

Land Acquisition and Resettlement Policy Framework

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Georgia: Livable Cities Investment Program

Prepared by Municipal Development Fund of Georgia
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GLOSSARY

Affected People (AP): Individuals affected by Project-related impacts.

Affected Household (AH): All members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project. It may consist of a single nuclear family or an extended family group.

Compensation: Payment in cash or in kind of the replacement cost of the acquired assets.

Entitlement: Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to 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 people, households, institutions, or organizations.

Host population: Community residing near the area where the Project beneficiaries are proposed to be voluntarily resettled within the framework of the given project.

Land Acquisition: The process whereby a person is compelled by a government agency to alienate all or part of the land a person owns or possesses to the ownership and possession of the government agency for public purpose in return for a consideration.

Legitimate Possessors: Physical/legal persons who occupy and use land and/or assets without registered title, however are eligible to claim for valid title under the current legislation.

Informal Settlers: Affected persons who do not hold the ownership title to land/assets they occupy, neither are eligible to claim for valid title under the current legislation.

Relocation: The physical relocation of AP/AH from her/his pre-project place of residence.

Rehabilitation: Compensatory measures other than payment of the replacement cost of acquired assets which are provided under this Policy Framework aimed at improving, or at least restoring, livelihoods and living conditions of affected households to pre-displacement levels. Such measures must be determined in consultation with affected persons, including those whose rights might not be formally recognized.

Replacement Cost: Method of valuing assets to replace the loss at fair market value, or its nearest equivalent, plus any transitional and restoration costs such as administrative charges, taxes, registration, title costs and any other applicable payments. Where national law doesn't meet this standard the replacement cost will be supplemented as necessary. Where market value of land, based on recent arms length transactions between willing buyers and sellers is not able to be determined, the value may be calculated, based on its productive potential and location. The replacement cost of houses and structures is based on current fair market price of building materials and labour without depreciation or deductions for salvaged building material., The market value of crops, trees, and other commodities includes transaction costs to be able to replace these assets.

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

Resettlement Plan: A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation.

Sakrebulo: This is the representative body of local self-government. The middle level of local government consists of 67 rayons (districts) and six cities in Georgia: Tbilisi, Kutaisi, Rustavi, Poti, Batumi and Sukhumi. The representative branch of rayon level is the rayon level Local Councils (Rayon Sakrebulo) and the executive branch is represented by Rayon Gamgeoba (Gamgebeli). The self-government level consists of settlements (self-governed cities) or groups of settlements (municipalities). Settlements could be villages, small towns (minimum 3,000 inhabitants) and cities (minimum 5,000 inhabitants). The representative and executive branches of self-government are represented accordingly by Local Council (Sakrebulo) and the Gamgebeli of municipal level. The exclusive responsibilities of self-government include land-use and territorial planning, zoning, construction permits and supervision, housing, and communal infrastructure development.

Severely Affected: Households (including informal settlers) that (i) lose 10% or more of their income generating land/assets as a result of project-related land acquisition, (ii) physically displaced AH and (iii) households losing commercial/business establishments.

Vulnerable groups: Particularly disadvantaged Households who by virtue of gender, ethnicity, age, physical or mental disability, Economic disadvantage, or social status may be more adversely affected by resettlement than others, and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. These are; (i) female-headed households; (ii) disabled household heads; (iii) poor households as defined by the official poverty line; and (iv) refugees or internally displaced people.

ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected Household
AP	Affected Person
CBO	Community Based Organization
DMS	Detailed Measurement Survey
ESIA	Environment and Social Impact Assessment
GOG	Government of Georgia
GRC	Grievance Redress Committee
IA	Implementing Agency
IEE	Initial Environmental Examination
IFI	International Financial Institution
IMA	Independent Monitoring Agency
IMPO	Investment Program Management Office
IP	Indigenous People
LAR	Land Acquisition and Resettlement
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
DDR	Due Diligence Report
MLARO	Municipality Land Acquisition and Resettlement Office
MoF	Ministry of Finance
MRDI	Ministry of Regional Development and Infrastructure
NAPR	National Agency of Public Register
NGO	Non-Governmental Organization
ROW	Right of Way
SES	Socio-economic survey
SPS	Safeguards Policy Statement
TRTA	Transactions Technical Assistance
LCIP	Liveable Cities Investment Program
MDFG	Municipal Development Fund Of Georgia

Executive Summary

1. The Resettlement Policy Framework (LARF) is prepared for the Livable Cities Investment Program by the Municipal Development Fund of Georgia (MDFG) of the Ministry of Regional Development and Infrastructure of Georgia (MRDI) with support of ADB transaction technical assistance (TRTA), the Consultant, engaged by the Asian Development Bank (ADB). The LARF was subject to review and clearance by the GOG and ADB.
2. The main objective of the LARF is to assist MDFG at the phase of LARPs preparation aimed at identifying the types, nature, and magnitude of potential economic and/or physical displacement impacts and providing adequate measures to address these impacts to ensure that potential APs are:
 - a. Informed about their rights and options pertaining to resettlement;
 - b. Involved in meaningful consultation process and given the opportunity to participate in project planning and selection of technically and economically feasible alternatives; and
 - c. Provided with prompt and effective compensation at full replacement cost¹ for losses of land, assets, or access to assets and livelihoods because of sub-project works.
3. This LARF for MDFG has been developed within the framework of the project financed by the ADB. The objective of the project is rehabilitation, reconstruction, expansion and development of the urban clusters including water supply, sewerage and sanitation (including off-network solutions), urban transport and mobility (including non-motorized and public transport), solid waste management, economic corridors, cultural and historical heritage conservation, flood control and drainage, urban safety and resilience.
4. The proposed project is included in the 2020 program in the Country Operations and Business Plan 2019–2021 for Georgia². The consultants for the ADB transaction technical assistance (TRTA) are in charge of preparation of the WSS service improvement project and providing the deliverables which among others include preparation of Resettlement Policy Framework (LARF) and all necessary documentation to meet project preparation and safeguard policy requirements of ADB³ and secure all Georgia clearances.
5. This LARF builds on the lessons learned from the preparation and implementation of land acquisition and involuntary resettlement instruments associated to other projects, funded ADB financed projects and examples of practical experience obtained during implementation of LARPs in other sectors.
6. Therefore, this LARF will serve as the main guiding document for the development of On completion of detailed design Due diligence report or/and Land Acquisition and Resettlement Plans (LARPs) for each sub-project proposed within the framework of Preparing Livable Cities Investment Program by ADB. (annex 1 – Sample of Due diligence Report)
7. The LARF should be read in conjunction with the ADB SPS 2009 on Involuntary Resettlement and effective legislation of Georgia. The LARF provides the guidance on how to prepare and implement LARPs, how to set out project goals and project implementation schedule, census and socio-economic survey, inventory of project affected asset, cut-off date and eligibility criteria for project affected persons (APs), legal framework and institutional involvement, determines valuation methodology and approach to determine unit rates per

¹ Please find the detail explanation on the meaning of the replacement cost in the Definitions of Terms.

² ADB. 2018. *Country Operations Business Plan: Georgia, 2019–2021*. Manila.

³ ADB procedures must be followed and reports produced in the formats of the ADB report and recommendation of the President (RRP) and the linked documents.

each type of loss to be cash compensated, establishes compensation entitlements, participation and consultation procedures, and grievance redress mechanism and monitoring process, all of which will be employed to ensure compensation, and restoration of the livelihoods and living standards of APs.

8. The document outlines the resettlement principles and procedures ensuring that resettlement needs are identified, and the MDFG of the Ministry of Regional Development and Infrastructure of Georgia (MRDI), the executing agency (EA), adopts and implements the procedures for land acquisition, involuntary resettlement, and potential loss of access to physical and economic livelihoods in compliance with the Government's applicable laws and regulations, ADB SPS 2009 and the best international practice.
9. The final draft of LARF will be uploaded to the web sites of MDF (in Georgian) and ADB (in English).

Chapter 1. Project Overview

Introduction

10. This document is the Land Acquisition and Resettlement Framework (LARF) for the Asian Development Bank funded Livable Cities Investment Program (LCIP). This is prepared to adequately address the ADB Safeguard Policy Statement (SPS 2009) requirements and is to be endorsed by the Georgian Government. The objective of preparing this LARF is to provide a formal structure through which the environmental impacts of new and amended subprojects can be assessed and mitigated by the Executing Agency in the future, in compliance with the ADB policy (SPS 2009) and national legislation.
11. The Asian Development Bank (ADB) and the Government of Georgia (GoG) reoriented urban sector operations to provide integrated and programmatic solutions for developing livable cities in Georgia that are economically competitive, socially inclusive, and environmentally resilient⁴. Since November 2016, ADB has supported the government to mainstream an integrated and participatory approach to urban development by improving strategic planning of selected urban area clusters to achieve a more balanced regional development by preparing Integrated Urban Action Plans (IUAPs). Building on this, the government has prioritized crucial urban investments for ADB to take forward through feasibility studies and safeguards due diligence. These include integrated solutions that bring co-benefits to the citizens in the development of the urban clusters including water supply, sewerage and sanitation (including off-network solutions), urban transport and mobility (including nonmotorized and public transport), solid waste management, economic corridors, cultural and historical heritage conservation, flood control and drainage, urban safety and resilience, among others. Additionally, Government of Georgia announced educational sector development as of vital importance. Moreover, the strategic document prepared by Ministry of Education, Science, Culture and Sport of Georgia - Preschool Strategy 2019 – 2021 aims to increase access to high quality preschool education, which could not be achieved without relevant pre-school infrastructure and environment. Based on the above mentioned Government of Georgia vigorously began investing in educational infrastructure, mostly in kindergarten and school buildings. Ultimate goal of the project is to improve and create quality pre-school/kindergarten infrastructure.
12. To expedite balanced regional development, support for basic urban services and transport have been prioritized, particularly in small towns and regional cities that are potential hubs for tourism, agribusiness, and regional trade as key drivers of economic growth. Governance and capacity building will need to be integrated into the ensuing projects to achieve more robust results and ensure operational and financial sustainability of infrastructure projects.
13. The government has proposed to process the Livable Cities Investment Program (LCIP) to improve urban and tourism infrastructure and services across Georgia. LCIP will help improve the livability of the urban area clusters through three interlinked outputs: (i) improved adequacy and efficiency of urban infrastructure and services, (ii) improved accessibility, connectivity and attractiveness of regional tourism clusters, and (iii) enhanced institutional capacity for implementing and managing urban infrastructure and services, (iv) improved access to quality pre-school infrastructure, improved environment: new playgrounds increasing gross motor skills of children, safe building - considering fire alarm and safety

⁴ ADB's Urban Operational Plan 2012-2020 fosters the growth of Competitive, Inclusive, and Green Cities to improve the performance of cities on the Economic, Equity, and Environment (3Es) fronts. It focuses on 3 innovative approaches to guide the development of livable cities, which is a long-term process, achieved best through integrated planning and implementation of investment.

- systems, clean and updated sanitary infrastructure including water closet and kitchen; (v) improved planning of the Kindergarten building; increased space per child and per teacher; energy efficient kindergarten buildings; (vi) improvement of educational and working conditions for children and teachers in kindergarten; (vii) Improved access to inclusive child-friendly quality education; (viii) Social impact – increased income of population during the implementation (employment of workers), and after the construction;
14. Construction of the sport complexes have high importance for maintaining and implementing a healthy lifestyle for the population, which will also reduce youth drug addiction and alcoholism. New sports complexes will lead to the success of the athletes, which will be especially important for the young people living in regions, as the representatives of the communities often have significant success in the international arena in a various types of sport, including water polo, synchronized swimming, etc.
 15. The program is assessed *low risk*, because (i) none of safeguards is *category A*; and (ii) the government and executing agency have substantial experience with ADB-financed programs.

CURRENT SITUATION ANALYSES IN PROJECT IMPLEMENTATION AREA

16. Tbilisi, the capital city of Georgia, contributes 70% of the national GDP, with just half of its urban population. The city's urban population also increased from 47% to 51% of the country's total between 2007 and 2017, while secondary cities in the regions experienced declines in urban population during the same period. The reverse trend highlights issues such as out-migration, unbalanced economic growth, limited employment opportunities and poor livability of these urban regions. ADB undertook a National Urban Assessment (NUA) in 2015 that identified the need for balanced regional development to unlock the potential for inclusive economic growth through urban development by adopting multiple strategies, new initiatives, and innovative funding mechanisms at the national and regional level through integrated urban investment planning.
17. Education facilities in poor condition usually are less competitive in attracting education professionals. Most of the rural Kindergarten buildings are operation expired, in poor structural condition without access for children with special needs and with old planning standards that are far away from modern design. The poor condition of the buildings creates high risk in terms of health and safety, especially for the children. The early years of children's life are very important for their health and development. Therefore, the modern infrastructure and comfortable environment will positively effect on children's growth, education process and increase motivation. Based on above mentioned, Government of Georgia actively started to invest in pre-school and school infrastructure, mostly through Municipal Development Fund of Georgia. From 2018, Government of Georgia announced educational sector as of national importance and decided to conduct a number of reforms by investing 6% of the GDP – quarter of the budget. Besides the reforms, respective infrastructure and environment is of vital importance. Ministry of Education, Science, Culture and Sport of Georgia prepared the strategic document *Preschool Strategy 2019 – 2021*. Aim of the document is to enhance access to high quality preschool education and prepare children for the school. According to the document, government should increase access to high quality preschool education up to 95% by 2023. Additionally, based on the research conducted by UNICEF in the regions of Georgia we have quite low preschool enrolment rates, especially concerning to children with special needs, however by joining to UN Sustainable Development Goals, Government of Georgia took responsibility to ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.

Magnitude of project impact and vulnerable to impoverishment

18. This LARF will be applicable to sub-projects to be undertaken by MDFG within the framework of the Preparing the Livable Cities Investment Program (LCIP).
19. If/when the specific project impacts are identified, they will be detailed and addressed in LARP(s), separately prepared for each proposed sub-project selected within the framework of this program.
20. Necessary the approach to be undertaken under the ADB financed projects promises positive impact and potential for future benefits for APs.
21. Project specific LARPs will then be prepared in compliance with the approved LARF (if needed), country legislation and requirements of ADB SPS 2009.
22. In the event of permanent land acquisition or resettlement, a market survey will be conducted to assess the prevailing market prices of land, construction materials for affected structures, crops and other relevant items, which will be used to find adequate replacements when necessary. After this is done, each individual AP's property will be valued by an independent qualified valuation company. This will ensure that the market prices will allow APs to purchase replacement land. Loss of income and assets will be compensated on a net basis without tax, depreciation or any other deduction. Also APs will be reimbursed in case of temporary resettlement according to the construction period of each structure occupied by the AH. All AH will be compensated for temporary relocation according to the construction period of each structure occupied by the AH. Each AH will get the cash compensation, which is sufficient to rent acceptable residence for living. Prior to rehabilitation of the property, beneficiaries will be informed regarding the allowance packages and other LARP related information; written consent by the owner/user will be received, compensations will be paid and after this will be started rehabilitation. The monthly compensation will be calculated by independent evaluator during preparation of the LARP.
23. The socio-economic survey will cover major socio-economic features of the affected population, including the presence of any specifically known vulnerable groups. During LARP preparation phase, census of APs and detailed measurement surveys (DMS) including SES will reveal all vulnerable groups, and severely affected AHs, potentially creating the risk of impoverishment of an affected household. These cases, if such confirmed during census and socio-economic surveys will be addressed in the sub-project specific LARPs that will cover relevant mitigation and/or rehabilitation measures as stipulated in this LARF.
24. On completion of detailed design and prior to award of any construction contract, either a LARP (where there is physical or economic displacement) or a due diligence report (DDR, where there is no physical or economic displacement) must be submitted to ADB, approved and disclosed.

Purpose of LARF

25. By mutual agreement of MDFG and ADB, this LARF serves as the base document for further development of LARP/DDR for each selected sub-project.

Project stakeholders

26. Project stakeholders will include individuals and household owners, legitimate possessors and users of the project affected land parcels, eligible for cash compensation, including commercial entities, business owners, local government and local communities that may not necessarily be directly affected but still gaining/sharing project benefits.
27. Local government and state institutions will be involved in LARP preparation process as the agencies responsibility for a number of tasks to be accomplished during LARP preparation and implementation on behalf of the government of Georgia. Chapter 8 'Consultation, Participation and Information Disclosure' describes the procedures and actions to be undertaken during LARF and LARP disclosure, implementation and monitoring and evaluation of LAR results, as well as project construction period.

Measures taken to minimize project adverse impacts

28. A project's resettlement planning begins during the feasibility studies and continues through final design studies into project implementation. It should always be possible at each point to avoid or minimize population displacement. This is achieved by analysing design alternatives that will yield the same or similar project benefits while requiring less land acquisition, less disruption of livelihood, and less resettlement plan implementation cost.
29. The design of each proposed sub-project will be prepared in accordance with required standards. During LARP preparation several actions will be undertaken. After scoping and feasibility survey several alternatives of project design alignment will be prepared.
30. Each alignment will be overlaid on to the official cadastre data, to determine potential impact on private property. On site surveys will be undertaken per each alignment to assess approximate magnitude of land acquisition, affected structures (residential and commercial facilities), supplementary structure, perennials and annual crops, business stoppage etc.
31. Alternative alignments will be assessed in respect with project impacts and the possibility of minimizing adverse impacts, to select the most efficient option in terms of minimum impacts in line with reasonableness of construction costs.

Conditions for Project Implementation

32. Based on the ADB policy/practice, the approval of project implementation is based on the following LAR-related conditions:
 - a. **Signing of Contract Award:** Conditional to the approval of the project specific LARP by ADB and Government. Implementation-ready LARP reflects final impacts, final AP lists and compensation rates at current replacement cost.
 - b. **Notice to Proceed to Contractors:** Conditional to the full implementation of LARP (legalization of legalizable owners, and full delivery of compensation and rehabilitation allowances) and certified by a LARP implementation Compliance Report prepared by MDFG and approved by ADB.

Chapter 2. Legal Regulatory Framework

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

Georgia's Laws and Regulations on Land Acquisition and Resettlement

33. In Georgia, the legislative acts given below regulate ownership rights and the issues of obtaining State ownership to privately owned land parcels for necessary public needs:
 - a. The Constitution of Georgia, August 24, 1995 (Last update 16 October 2013)
 - b. The Civil Code of Georgia, June 26, 1997 (amend. 2000, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014)
 - c. The Law of Georgia on Notary Actions, December 4 2009 (amend. 2010, 2011,2012, 2013, 2014, 2015)
 - d. Law on Public Health 27 June 2007 (amend. 2009, 2010, 2011, 2012, 2013, 2014, 2015)
 - e. The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996 (amend. 1997, 1998, 1999, 2000, 2003, 2004, 2007, 2010, 2012, 2014)
 - f. Law on Compensation of Land Substitute Costs and Damages due to Allocating Agricultural Land for Non-Agricultural Purposes 1997 (amend. 2005, 2006, 2007, 2009, 2010, 2011, 2013, 2014, 2015)
 - g. The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 11 June 2007 (amend. 2007,2008,2009 2010, 2011, 2012)
 - h. Law on state property 2010 (amend 2011, 2012,2013,2014)
 - i. The Law of Georgia on Public Register- No820 –IIs; December 19 of 2008; (amended 2009 2010, 2011, 2012, 2013, 2014, 2015)
 - j. The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999 (amend. 2005, 2007, 2010, 2013)
 - k. The Civil Procedural Code of Georgia, November 14, 1997(amend. 1998-2015)
 - l. The Law of Georgia on State property, June 21, 2010
 - m. Labour Code, May 25, 2006
 - n. Tax Code, January 2005
 - o. Law on Entrepreneurship, October 28, 1994

34. Overall, the above laws/regulations provide the principle of compensation at full replacement cost is reasonable and legally supported. The laws also identify the types of damages eligible for compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of income. Finally, these laws place strong emphasis on consultation and notification to ensure that the APs participate in the process. Income loss due to loss of harvest and business closure will be compensated to cover net loss. The above-listed laws and regulations give the possibility of applying the following mechanisms for legal application of the property rights:
 - Obtaining the right of way without expropriation through the payment of due compensation on the basis of negotiations, or in case negotiations fail through a court decision for expropriation, prior to commencement of the activities.
 - Expropriation which gives the possibility of obtaining permanent right to land and/or other real estate property on the basis of Eminent Domain Law and court decision through the payment of due compensation.

Expropriation

35. Acquisition of land through expropriation will be pursued under the project only in extreme cases when negotiations between APs and MDFG fail. Should the contract proposal fail, the expropriation process will commence by undertaking the procedures set out in the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” shall be applied. It is noted that under Georgian law, negotiation is seen as an alternative to expropriation, whereas under ADB SPS 2009 negotiation under threat of expropriation still qualifies as involuntary resettlement.
36. Pursuant to the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” the expropriation shall be carried out based on the order of the Minister of Economy and Sustainable Development of Georgia and a court decision. The order of the Minister of Economy and Sustainable Development of Georgia will determine the case of public needs, and grant the expropriation entity rights to obtain land. Only the court shall determine a state body or local authorities and/or legal entity under the Public Law/Private Law to which the expropriation rights can be granted. The court decision should also include a detailed inventory of the assets to be expropriated and the provisions on the compensation payable to relevant land owners.
37. Under no condition would the MDFG occupy the required plots until:
 - a. a court injunction has been obtained and properly communicated to the APs, and
 - b. the compensation/rehabilitation amounts are deposited in an escrow account.
 - c. Approved with compliance report accepted by ADB.
38. No land acquisition will take place until the compensation/rehabilitation amounts envisaged in the approved LARP are deposited in an escrow account in a treasury (project account/or the EA’s account). The deposited funds will be paid to AP upon the court decision on expropriation or in case the AP decides to drop the case and signs the agreement with the MDFG.

Legalization

39. The MDFG will provide technical assistance to APs qualifying as legitimate possessors of project affected land parcels. These APs will be assisted free of charge in the process of legalization of private ownership rights to project affected assets, followed with the registration of ownership title. Following, the AP will alienate project affected land parcel to the MDFG for project purposes in return for fair compensation amount calculated according to the unit rate determined in the approved LARP. Each LARP to be prepared shall include a separate section on legalization cases and relevant procedures (if any), including the needed budget as part of LARP administrative budget.

ADB Safeguard Policy Statement (2009)

40. ADB's safeguard policy statement (SPS 2009), lays out policy principles, and outlines the delivery process for ADB's safeguard policy.
41. **The Objectives of the Involuntary Resettlement (IR) policy** are as follows:
 - a. To avoid involuntary resettlement, wherever possible;
 - b. To minimize involuntary resettlement by exploring Sub-Project and design alternatives;
 - c. To enhance, or at least restore, the livelihoods of all displaced persons in real terms, relative to pre-Sub-Project levels; and
 - d. To improve the standards of living of the displaced poor and other vulnerable groups.

- e. **Objectives:** To avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.
42. **Scope and Triggers:** The involuntary resettlement safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (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. It covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.
43. **Policy Principles:** Resettlement planning is an integral part of project design for any ADB operation requiring involuntary resettlement, to be dealt with from the earliest stages of the project cycle, considering the following principles:
- I. Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
 - II. Carry out meaningful consultations with affected persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
 - III. Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
 - IV. Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
 - V. Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
 - VI. Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.

- VII. Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- VIII. Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- IX. Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- X. Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- XI. Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- XII. Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

Comparison of Relevant Georgian Laws and ADB SPS 2009 on Involuntary Resettlement

- 44. Overall, the legislation of Georgia adequately reflects the major provisions of the ADB SPS 2009, but a few differences are to be noted. The most significant difference is that under Georgian legislation the emphasis is put on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and compensated while in the case of ADB SPS 2009 the emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of Affected People (AP) and Households (AH).
- 45. As a result, the Bank's safeguards policy on Involuntary Resettlement complement the Georgian legislation/regulation with additional requirements related to:
 - a. the economic rehabilitation of all AP/AH (including those who do not have legal/formal rights on assets acquired by a project);
 - b. the provision of indemnities for loss of business and income, and
 - c. the provision of special allowances covering AP/AH expenses during the resettlement process or covering the special needs of severely affected or vulnerable AP/AHs.
- 46. Also, under Georgian law, negotiation is seen as an alternative to expropriation, whereas under ADB SPS 2009 negotiation under threat of expropriation is still qualifies as involuntary resettlement. In addition, the legislation of Georgia does not require any specific measure regarding the need to prepare LARPs based on extensive public consultations.
- 47. The Legal Matrix given in next table describes the differences between the legislation of Georgia and ADB SPS 2009 on LAR and describes the mitigation measures suggested to bridge these gaps.

Table 1. Legal Matrix

Georgia Laws and Regulations	ADB SPS 2009	Corrective Action
Land compensation only for titled landowners.	Lack of title should not be a bar to compensation and/or rehabilitation. Non-titled landowners receive rehabilitation and compensation for any structures and assets they may have on the land.	<p>In practice legitimate possessors of land parcel eligible to legalization may be and shall be legalized and owners of legalized land parcels are also compensated after they are issued with the necessary papers. MDFG will support those without legal titles so they can be titled and compensated before displacement occurs.</p> <p>In those cases where for some reason land users cannot be titled, the EA will seek the Government's approval for rehabilitation/compensation of such non-titled land users before displacement occurs.</p>
Temporary loss of Residence for only formal owners	All AH regardless of their formal or informal status	All AH will be compensated for temporary relocation according to the construction period of each structure occupied by the AH. Each AH will get the cash compensation, which is enough to rent a residence. The monthly compensation will be calculated by independent evaluator.
Only registered houses/buildings are compensated for damages/demolition caused by project-related land acquisition	All affected houses/buildings, regardless of legal status, are compensated for damages/demolition caused by project-related land acquisition	It is assumed, that majority of properties will be registered to actual user, with support of the project (legal and registration support). Accordingly the compensation will be paid to all affected households. In case of damages during construction period, the construction contractor will be responsible for compensation and MDFG LAR team will supervise the processes. For cases where they can't be registered see the Entitlement Matrix
Crop and trees losses compensation provided only to registered landowners	Crop losses compensation provided to landowners, sharecrop/lease tenants or other users such as squatters whether registered or not	<p>Practically all croplands are registered in Georgia either in Public register or in the villages.</p> <p>In case of leased land plots, the compensation will be paid to renters and other users for their actual losses and be given assistance to access some other land to continue activities.</p>
Compensation for loss of assets is based on market value without deducting depreciation	Compensation for loss of assets is based on market value without taking into account depreciation and should also include transaction costs such as taxes and registration fees. It should also include other	<p>Compensation will be paid based on market value without taking into account depreciation or value of salvage material; owners are allowed to retain salvaged materials.</p> <p>MDFG will have in place clear legal procedures to assist APs and cover all costs related to title recognition and</p>

Georgia Laws and Regulations	ADB SPS 2009	Corrective Action
	resettlement costs such as cost of preparing land for cultivation	transaction registration fees. The asset evaluation criteria will be based on replacement value as per ADB SPS 2009.
Executing Agency implementing the Project (EA) is the only pre-litigation final authority to decide disputes and address complaints regarding quantification and assessment of compensation for the affected assets. Complaints are reviewed in compliance with the formal procedures (rules) established by the Administrative Code of Georgia. There is no informal grievance redress mechanism through community participation at the local level.	Complaints & grievances can also be resolved informally through a project-level grievance redress mechanism which in some cases can have community participation through a Grievance Redress Committees (GRC), Local governments, and NGO and/or local-level community based organizations (CBOs)	The MDFG resettlement team will have in place a mechanism to receive, register and process grievances from APs. Representatives of municipalities, local authorities and villages will be involved in the process from early stages. This will ensure solution of disputes and claims (if it is possible) at community level, however if solution could not be found, the case will be processed in accordance to local legislation.
Decisions regarding land acquisition and resettlement are discussed only between the landowners and the agency in charge of land acquisition	The LARF and LARPs including information on criteria for valuation of affected assets, entitlements, and compensation/financial assistance are to be publicly disclosed and consulted on during the planning process	The preparation of the LARF and LARPs will be done through engagement with relevant stakeholders and the LARF and LARPs will be publicly disclosed and consulted on. However, no personal information of the AP or amounts each individual/household will receive will be disclosed publicly.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses	ADB policy requires rehabilitation for income/livelihood, severe losses, and for expenses incurred by the APs during the relocation process.	MDFG will have in place clear legal procedures to allow for additional assistance for severely affected and vulnerable households in accordance to the LARF, and for relocation compensation for all households qualified as vulnerable and/or severely affected
No specific plan for public consultation is provided under the Georgian laws	Public consultation and participation is the integral part of ADB's policy which is a continuous process at conception, preparation, implementation and finally at post implementation period	The public consultation process will be accomplished in accordance to ADB requirements and guidelines prior to and during LARF implementation
Recognition and compensation for business (officially	All kind of running business (officially registered or not-vendors etc.) will be	MDFG will ensure that all businesses will be recognized and compensated in accordance to LARF and LARP before

Georgia Laws and Regulations	ADB SPS 2009	Corrective Action
registered) losses resulting from project-related land acquisition based on official tax declaration	compensated in cash equal to 1-year based on tax declaration or, if unavailable (Loss of income from both formal and informal economic activities) based on the official minimum substance income	displacement occurs

48. To reconcile the gaps between Georgia laws/regulations and ADB Policy, MDFG has adopted this LARF for the entire Project, ensuring compensation at full replacement cost of all items, the rehabilitation of informal settlers, and the provision of subsidies or allowances for those APs who will be relocated, suffer business losses, or will be severely affected.

Chapter 3. Socio-economic Profile of APs

49. Each LARP should contain a chapter on socio-economic profile of LAR affected people identified within the project affected area, developed as a result of through census and socio-economic survey (SES) of 100 % present project affected households.
50. Once the preliminary design is available, LAR screening tasks will be carried out. Project ROW prepared based on available design (preliminary/detailed) will be superimposed on NAPR cadaster data and aerial photos, followed with the field visits for on-site identification of any possible land/assets acquisition requirements.
51. LARP preparation activities, to be completed with implementation-ready LARP, will be initiated for each sub-project in case LAR impacts are confirmed as result of screening activities.
52. Detailed Measurement Survey (DMS), a census of all AH and AP and a valuation of all affected asset will be carried out to identify the APs/AHs, project affected land, assets and business operations will be recorded and inventoried in presence of APs and local government representatives. All affected assets will then be evaluated for compensation purposes.
53. Socio-economic survey of project affected households is allocated a separate chapter in the LARP. The chapter describes main economic activities of members of AHs, education and literacy level, major sources of income, employment and vulnerability level of APs identified during the census and SES.
54. Thus, a good coverage of the livelihoods of the affected area should be given, that will provide sufficient feedback for the proposed livelihood restoration activities.
55. During project specific LARP preparation, socio-economic study carried out with the involvement of potentially affected people will be required and includes the following data:
 - a. Current occupants of the affected area as a basis for design of the LARP and to clearly set a cut-off date, the purpose of which is to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
 - b. Standard characteristics of affected households (gender disaggregated as relevant), including a description of production systems, labour, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
 - c. Information on vulnerable groups or persons, for whom special provisions may have to be made; and
 - d. The aim of Census and Socio-economic survey is to provision update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement, and to measure impacts (or changes) in their livelihood and living conditions.
56. Inventory of project affected assets defines the magnitude of expected loss, total or partial impact on land and assets, income loss and the extent of displacement, physical or economic.

Chapter 4. Compensation Policy

57. As stipulated in ADB SPS 2009 and as described in this LARF all project related impacts should be identified through the relevant studies undertaken during LARP 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 related 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.

Establishment of the Cut-off Date

58. Compensation eligibility is limited to APs by a **cut-off date**.
59. The best practice is to use the completion date of the census of displaced persons as the cut-off date. Timing is important. If the cut-off date comes too early, it can disadvantage displaced persons.

Therefore, the **cut-off date** will be the starting date of final census of APs and inventory of project affected assets for the the preparation of implementation-ready LARP. if during the Implementation of the LARP substantial changes are in place, that requires update of the LARP, this carried out as deemed necessary.

60. **APs who settle in the affected areas, or erect any fixed assets**, such as structures, crops, fruit trees, and woodlots and other assets, **after the cut-off date will not be eligible for any compensation**. However, they will be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures will not be confiscated and they will not pay any fine or sanction. Forced eviction will only be considered following exhaustion of all other efforts.
61. Each LARP prepared for specific sub-project will determine the cut-off date and this is the starting date of the final census of APs and inventory of project affected assets. The cut-off date will be defined for the whole sub-project and clearly stated in each LARP.

Eligibility Criteria for Compensation of APs

62. This LARF determines the eligibility criteria of project affected persons (APs) and provisions for compensating all types of losses: land, crops/trees, shelter, structures, business/employment, and workdays/salaries/wages. All APs, including land users without title or legitimate possession will be compensated for lost income and assets. Loss of land will be cash compensated at replacement cost at current market value in the amount to allow APs to acquire land of the same area, productivity and designation in vicinity of current location, as described in this LARF and relevant LARPs prepared later for each specific proposed sub-project.
63. The criteria for eligibility of compensation are based on APs belonging to one of three groups:
 - a. those who have certified and/or formal rights to use of occupied land;
 - b. those who do not have formal legal rights to land at the time of the DMS or census completions but have legitimate right to claim to such land or assets—provided that such claims are recognized under the laws of Georgia; (

- c. those who have no legitimate possession or is not eligible to claim for recognizable legal right to the land they occupy (i.e., land users without registered certificate and informal settlers).
64. APs who are entitled to compensation under this Project include:
- a. Persons whose houses or structures are in part, or in total, affected temporarily or permanently by the Project;
 - b. Persons whose residential dwellings, supplementary structures, fences/walls or commercial premises and/or agricultural land (or other productive land) is in part, or in total, affected (permanently or temporarily) by the Project;
 - c. Persons whose business is affected temporarily or permanently by the Project;
 - d. Persons whose employment or hired labor is affected, temporarily or permanently, by the Project;
 - e. Persons whose crops (annual and perennial) and/or trees are affected in part, or in total, by the Project, and
Persons whose access to community resources, public facilities or property is affected in part, or in total, by the Project.
65. Where land is to be acquired, landowners (APs) with registered Title Certificate, land-users and/or legitimate possessors of land/real property eligible to legalization of ownership rights (If it is registered by the national agency of public register) will receive cash compensation for land at replacement market value in the amount that will allow them to purchase a land parcel of equal size and productive value and be satisfactory to the AP.
66. Those APs that are not eligible for legalization of ownership rights under any rules or regulations being in force in Georgia are not eligible for compensation for land compensation but will receive compensation for assets attached to project affected land and other allowances as required (especially in the case of vulnerable APs).
67. All AHAH will be compensated for temporary relocation according to the construction period of each structure occupied by the AH. Each AHAH will get the cash compensation, which is enough to rent a residence. The monthly compensation will be calculated by independent evaluator
68. Households headed by single women and other vulnerable households⁵ will be eligible for further assistance to fully mitigate project impacts. Table 2 below presents the Entitlement Matrix that will be closely followed during preparation of LARPs for each specific sub-project.
69. It is worth noting that the Entitlement Matrix presented in this LARF will be used as a basic document, that will be altered in due manner to reflect any nuances detected during DMS, census, socio-economic surveys and inventory project affected assets undertaken during the LARP preparation period and provide relevant mitigation measures or reasonable approach for loss and impact compensation.

Compensation Entitlements

70. Entitlement provisions for APs losing land, houses, assets, business, income, and rehabilitation subsidies, will include provisions for permanent and temporary loss of land, residential house and commercial buildings, annual crops and trees, relocation subsidy, and business loss allowance based on tax declarations and/or lump sums as determined in the LARP.

⁵ Detailed explanation is provided in the Definition of Terms.

71. These entitlements are detailed below.

Loss of land (agricultural, residential, and commercial) will be cash compensated⁶ at full replacement cost at current market value identified at the moment of LARP preparation. **The unit rates will differentiate according to land use category, determined by the independent licensed valuator's report and confirmed in a separate LARP.** The unit rate per square meter of land will be determined in accordance to the widely adopted International Valuation Standards (IVS). Method for calculation of full replacement cost besides the value of affected asset, if needed, will also include cost of preparation of the land to levels similar to those of the affected land. The EA or the Consultant responsible for LARP development will hire independent licensed appraiser to meet the requirement stipulated under this LARP, follow the LARP's valuation methodology and determine unit rates for compensation per each type of loss any AP may incur as a result of proposed project.

72. Additionally, any fees/taxes related to processing legalization of ownership rights to project affected land parcel being under legitimate possession of AP, costs and fees for subdivision, registration of inaccurate records and at the NAPR registration of transaction of ownership title will also be covered by Executing Agency (MDFG).

73. APs that are not legitimate land users or are squatters, who have no legalizable legal right or claim to the land they are occupying (i.e. land users without registered certificate and informal settlers) are eligible to compensation for income and assets loss, and allowances as applicable, but not land.

74. NOTE: in each specific sub-project the nature and character of severe impact may vary from each other. It is most important that such cases are detected, clearly described, and relevant mitigation measures suggested in each LARP.

75. **Structures (residential houses, supplementary constructions, fences, walls, commercial facilities, etc.) are cash compensated** at replacement cost (i.e. Construction Cost) at current market value calculated for project affected structure and other fixed assets free of salvageable materials, depreciation and transaction costs.

76. Replacement cost calculation considers market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, the cost of any labor and contractor's fees, and the cost of any registration and transfer and any applicable taxes/fees. The compensation for residential houses/commercial buildings will include the cost of lost water and electricity connections.

In case of partial impacts, full cash assistance to restore the remaining structure will apply; if partial impact/demolition of a section of the building threatens deterioration of the structure or raises safety and security concerns, cash compensation will apply to the entire building and affixed assets of the affected structure.

77. **Community Structures and Public Facilities:** Reconstruction of the loss of resource/asset in consultation with community and restoration of their functions.

⁶Exceptional cases, land-for-land, i.e. in-kind compensation may be considered as alternative option, provided that a land parcel of similar productivity, designation, area and location can be offered as in-kind compensation, if such land is available and feasible, agreed by IA and acceptable to APs.

78. **Temporary relocation:** All AH will be compensated for temporary relocation according to the construction period of each structure occupied by the AH. Each AH will get the cash compensation, which is sufficient to rent acceptable residence for living. Prior to rehabilitation of the property, beneficiaries will be informed regarding the allowance packages and other LARP related information; written consent by the owner/user will be received, compensations will be paid and after this will be started rehabilitation. The monthly compensation will be calculated by independent evaluator during preparation of the LARP.
79. **Trees and crops:** Cash compensation at market rate on the basis of type, age and productive value of the trees. (based on the expected yield of the tree, multiplied by the number of years required to grow a tree of equivalent productivity). Crop compensation in cash at market rate for gross crop value of expected harvest.
80. **Businesses Owner:**
- a. **Permanent Impact:** cash compensation for 12 months income based on a tax declaration; if unavailable, based on the official fixed for a 5-member family according to www.geostat.ge (12 months).
 - b. **Temporary stoppage of business:** cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum subsistence allowance for months of business stoppage (5-member family)
81. **Permanent business worker/employees:**
- (i) Permanent impact stoppage business indemnity for lost wages equal to actual wage for 3 month or in case of absence of tax declaration, one-time minimum allowance (5-member family) subsistence in cash for 3 months. For all the above, some acceptable official documents need to be presented, ie. salary payment document, accountant/financial report.
 - (ii) Temporary impact cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum subsistence allowance for months of business stoppage (5-member family).
82. **State-owned agricultural land leaseholders and workers:** Affected leaseholders will be receive cash compensation for loss of crops; Annual crops will be compensated in cash at gross market value of actual or expected harvest; All other private assets and improvements will also be evaluated to be cash compensated at full replacement value according to established practice. If any private perennials or other assets are affected compensation will be calculated according to LARF and project-specific LARP stipulations.
83. **Relocation/Shifting:** APs subject to physical displacement, resettlement will receive a one-time relocation subsidy sufficient to cover transport costs to be determined in separate LARP and plus allowance to cover living expenses for three (3) months at minimum subsistence income level.
84. Any details related to the permanent/temporary resettlement, will be specified in the LARP.

Additional Rehabilitation Measures for Vulnerable and Severely Affected AHs

85. In compliance with ADB SPS 2009 and this LARF each LARP shall consider additional rehabilitation measures to be provided once vulnerable and severely affected APs are detected during LARP related surveys (DMS, census, socio-economic survey, title search) and LARP preparation.
86. **Assistance for vulnerable people:** In addition to the compensation of lost land and assets vulnerable AHs will be provided with additional rehabilitation measures; in particular, one-time allowance set to three (3) months of the minimum subsistence income level for family of five members⁷.
87. Additionally, other capable members of families with vulnerable APs will be given priority in employment in project-related jobs.
88. **Severe Impact:** All severely affected AHs including informal settlers in addition to the compensation of lost land and /or crops, severely affected AHs will be provided with additional rehabilitation measure; in particular, one-time allowance equal to cash compensation calculated based on the minimum subsistence monthly income level for the family of five (5) members multiplied to 3 months per AH. More details are provided in the Entitlement Matrix (Table 2) below.

Impact related to spoil disposal areas and construction camps

89. Temporary impacts: Temporary access will be set up by Construction Company. However, in case of any temporary impact caused by the use of land for camp or as a temporary disposal area, will be regulated by private agreements between the Contractor and the land owners and reported respectively.
- 90.
91. Permanent impacts: Any permanent impact on land caused by the use of land for permanent disposal of unsuitable material or debris remaining after demolition of existing parts of the road, will be adequately compensated as per the provisions set up in the LARP. In addition, adequate livelihood assistance for loss of hay and grazing grounds, if any, will be assessed and provided during implementation. Such cases shall be properly reported under the project reporting requirements in accordance with SPS 2009.

Escrow Accounts

92. Amount of cash compensation will be deposited on the special account under authorization of the MDFG, if during LARP implementation process, any AP is missing, absent, or deceased, issuance of compensation is postponed due to legal procedures or is not received by the AP due to any other legitimate reason.

Table 2 Entitlement Matrix

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
Land			
Agricultural Land: Permanent land loss, access or damage.	AP losing productive land regardless of impact severity	Registered Owner/Legal: Owner with full registration	Cash compensation at full replacement cost based on current market value. If the residual plot becomes unviable for cultivation, the project will acquire it if the owner so desire.

⁷ Amounts to be updated monthly based on the current national indicators available on the official website of National Statistics Office of Georgia. Link: <https://www.geostat.ge/>

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
		<p>Legalizable Owner: (APs with title formalization pending and APs who are not registered but legitimately use the land and have residential land or agricultural plots adjacent to the residential land)</p> <p>Non-legal/Informal Settler: APs that are not legitimate land users or squatters</p>	<p>The ownership rights of these APs will be recognized, the land registered in NAPR and the APs provided with cash compensation at full replacement cost.</p> <p>Non-legalizable APs losing agricultural land plot will be compensated with one-time allowances in cash equal to a minimum monthly subsistence allowance for a 5 members family for 12 month period where land is actively cultivated, or 3 month period where land is barren/unused.</p>
		Agricultural Tenant	Full Compensation of income of lost crops x the remaining years (up to 4 years) of lease, unless otherwise provided by the lease agreement. In case of tenancy no crop compensation will be given to the land owner, and implementing agency, in consultation with local government, will provide assistance to the tenant with the search of replacement lease/tenancy
Non-Agricultural Land	AP losing their commercial/residential land	Registered Owner/Legal: (Owner with full registration)	Cash compensation at full replacement cost.
		Legalizable Owner: (Legalizable owners according to active legislation)	The ownership rights of these APs will be recognized, the land registered in NAPR and the APs provided with cash compensation at full replacement cost.
		Non-legal/Informal Settler (Without registration/valid documents using land permanently.)	Non-legalizable APs losing a land plot, which is the only land plot used for residence or providing the main source of income for the AH, will be compensated with one-time allowances in cash equal to a minimum monthly subsistence allowance for a 5 members family for 12 month period. This only applies to physically displaced APs who do not have other residence.
Temporary Impact on land plot	N/A	N/A	Temporary land impacts will be compensated based on the productive value of the plot during the period of impact and after their use will be re-established by the EA at the pre- impact productive conditions.
Buildings and Structures			
Residential and non-residential structures/assets		All AHs regardless of their legal ownership/ registration status (including legalizable and Informal Settlers)	Cash compensation for loss of building/structures at full replacement costs free of depreciation and transaction costs
Temporary loss of Residence	AH has to be relocated during the	All AH regardless of their formal or informal status	All AH will be compensated for temporary relocation according to the construction period of each structure occupied by the AH.

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
	rehabilitation work		Each AH will get the cash compensation, which is sufficient to rent acceptable residence for living. Prior to rehabilitation of the property, beneficiaries will be informed regarding the allowance packages and other LARP related information; written consent by the owner/user will be received, compensations will be paid and after this will be started rehabilitation. The monthly compensation will be calculated by independent evaluator during preparation of the LARP.
Loss Of Community Infrastructure/Common Property Resources			
Loss of common property resources	Community/Public assets	Community/Government	Reconstruction of the loss of resource/asset in consultation with community and restoration of their functions.
Loss of Income and Livelihood			
Crops	Affected standing crops or agricultural land, used permanently for crop cultivation.	All APs regardless of legal status (including legalizable and Informal settlers)	Crop compensation in cash at market rate for gross crop value of expected harvest.
Trees	Trees affected	All APs regardless of legal status (including legalizable and Informal settlers)	Cash compensation at market rate on the basis of type, age and productive value of the trees. (based on the expected yield of the tree, multiplied by the number of years required to grow a tree of equivalent productivity).
Business/Employment	Business/employment loss	All APs regardless of legal status (including legalizable and Informal settlers)	<p><u>Owner:</u></p> <p>(i) (<u>permanent impact</u>) cash indemnity of 1-year net income or in the absence of income proof, or in cases where APs have paid tax based on a flat rate, they will receive compensation equal to 12 months minimum subsistence allowance for a 5-member family.</p> <p>(ii) (<u>Temporary impact</u>) cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum subsistence allowance for months of business stoppage (5-member family)</p> <p><u>Permanent worker/employees:</u></p> <p>(i) Permanent impact stoppage business indemnity for lost wages equal to actual wage for 3 month or in case of absence of tax declaration, one-time minimum allowance (5-member family) subsistence in cash for 3 months. For all the above, some acceptable official documents need to be presented, ie. salary payment document, accountant/financial report.</p> <p>(ii) Temporary impact cash indemnity of net income for months of business stoppage. Assessment to be based on tax declaration or, in its absence, minimum subsistence</p>

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
			allowance for months of business stoppage (5-member family).
Allowances			
Severe Impacts	Permanent physical relocation or loss of >10% of productive assets	All severely affected AHs including informal settlers	in addition to the compensation of lost land and /or crops, severely affected AHs will be provided with additional rehabilitation measure; in particular, one-time allowance equal to cash compensation calculated based on the minimum subsistence monthly income level for the family of five (5) members multiplied to 3 months per AH.
Livelihood restoration	APs losing more than 10% of their agricultural productive assets	All severely affected households AHs including informal settlers	Agricultural livelihood restoration: Two times annual harvest yields (at verified market rates) for all types of crops (inclusive of hay) and trees from the area affected by the land take, for all severely affected households. If this amount is less than 3 months minimum subsistence allowance, 3 months of minimum subsistence allowance will be paid instead.
	APs losing more than 10% of their non-agricultural productive assets	All severely affected households including informal settlers	Non-agricultural livelihood restoration: A livelihood restoration package of 3 months of minimum subsistence.
Relocation/Shifting	Transport/transition costs	All AHs to be relocated	An allowance covering transport and livelihood expenses for the transitional period. (200 GEL as vehicle hire charge + minimum subsistence allowance for 3 months.
Vulnerability Allowance		AHs below poverty line, AHs headed by women, AHs headed by disabled people and refugee' households/internally displaced people.	One-time minimum subsistence allowance in cash for 3 months fixed for 5-member family and employment priority in project-related jobs where feasible. Additional assistance in kind will be provided to facilitate relocation or transition – this may include (logistics, relocation planning, assistance with replacement housing search, as appropriate).
Unforeseen impacts during construction, including temporary impacts and impacts on livelihoods not otherwise assessed.	Impacts during construction to properties or assets out of the corridor of impact or RoW	All APs	Due compensation to be assessed and paid when the impacts are identified based on the above provisions and on the requirements of SPS 2009
Impacts related to spoil disposal	Temporary impacts	APs using affected pasture lands	Any temporary impact caused by the use of land for camp or as a temporary disposal

Type of Loss	Application	Definition of AH/APs	Compensation Entitlements
areas and construction camps.			<p>area, will be regulated by private agreements between the Contractor and the land owners.</p> <p>Should such temporary impacts also affect persons using pasture lands other than the owners, adequate livelihood assistance for loss of hay and grazing grounds will also be assessed and provided during implementation.</p>
	Permanent impacts		<p>Any permanent impact on land caused by the use of land for permanent disposal of unsuitable material or debris remaining after demolition of existing parts of the road, will be adequately compensated as per the provisions set up in the LARP. In addition, adequate livelihood assistance for loss of hay and grazing grounds, if any, will be assessed and provided during implementation.</p>

93. Any details related to the permanent/temporary resettlement, will be specified in the LARP.

Chapter 5. Institutional Arrangements

94. The Chapter describes the role, authority, and responsibility of state agencies involved in the process of LARP preparation and implementation. These agencies are: Executing Agency is the Ministry of Regional Development and Infrastructure of Georgia (MRDI), Implementing Agency is Municipal Development fund of Georgia (MDFG), Municipality Land Acquisition and Resettlement Office (MLARO), NAPR, Ministry of Infrastructure and Sustainable Development, Ministry of Finance, ADB, NGOs, and consultants.
95. Below are described their roles and responsibilities with regard to the proposed project:
96. **MDFG:** Carries responsibility for all LARP related issues on local and National levels. Besides, the MDFG is in charge to:
- a. Hire and supervise consultant involved in preparation LARP based on the detailed design;
 - b. Formation of MLARO in relevant Municipality;
 - c. Coordination all LARP related activities;
 - d. Presenting all necessary documents to ensure rapid allocation of resettlement budget and undertaking further payment of defined compensation amounts to project affected persons;
 - e. Provision of internal monitoring through supervision consultant, and
 - f. Deploying independent monitoring agency, in case such is requested by the ADB.
97. **MLARO:** Involvement in LARP preparation and implementation and coordination of LARP implementation related activities on Municipality level. MDFG will join the MLARO composition, together with the following candidates:
- a. Representative of local Municipality
 - b. MDFG representative responsible for LARP activities
 - c. MDFG local representative, and
 - d. Representative of project affected community /population.
98. **Supervision Consultant:** Supervision Agency responsible for construction supervision activities, to observe and monitor completion of all compensation/rehabilitation payment procedures prior to construction contractor entering the site.
99. **Ministry of Finance:** Allocates compensation and rehabilitation funds based on the submitted land acquisition and resettlement plan and relevant budget.
100. **Ministry of Justice/NAPR:** The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry within the Ministry of Justice is in charge of land registration and transfer of title through purchase agreement from landowners to the MDFG.
101. **Local Courts:** In case of expropriation issues, MDFG will have to rely on the relevant court, which based on due legal process will have to review the expropriation cases, carry out a hearing and decide whether the land can be expropriated and at what price.

102. **Ministry of Economy and Sustainable Development:** Ministry of Economy and Sustainable Development (MOESD) issues a decree confirming necessity for expropriation and assigning the MDFG as the expropriator authorized to execute expropriation. Decision on the expropriation will be resolved in about 1 month.
103. **International Financial Institution (ADB):** Where applicable, besides regular supervision of the project activities, the ADB will also review LARF, LARPs, Compliance Reports, and clear contract awards signing and initiation of civil works to all sub-projects with LARP implemented/DD developed for sub-projects with confirmed no LAR impacts.
104. **Independent Monitoring Agency (IMA):** Within the scope of the proposed project the IMA will be deployed to assess the LARP implementation results and develop Final Compliance Report, only in case the sub-project is categorized as A as per ADB OM/F1.
105. **MDFG** will supervise the physical resettlement and economic displacement of APs, monitor construction and reinstatement process with support from the supervision consultant. The institutional arrangement for the Project implementation is presented in the following figure.

Local Governments

106. Local government especially at Sakrebulo level has direct jurisdiction for land administration, in addition provides continuous support during project planning and implementation phases, and acts as the liaison between the IA and local population and other state agencies at rayon level.
107. Mayor of Municipality the executive agency at the local level is involved in the project planning and implementation activities and ensures effective inter-agency coordination to enhance the pace of project required official decisions, as requested.
108. NGOs practicing in concerned field will participate in public consultations and draft LARP public disclosure process to provide feedback and suggestions. Representative of local NGO will be invited on boards of 1st level GRC.

Consultants

109. Different types of consultants will be involved in LAR tasks:
 - a. **Design consultants:** These will include international and local LAR capacity and needed survey teams carry out the same activities for updating/finalizing the LARPs of first tranche based on the detailed engineering design and will also prepare LARPs.
 - b. **Supervision consultants:** These include international and local LAR capacity and needed survey teams and will assist in overall Project supervision.
 - c. **Social Safeguards Consultant (SSC):** This consultant will be hired to conduct the regular monitoring and evaluation of the LARP implementation. During construction phase will monitor social safeguards issues and grievances, prepare semi-annual and annual reports, organise consultations, meetings, also participation in the LARP implementation process.
 - d. **Independent Asset valuers:** These will be accredited private firms to be hired by the Design consultants to carry out the evaluation of affected assets.

Chapter 6. LARP Preparation and Implementation

LARP Objectives

110. The overarching objective of the LARPs in relation to land and asset acquisition is to avoid physical or economic displacement, and when it cannot be avoided compensation and mitigation measures should be planned and implemented to ensure that APs are provided with fair compensation and reasonable assistance to improve, or at least restore their living standards and livelihoods to pre-project levels.
111. Each LARP also include four important elements: (i) impact assessment, (ii) compensation to replace lost assets, livelihood, and income; (iii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and, (iv) assistance for restoration of livelihood to achieve at least the same level of well-being with the Project as without it.
112. LARPs prepared within the framework of the project should be bases on the following principles:
 - a. Involuntary resettlement is to be avoided or at least minimized;
 - b. Compensation must ensure the maintenance of the APs' pre-project living standards;
 - c. APs should be fully informed and consulted on compensation options;
 - d. APs' socio-cultural institutions should be supported as much as possible;
 - e. Compensation will be carried out with equal consideration of women and men;
 - f. Lack of formal legal land title should not be a hindrance to compensation;
 - g. Particular attention should be paid to households headed by women and other vulnerable groups and appropriate assistance should be provided to help them improving their living standards;
 - h. Land acquisition and resettlement should be conceived and executed as a part of the project, and the full costs of compensation should be included in project costs and benefits, and
 - i. Compensation/rehabilitation assistance will be paid prior to commencement of civil works, i.e. before an impact occurs.
113. Each LARP shall include a LARP implementation budget. LARP implementation schedule should be linked to the procurement of civil works. Construction of civil works will not commence until compensation has been paid to all present APs. Compensation will be determined based on the replacement cost at current market rates and valuation methodology described in this LARF will be used as a guide to incorporate valuation methodology and unit rates per each type of loss identified during surveys and preparation of a specific LARP for each proposed sub-project.
114. As a result of data verification, the legalization and/or cadastral correction cases shall be revealed and included in the LARP implementation plan along with needed budget. APs that do not have proper registration or titles but are legitimate occupants of the plots they lose will be legalized and registered in the National Agency of Public Register. Afterwards they will receive full compensation as eligible APs.
115. IA/EA may decide to deploy authorized agency or other third party (for instance, alternative licensed valuator) to ensure the sample check and verification of quality of valuation and ensure that there are no systematic gaps in valuation and compensation unit rates determined in accordance to the Valuation Report prepared by the independent licensed valuator are accurate and reasonable.

LARP Preparation and Implementation Schedule

116. The sample of LARP implementation schedule to be included in each LARP is described in table below. The tasks and implementation timeframe⁸ will be identified according to complexity and volume of work of each separate project implementation milestones. LARP preparation and implementation steps are summarized in table below.

117. **Table 3. Sample of LARP Implementation Schedule**

Tasks	Months									
	1	2	3	4	5	6	7	8	9	10
LARP Preparation										
Public Consultations	●									
Census of 100 % of located APs										
SES of AHs										
Inventory of project affected assets										
Preparation of valuation methodology and determination of compensation unit rates										
Development of draft LARP										
Draft LARP Public Disclosure and Consultations						●				
based on feedback update to Final LARP										
LARP upload to ADB/ MDFG websites							●			
Govt. approval of APs List						●				
Mobilization period										
LARP implementation										
Selection of replacement lands, if needed										
Preparation of compensation package per each AP										
Assisting APs in opening personal bank accounts										
Processing land takes and Compensation Agreements										
Delivery of compensation										
Resolution of outstanding issued and expropriation, if any										
Internal Monitoring Reports										
External Monitoring Report (Cat A projects)										●
Construction Contract award										●

⁸ Based on experience in Georgia preparing and implementing a LARP may require a few months and will require the steps summarized in Table 4 below.

Chapter 7. Public Consultation, Participation and Documents Disclosure

118. Due to the circumstances formed throughout the world related to the virus outbreak (COVID 19), social distancing has been applied amongst the population and public consultations in the course of infrastructural projects implementation may become the source of virus spreading. Therefore, it is essential to find alternative sources of communication with the stakeholders so that the recommendations issued by the World Health Organization (WHO) and the Government of Georgia (GoG) are not violated. It is of high importance also that public and direct consultations with all stakeholders are held in order for the stakeholders and other locals, residing at the Municipality to be thoroughly informed of current and planned infrastructural projects and social and environmental matters related to the referenced projects. Applying of that method will enable them to not only receive the information by means of various sources, but also to participate directly in discussions, ask the questions and be involved in ongoing processes. Due to general development of internet network and its availability in many resided areas throughout Georgia, people have access to many social networks and apply them successfully in their everyday lives. Hence, it is possible to hold the public consultations in the remote mode by applying available internet social networks and various communication applications. It will depend also on network and internet applications, being used by local residents. After the end of the pandemic, public consultations will be resumed as soon as permissible.
119. First Stage: Notification and Warning on holding of Consultations in the remote mode All these stakeholders will be contacted using distant communication channels (via personal computer, mobile phone) as described below during state of emergency. During the phone conversation, population will be notified of planned public consultations to be held for respective document. There will be developed the list to reflect the communication means of population in order to identify internet connection availability. Generally, population use their android phones and computers for connection with the internet network. Phone communication will identify also which technique, social and communication means the stakeholders use for their availability and involvement in internet conference dedicated to the public consultations, to be easy and accessible.
120. The phone communication will identify also those who have no means of communication, except for the phone. MDF will support them in registration procedures. Such persons will be provided with the information by phone, and if they require visualization of the project, along with the documentation to be reviewed, then the authorized persons from the local Municipality will visit them as per the regulations and recommendations set by WHO, and familiarize them with the required documents.
121. Due to the virus outbreak (COVID 19), only grocery stores and pharmacies are functioning in Georgia and respectively, these areas are the most visited places by locals. For more people to be involved in public consultation, information booklets reflecting detailed information about the forthcoming consultation meetings will be placed at the sites of groceries and pharmacies. Information on conducting of public consultations will be uploaded as usual at the web page of LEPL Municipal Development Fund of Georgia.
122. Holding of Public Consultation and Direct Consultations by applying of Internet Applications and Social Networks There will be applied Facebook, Skype, WhatsApp, Viber and other

useful applications as means of communication. In the course of public consultation there will be involved as many people as optimal for enabling information perceiving and participating in discussions. The public consultations will be led by the Moderator along with the other official representatives (of PIU, Municipality, Community members, etc.), who will familiarize participants with the information aimed at better perceiving of information provided, present the illustrated material (presentation) and enable the participants (e.g. engineer, consultant, Municipality representative) of internet conference to express the opinions, in case of need. In the course of the presentation, each participant will be able to provide his/her feedback, ask the questions, and to be responded as well. Following questioning/responding, the Moderator will summarize the meeting and close it up. Upon finalization of Public Consultations, participants will be able to send additional and other type of information that they believe is important, to the addressee - by means of social network. Special attention will be paid to vulnerable group and dedicated discussions will be provided to them

123. Recording of Public Consultations and Direct Consultations held by Internet For each sub project/safeguard documents there is to be developed the Minutes of Meeting (MoMs), reflecting the information provided in the course of that meeting, along with the asked questions and responses, and other information, if it is required to be provided in given conditions. The MoM will be enclosed with the list of participants of internet conference and joint photo of participants of internet groups. Information on holding of public consultation, as well as the list of participants and photos will be the part of the document to be prepared in accordance with the Safeguards Policy.
- For continued consultations, the following steps are envisaged in the project:
 - Final LARP will be disclosed in Georgian and English languages upon receiving approval from the ADB;
 - MDFG will organize public meetings and will inform the communities about the progress of the implementation of resettlement, and social activities;
 - MDFG through its RMT will organize public meetings to inform the community about relocation alternatives/options, the compensation and assistance to be paid in the event of permanent or temporary loss of business or income. Regular update of the progress of the resettlement component of the project will be placed for public display at the local level MDFG office and at local Municipal Office;
 - All monitoring and evaluation reports of the LARP will be disclosed to
 - MDF will conduct information dissemination sessions at Local Municipality and solicit the help of the local community leaders to encourage the participation of the AHs in LARP implementation;
 - Attempts will be made to ensure that vulnerable groups understand the process and to take their specific needs into account;
 - Additionally, leaflets will be disseminated with all project affected persons during the public consultations. These leaflets will include information about contact person and her contact details (Telephone Number and E-Mail address).
 - During the LARP implementation all affected households will be addressed individually. They will be informed in details about the project impacts and compensation values by separate tallies. Explanation will be given regarding the valuation methodology and other issues, available grievance redress mechanisms, etc.
 - Prior to beginning of civil works at each building / property a walk-through will be organized on site with APs, MDF resettlement specialist, and engineer to go over the detailed plan of works, activities to be included and not included in the building rehabilitation, and address specific questions APs may have on the upcoming works on their property. MDF will keep records of

these on-site discussions / walk-through including dates, names of participants, brief description of questions and issues raised and solutions found, 'before photos' of the residence to be able to compare with the state of the residence after the project.

Information publication

124. The final English and Georgian versions of the LARP will be uploaded on the MDF And ADB web-site.

Public Information Booklet

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

This PIB will be distributed to all APs and communities in the sub-project area. The PIB will be translated into Georgian. The general contents of the PIB will include the following:

- a. Brief description of the project;
- b. Project impacts, compensation entitlements and rights of APs;
- c. Resettlement and rehabilitation policies for all types of impacts;
- d. Institutions responsible for resettlement and time-frame (schedule), including the expropriation procedures if any;
- e. Information dissemination to and consultations with APs and stakeholders;
- f. What to do if APs have a question or a problem;
- g. Outline of the grievance redress procedure, and
- h. Requirements for monitoring and evaluation, including independent monitoring.

LARF Public Disclosure

126. This draft LARF in Georgian and English will be disclosed on the MDFG and ADB websites.

Chapter 8: Grievance Redress Mechanism

Objectives

127. In projects implemented by MDF, grievance resolution is viewed as a two-stage process. The first stage involves locally available means, such as discussing the concern with Deputy Resident Engineer or Contractor, on site focal point from Supervision Consultant / Contractor, or/and writing to local municipality for resolution of grievances on the spot. The grievance redress mechanism shall deal with the issues of e.g. amount of compensation, loss of access roads, etc. as well as the losses and damages caused by the construction works, e.g. temporary or permanent occupation of land by the contractor. Therefore, the grievance redress mechanism shall be in place by the time the MDFG starts negotiations with the APs and shall function until the completion of the construction.

Grievance Resolution Process

128. Grievance redress procedures of Stage 1 (including formal or informal procedures' logged information and monitoring) are the first attempt of dispute resolution allowing the APs and the project implementation team to resolve the disagreement without any formal procedures, procrastination and impediments. The international experience of resettlement 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 AP is not satisfied, the grievance redress mechanism should assist them 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.).
129. Stage 2 – review of AP's complaint. (GRC) for the whole period of the project implementation. GRC shall review the written complaints of APs, which were not satisfied at Stage 1. At stage 2 GRC shall make a decision in compliance based Georgian legislation and ADB Safeguard policy (SPS 2009)
130. The present Procedures are developed specifically for the purposes of Stage 2 process of grievance resolution by the GRC. The purpose of these GRC Procedures is to make MDF more accessible to project affected communities and to help ensure efficient resolution of project-related complaints
131. Upon receipt of the complaint it will be registered at the reception of MDF. The complainant shall be given a receipt evidencing submission of his/her complaint with the MDF. The receptionist will direct the complaint to the Director of MDF, who shall screen all incoming claims and within 5 working days of receipt of such claim by the reception office, direct the appropriate claims to the Safeguards Unit. Safeguards unit will register the complaint in its electronic database. Upon registration in the database the complaint will be assigned a number.
132. after registration of the complaint in the database of Safeguards Unit, the Safeguards unit will notify the complainant in writing (letter, and/or email) that the complaint has been

received, registered, and forwarded to the project team for action as well as the number assigned to the complaint and the contact information for further queries and clarifications.

133. Within 15 working days of registration of the complaint in the database the Safeguards unit will:
 - Determine if additional information and/or documents necessarily need to be provided by the complainant, and if so, request the complainant in writing to submit such additional information/documents.
 - Obtain relevant and necessary information internally, from MDF's various departments or from project partners.
 - Decide on the date when the complaint shall be presented to the GRC for hearing;
 - Inform the complainant of such date, if necessary;
 - Update the status of the complaint in the database.

134. GRC Hearing shall be held at least once a month. Any complaint must be heard within two months after its registration at the MDF reception. The agenda of the GRC hearing, with a list of complaints to be reviewed at that hearing shall be set in advance. Such Agenda, together with a short brief/summary on each complaint shall be sent to each member of the GRC at least 3 working days prior to the date of the GRC hearing.
 - The staff member responsible for each complaint shall first present a short description/summary of the complaint, and then answer any questions the GRC members may have. Final decision based on the deliberations and discussions is made by the Committee by the majority of votes. If needed, the complainant may be invited to the hearing to present evidence related to the case. Copy of the minutes from the hearing shall be provided to the relevant IFI.

 - The decision adopted by the committee shall be signed by the Executive Director within 5 working days of such hearing. The final decision shall contain a timeline of its implementation.

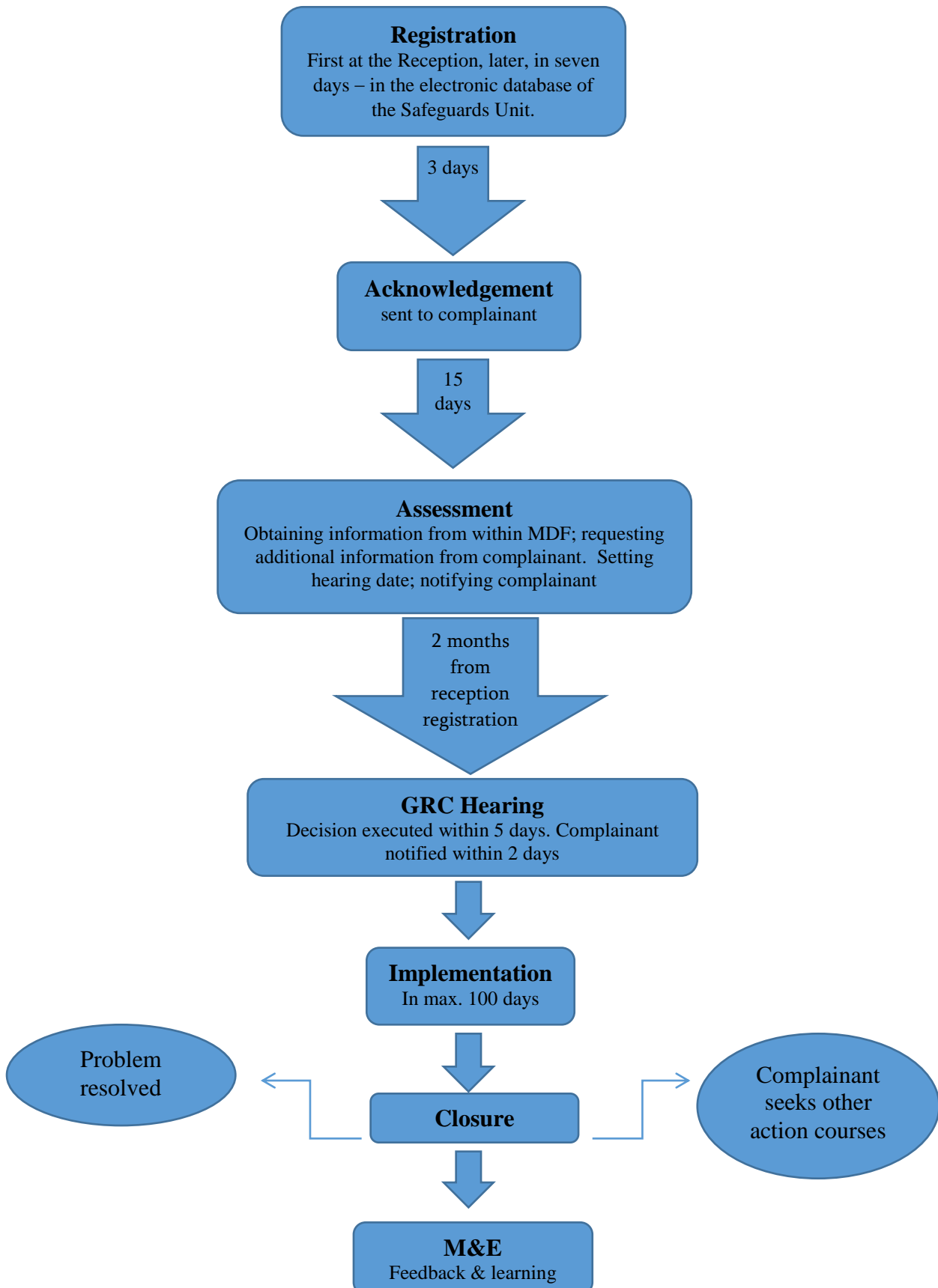
 - The information letter (regarding the decision) to the complainant shall be sent in writing within 2 working days after signing of the resolution by the Executive Director. The response provided to complainant(s) should be informative and include relevant details.
 - Safeguards Unit will update the status of the complaint in the database accordingly.

 - MDF's appropriate Unit shall be responsible for the follow up and implementation of the GRC decision in accordance with the resolution. Safeguards unit shall report to each following GRC meeting on the progress and status of implementation of the previous GRC meeting decisions.

 - Implementation time frame will be case specific but should not normally exceed 100 days. GRC secretary will monitor implementation of the actions.

 - When all actions decided at the GRC hearing have been taken the complaint is considered closed. The GRC will inform the complainant that all actions have been taken and the problem has been resolved and closed, and/or that the complaint has been rejected and is closed. If no response is received from the complainant during three weeks, the complaint shall be considered officially closed.

135. If the MDFG decision fails to satisfy the aggrieved APs, they can pursue further action by submitting their case to the appropriate court of law.
136. The complaints and grievances will be addressed through the process described below in figure 2.
Figure 2



Grievance Form

#		
Full Name, Surname		
Contact Information Please, fill in how you want to be contacted (post, telephone, e-mail)	<input type="checkbox"/>	Post: please indicate your postal address: _____ _____ _____
	<input type="checkbox"/>	Telephone: _____
	<input type="checkbox"/>	E-mail: _____
Preferred contact language	<input type="checkbox"/> Georgian <input type="checkbox"/> English <input type="checkbox"/> Russian	
Description of Grievance/ Claim:		What happened? What you claim?
Negotiation Date:	Decision after the negotiation:	
What is the reason of your claim?		
Signature: _____ Date: _____		

Formation of GRC

137. At the LARP preparation stage during the consultations meetings and negotiations the APs shall be fully informed of the grievance redress mechanism, its functions, procedures, contact persons and rules of making complaints through oral information and booklets. Care will always be taken to prevent grievances rather than going through Stage 2. The achievement of this goal can be ensured through careful planning and preparation of LARP, active participation of APs, continued consultations with APs through regular site visits by MDFG safeguard representative. Prior to beginning of works leaflets will be disseminated with all project affected persons during the public consultations. These leaflets will include information about contact person and her contact details (Telephone Number and E-Mail address). GRM information will also be posted on the project site and at the entrance of local municipality building in a clear and visible way.
138. APs will be informed thoroughly about the instructions of both, the Project and the ADB, including the Grievance Redress Commission (GRC) within the scope of the project and members of the Commission.

ADB Accountability Mechanism

139. When and the project GRM and ADB Operations Team have already been engaged and the AP is not satisfied with the outcome. The complainant can appeal the decision and bring the case to the ADB Accountability Mechanism⁹.
140. The GRC established under MDFG does not in any way impede APs access to the judicial or administrative remedies of the Country of Georgia.
141. LARP Public Information Booklet and Grievance Redress Form attached will carry the contact information for the Complaints Receiving Officer to be readily available once any AP may wish to register a complaint with the ADB AM.

Chapter 9: Monitoring and Reporting Requirements

142. The Project will establish systems for internal monitoring and evaluation. The main purpose of the monitoring and evaluation programme is to ensure that resettlement and acquisition of land and properties have been implemented in accordance with the provision of ADB's SPS 2009, the laws of Georgia and with this LARP.

The objectives of the monitoring and evaluation programme are:

- a. To ensure that the standard of living of AHs is restored or improved;
- b. To monitor whether or not the time lines are being met;
- c. To identify problems or potential problems;
- d. To identify immediate/rapid response methods to mitigate problems or potential problems, and
- e. To ensure that the GRM is functioning and grievances, if any, are being addressed timely and effectively.

Internal Monitoring

143. The MDFG will conduct regular monitoring and assessment of the given project in line with the other on-going infrastructure projects through following the procedures established and successfully implemented by the company.
144. To achieve the main purpose and objectives of internal monitoring the MDFG will ensure to provide significant attention to the following aspects of project implementation process:
 - a. Frequency and quality of information campaign and consultations hold for project affected people
 - b. Status of land acquisition and payments of compensations for project affected assets
 - c. Status of provision of additional rehabilitation and mitigation measures
 - d. Close monitoring of complaints and grievance management.

Independent External Monitoring

145. The MDFG will deploy independent consultant to undertake External Monitoring and preparation of Final Compliance Report for Category A projects.

⁹ <https://www.adb.org/site/accountability-mechanism/main>

146. The tasks and responsibilities of the External Monitoring Consultant will be to minimum assess the following aspects:
- a. Identify the extent of compliance of the activities undertaken under the LARP implementation process with the Procedures and Guidelines of ADB as set out in the ADB SPS 2009;
 - b. Review the process of land legalization, transactions registration, assessment of the effectiveness and thoroughness of their implementation;
 - c. Public meetings and information disclosure on proposed project, the level of accessibility for interested parties; efforts encouraging participatory involvement of APs/AHs in planning and implementation of resettlement plan;
 - d. Project related institutional arrangements and the level of efforts of local governance in LARP implementation process; actions and efforts undertaken by the PIU to compensate APs according to the terms and conditions identified under the LARP stipulations;
 - e. Conducting appropriate surveys to assess the satisfaction level of AP's;
 - f. Review the accuracy of inventory of project affected assets and assess the fairness of calculation of compensation package per AH;
 - g. Review 100% of complaints and assess the efficiency of grievance redress mechanism;
 - h. Obtainment of the confirmation that 100% of APs received the assigned compensation;
 - i. Assess the effectiveness of rehabilitation measures undertaken/to be undertaken to ensure income and livelihoods restoration of AHs;
 - j. Provision of useful recommendations based on "lessons learned" which may be applied to future projects;
 - k. A general assessment of the LARP implementation and recommendations to ADB concerning the provision of the No Objection Letter to start the civil works.

Reporting Requirements

147. The results of internal monitoring during LARP implementation as well as project related construction activities will be communicated with MDFG, ADB through the semi-annual social monitoring reports (SSMR), to assess whether actual project impacts are adequately addresses, compensation payments disbursed, if due and grievance redress procedures are applied during the reporting period.
148. Semi-annual report consolidated by MDFG and submitted to ADB.

Capacity Building and Training in RP Implementation

149. To allow an effective execution of all LAR related tasks some expansion of the capacity on LAR currently available at MDFG may be needed. As soon as the Investment Program becomes effective, before the LARP preparation, once the IA's safeguards staff is on board, the MDFG will carry out with ADB and the Supervision Consultant assistance a capacity needs assessment and will define the capacity building activities and if needed the additional experts required. Financing for capacity building initiatives will be included under the capacity building component of the Investment Program.

150. All concerned staff both at MLARO and GRC will undergo a two days orientation and training in ADB resettlement policy and management to be provided either by a consultant hired by MDFG or by the Supervision Consultant's resettlement expert. Training will cover the following topics:
- a. Principles and procedures of land acquisition;
 - b. Public consultation and participation;
 - c. Entitlements, compensation and assistance disbursement mechanisms;
 - d. Grievance redress, and
 - e. Monitoring of resettlement operations.

Resettlement Budget and Financing

151. Sub-project LARP preparation and implementation costs, including cost of compensation and LAR administration, will be considered an integral part of the project cost and will be contributed as a counterpart fund by the Government of Georgia. The funds allocated by MoF will be delivered to APs by MDFG.
152. Each LARP 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 and reserves. Costs for external monitoring tasks and for the preparation of surveys and RPs may be allocated under the MFF.

Annex 1

Due Diligence Report for Social Safeguards

Document Stage: Final
Project Number:
Date: June 2020

DUE DILIGENCE REPORT ON SOCIAL, LAND ACQUISITION AND RESETTLEMENT IMPACTS FOR LCIP SUBPROJECT SAMPLE OUTLINE

ABBREVIATIONS

ADB	Asian Development Bank
AP	Affected Person
DDR	Due Diligence Report
EA	Executing Agency
GoG	Government of Georgia
GRC	Grievance Redress Commute
IEE	Initial Environmental Examination
IUAP	Integrated Urban Action Plans
LAR	Land Acquisition and Resettlement
LARF	Land Acquisition and Resettlement Framework
LCIP	Livable Cities Investment Program
MDFG	Municipal Development Fund of Georgia
MFF	Multitranches Financing Facility
SDDR	Social Due Diligence Report
SPS	Safeguard Policy Statement
SPS 2009	Safeguard Policy Statement 2009

A. Introduction

1. Background

1. Since November 2016, Asian Development Bank (ADB) has supported the Government of Georgia (GoG) to mainstream an integrated and participatory approach to urban development by improving strategic planning of selected urban area clusters to achieve a more balanced regional development by preparing Integrated Urban Action Plans (IUAPs). Building on this, the government has prioritized crucial urban investments for ADB to take forward through feasibility studies and safeguards due diligence. These include integrated solutions that bring co-benefits to the citizens in the development of the urban clusters including water supply, sewerage and sanitation (including off-network solutions), urban transport and mobility (including non-motorized and public transport), solid waste management, economic corridors, cultural and historical heritage conservation, flood control and drainage, urban safety and resilience, among others.\
2. To expedite balanced regional development, support for basic urban services and transport have been prioritized, particularly in small towns and regional cities that are potential hubs for tourism, agribusiness, and regional trade as key drivers of economic growth. Governance and capacity building will need to be integrated into the ensuing projects to achieve more robust results and ensure operational and financial sustainability of infrastructure projects.
3. The government has proposed to process the Livable Cities Investment Program (LCIP) to improve urban and tourism infrastructure and services across Georgia. LCIP will help improve the livability of the urban area clusters through interlinked outputs: (i) improved adequacy and efficiency of urban infrastructure and services, (ii) improved accessibility, connectivity and attractiveness of regional tourism clusters, and (iii) enhanced institutional capacity for implementing and managing urban infrastructure and services, (iv) improved access to quality pre-school infrastructure, improved environment: new playgrounds increasing gross motor skills of children, safe building - considering fire alarm and safety systems, clean and updated sanitary infrastructure including water closet and kitchen; (v) improved planning of the Kindergarten building; increased space per child and per teacher; energy efficient kindergarten buildings; (vi) improvement of educational and working conditions for children and teachers in kindergarten; (vii) Improved access to inclusive child-friendly quality education; (viii) Social impact – increased income of population during the implementation (employment of workers), and after the construction.
4. *Note: General description of subproject to be given here, including name, location, list of rehabilitation/construction activities planned (including the access roads, utility relocation and other associated works), the area (land) to be used for the subproject (ownership, size etc.) and other background information as relevant.*

2. Scope and Objective of Social Due Diligence Report

5. The main objective of this Social Due Diligence Report (SDDR) is to analyze the proposed activities, carry out due assessment with regard to social due diligence and early detecting of any land acquisition and resettlement (LAR) impacts of the activities proposed under the Project with respect to the requirements of the ADB Safeguard Policy Statement (2009).
6. The SDDR describes the screening activities carried out under the proposed project aiming to determine scope of project impact, identify presence and /or absence of potential social and/or economic impacts and determine appropriate mitigation measures and responsibilities of the project stakeholders during planning, implementation and operation phase.

B. Social Due Diligence Process and Findings

Methodology Adopted for the Due Diligence

7. The objectives of the due diligence for social safeguards were to: (i) review the proposed scope of the project and assess social safeguard risks associated with the anticipated project activities; (ii) evaluate all possible alternatives to avoid LAR issues, if resettlement impacts have been identified; (iii) propose mitigation measures to ease or minimize LAR concerns, if LAR impacts cannot be avoided; (iv) confirm the absence of LAR impacts, if resettlement impacts have been identified with proper supporting documentation; and (v) develop recommendations for the EA and project implementation partners to help the project adequately manage LAR risks as per ADB SPS 2009 throughout the project implementation period.
8. Due to the circumstances occurring throughout the world related to the virus outbreak (COVID 19)¹⁰ and forced social distancing, no field visits were possible during the preparation stage of the SDD. Thus, in order to achieve the DDR objective, the team conducted online consultations with the representatives of local Municipality for obtaining relevant information and carried out desktop survey. Representatives of city hall visited the project site, took pictures reflecting the existing situation, that were provided along the additional information. Namely, the team of consultants reviewed the project background documents, analyzed the relevant legal laws and technical standards, and undertook online meetings with people who possessed the information, additional to the received document, required for sound analyses of the situation and drafting of the document. The methodology to undertake and complete a due diligence included a combination of methods and data collection tools. In particular, the DDR was prepared based on the results of: (a) review of background documents and information available on public domain; (b) online meetings with representatives local Municipality, consultants, design Institute and other stakeholders; (c) review of technical standards and norms; (d) analysis of the grievance redress mechanisms used in other projects to assess an effectiveness of different approaches and institutional arrangements used.

¹⁰ Note: This will be reflected if still relevant during the due diligence of the given subproject. Otherwise, the actual methodology adopted will be presented.

C. Key Findings of Social Due Diligence

Project scope of works

9. *Note: Detailed scope of works/activities, location, general context of project area under the given subproject to be presented here along with the potential beneficiaries and stakeholders.*
10. The program covers subprojects aimed to improve urban and tourism infrastructure and services across Georgia. They will help improve the livability of the urban area clusters through interlinked outputs: (i) improved adequacy and efficiency of urban infrastructure and services, (ii) improved accessibility, connectivity and attractiveness of regional tourism clusters, and (iii) enhanced institutional capacity for implementing and managing urban infrastructure and services, (iv) improved access to quality pre-school infrastructure, improved environment: new playgrounds increasing gross motor skills of children, safe building - considering fire alarm and safety systems, clean and updated sanitary infrastructure including water closet and kitchen; (v) improved planning of the Kindergarten building; increased space per child and per teacher; energy efficient kindergarten buildings; (vi) improvement of educational and working conditions for children and teachers in kindergarten; (vii) Improved access to inclusive child-friendly quality education; (viii) Social impact – increased income of population during the implementation (employment of workers), and after the construction.

Land Acquisition and Resettlement Impacts

11. *Note: The land area to be affected (used) for the given subproject with detailed description will be presented here (number of land plots, size for each land plot, ownership status, absence (or presence) of any usage, structures or other improvements/utilities available etc.) along with supporting schemes, photos and other relevant visual tools. The expected LAR-related impacts and risks shall be presented.*
12. In case of no LAR impacts are expected, this will be stated accordingly as follows: “Land acquisition and/or resettlement are not expected under the subproject. The land plot is Municipal/State property and is not used, either formally or informally (e.g. grazing, agricultural squatters, etc.)”.

Categorization of the Project

13. Based on the due diligence findings, in accordance with ADB’s 2009 Safeguard Policy Statement and Operation Manual F1, the subproject is expected to be categorized as “C” for Involuntary Resettlement Impact.

Impact and Outcome of the Project¹¹

¹¹ This part will be updated in accordance with specific outcomes for the given subproject.

14. Despite the fact that the planned activities/ construction works won't have any impact on the areas adjacent to the project site the available best practice will be applied at the project planned/ implementation stages. For this purpose, the relevant mitigation measures will be carried out by Construction Company.
15. The Project is expected to have long-term positive impact on the social and economic condition of the population of relevant Municipality.

Preventive and Mitigation Measures Required During the Construction Activities¹²

16. Construction and Supervision Company will develop safety measures to ensure compliance of all the safety measures for workers and possible passersby population. Construction and Supervision Company HSE specialist will permanently supervise all demolition and construction activities.
17. Concerning impacts related to spoil disposal areas and construction camps should be mentioned that the project is implemented on the municipality owned territory and not private one. There is no need of private owned land usage for this purpose. Spoil disposal and waste management issues will be managed and regulated according to IEE document.
18. During construction, all necessary measures will be taken to avoid temporary impacts such as loss of access leading to livelihoods or any other types.

D. Public consultations and Information Disclosure

Consultations conducted during the SDDR preparation:

19. Information about the project was disseminated by the Local Government, as well as MDFG.
20. At this stage, activities related to the consultations are underway.
21. As confirmed by social due diligence findings, there are no LAR impacts identified and subsequently the current subproject has no APs. The main stakeholders are local resident(s) living near the project site and the local government.
22. *Note: The description of conducted consultations will be presented here along with supporting data and photos (minutes of public consultations and disseminated information leaflet will be attached to SDDR).* All these stakeholders have been contacted using distant communication channels (via personal computer, mobile phone).
23. Due to circumstances formed throughout the world related to the virus outbreak (COVID 19), social distancing has been applied amongst the population and public consultations in the course of infrastructural projects implementation may become the source of virus spreading. Therefore, it is essential the alternative sources of communication with the stakeholders to be found out in order the recommendations issued by the World Health Organization (WHO) and the Government of Georgia (GoG) not to be violated. It is of high importance also the public and direct consultations with all stakeholders to be held in order the stakeholders and other locals, residing at the Municipality to be thoroughly informed of current and planned infrastructural projects and social and environmental matters related to the referenced projects. Applying of that method will enable them to not only receive the information by means of various sources, but also to participate directly in discussions, ask the questions and be involved in ongoing processes. Due to general development of internet network and its availability in many resided areas

¹² Any specific measures will be summarized in the text as needed.

throughout Georgia, people have access to many social networks and apply them successfully in their everyday lives. Hence, it is possible the public consultations to be held in the remote mode by applying of available internet social networks and various communication applications. It will depend also on network and internet applications, being used by local residents.

Future Consultation and Information Disclosure Plan:

24. *Note: The planned consultation and information disclosure plan during the Project Implementation will be presented here.*

25. This SDDR will be disclosed on MDF and ADB websites and will be made available to Project stakeholders upon approval.

E. Grievance Redress Mechanism

26. Grievance Redress Mechanism - In projects implemented by MDFG, grievance resolution is viewed as a two-stage process. The first stage involves locally available means, such as discussing the concern with Contractor, on site focal point from Supervision Consultant / Contractor, or/and writing to local municipality for resolution of grievances on the spot. The second stage comprises grievance to be discussed and resolved by Grievance Redress Commission (GRC) established within the MDFG. Both written and verbal complaints shall be documented in official logbook. Stakeholders were informed about the GRM procedures through information disseminated in local Municipality Building and at public places (e.g. bus stations, drug stores, shops). Through these announcements they were also provided with Grievance Form (Annex 1) and contacts of designated focal persons from MDF and local government in case of any additional detail information request about the GRM: Mr. Irakli Japaridze Communication Consultants (MDFG) 593 16 55 77 and Relevant Mayor`s office.

27. **Grievance Resolution Process** - Grievance redress procedures of Stage 1 are an informal tool of dispute resolution allowing the complainant and the project implementation team to resolve the disagreement without any formal procedures, procrastination and impediments (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. Stage 1 GRM is already in place and is functional. An information regarding abovementioned is posted in local municipality, Public School and on library construction site. If the complainant is not satisfied, the grievance redress mechanism should assist them 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.) (see Grievance Form in annex 1). Stage 2 – review of complainant`s complaint. Within MDFG has already established Grievance Redress Commission (GRC) for the whole period of the project implementation. GRC shall review the written complaints of complainants, which were not satisfied at Stage 1. At stage 2 the complainant complaint will be resolved. The above mentioned GRM procedures does not deprive the plaintiff the right to sue in the court directly. For more information on GRM, including timelines for each stage, please refer to Annex 2.

F. Institutional Arrangements

MDFG – Municipal Development Fund of Georgia

28. The Municipal Development Fund of Georgia (MDFG) is the executing agency (EA). MDFG is responsible for managing construction/rehabilitation activities. MDFG has the overall responsibility of design, construction, construction monitoring and supervision of the Project, as well as cross-agency coordination. Social Safeguards/Resettlement Specialists are hired and a Social/Gender Specialist has been hired and engaged for ADB financed projects. The staff have received professional on-the-job trainings. For each separate project, including the present one, MDFG will use its staff member to assist in implementation of its duties.

Ministry of Environmental and Natural Resources Protection

29. The Ministry of Environmental and Natural Resources Protection (MoENRP) is responsible for environmental issues.

Ministry of Justice

30. 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 ownership.

Local Municipality

31. Local Municipality is the executive branch of self-government headed by Mayor. Local government is responsible for legalization and registration of land parcels. Confirms the ownership writes at local level.

Civil Works Contractor (CWC)/Construction Supervision Contractor (CSC)

32. A Civil Works Contractor/CSC to be appointed by the MDFG to undertake the construction will be responsible for mitigating impacts resulting from the construction activities. The construction activities shall be monitored closely by the MDFG with assistance of Construction Supervision Contractor to ensure compliance to the temporary mitigating measures and overall safeguards compliance throughout the project implementation.

ADB

33. The Asian Development Bank (ADB) is financing the Project and Supporting MDFG at any stage of project implementation, approves appropriate documentation required by the loan agreement.

G. Monitoring and Reporting Requirements

34. A Civil Works Contractor/CSC will monitor and measure the progress of implementation of the SDDR requirements and activities. The extent of monitoring activities will be commensurate with the project's risks and impacts. The contractors (CWC/CSC) will prepare monthly and quarterly monitoring reports that will describe the progress of the implementation of SDDR activities and any compliance issues

and corrective actions. These reports will closely follow the SDS 2009 ADB requirements.

35. There is no semi-annual social report required for the IR category C projects as per ADB SPS2009 and OM F1¹³. Safeguard compliance monitoring results would normally be reported by MDFG under the semi-annual environmental monitoring report in separate section related to social safeguards would contain the following information:
 - a. Details of any social incidents;
 - b. Complaints from the public and proactive community relations activities;
 - c. Action plan for corrective measures.
36. The Contractors (CWC/CSC) will have a duty to immediately report to the MDFG if any serious social incident has occurred during construction.
37. ADBs responsibilities in regard to implementation of social safeguards requirements for the project include: undertaking of occasional auditing of the SDDR implementation and due diligence as part of an overall project review mission; and if required, provide advice to MDFG in carrying out its responsibilities to implement the SDDR for the project. Institutional Capacity Building Requirements for MDFG.
38. Within MDFG, is the environmental and social specialist and several monitoring officers are included in the staff. Although day-to-day quality control of works will be outsourced to the engineering supervisor of works, MDFG has have in-house human resources to oversee performance of such technical supervisor and to work out decision to address issues which the supervisor may bring up for MDFG's attention.

H. Land Acquisition and Resettlement Framework

39. LARF has been prepared the whole project Livable Cities Investment Program, following ADB policy requirements. The LARF and SDDR shall be harmonized in their provisions in regard to future LAR screening/planning/implementation requirements in case of any unanticipated impacts on this subproject and overall social safeguards. LARF shall reflect main findings of this SDDR and vis-a verse.

I. Conclusions and Recommendations¹⁴

40. The project will be implemented on the municipality owned property. The building located on the land plot is not currently used, either formally or informally (e.g. grazing, agricultural squatters, etc.. The social assessment of the proposed project is based on the final detail design and Project location boundaries confirmed complete absence of land acquisition and/or resettlement impacts.
41. During construction, all necessary measures will be taken to avoid temporary impacts such as loss of access leading to livelihoods or any other types of restrictions mentioned above. The MDFG and Construction Supervision company will closely monitor the implementation phase to ensure compliance with ADB's social safeguard measures, as well as national legislation.
42. If any unforeseen impacts or additional consequences are identified during the course of the project, the information will be communicated with MDFG and ADB and

¹³ The reporting requirement will be revisited (if needed) in accordance with the reporting requirements defined by approved legal agreement between GOG and ADB for LCIP.

¹⁴ Note: This section will be updated to reflect the actual conclusions/recommendations for the given subproject, as needed.

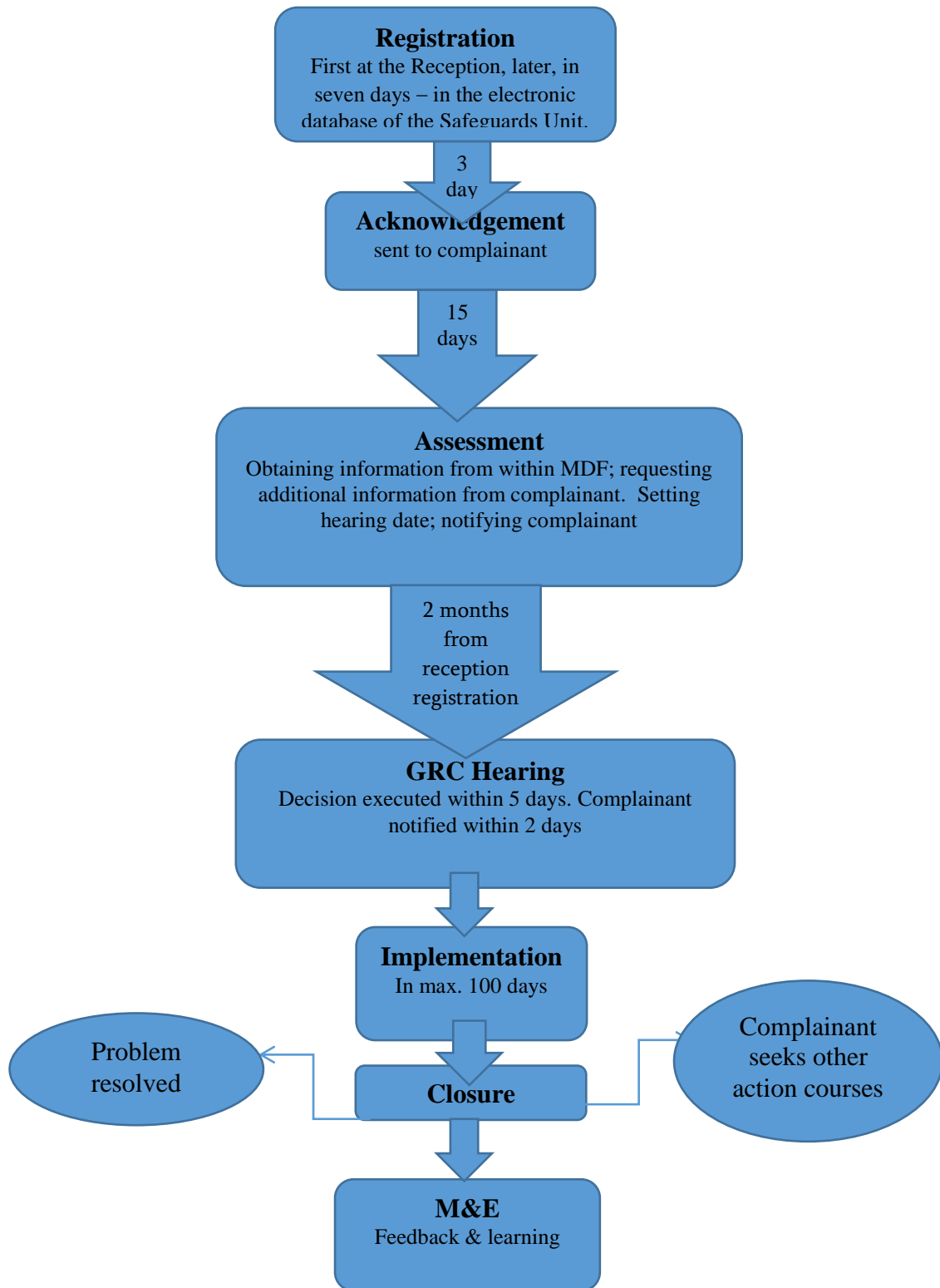
will be managed according to Georgian legislation and requirements of ADB SPS 2009 following the provisions set by Project LARF.

43. Information about the project was disseminated by the local Municipality and MDFG. Local Municipality and MDFG staff is actively involved in the planning process. *Note: Brief statement will be provided regarding the already conducted consultations and future consultation and information dissemination plan.*
44. During the implementation of the project, any complaints from the local population is considered through grievance redress mechanism established within the framework of the project and applied to both social and environmental protective measures.

**Annex N1
Grievance Form**

#		
Full Name, Surname		
Contact Information Please, fill in how you want to be contacted (post, telephone, e-mail)	<input type="checkbox"/> Post: please indicate your postal address: _____ _____ _____	
	<input type="checkbox"/> Telephone: _____	
	<input type="checkbox"/> E-mail: _____ _____	
Preferred contact language	<input type="checkbox"/> Georgian	
	<input type="checkbox"/> English	
	<input type="checkbox"/> Russian	
Description of Grievance/ Claim:	What happened? What you claim?	
Negotiation Date:	Decision after the negotiation:	
What is the reason of your claim?		
Signature: _____		
Date: _____		

**Annex N2
GRC Process Chart¹⁵**



¹⁵ Number of days refers to working/business days.