage a database to keep a record of all complaints recorded. The database will contain the name of the individual or organization lodging a grievance; the date and nature of the complaint; any follow-up actions taken; the solutions and corrective actions implemented by the Contractor or other relevant party; the final result; and how and when this decision was communicated to the complainant.

Supervisor and construction companies with monthly reports will provide information on grievance management. Monitoring and reporting and in the six-monthly and annual public reports.

## Company Contacts Information

The point of contact regarding the management of grievances by the Project and the local stakeholder engagement activities is GSE Environmental and Social Manager:

Description	Contact details
Company:	Georgian State Electrosystem (GSE)
To:	GSE General Director
Address:	2 Baratashvili street, Tbilisi 0105, Georgia
E-mail:	<a href="mailto:info@gse.com.ge">info@gse.com.ge</a>
Website:	<a href="http://www.gse.com.ge">www.gse.com.ge</a>
Telephone:	+995 555 111 444

Information on the Project and future engagement programmes will available on the GSE's website, and will be posted on information boards in key villages in the Project area. Information can also be obtained from the Community Liaison Officers.

## 11. Cost and Financing

### 11.1 Financing

All RAP preparation and implementation costs, including cost of compensation and RAP administration, will be considered an integral part of Project cost and will be contributed as a counterpart fund by the Georgia Government, in particular GSE. Each RAP will include a budget section indicating (i) unit compensation rates for all affected items and allowances, (ii) methodology followed for the computation of unit compensation rates, and (iii) a cost table for all compensation expenses including administrative costs and contingencies (20%). Items of LAR cost estimate under the RAP are as follows:

- Compensation for land at replacement value
- Easement payments for imposed limitation on land use (prohibition of planting trees or construction of buildings within the ROW)
- Compensation for structures and buildings at replacement cost
- Compensation for crops and trees
- Assistance for severely affected PAHs
- Assistance for vulnerable groups for livelihood restoration
- Cost for implementation of RAP.

Being the project owner, GSE is responsible for the timely allocation of the funds needed to implement the RAPs. As per the RAP finances flow the budget for compensation and rehabilitation will be directly disbursed by GSE to the AP.

### 11.2 Compensation for Land

Compensation and easement value for land has been derived based on the feedback from the project affected people and from the independent evaluator. The costs for various categories of land loss are given in Table 11.1.

**Table 11.1 Compensation for permanently impacted land**

	Permanent impact of land (plot for purchase)	Compensation value of 1 sq.m. plot of land - for the foundation of the towers	Total value of affected Plot
Types of land use	Area (sq.m.)	GEL	GEL
Type 1	3443	10.45	35 979
Type 2	1426	3.05	4349
Type 3	1633	4.10	6695
Type 4	361	2.0	722
Type 5	1072	3.20	3430



**Table 11.2 Compensation for partially affected land**

	Partial Impact	Compensation value of 1 square meter plot of land - easement	Total value of affected land	Compensation value of 1 square meter including 20% income	Total value of affected land (assuming 20% income)
Types of land use	Area (sq.m.)	GEL	GEL	GEL	GEL
Type 1	250 934	5.25	1 317 403	6.5625	1 646 754
Type 2	112 052	1.50	168 078	1.875	210 097
Type 3	90 257	2.05	185 026	2.5625	231 283
Type 4	2 716	1.0	2 716	1.20	3395
Type 5	86 916	1.60	139 065	2	173 832
<b>Total</b>	<b>542 875</b>		<b>1 812 290</b>		<b>2 265 362</b>

### 11.3 Compensation of Buildings

Compensation of structures is based on the current market price of materials, transportation and construction works needed for construction of similar structure-buildings. Condition of bearing structures, roof, materials, sanitation, water and power supply, external lighting systems are considered. Provided costs include expenses on relocation of the movable facilities. The cost approach is used to determine the compensation which ensures that calculated amount is sufficient for constructing the exact kind of property.

**Table 11.3: Compensation for buildings and structures**

N	Type of Structure	N of Affected Land Plot	Compensation for structure
1	Fences	95	78 873
2	Auxiliary	6	35 045
3	Structures	8	20 355
	Total	95 <sup>19</sup>	134 273

### 11.4 Compensation of Crops

Crop compensation will be provided to all affected persons at the full market rate. Details of crop compensation are given in Table 11.4

**Table 11.4 Compensation of agricultural crops**

<sup>19</sup> Without double counting

Type of agricultural culture	Number of plots	Compensation for harvest per 1 sq.m. GEL/sq.m.)	Area (sq.m.)	Total compensation (GEL)
Corn	67	0.8	100 724	80 579
Pumpkin	67	5	46 760	233 800
Bean	67	0.5	46 765	23 383
Soy	24	0.9	7214	6 493
Oats	2	0.35	1 088	381
Hay	79	0.3	122 156	36 647
<b>Total</b>	<b>146</b>		<b>324 707</b>	<b>381 282</b>

### 11.5 Compensation for Trees

The non-productive young fruit trees will be compensated at the price of seedling. Productive trees will be compensated at aggregated cost of seedling price and fruit income calculated based on productivity of productive tree and compensation years needed to grow up the same age tree from the seedling of age starting productivity. 5 213 trees (belonging to 71 households) are affected by the project, valued at 719 500 GEL and tea at 10 090 GEL. Tables with the calculation of trees costs are given in Table 11.5 below.

**Table 11.5: Compensation of Trees**

Tree	Age	Compensation for a tree	N in the cut zone	N in the protection zone	Sub total in cut zone	Sub total in protection zone	Total
1	2	9	10	11	12	13	14
Cherry	seedling (<5)	35	3	9	105	315	420
	5-10	75	19	22	1425	1650	3075
	10-20	150	16	25	2400	3750	6150
	20+	115	3	2	345	230	575
Grape	seedling (<5)	12	0	0	0	0	0
	5-10	35	3	0	105	0	105
	10-20	55	6	1	330	55	385
	20+	48	0	0	0	0	0
walnut	seedling (<5)	80	1	1	80	80	160
	5-10	535	10	48	5350	25680	31030
	10-20	1235	28	25	34580	30875	65455
	20+	1510	55	65	83050	98150	181200
qvince	seedling (<5)	15	0	7	0	105	105
	5-10	80	0	0	0	0	0
	10-20	160	3	0	480	0	480
	20+	110	1	2	110	220	330
	seedling (<5)	25	4	4	100	100	200

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Pear	5-10	120	2	3	240	360	600
	10-20	415	3	17	1245	7055	8300
	20+	270	1	0	270	0	270
	seedling (<5)	25	1	0	25	0	25
Plump	5-10	45	0	0	0	0	0
	10-20	90	0	0	0	0	0
	20+	60	0	0	0	0	0
	seedling (<5)	25	1	0	25	0	25
Mulberry	5-10	50	25	26	1250	1300	2550
	10-20	90	51	85	4590	7650	12240
	20+	70	7	7	490	490	980
	seedling (<5)	30	86	152	2580	4560	7140
Hazelnut	5-10	55	37	89	2035	4895	6930
	10-20	90	1003	1906	90270	171540	261810
	20+	75	2	0	150	0	150
	seedling (<5)	40	1	4	40	160	200
wild plum	5-10	130	32	37	4160	4810	8970
	10-20	255	25	41	6375	10455	16830
	20+	200	2	2	400	400	800
	seedling (<5)	20	54	0	1080	0	1080
Persimmon	5-10	44	66	89	2904	3916	6820
	10-20	128	65	81	8320	10368	18688
	20+	86	0	6	0	516	516
	seedling (<5)	20	5	26	100	520	620
Apple	5-10	110	4	23	440	2530	2970
	10-20	295	16	23	4720	6785	11505
	20+	170	2	0	340	0	340
	seedling (<5)	3	0	0	0	0	0
Laurel	5-10	10	0	0	0	0	0
	10-20	20	0	1	0	20	20
	20+	28	0	0	0	0	0
	seedling (<5)	25	0	4	0	100	100
Fig	5-10	65	4	5	260	325	585
	10-20	190	8	34	1520	6460	7980
	20+	130	2	4	260	520	780
	seedling (<5)	5	0	0	0	0	0
Laurocerasus	5-10	8	0	2	0	16	16
	10-20	16	0	0	0	0	0
	20+	12	0	0	0	0	0
	seedling (<5)	12	0	0	0	0	0
Staphylea	5-10	50	4	17	200	850	1050
	10-20	70	0	0	0	0	0

	20+	60	0	0	0	0	0
	seedling (<5)	25	0	0	0	0	0
Apricot	5-10	105	0	0	0	0	0
	10-20	180	0	1	0	180	180
	20+	140	0	0	0	0	0
	seedling (<5)	20	0	0	0	0	0
Mespilus	5-10	70	0	1	0	70	70
	10-20	130	0	1	0	130	130
	20+	100	1	0	100	0	100
	seedling (<5)	25	0	0	0	0	0
Eriobotrya japonica	5-10	90	0	1	0	90	90
	10-20	170	0	0	0	0	0
	20+	140	0	0	0	0	0
	seedling (<5)	24			0	0	0
Blueberry	5-10	50	194	401	9700	20050	29750
	10-20	130	0	0	0	0	0
	20+	100	0	0	0	0	0
	seedling (<5)	110	0	0	0	0	0
Chestnut	5-10	350	0	4	0	1400	1400
	10-20	1050	1	9	1050	9450	10500
	20+	1150	1	0	1150	0	1150
	seedling (<5)	35	1	0	35	0	35
Pomegranate	5-10	85	1	0	85	0	85
	10-20	250	11	3	2750	750	3500
	20+	170	0	0	0	0	0
	seedling (<5)	35	0	0	0	0	0
Avocado	5-10	400	0	0	0	0	0
	10-20	800	1	0	800	0	800
	20+	500	0	0	0	0	0
	seedling (<5)	5	0	0	0	0	0
Boxwood	5-10	50	0	0	0	0	0
	10-20	150	0	0	0	0	0
	20+	200	0	3	0	600	600
	nergi (<5)	10	0	0	0	0	0
Aleurites	5-10	25	15	7	375	175	550
	10-20	65	0	0	0	0	0
Tea	1 sq.m.	1	10090		10090		10090
			1887	3326	288884	440706	729590

## 11.6 Impact on Business and Employment

None of the businesses are affected by the project.

## 11.7 Allowance

Based on available data, the subsistence minimum for a family of five has been consistently calculated at 2.25 times the amount of a subsistence minimum for an average consumer. Given this, the updated allowance unit rate per month using updated Geostat data as of March 2023, is  $223,1 \times 2,25 = 501.966$  GEL per month; 1505.9 GEL for 3 months, 3011,8 GEL for 6 months, and 6 23.6 for 12 months.

There are two type of allowances being provided to the PAHs. These are: (i) Severe Impact Allowance, and (ii) Allowance for vulnerable groups, (iii) Relocation Allowance is not applicable for this RAP. Following are the description of each category of unit rates proposed for various allowances.

The allowance for vulnerable PAHs is three months of subsistence minimum for an average consumer at the unit rate for three months as per 1505,9 Gel. Total allowances for 27 vulnerable PAHs are equal to 40659.3 GEL.

4 PAHs are considered to be severely affected due to loss of 10% and more than 10% of their productive agricultural land. No one of PAHs is losing their jobs and related incomes.

Relocation allowance covering transport expenses and livelihood expenses for the transitional period for 3 months is equal to 3 months subsistence minimum for an average consumer. 200 GEL as vehicle hire charge + 1505,9 Gel = 1705,9 GEL per PAH..

Detailed information on different types of assistance is provided in Table 11.6.

**Table 11.6: Allowances**

N	Unit	Unit price (GEL)	Quantity	Amount (GEL)
1	Severe impact of PAH	1505,9	4	6023.6
2	Vulnerable households	1505,9	27	40659.3
3	Physical displacement	0	0	0
	<b>Total compensation</b>		<b>31</b>	<b>46682.9</b>

## 11.8 Administrative Costs

GSE will need to employ one independent monitoring consultant for external monitoring of RAP implementation for a period of 12 months. Miscellaneous expenses have been kept as a provision to cover the administrative cost as may be incurred during implementation of the RAP. Details of the RAP implementation management cost is given in Table 11.7

**Table 11.8 Administrative costs**

N	Unit	Period	Quantity	Unit price	Amount (GEL)
---	------	--------	----------	------------	--------------

1	External monitoring of RAP	Month	12	2000	24000
2	Miscellaneous administrative expenses	Month	12	500	6000
	<b>Total compensation</b>				<b>30000</b>

### 11.9. RAP Cost and Cash Flows

The total cost calculated for the implementation of this RAP equals 4 669 000 GEL (USD 1 680 454).

The summary LAR cost estimate is given in Table 11.8.

**Table 11.9: RAP Cost and cash Flows**

N	Unit	Cost (GEL)
<b>A</b>	<b>Compensations</b>	
1	Compensation for purchased land	51 176
2	Compensation of the easement for partially affected land plots	2 265 362
3	Compensation for Structures	134 273
4	Crop compensation	381 281.9
5	Compensation for trees	729 590
<b>Subtotal A</b>		<b>3 561 684</b>
<b>B</b>	<b>Allowances</b>	
1	Severe impact of PAH	6 023.6
2	Vulnerable households	40 659.3
3	Physical displacement	0
<b>Subtotal B</b>		<b>46 682.9</b>
<b>C</b>	<b>Implementation costs</b>	
1	External Monitoring of RAP	30 000
2	Miscellaneous administrative expenses	85 800.0
<b>Subtotal C</b>		<b>115 800</b>
Total cost (A+B+C)		<b>3 724 166</b>
<b>D. 20% contingency fee</b>		<b>744 833</b>
<b>Total in GEL</b>		<b>4 669 000</b>

1 USD = 2,6594 GEL (January 23, 2023)

## 12. Monitoring, Reporting and Evaluation

### 12.1. Internal Monitoring

Internal monitoring of RAP implementation will be carried out by GSE during implementation of the RAP. The key person in this process will be the Local Resettlement Consultant which has been hired by GSE during the RAP implementation. The RAP preparation and implementation process will be supported by the RAP Consultant. The results will be communicated to the LAR Team monthly and to the Bank according to agreed schedule. Indicators for internal monitoring will be those related to process, immediate outputs and impacts. Monitoring will also include the tracking of measures taken for livelihood restoration for severely affected, vulnerable and physically relocated PAHs if any. This information will be collected directly from the GSE representatives in the municipal level LAR Teams and Working Group and reported to LAR Consultant to assess the progress and results of RAP implementation, and to adjust the work program, if necessary. The monthly reports will be quarterly consolidated in the standard supervision reports.

The overall objectives and tasks of the internal monitoring process are to:

- Set up a system that will regularly respond to monitoring findings on an ongoing basis, by adapting existing management measures or by modifying implementation processes of the RAP; and
- Create a mechanism to capture and analyse data in a consistent and structured fashion against the pre-resettlement baseline at appropriate intervals and by means of suitable indicators.

A system is in place for reporting. Since 2022, the GSE has implemented a comprehensive software solution designed to centralize and manage essential data and information across various domains, including Forestry, Environmental Protection, Permits, and the Social division.

Specifically, within the social division, designated personnel are responsible for inputting both preliminary and finalized data related to RAP into the software platform. This includes comprehensive details about agreements with PAP, as well as pertinent documentation, all of which are stored in electronic formats.

In order to ensure accuracy and reliability, GSE has implemented an internal monitoring system. This system systematically validates and cross-verifies all uploaded data to prevent errors or discrepancies.

Furthermore, the software incorporates information regarding grievances. This encompasses key details such as the originator of the grievance, the underlying reason, the nature of the request, the date of submission, and the current stage revision by GRM.

The data obtained by GSE internal Monitoring System can be used during the implementation of internal as well as external monitoring.

The internal monitoring reports will contain: (i) accomplishment to-date, (ii) objectives attained and not attained during the period, (iii) problems encountered, and (iv) suggested options for corrective measures. The internal monitoring report will primarily be prepared by the Resettlement/Social Specialists and will be undertaken on a monthly basis, while impact monitoring by an external party (as discussed in sections that follow) will be conducted every six months.

**Table 12-1 Preliminary Internal Monitoring Indicators**

Indicator type	Criteria	Frequency	Indicator
Activity/ outcome indicators	Progress of resettlement and delivery of entitlements	Monthly for first year; bi-annually thereafter	<ul style="list-style-type: none"> <li>• % completeness against the resettlement schedule</li> <li>• % spend against the resettlement budget</li> <li>• % of individual compensation agreements signed</li> <li>• % replacement housing under construction</li> <li>• % of completed and delivered replacement housing</li> <li>• % completed housing allocated to households</li> <li>• % of households who took occupation of dwellings</li> <li>• % of households that have been resettled</li> <li>• % of compensation that has been paid against entitlements</li> <li>• % completed community facilities</li> <li>• % completeness against the livelihood restoration plan</li> <li>• % % overall completeness against resettlement schedule</li> </ul>
	Grievances	Monthly for first year; bi-annually thereafter	<ul style="list-style-type: none"> <li>• % of grievances resolved</li> <li>• Number of open grievances</li> <li>• Categories of grievances and trends over time</li> <li>• Average time for processing and closing of grievances</li> <li>• Gender and potential vulnerabilities of aggrieved individuals</li> <li>• Location of persons logging the largest number of grievances</li> </ul>



Indicator type	Criteria	Frequency	Indicator
	Effectiveness of livelihood restoration	6 monthly	<ul style="list-style-type: none"> <li>• % replacement land allocated</li> <li>• Training proved on agricultural improvements</li> <li>• % of households engaged in livelihood restoration programmes</li> <li>• Revenue generation of the livelihood restoration programmes</li> <li>• Business re-establishment</li> <li>• Employment of business employees in re-established businesses</li> <li>• Success of individual programmes measured by return on investment and number of community members deriving an income from this</li> </ul>
	Effectiveness of resettlement implementation management systems	Annual	<ul style="list-style-type: none"> <li>• % of implementation team members appointed</li> <li>• Training/ capacity building undertaken as the implementation schedule for these bodies</li> <li>• Schedule of meetings for all forums and community meetings up to date in terms of frequency proposed and minutes available</li> <li>• Grievances been lodged and tracked to close-out</li> <li>• Internal and external monitoring on schedule</li> <li>• % of findings that have been addressed</li> </ul>
Impact indicators	Equal or improved well being	Annual	<ul style="list-style-type: none"> <li>• % of household members experiencing health conditions in the last year</li> <li>• % of household members contracting tuberculosis in the last year</li> <li>• % of households exposed to crime in the last year, including consideration of the prevalence of drug use within the households where possible</li> <li>• % of vulnerable households</li> </ul>
	Equal or improved standard of living	Annual	<ul style="list-style-type: none"> <li>• % of households with increased differential between household income and expenditure</li> </ul>

Indicator type	Criteria	Frequency	Indicator
			<ul style="list-style-type: none"> <li>• % of households with a reliance on social grants and food vouchers</li> <li>• % of children in the households attending school if of school-attending ages</li> <li>• % of households reporting food shortages</li> <li>• % of households satisfied with service provision</li> <li>• % of households with title deeds to their properties i.e. security of tenure</li> <li>• % of households with one member or more engaged in permanent employment</li> <li>• % of households defining themselves as destitute</li> </ul>
	Level of adjustment made by the resettled households	Monthly for the first six months after resettlement	<ul style="list-style-type: none"> <li>• % of households indicating satisfaction with their new life</li> <li>• Qualitative assessment with households pre-and post-resettlement</li> </ul>
	Effectiveness of livelihood restoration	6 monthly	<ul style="list-style-type: none"> <li>• % replacement land allocated</li> <li>• Training proved on agricultural improvements</li> <li>• % of households engaged in livelihood restoration programmes</li> <li>• Revenue generation of the livelihood restoration programmes</li> <li>• Business re-establishment</li> <li>• Employment of business employees in re-established businesses</li> <li>• Success of individual programmes measured by return on investment and number of community members deriving an income from this</li> </ul>
	Grievances	Monthly for first year; bi-annually thereafter	<ul style="list-style-type: none"> <li>• % of grievances resolved</li> <li>• Number of open grievances</li> <li>• Categories of grievances and trends over time</li> <li>• Average time for processing and closing of grievances</li> </ul>

Indicator type	Criteria	Frequency	Indicator
			<ul style="list-style-type: none"> <li>• Gender and potential vulnerabilities of aggrieved individuals</li> <li>• Location of persons logging the largest number of grievances</li> </ul>

## 12.2 External Monitoring

According to the risk profile of the project, external monitoring will be carried out by a RAP Consultant hired by GSE. The tasks assigned to the RAP consultant will be the external monitoring of RAP implementation and the preparation at its end of a compliance report which will be the basis for WB to provide partial commencement to the start of construction. Key activities will be:

- (i) Assessment based on a review of the compensation tallies and interviews with the PAPs that all PAH have been compensated as specified in the RAP;
- (ii) Review and analysis of all complaint cases and of their resolution;
- (iii) An assessment of the satisfaction of the PAPs through a 75% survey.

The following are the main indicators for the assessment to be carried out:

- (i) Socio-economic conditions of the APs in the post-resettlement period;
- (ii) Communications and reactions from APs on entitlements, compensation, options, alternative developments and relocation timetables etc.;
- (iii) Changes in housing and income levels;
- (iv) Rehabilitation of informal settlers;
- (v) Effectiveness of property valuation for rehabilitation purposes;
- (vi) Effectiveness of Grievance procedures; and
- (vii) Level of satisfaction of APs in the post resettlement period.

Apart from the key aspects of the Compliance report Independent Monitoring will continue tracking the livelihoods of vulnerable people, non-legalizable land users and other groups affected by the project. Compliance report will incorporate results of the monitoring indicating whether the objectives of the RAP, i.e. livelihood restoration, were fully achieved and whether any corrective actions should be further planned and implemented. Another key function of resettlement monitoring is to take into account the impact of unforeseen external factors on the effectiveness of the resettlement programme. Such factors may include (but not limited to) natural disasters (e.g. droughts, flooding, crop failures, losses to wild animals); macro or regional economic change (e.g. high inflation, changes in commodity prices, changes in national or international market conditions, changes in taxation); political change (e.g. change in government, changes in policy settings); and local socio-economic change (e.g. cost of living changes, competition for services and natural resources, changes in the supply and demand of land, supply, demand and pricing of housing and labour, in-migration pressures and the like).

Monitoring is critical for identifying such changes and identifying resettlement programme adjustments if necessary.

### **Compliance Reviews**

The first compliance review, provided by the external monitor, must be conducted six months after the commencement of implementation. The timing of subsequent reviews will be determined by the findings of the first review. If there are no material review findings, the next review will take place after 12 months. However, should there be material findings, subsequent reviews will be conducted every six months, until the project is compliant and all findings have been resolved.

### **Close-out Audit**

A Close-out Audit will be conducted within one year after completion of physical displacement and/ or the initiation of LR programmes. The purpose is to determine whether the implementation process was successful in meeting applicable standards and planning objectives, especially in terms of LR outcomes. To achieve close-out, criteria indicative of successful outcomes must be agreed with the GSE during planning. The Close-out Audit Report will specify if remedial plan is required or minor adjustments to current planning should be made.

### **Reporting requirements**

Findings from M&E, compliance reviews, the close-out audit as well as development and progress against any remedial plans should be reported to the responsible parties. The frequency of reporting will depend on the type of reporting conducted, for example:

- Internal M&E: monthly;
- External evaluation: every six months;
- Compliance reviews: every six months, or annually depending on findings;
- Close-out audit: at the end of the resettlement process; and
- Remedial plans: as required.

## Annex 1

### Public Consultations

#### Public Consultations on the Resettlement Action Plan for the "Jvari Tskaltubo" 500kV Power Line Construction Project

- On 23-24 January 2023, the representatives of GSE and Aligator LTD, held public consultations with the residents of the Project affected villages in Dedalauri Community of Khoni Municipality, Jvari and Maglki communities of Tskaltubo Municipality and Sachino community of Tsalenjikha Municipality. The goal of the consultations was to inform the local residents about the planned development and implementation of the RAP.
- The following individuals attended the public consultations:
  - GSE – Nino Mtsuravishvili (Deputy Head of Environmental, Social and Permits Department); Levan Bitsadze (Deputy Head of Environmental, Social and Permits Department); Nika Mikautadze (Head of the Social and Resettlement Office), Tornike Gelashvili (CLO); Mamuka Khorishashvili (CLO);
  - Aligator LTD – Malkhaz Komladze;
  - Representatives of local municipalities – Levan Tsivtsivadze (representative of the mayor in Dedalauri); Avtandil Kardava (representative of the mayor in Jvari); Mikheil Zhorzholiani (representative of the mayor in Maglaki); Bela Kvirkvia (representative of the mayor in Sachino).
- Prior to the meeting GSE distributed leaflets covering information: a) about the RAP process, b) about GSE and its activities; and c) about a grievance management procedure applied in lender-funded projects.
- Overall, public consultations were conducted in a fairly peaceful environment and residents were actively engaged in the meetings by posing the questions. The questions raised by the PAPs mainly concerned the compensation rates, easement resulted restrictions and EMF.

#### Event-specific information

##### 1. January 23, public meeting in Dedalauri Community

**Venue:** Village Administrative building

**Agenda:** A presentation followed by questions.

**Start time:** 13:00                      **End time:** 14:15

**GSE Staff:** Nino Mtsuravishvili, Levan Bitsadze, Nika Mikautadze (GSE), Tornike Gelashvili, Mamuka Khorishashvili, Malkhaz Komladze (Aligator)

**Presenter:** Nikoloz Mikautadze (GSE) and Malkhaz Komladze (Aligator)

**Participants:** About 32 people

**Number of women:** 10

## **2. January 23, public meeting in Maglaki community**

**Venue:** Village culture centre

**Agenda:** A presentation followed by questions.

**Start time:** 15:00                      **End time:** 16:30

**GSE Staff:** Nino Mtsuravishvili, Levan Bitsadze, Nika Mikautadze (GSE), Tornike Gelashvili, Mamuka Khorishvili, Malkhaz Komladze (Aligator)

**Presenter:** Nikoloz Mikautadze (GSE) and Malkhaz Komladze (Aligator)

**Participants:** About 36 people

**Number of women:** 10

## **3. January 24, public meeting in Sachino**

**Venue:** Village Administrative building

**Agenda:** A presentation followed by questions.

**Start time:** 13:00                      **End time:** 14:25

**GSE Staff:** Nino Mtsuravishvili, Levan Bitsadze, Nika Mikautadze (GSE), Tornike Gelashvili, Mamuka Khorishvili, Malkhaz Komladze (Aligator)

**Presenter:** Nikoloz Mikautadze (GSE) and Malkhaz Komladze (Aligator)

**Participants:** About 16 people

**Number of women:** 7

## **4. January 24, public meeting in Jvari**

**Venue:** culture centre

**Agenda:** A presentation followed by questions.

**Start time:** 15:00                      **End time:** 16:15

**GSE Staff:** Nino Mtsuravishvili, Levan Bitsadze, Nika Mikautadze (GSE), Tornike Gelashvili, Mamuka Khorishvili, Malkhaz Komladze (Aligator)

**Presenter:** Nikoloz Mikautadze (GSE) and Malkhaz Komladze (Aligator)

**Participants:** About 22 people

**Number of women:** 11

### Consultations with Stakeholders on Resettlement issues in the Village Dadalauri, Khoni municipality, January 23, 2023







	<b>Question/Comment</b>	<b>Sex</b>	<b>Author</b>	<b>Answer</b>
1	Is it safe to live near the transmission line	Male	Jambul Jaiani	Living outside the buffer zone is completely safe for humans.
2	What will be the easement amounts paid to us, if installation of a tower in the land plot becomes necessary?	Male	Giorgi Abashidze	The amounts are unknown till the end of this stage. The audit has an individual approach, and accordingly the prices will be different. The compensation will be introduced to the citizens individually.
3	Is it known exactly where the lines will pass?	Female	Naita Tvaladze	Yes, the Project is already on place, and during the work, our teams will show you the future exact location of the lines.
4	Will the construction process damage us in any way?	Male	Avtandil Gurabanidze	During the work safety rules will be observed as much as possible. In case of damage, it will be fully compensated.
5	Is it allowed to plant anything under the lines?	Male	Gela Jaiani	Yes, any annual crop is safe to grow under the lines.
6	Is it safe to let animals under the lines?	Male	Ilia Abashidze	Yes, it is safe for animals/cattle to graze and stay under the lines.
7	Will those who fail to register land plots, receive any compensation?	Male	Ioseb Bandzeladze	If it is confirmed that a PAP is using the asset existing on the land plot, he/she will be compensated. PAP will receive land compensation for the easement and acquisition of the plot only after the registration.

### Consultation with Stakeholders on Resettlement Issues in the village Magalaki

### Tskaltubo municipality

January 23, 2023



	<b>Question/Comment</b>	<b>Sex</b>	<b>Author</b>	<b>Answer</b>
1	Is it safe for humans to walk, drive under the lines?	Male	Elguja Kashibadze	Yes, it is absolutely safe to walk, drive or move under the lines
2	What types of trees will be compensated?	Male	Guram Svanidze	Compensation will be given for the fruit-bearing trees.
3	What is the area of the tower?	Male	Murad Svanidze	Tower areas vary depending on their type.
4	When does the construction start?	Female	Julieta Chirgadze	Construction on private plots will start after compensations are issued.
5	Can you live under the lines?	Male	Gizo Kashibadze	No, if the house falls into the buffer zone, the government will purchase the property.
6	Is construction allowed under the lines?	Male	Avtandil Tcholadze	No, construction under the buffer zone is not allowed.
7	When will you start issuing compensations?	Male	Jemal Jankhoteli	When the field work is completed and the Resettlement Action Plan is prepared.

### Consultation with Stakeholders on Resettlement Issues



### Village Sachino, Tsalenjikha Municipality

January 24, 2023



	<b>Question/Comment</b>	<b>Sex</b>	<b>Author</b>	<b>Answer</b>
1	Is there any additional compensation for the vulnerable PAPs?	Male	Patiko Mikenia	Yes, based on social surveys, the social status of the PAP will affect the amount of compensation.
2	How safe is living around the towers?	Male	Tamaz Gvilava	Residing out of the buffer zone is safe
3	What is the distance between the masts?	Male	Romanoz Gvilava	The distance between the towers depends on the terrain. On a flat surface the distance between the masts is bigger than on a hilly one.
4	Do the lines emit radiation?	Male	Avtandzil Janjghava	The lines create electromagnetic field, the radiation emitted by them is less than the radiation emitted by ordinary household appliances.
5	Can we work under the lines?	Female	Tsiala Gvilava	Only the construction of a building and growing the trees higher than 4 meters is prohibited under the lines under the N-366 ordinance of the Georgian government.
6	Will I be allowed to build a house in my plot in the future?	Male	Tamaz Gvilava	Residents in the buffer zone are restricted from constructing buildings. There will be no restrictions from GSE outside the buffer zone.
7	Are compensation rates known for per sq.m?	Male	Lebvan Abralava	No, the amount of compensation is not known until the field work is completed and the audit assesses the assets based on this information.

## Consultations with Stakeholders on Resettlement Issues

Jvari, Tskaltubo Municipality

January 24, 2023







	Question/Answer	Sex	Author	Answer
1	Will damaged raspberries be compensated?	Male	Phiruz Kurua	All assets damaged during construction will be compensated.
2	Is it safe to live near the lines?	Female	Irma Kardava	Lines have their own protection zone; it is safe to live outside the protection zone.
3	Who will compensate the infrastructure damaged during construction?	Male	Malkhaz Kardava	The state will pay compensation for assets damaged during construction, if such an asset is common property (road), the state will oblige the person who damaged it its restoration.
4	Do the lines emit radiation?	Female	Keto Tordia	The lines create electromagnetic field, the radiation emitted by them is less than the radiation emitted by ordinary household appliances.

5	What will be the restrictions imposed by easement?	Male	SoSo Phiphia	Easement will restrict the construction of buildings and growing the trees higher than 4meters.
6	Will we be notified in advance of the start of construction so that we can dismantle the fences ourselves?	Male	Ramaz Gogokhia	Yes, the PAPs will be informed about the construction commencement date in advance.
7	Will you still help us with registrations or should we wait for the arrival of the public register?	Male	Amirani Kukhilava	Within the framework of our project, GSE takes over the registration of land plots in the buffer zone, therefore the registration process will continue for those who have not yet registered their land plots.