

**REPUBLIC OF KAZAKHSTAN  
MINISTRY OF INVESTMENT AND DEVELOPMENT  
COMMITTEE FOR ROADS**



**CORRIDOR RECONSTRUCTION PROJECT**

**CENTER SOUTH ROAD CORRIDOR PROJECT:  
KARAGANDA-BALKHASH-BURYLBAITAL ROAD SECTION**

**FINANCED BY INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT AND THE REPUBLIC OF KAZAKHSTAN**

**“RESETTLEMENT POLICY FRAMEWORK”**

**APRIL 2016**

**Prepared for:**

Committee for Roads  
Ministry of Investment and Development  
of the Republic of Kazakhstan  
47 Kabanbai Batyr Ave.,  
Astana, Republic of Kazakhstan

**Prepared by:**



**КАЗДОРНИИ**

KAZDORNII  
Tel: +7 7172 51 81 17  
E-mail: [pmc\\_kazdornii@mail.ru](mailto:pmc_kazdornii@mail.ru)

**TABLE OF CONTENTS**

1. INTRODUCTION.....	4
1.1. General Information .....	4
1.2. Resettlement Policy Framework Objectives .....	4
1.3. Resettlement Policy Framework .....	5
1.4. Anticipated Impacts .....	6
2. PROJECT DESCRIPTION .....	10
2.1 General Information .....	10
2.2 Environment Conditions.....	12
3. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK .....	12
4. LAND ACQUISITION PROCESS.....	19
4.1. Involuntary Land Acquisition /Resettlement Basic Provisions .....	20
4.2. Basic Provisions for Resettlement Planning and Implementation .....	21
4.3. Additional Measures .....	22
4.4. Encroachment and Illegal Land Use .....	22
4.5. Land Swaps vs. Cash Compensation .....	22
4.6. Methodology for Identification of Project Affected Persons and Assessment .....	22
5. PROPERTY ASSESSMENT AND COMPENSATION PROCESS .....	24
5.1. Assessment Process .....	24
6. PUBLIC CONSULTATIONS AND INFORMATION DISCLOSURE.....	25
6.1. Institutional Mechanisms and Grievance Redress Mechanisms .....	29
6.1.1. Empowerment .....	29
7. GRIEVANCE REDRESS MECHANISM, INCLUDING GRIEVANCES SUBMITTED DURING CONSTRUCTION .....	29
7.1 Grievance Registration.....	30
7.2 Disclosure of Grievance Consideration Procedure.....	33
8. MONITORING AND ASSESSMENT.....	34
9. DETERMINATION OF ADDITIONAL COMPENSATION REQUIRED BY THE WB.....	35
9.1 Determination and Additional Payments to Socially Vulnerable People .....	35
9.2 Resettlement Allowance.....	36
9.3 Significantly Affected Families.....	36
10. ILLEGAL LAND USERS TREATMENT.....	37
11. COMPENSATION MONITORING AND ASSESSMENT.....	37
12. LAND PURCHASE COMPENSATION AND RESETTLEMENT FRAMEWORK .....	38
13. COMPENSATION SCHEME IMPLEMENTATION.....	41

## **APPENDIXES**

### **APPENDIX – 1: Public Hearings Minutes**

## **ABBREVIATIONS**

Akimat	Local executive authorities
ARP	Brief Resettlement Plan
CfR	Committee for Roads (Ministry of Investment and Development)
DE	Design Engineer
CCs	Construction Contractors
CSC	Construction Supervision Consultant
EA	Environment Assessment
E&S	Ecology and Sociology
EMP	Environment Management Plan
ESIA	Environmental and Social Impact Assessment
FS	Feasibility Study
OHS	Occupational Health Safety
IFI	International Financial Institutions
ME	Ministry of Energy
MID	Ministry of Investment and Development
PAP	Project Affected Person
PMC	Project Management Consultant
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SW	Scope of Work
WB	World Bank
RPF	Resettlement Policy Framework
RAP	Resettlement Action Plan
ECM	Entitlement and Compensation Matrix

# **1. INTRODUCTION**

## **1.1 General Information**

The Government of Republic of Kazakhstan is conducting a program to upgrade the major roads of the country that are managed by the Committee for Roads of the Ministry of Investment and Development. The program is aimed to improve transportation and transit of goods in and around the country, as well as in the surrounding countries, which is a significant and growing contribution to GDP. Transportation of goods to and through Kazakhstan has been increased over the past 10-15 years, as markets have expanded after the breakup of the Soviet Union, and Kazakhstan is now one of the major transit countries. More than two-thirds of goods in Kazakhstan are transported by road, and freight services of domestic and international companies are absolutely evident on the country's roads.

The projects will also facilitate to the government to strengthen the capacities of agencies, which are responsible for managing the national road network, as well as to prepare and implement road safety and road service improvement action plan that will provide system-wide benefits. The projects will provide services for local, as well as international transportation of general cargo and other goods produced in Kazakhstan and other regions (Russia, Belarus, Tajikistan, Kyrgyzstan and Uzbekistan). Institutional Development Measures include introduction of an efficient road management system that will incorporate modern methods for planning and executing road maintenance, as well as strengthening the capacity of the Committee for Roads of the Ministry of Investment and Development (MID) to efficiently implement all investments.

Detailed elaboration of roads design of the proposed road corridor: Centre South is being made under fourteen (14) road sections: Karaganda – Balkhash – Burylbaital Section is now under development and will be financed by World Bank. The works are carried out by various local design institutions. Under the stipulated reconstruction and new construction, the CR is planning to transform the existing Centre South Road from the existing two lanes to four lanes traffic with dividing strip with bridges and other structures, where necessary. The Detailed Designs are financed by the government, including Environmental Assessment Report (EAR), based on the national laws of Kazakhstan. The preparation of Resettlement Policy Framework (RPF) that applies to the entire Centre South Road Corridor, as well as Environmental and Social Impact Assessment (ESIA) for the entire Corridor in relation to financing of the project by the World Bank.

## **1.2 Resettlement Policy Framework Objectives**

This report represents the updated Resettlement Policy Framework. It has many elements of Resettlement Action Plan (RAP), but is not a full RAP and is based on incomplete data. The full RAP will be based on the project stage of detailed design and take into account all persons, parties, private properties, businesses and legal or illegal ownerships affected by the project, and will represent actions that the Government intends to take to ensure that all losses incurred due to the project are compensated according to the legislation of the Republic of Kazakhstan and World Bank Operational Policies. In case of discrepancies between these two systems, the Government of Kazakhstan has agreed to follow the WB Operational Policies. In addition to the information contained in this document, the final RAP will include census of the status of affected persons based on a census of all affected persons, which will provide more comprehensive understanding of the types and magnitude of impacts of the project and identify any mitigation measures that should be

taken to ensure that the affected people benefit from the project, as well as that they will restore or increase their incomes by the project completion. The census can be carried out only after the design is final and full data are available regarding the landholdings, land use, ownership, anticipated losses, estimated value and compensation for the affected properties. Currently, the data are incomplete, thus, the census cannot be undertaken. Consequently, the Updated RPF serves as an interim mechanism to consolidate information and provide directions for next steps.

Once the census and social assessments revised to are completed, and section-specific RAPs are prepared, it is expected that the census will be completed within six months of project effectiveness, and the section-specific RAPs must be completed and approved by the World Bank before the commencement of works that will be authorized in this section.

The overall guiding principle for project design, its implementation and operation, and the key RAP objective is establishing conditions to ensure that all of the project-affected persons must be in equal or better socio-economic positions after the project has been implemented as compared to prior situation.

The secondary objective is provision of clear and unambiguous guidance for all project participants explaining how to manage the entire scope of resettlement issues during the project preparation and its implementation.

### **1.3 Resettlement Policy Framework**

The Resettlement Policy Framework expresses the Government's general and comprehensive commitment to avoid negative third-party impacts in the investments or to mitigate them to ensure that the affected persons are able to maintain or improve their well-being by the project completion. The Government will implement and enforce its own standards and procedures for land acquisition and compensation uniformly throughout the entire road section with adequate amendments to meet the WB additional requirements, to meet the commitment. This will ensure adherence to international practices and compliance with the WB policy objectives.

The Framework identifies possible impacts of investments, describes anticipated groups of affected persons; clarifies land plots and resettlement principles; assesses the legal framework for land acquisition and resettlement in Kazakhstan; describes standard procedures for actions and methods of redress; and outlines steps that will be taken to plan, obtain concurrence from the WB, as well as for implementation and monitoring of the impacts of land acquisition and resettlement along the Corridors.

This Resettlement Policy Framework incorporates Kazakhstani laws and procedures for actions execution and the WB Resettlement Policies. This requirement applies to all the persons whose private land status is affected permanently or temporarily due to reconstruction of the Corridor section financed by the WB, including purchase and temporary use during construction. This requirement also applies to people who use state land plots legally and illegally, and is changed as the result of the investment. The Policy Framework does not apply to state land plots i.e. which are transferred from one State authority to another, or used for the reconstruction of the road, however if there are adverse impacts on other people as a result of transferring or use then RPF will be applied.

After the approval by the WB and the Government of the Republic of Kazakhstan, RPF will become a part of the respective financing agreements between the Government and the World Bank. RPF and future RAPs will be referenced to the Loan Agreement between the Government of the Republic of Kazakhstan and the World Bank for this project.

Provisions of this RPF shall be applied to all sections of the Center-South project of “Karaganda-Balkhash-Burylbaital” road section; and in case of inclusion of any road sections for reconstruction to be financed by the World Bank, provisions and guidelines of this RPF will be strictly applied.

**Resettlement Program is based on the following principles:**

- It is necessary to avoid or, at least, minimize involuntary resettlement;
- Compensation must ensure the preservation of living standards of PAPs, which they had before the project implementation;
- PAPs should be fully informed and consulted on options for compensation;
- Absence of formal legal rights to land should not be an obstacle to recovery;
- Special attention should be paid to vulnerable groups such as ethnic minorities, households, where the head of household are women, families with elderly people, and the appropriate support should be provided to them to improve their situation;
- Land acquisition and resettlement should be planned and implemented within the project, and the complete compensation costs should be included in the project costs; and
- Compensation/allowances for rehabilitation will be paid before implementation of any works in the land, such as land levelling, demolition and in any cases before impact will occur.
- Bank Safeguard Policy OP 4.12 applies to all components within the program, regardless of the direct, full or partial financing by the Bank.

The overall coordination of the project will be provided by the CR, which will supervise the whole process of resettlement planning and coordination of all issues related to compensation. Given the fact that according to the legislation of the RK, acquisition and repayment involve local executive bodies, the CR will cooperate and rely on akimats of Zhambyl and Karaganda oblasts for many procedures.

## **1.4 Anticipated Impacts**

Primary impacts of reconstruction are expected to be represented by agricultural losses and pastures, above-ground commercial structures, thereby potentially affecting the incomes and well-being of people who own or use the land, resources and facilities. Some losses will be temporary, related to staging (laying down of equipment and materials) and carrying out the construction, others will be permanent.

Three principal impact factors are expected to be applied along the corridor:

- Reconstruction, or strengthening and levelling of the roadway, sometimes with slight widening of the carriageway, within the existing right of way;

- Conversion from single carriageway to dual carriageway within the current right of way or by expanding the right of way;
- Realignment of the existing roadway to adjust curve radius or to construct new bypasses or alternative alignments; and construction of roadside service centres or large traffic interchanges.

**Reconstruction:**

All of the road reconstruction will consist of strengthening the existing road, including new construction of the existing Centre South Road Corridor from the existing two lanes of the road to four lanes of the carriageway within the existing alignment and right of way, for which land acquisition will be required. Some land will be used temporarily during construction for staging temporary sites, camps and borrow pits.

The standard practice in Kazakhstan includes suggestions for location of borrow pits in the final design, but also leaves the right to select and temporary rent sites to the Contractor. Generally, preference is given to the use of State Land for both purposes, for which local authorities execute rental/extraction agreements with the Contractor. If a Contractor decides to access private land for staging and borrow pits, this procedure is done through a rental/extraction agreement between the Contractor and the private landowner. In such case, under the willing of the concerned buyer, the seller and the buyer jointly draw up the agreement that will be a subject for standard environmental cleanup requirements conformance such as same condition as received and top soil preserved as required.

**Transformation:**

Quality road is not only road user benefit, but also an important condition for the production, purchase/sales and advertising of a huge number of other benefits. The better roads are constructed, meeting the needs of motorists-road users, the better environment for the development of economy as a whole. Roads are referred to the "infrastructure" facilities; that is that they affect (positively or negatively) the set of branches at once, providing connections between economic agents. The stronger connections between producers, retailers and consumers, the greater amount of goods and services can be created and, respectively used, that is higher satisfaction, wealth, labour productivity, capital, etc. Therefore, the importance of roads for human life and the successful development of the society are difficult to be overestimated, especially in the conditions of accession to the WTO.

Many people realize all of the weight of the situation: poor-quality roads in the long-term prospective make Kazakhstan uncompetitive in the world market. However, to optimize the problems, most simple methods are often used: expansion of control over the road activities and increase of public investments.

Despite the existing negative impacts of roads to the human habitat, flora and fauna, the importance of roads in the socio-economic development of society and public livelihood support has unambiguously positive effect. With the improvement of transport and operating road indicators, the public services quality will be significantly improved as a result of implementation of works under roads construction. People are affected most of all by automobile emissions. However, understanding the huge and diverse positive functions of a car, which is today actually the only type of individual transport, the population does not express any mass protests against the passage of vehicles in different directions. The most dangerous type of traffic pollutions is emissions to the atmosphere of exhaust gases, as well as other types of energy losses: noise, vibration,

electromagnetic radiation. The main criterion of the danger of these impacts is considered to be damage to people's health. Construction processes impact will last for a relatively short time, although crash situations possibility may occur due to the poor condition of roads. During the construction period many work places will be created, including for local residents, who will be able to participate in the road construction. Road reconstruction will dramatically improve conditions of traffic, increase speed and travel time on the road as well as will increase traffic safety. This, in its turn, will lead to the improvement of social situation of the population in the area of road alignment and road users.

In the whole section of Center South Road Corridor that is financed by the World Bank, the main part is the road between Almaty and Astana; the existing two traffic lanes will be reconstructed into 4 lanes road.

Most of the land necessary for acquisition belongs to State throughout this road corridor. There are also land plots along the road alignment that are leased from the state and are likely not subjected to acquisition, because currently RoW of the existing road is within the RoW to be under reconstruction. (In addition, Akimats of some rural districts have given an official preliminary confirmation that their private land plots are not subjected to acquisition in the area of the existing 2-b category road).

The existing 2 lane road within the Center-South Project will be transformed into a double traffic lane in each direction. This Resettlement Policy Framework will apply to areas that require acquisition of additional land plots: for widening the right of way (RoW), recovery of the RoW during construction period, or for construction of interchanges. If private property or leased land or land without a legal right of use is affected, the RAP should be prepared by the Government of the Republic of Kazakhstan and approved by the World Bank.

**Realignment:**

New bypasses mostly required to construct in and around Karagandy (approximately 27km) will be constructed at different points along the Corridor based upon the feasibility and detailed designs, they will reduce current and future disruptions in urbanized areas and settlements and to avoid hazardous areas in difficult terrain. In some areas, minor realignments will eliminate bottlenecks and increase visibility, reducing hazardous conditions. This realignment will, probably, require acquisition of State and/or private land for the roadway and protected right of way. In such locations, the Resettlement Policy Framework applies to the private land that is affected, as well as State land. The RPF has been prepared using the latest data.

Realignment of the section that is financed by the World Bank will also require possible demolition of commercial and other structures. Once the final design is officially endorsed, the state authorities (Committee for Roads (CfR) and the Office of Land Relations) will start the process of informing residents and negotiating on compensations for residential houses and structures that have been affected.

**Service Centres and Intersections:**

In more remote areas, new service facilities will be constructed at certain intervals, and the existing ones will be upgraded. For the most part, the service stations will be located in areas with small number of population or no population, where the most part of the land is owned by the State. Some sites may affect agricultural or grazing areas, and land that is owned or being used by private



individuals, legal entities or akimats, but it is not expected to be a standard case. However, if private land or State-owned land used by individuals for commercial purposes is affected, Updated RAP will be applied.

Designs provide transformation of several intersections from simple crossings to clover-leaf traffic interchanges, thus, it area is expanding significantly. Intersections tend to be areas, where current roadside service businesses, such as restaurants, hotels, cafes and service stations, are concentrated. If there are instances along the corridor, where such businesses will have to be relocated, compensation should be paid and assistance in re-establishing the business and livelihood support should be provided to its owners.

### **Basic Negative Impacts:**

Design institutions will take all necessary measures and agreed effort to fix alignments to minimize the relocation of households and acquisition of private property. Currently, farmers grazing of animals near roads are disrupting the traffic. The new planned roads reconstructions will increase travel speed of vehicles, thereby putting herders and their animals in greater jeopardy, and possible new bypasses may disrupt grazing routes. The design institutions are currently implementing works on assessments of the local situation and will provide consultations to residents, locate underpasses in areas where grazing routes pose significant risk to drivers and local residents. Specifications for the underpasses will be required by the project affected persons, PAPs, in particular, dimensions, locations and spacing.

In addition, some commercial enterprises along the Corridors provide services to road users, both local and transit. Their livelihoods may be adversely affected by bypasses even though they do not lose land or facilities. Conversely, increased traffic will generate new commercial opportunities. It is expected that entrepreneurs who are currently involved in roadside businesses will have the opportunity to adapt to new traffic patterns profiting from travelers stopping for rest and meal, including new bypassed areas or being allowed to find new vending locations along the new alignments.

In summary, the most significant negative impacts of the reconstruction are expected to be losses in residential and private land plots, loss of immovable properties of the business activities, but all these will be minimal. These impacts must be minimized to ensure that affected persons will be able to regain their livelihoods and standards of living as quickly as possible. Those who temporarily lose land during construction for staging borrow pits are not likely to suffer from adverse long term impacts. If owners are sufficiently aware of their rights, then they will be able to protect their interests which will be ensured in RAP.

### **Project Affected Persons:**

The following groups of project affected persons are included in the Resettlement Policy Framework and will be addressed in the RAP, although they will be likely very limited small numbers:

- Individual and legal entities, who are owners of land and facilities, who will possibly lose their assets for state needs;
- Private individuals or enterprises whose livelihoods depend on the rented land (State or private), which is required for state needs;

- Private and legal entities who are not allowed to use of their assets temporarily during construction or allow use of material from their land for construction, but whose livelihood sources are not permanently affected; and
- Affected Persons, those who neither own, nor rent or lease affected land, but who are using it for commercial or livelihood purposes, and those, who will suffer from negative economic impacts if they are prevented from doing so in future.

## 2. PROJECT DESCRIPTION

### 2.1 General Information

Karaganda-Balkhash-Burylbaital Section of the Road Reconstruction Project for the Center-South Corridor consists of fourteen detailed designed sections with approximate length of a section ranging from 13 km to 67 km. The detailed design of the road is a part of the project and is expected to be completed by the beginning of 2016, except three sections that have been awarded the detained design consultancy services in 2014.the RAPs will be prepared to compensate.. This is a large and important project, which will have environmental and other impacts, as well as certain amount of land acquisition along the existing route and for bypasses. All of these land plots will be determined after the completion of the detailed design.

Details of the sections design are as follows:

**Centre South Road Corridor: Karaganda-Balkhash-Burylbaital**  
**The section is divided into fourteen (14) Design Sections**

**Table 2.1: Design of Karaganda-Balkhash-Burylbaital Road Section**

Name of Section	Section No.	Length From and To, Km	Length of Each Section, km
<b>Karaganda-Balkhash-Burylbaital Road Section I</b>	1	1497-1537	44.6
	2	1537-1578	41
	3	1578-1620	42
	4	1620-1666	46
	5	1666-1713	47
	6	1713-1760	47
	7	1760-1807	47
	8	1807-1855	48
	9	1855-1907	50
	10	1905-1955	50
	11	1955—2005	50
	12	2005-2069	64
	13	2069-2105	36
	14	2105-2152	47
<b>Total:</b>			660

**Notes:**

The number and location of all properties that may be affected (*with or without legal rights and title*), structures, land use and affected persons will be listed in details upon completion of the design for each section.

The proposed road will be partly reconstructed along the existing road within the present right of way (70 m) almost parallel to the existing road. The project crosses a variety of land forms, land use types and (micro) climatic zones. The project alignment lies within the Karaganda and Zhambyl Oblasts.

The length of the project road sections are passing through different oblasts are given below:

- Karaganda Oblast: Length of the road is 513 km and it passes through the road section, which starts from Km 1497 near Karaganda, then runs through Abay, Bukhar-Zhyrauskiy, Shet and Aktogay districts;
- Zhambyl Oblast – 147 km (km 2005 to km 2052 of M3 road), passes through Kashkan Teniz village (1 km from the road), Mynaral village (7 km from the road), Ulken village (belongs to Almaty Oblast and is 9 km from the road), Shyganak village (1 km from the road), Burylbaital village (0,5 km from the road), Moyynkum District;

During the Project Design, options for the routing of the road corridor will be carefully balanced between technical and economic, as well as environmental and social criteria. Generally, the existing alignment plan will be maintained as far as it is possible, with a number of exceptions: larger villages, towns and cities will be bypassed (although these bypasses will be minimal) to decrease the travel time, as well as mitigate negative traffic impacts on residents and enhance quality of roadside life. In bypass construction areas, the alignment will be determined to minimize land acquisition, especially avoiding or minimizing demolition of structures, residential structures in particular.

The ongoing design entails very moderate resettlement, or relocation of households, considering the Project length of 775 km.

During the Project implementation, land acquisition and disruption of economic activities will be minimized by using more vacant land plots without significant use for staging borrow pits, as well as construction works will be maintained as closer as possible to the existing right of way (RoW). The Contractor's Scope of Works (SoWs) provides extensive restoration measures for all land plots temporarily used during construction. The Contractor will include land use and restoration plan as a part of the Environmental Management Plans (EMP) that is performed by the Contractor for every lot within the design construction, which will have to be approved by the Project Manager. These plans will be reviewed both, by environmental and social specialists from the PMC, as well as the World Bank before granting approval and before the Contractor is allowed to start its works.

## 2.2 Environment Conditions

There are no forests within the scope of the Center-South Road Project. The project road of the section within the reconstructed “Karaganda - Balkhash – Burylbaital” Corridor of the Center-South Project passes through Karaganda and Zhambyl oblasts along the Balkhash Lake. The territory consists of three zones, such as arid steppe, semi-dry semi-desert and dry northern desert, which follow each other sequentially from north to south. A small section of road in Moiynkum District of Zhambyl Oblast covers a site with a regulated regime of Zhusandaly State Reserve of the National Significance (ZhSRoNS). It should be noted that birds and mammals are usually located far from the existing road alignment, and it is not expected that the Project will affect their habitat. Regular or seasonal frequent movement of animals is not observed in this area. At the same time, bridges over the rivers, pipe culverts and overpasses for livestock and agricultural machinery will serve as potential passes for short-term animal movement within the alignment plan area. Habitats will not be affected by the project and "Natural Habitats OP/BP 4.04" World Bank Policies will not be violated.

## 3. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK

Although the most land in Kazakhstan is owned by the State, it can be privately owned, transferred, sold or rented to individuals. State land is also provided for rent for private purposes, mainly for 49 years. If the land is in private ownership, the state can reclaim it only for specific uses, including road construction, and only after compensation provision to the owner for its property and other losses.

Kazakhstani laws and regulations, related to land and its ownership, derive from the Constitution, which states that land (surface and underground) is owned by the state, but can also be privately owned (Article 6.3). Article 6.3 also states that *No one may be deprived of property unless stipulated by a court decision. Forcible alienation of property for public use may be exercised upon the condition of relevant equivalent compensation provision in exceptional cases stipulated by the law;*

The Land Code of the Republic of Kazakhstan (Code No. 442 dated June 20, 2003) covers the *reservation* of land for State Needs, stating that *A land plot may be reserved for state needs through purchase or by granting an equivalent land plot with the consent of the owner or land user* (Article 84.1). Road construction is one of several grounds for purchasing private land or concluding long-term lease agreement (Article 84.2.4). In case if land is under lease, the land user is compensated for the full amount of losses and may be granted an alternative plot (Article 84.4). However, the availability of suitable swap land varies from one location to another.

Involuntary alienation of land or any other property for public use in connection with the acquisition of a land plot for state needs is an exceptional case of alienation of property that is owned by individuals and non-government legal entities, and may be performed only in impossibility of use of all other possible cases for property alienation stipulated by the Civil Code of the Republic of Kazakhstan and the Laws of the Republic of Kazakhstan.

Forced alienation of land or other immovable property in connection with the land acquisition for public use in the presence of other (alternative) way to meet public needs is not allowed.

Alienation of property for public use, other any alienation of property, which is represent profit purposes of non-governmental legal entities or satisfying of non – government interests other alienation of property which is not arising from the implementation of public functions and do not pursue public interest objectives cannot be recognized. In these cases, the alienation of property is permitted by agreement between the property owner and the person who is pursuing commercial purposes on the basis of the property sales contract between them.

Forced alienation of land or other immovable property in connection with the land acquisition for public use is allowed only in the volume which is necessary to meet the public needs.

Resolution of the Government of the Republic of Kazakhstan or local executive body (Akimat) in accordance with the competence provided by the Land Code of the Republic of Kazakhstan is adopted on the beginning of the forced alienation of land or other immovable property in connection with the land acquisition for public use in extraordinary cases stipulated by Article 84 of the Land Code of the Republic of Kazakhstan.

The Resolution on the beginning of forced alienation of land or other immovable property in connection with the land acquisition for public use contains the following:

- 1) the purpose and the basis for the forced alienation for public use;
- 2) location, area, cadastral number of the land plot;
- 3) the owner of the property or non-state land user;
- 4) the date of forced alienation, but not earlier than three months from the date of the official publication of the given resolution;
- 5) places, where the owner or non-state land user may address to for the reconciliation procedure.

In case if any changes are made in the specified resolution regarding subparagraphs 2) and 4) of this paragraph, then the procedure of forced alienation for public use is carried out again from the date of publication of the resolution on amendments and additions to this resolution.

The specified resolutions shall be published in the national or local media respectively within three working days from the date of its adoption.

In case, if the private ownership right for the land plot is not registered in accordance with the legislation of the Republic of Kazakhstan, the owner after the adoption of the resolution can make the necessary arrangements to confirm the private ownership right for the land plot in respect of which the resolution has been made.

At the same time, the period for the forced alienation for public use, established by the resolution, is extended for not more than six months.

Executive authority or subordinating executive body on behalf of the superior body should send a written notice of forced alienation of land or other immovable property in connection with the land acquisition for public use with the attachment of draft contract on land acquisition or other

immovable property in connection with the land acquisition for public use to the owner or non-state land owner by the post mail with mandatory receipt of the notification of the receipt of posting not later than three calendar days after publication of the resolution. In the absence of notification of the receipt of sending the documents specified in this paragraph, it shall be sent again.

Notification of forced alienation of land or other immovable property in connection with the land acquisition for public use as a legal claim is subject to state registration in accordance with the Law of the Republic of Kazakhstan "On state registration of rights to immovable property."

The basis for forced alienation of land or other immovable property in connection with the land acquisition for public use is a contract of land acquisition or other immovable property in connection with the land acquisition for public use or court decision.

Local executive body (Akimat) submits the draft agreement on land acquisition or other immovable in connection with the land acquisition for public use to the relevant local representative body (Maslikhat) within two months from receipt by owner or non-state user of notification of alienation of land or other immovable property in connection with the land acquisition for public use or rights for it.

The draft agreement on land purchasing or other immovable property in connection with land acquisition for public use is considered by the Standing Commission of the local representative body not later than two weeks from the date of its submission with the obligatory invitation of the owner and the persons whose rights in relation to the alienated property will be terminated or limited.

Upon reaching an agreement with the owner or non-state land user of the property that is alienated for public use and other persons whose rights will be terminated or limited at forced alienation in relation to the alienated property, agreement on land acquisition or other immovable property in connection with the land acquisition for public use is approved by the executive authority by the agreement with the local representative body and signed by the owner or land user.

The agreement on land purchasing or other immovable property in connection with the land acquisition for public use shall include:

- 1) the price for the land plots that is under alienation, which is determined in accordance with the procedure established by Article 87 of the Land Code of the Republic of Kazakhstan and Article 67 of the Law "On State Property" and identifying characteristics of the property or the land plot, provided to the owner or land user instead of the acquired land;
- 2) the difference in cost in case if the price of the acquired land plots would be higher than the price (value) of the land provided instead;
- 3) the amount of losses to be reimbursed, including the value of immovable property which is acquired in connection with the land acquisition for public use, if incurred in connection with the forced alienation;
- 4) the period of payment of the price (value) for the acquired land or other immovable property in connection with the land acquisition for public use or transfer of land plot (other immovable property) provided to the owner instead of acquired for public use;
- 5) property assets to be acquired for public use;

- 6) a list of persons whose rights in relation to the alienated property will be terminated or limited;
- 7) financing procedure for expenses of the government for the property acquisition for public use.

In case of disagreement of the owner of acquired property for public use or non-state land user with the resolution referred to in paragraph 2 of Article 63 of the Law of the RK "On State Property" and (or) the failure to reach an agreement with him about the value of acquired property for public use and the amount of damages which are have to be reimbursed at the end of three months from the date of receipt of the notification by the owner or non-state land user, but no later than (date) the implementation of forced alienation which is determined in the resolution referred to in paragraph 2 of Article 63 of the Law "On State Property", the local executive body has the right to sue in the court with a claim related to the forced alienation of land or immovable property in connection with the land acquisition for public use.

Civil cases upon claims for the forced land alienation or other immovable property in connection with the land acquisition for public needs are considered and resolved within one month from the date of case preparation for the judicial settlement.

In case of judgment of dismissal on expropriation of a land plot or immovable property in connection with the seizure of a land plot for state needs, the losses caused to the owner or non-state land user as a result of filing a claim and making the decision referred to in paragraph 2 of Article 63 of the Law of the RK "On State Property" shall be compensated from the budget.

The actual transfer of the land or other immovable property seized for public use in connection with the acquisition of land for state needs may be carried out only after obtaining by the owner or non-state land user whose rights are terminated or limited in expropriation related to the property seized, fair compensation as defined by the Law of the RK "On State Property".

State registration of the rights termination for the owner or non-state land user and origin of the rights of the state to the property is carried out given that the agency, which is conducting state registration of rights to immovable property, has received the document confirming the payment of compensation.

The owner or non-state land user may exercise its rights to land and other property and make the necessary expenses, which ensure the use of the property in accordance with its intended purposes, from the receipt of notice of the initiation of land or other immovable property expropriation in connection with the seizure of land for public needs to reach agreement on the value of the property seized for public use and the amount of damages to be recovered, or from the court decision on land or other immovable property expropriation in connection with the seizure of land for state needs. At the same time, the owner or non-state land user bears the risk of costs and losses associated with the new construction, expansion or renovation of buildings (structures, facilities) and other real estate facilities within the given period.

If the owner or non-state land user is not able to use the rest part of land for the intended purposes after the land acquisition for public use, then the entire land plot is alienated.

When the property rights are transferred to another person by means of alienation or for other reasons, as well as in changing the rights owner by virtue of universal title succession within the period of time specified in paragraph 1 of this article, the procedure for involuntary acquisition of land or other immovable property in connection with the land plot seizure for state needs is applied (continued) for the new rights-holder.

The cost of land, which is alienated for state needs (excluding losses) and has been acquired by the owner from the state, is determined by the amount paid to the state, except cases provided in paragraph 2 of this article.

With incomplete payment of the amount for the land plot (excluding losses), which has been sold by the state in installments, and its seizure in expropriation for public use, the alienated land price is determined in the amount of the amount paid to the state.

The cost of land, which is alienated for state needs and has been provided for individual housing construction, for private farming (except field plots), where an individual residential house is located, is determined based on the amount of the land plot cost and on the cost of the real estate located therein, not exceeding its market value.

The cost of the land plot that is alienated for state needs and that has been transferred to the owner based on the civil transaction or by the court decision is determined in the amount of cost specified in the civil contract or in the court decision, but not exceeding the market value. In case if the price for the land plots is not specified in the civil contract, the cost of land is determined by its cadastral (appraised) value.

The cost of real estate located on the land plot is determined in the amount not exceeding its market value.

The market value of the land or other immovable property to be disposed of in connection with the seizure of land for public needs is determined by an independent appraiser in accordance with Article 208 of this Law at the time of receipt of the notice on the impending expropriation of the land plot for public use by the owner of the land or non-state land user.

The amount of compensation is determined in accordance with paragraphs 4 and 5 of Article 9 of the Civil Code of the Republic of Kazakhstan on the basis of the value of property and losses to its full extent that have affected the owner or non-state land user as a result of expropriation of land for public use and (or) caused by the termination of the owner's or non-state land user's obligations fulfillment to third parties.

The amount of compensation to other persons, whose rights in relation to the alienated land for public use will be terminated or limited, is determined based on the losses that arise as a result of the expropriation.

The amount of compensation is determined in KZT.

Under an agreement with the owner of the land or non-state land user, another land plot may be provided taking into account the cost of the land plot that is provided or the rights thereto within the



value of the alienated land plot or the rights thereto based on the cadastral (estimated) value in return of land seized in the expropriation for public needs.

Reimbursement of the cost for the land plot or other immovable property in connection with the seizure of land for public use and losses to be recovered is provided to its full extent before the transfer of ownership rights for the specified property to the Republic of Kazakhstan or the administrative and territorial unit.

Reimbursement is made from the budget funds.

Payment of compensation though the property, other than money, is allowed upon agreement between the Republic of Kazakhstan represented by the Government of the Republic of Kazakhstan, or administrative and territorial unit represented by the local executive body and the owner of the property. This agreement is made in writing in the form of the contract on land plot or other immovable property purchase in connection with the seizure of land for public use.

Reimbursement is paid in a lump not later than one month from the date of signing of the contract on land plot or other immovable property purchase in connection with the seizure of land for public use or from the date of entry into force of the court decision.

Implementation of involuntary acquisition of land or other immovable property in connection with the seizure of land for public use, providing installment payment of compensation, is not allowed.

The owner of the seized property or non-state land user is entitled to initiate the conciliation procedures by submitting a relevant application to the local executive body within one month after receipt of written notice on the land or other immovable property expropriation in connection with the seizure of land for public use. The specified application will be recorded on the submission day.

The local executive body shall consider the proposals of the owner or non-state land user to the draft contract on land or other immovable property purchase in connection with the seizure of land for public use in terms of the composition of the seized property for persons whose rights will be terminated or limited in respect of the seized property, and the amount of damages to be recovered within one month. Upon the receipt of proposals, the local executive body is obliged to arrange an independent appraisal procedure to assess the value of the property seized for public use and to determine the procedure for financing of government expenditures for the purchase of the property, as well as carry out other activities related to the transfer of the property ownership rights.

Upon reaching an agreement between the local executive body and the owner or non-state land user of the property seized for public use, as well as other persons whose rights will be terminated or limited in respect of the seized property within expropriation, a draft contract on land or other immovable property purchase in connection with the seizure of land for public use will be forwarded to the local representative body for approval.

In case of failure to agree on the transfer of property with any concerned entities referred to in paragraph 3 of this Article, land or other immovable property expropriation in connection with the seizure of land for state needs will be carried out judicially.

Requirements for compensation payment before the transfer of the property ownership rights to the Republic of Kazakhstan or an administrative and territorial unit and other terms of compensation payment set out in Articles 67 and 68 of the Law of the RK "On State Property" cannot be canceled by mutual agreement.

**Table of Comparison of the Legislation of the Republic of Kazakhstan on Land Acquisition / Resettlement Practices and Resettlement Policies - of the WB**

<b>Land Plots and other assets and structures Acquisition Practices in Kazakhstan</b>	<b>The WB Resettlement Policy</b>
Compensation for the land plots that are privately owned is calculated based on the cadastral value, including the opportunity to exchange it into another land plot.	Compensation for the land plots that are privately owned is based on the total cost of the resettlement costs as per market value (full replacement costs).
Compensation for land and non-land properties is specifically provided only for the authorized owners or tenants of land, who reacquired the property or rent rights from the state.	Resettlement affected persons (APs) without formal legal rights and claims have the right to compensation for the non-land property (for example, in case of loss of plants, trees and structures).
The purpose does not specifically provide restoration of livelihoods and standards of living.	The aim is restoration of livelihoods and living standards of the APs, regardless of ownership right or legal status.
There are no requirements for provision of assistance in resettlement and study of opportunities for the affected persons to benefit from the project.	Physically resettled persons (irrespective of their legal status in respect to the land) are provided with the following: (i) assistance in resettlement, guaranteed ownership of the land plot, where they were resettled to, improvement of living conditions in the resettlement sites with comparable access to the previous employment and production capabilities, as well as civilian infrastructure and services, if necessary, (ii) provision of support within the transition period and assistance aimed at development, such as land development, credits provision, training or employment opportunities, as well as (iii) possibilities to obtain the relevant benefits from the project.
Compensation, other than compensation for the acquired property and loss of income from the lost business (including future losses), is not provided to support the economically resettled persons.	The economically resettled persons will be provided with the following: (i) assistance (for example, access to credits obtaining, training and employment) (ii) possibilities to obtain the relevant benefits from the project, (iii) compensation for: (i) the cost of recovery of commercial activities in another site, (ii) net

<b>Land Plots and other assets and structures Acquisition Practices in Kazakhstan</b>	<b>The WB Resettlement Policy</b>
	income lost during the transition period, and (iii) the cost of relocation and reinstallation of a plant, machinery and other equipment.
Census and socio-economic studies are not required.	Socio-economic research (studies) and the census in the presence of the relevant socio-economic data are necessary to identify all the APs and assess socio-economic impacts of the project on them.
There are no special requirements for identification and assistance to vulnerable groups.	Identification of vulnerable groups and development of targeted measures to ensure that they are not subjected to adverse effects and are not at a disadvantage in terms of distribution of benefits and opportunities for development.
There are no requirements for the RAP preparation and approval. Consultation with the APs is not required in relation to land acquisition.	Preparation, approval, disclosure of information and monitoring of the Resettlement Action Plan (RAP) based on consultation with the APs and social impacts assessment are required.
The possibility of holding negotiations without involvement of a third party is considered as an initial approach to address land acquisition issues. If an agreement cannot be reached, then involuntary acquisition procedures will be started through the court.	It contributes to land acquisition through negotiations, which must be confirmed by third parties by the independent evaluators, in order to ensure appropriate compensation relevant for all the costs of relocation and substantial consultation with the APs.
There are no requirements for internal or external monitoring	Depending on the category of the project, the WB requires both, internal and external monitoring

#### **4. LAND ACQUISITION PROCESS**

Investments feasibility study includes proposed alignment and estimates of the amount of land to be acquired permanently; the amount of land needed temporarily for staging, construction sites and borrow pits; and the number of buildings that would be demolished; and estimated cost of acquisition, rental and restoration of affected lands. The document is sent to the oblast and district levels for review and comments. Then, it is sent to Astana. Meanwhile, district akimat issues a decree identifying the territory that was affected by changes in the alignment and design of the land as a subject for reservation (expropriation). At this point, CfR requests the local executive bodies to suspend land transactions in the area identified for land acquisition for bypasses, for example, to prevent speculation. At the same time, owners are notified that their land may be acquired.

- i. The final design is prepared based on bilateral interaction, involving intensive work and ongoing consultations with local officials, particularly on the district level. The design process generally starts with meeting all the relevant officials of the oblast — agriculture, land resources, registration, utilities, public works, and others — to inform them of the tentative alignment and requesting information that should be taken into account in the final design. The final design includes more detailed maps of individual landholdings to be affected, complete ownership data from the cadastre, as well as estimated compensation for acquisition and losses.

- ii. Once the alignment is agreed with local bodies, the design team obtains maps of cadastral lands ownership records and requests the district akimat to bring affected owners together to discuss the land acquisition process. The data are then given to the licensed assessors who are responsible for determining the “market value” of the property to be acquired and negotiations related to owners compensation. Precedent is established, nevertheless, for assessing urban property values; rural property assessment is rather new and transactions are not common in many areas. To determine rural property values, the assessor takes into consideration soil quality, productivity, trees, and other production characteristics, in addition to recent land transactions, if there are examples available. The assessors are expected to negotiate with owners and sign agreements, if possible, which are used for purposes of estimating project costs, but are not binding. Once akimat approves the final alignment, the CfR can proceed with acquisition or expropriation. If the owners and CfR cannot agree on the terms, CfR and akimat can sue to district (city) court after half year notification period ends. If CfR and akimat or owner appeals to the court, the court makes a decision that includes the amount of compensation to be given to the owner. The court must be impartial, favouring either the government or the owner, depending on the case. Land cannot be accessed until compensation has been paid and the title has been transferred to the government.
- iii. District Akimat had previous practice in establishing an assessment commission that included officials and landowners without specialized man-hours. It was expected that the use of licensed assessors would reduce claims and result in a smoother acquisition process, but the final results will be seen once the acquisition process begins.
- iv. The final design identifies possible locations for construction camps, storage and staging facilities, borrows pits and other sites for temporary use during construction. Contractors can use the information to estimate costs and logistics, but are not required to use the recommended construction sites. Construction works contracts will require to be responsible for negotiating for temporary land use and reinstatement of all land required outside of the right of way for construction camps, offices, borrow pits, materials storage sites, materials processing sites and pit roads from the contractors. Contractors will select land plots they require and they will be responsible for negotiating agreements with land owners to use the land and extract materials. If a contractor fails to obtain an agreement with a landowner, the contractor must select an alternative site and negotiate a new agreement. No land can be occupied involuntarily for temporary construction purposes. Contractors are expected to rent State land plots, rather than private property, but the choice is at their discretion. In either case, the arrangements must be a subject of a written agreement between the contractor and the owner, and land plots are required to be returned to their original state after the works completion.

#### **4.1 INVOLUNTARY LAND ACQUISITION/RESETTLEMENT BASIC PROVISIONS**

The Government has agreed to apply the following principles in the acquisition of private land and resettlement of households for investments in the given Corridor, which reflect the principles incorporated into the RPF, consistent with resettlement policies of the World Bank. The principles are applied in case of temporary or permanent impacts on households resulting from loss of land, structures or other fixed assets; changes in land use or business; restrictions in the use of land, housing or businesses. The principles apply to all “project affected persons”,

including those without formal licenses or titles, who experience impacts as the result of land acquisition or resettlement for State Needs.

- Avoid or minimize land acquisition and resettlement;
- Affected persons are entitled to be compensated at full replacement cost for their lost assets, incomes and businesses, including temporary losses or impacts, without adjustments for depreciation or deductions for any other purpose;
- Compensation (and other forms of assistance, as warranted) should enable affected persons to improve, or at least restore, their pre-project incomes and standard of living;
- Affected persons must be consulted in resettlement planning;
- Affected persons must be fully informed of their compensation options;
- Land-for-land swap is a preferred compensation for the lost agricultural land, if possible, unless an affected person chooses cash compensation;
- Costs of property transfer — purchase or swap are waived or borne by the investor, including taxes, fees, documentation and court appeals;
- Compensation will be provided with equal consideration for women and men;
- Lack of formal title or Use Agreement does not deprive affected persons of entitlements or assistance required to achieve the objectives of the policy;
- Relocated affected persons receive relocation assistance;
- Special attention should be given to households headed by women and other vulnerable persons, as well as appropriate assistance should be provided to assure that their living standards are maintained or improved;
- Land acquisition and resettlement are executed as a part of the Project and are fully funded;
- Compensation will be fully provided before land is used for construction works or demolition.

## **4.2 Basic Provisions for Resettlement Planning and Implementation**

The majority of permanent Project impacts will concentrate in road and intersections broadening, where most part of land acquisition will occur. Demolition of structures is also expected to happen more often in districts, where business areas are located. Other demolition may be required where alignments are revised (e.g. curve radius) to reduce traffic hazards and improve visibility. In addition, some part of facilities and other structures demolition will be required to restore the existing right of way.

Once final designs are completed and accepted by districts and oblast, it will be forwarded to CfR for final review and approval.

This RPF has been subsequently prepared based on the following steps:

- Inventory of land use and land users and their properties such as owned or leased land, enterprises, structures, or agricultural activities
- Local consultations to engage affected persons in the Draft Plan
- Publication of the Plan for comments
- Submission of the final plan and cost of assessment for approval by the World Bank for before funding is confirmed.

These steps also provide the basis for future tracking of impacts on the affected persons, as well as the effectiveness of RPF implementation, and helps determining whether additional mitigation measures should be developed. Socio-economic assessment to supplement current information will be executed in the beginning of the project implementation to establish a baseline for monitoring and assessment.

### **4.3 Additional Measures**

Land Code and Law of the RK “On Housing Relations” and the Law of the RK “On State Property” in Kazakhstan regarding the acquisition of land and assets for public use are mostly concordant with the World Bank’s OP 4.12 in most issues. In the absence of standard regulations and procedures, implementation may vary in practice, however. The steps described below will ensure more consistent implementation and compliance with the Bank policies and international experience during implementation. Under the terms of the RPF, Entitlements Matrix for all entities, who are required to be relocated within the project, will receive a transitional allowance, sufficient to cover transport expenses.

### **4.4 Encroachment and Illegal Land Use**

In accordance with long-term and historically accepted local practice, local farmers generally have open access to use of state owned land for livestock grazing (normally sheep, goats and cattle). Some of this state land will be lost due to road construction. There will be no change to this local practice, and the district akimats will ensure that farmers will continue to use open access to the state-owned land for livestock grazing. Road impacts to livestock grazing will, probably, be significant, as the road will potentially block the routes within the grazing lands. It is necessary that droves will be constructed with equal intervals (normally tunnels under the road) to allow farmers to cross the road with cattle. Representatives of the WB have agreed that it is necessary to build additional droves if local residents state about the necessity for routes for farmers or other land users given that it does not result in any engineering problems. The decisions in relation to locations of additional droves must be made prior to the construction start.

### **4.5 Land Swaps vs. Cash Compensation**

The Land Code offers owners the option to swap land in lieu of compensation. In some areas of the country, alternative lands may not be easily accessible. Nonetheless, all affected persons will be informed of the option and all local akimats will be requested to assess the availability and location of substitute lands. Given that the land is available for swap, officials who are involved in the land acquisition process will be instructed to offer affected persons the option to offer land instead of cash, if affected people choose the former.

### **4.6 Methodology for Identification of Project Affected Persons and Assessment**

The approach for the identification of affected structures and land parcels is based on three methods:

- Identification of legal land users: Two tools have been used for identification (1) existing cadastre and land use data kept by the Land Resources Management Agency and (2)

construction survey conducted by designers for each section at a scale of 1:2 000, where all the structures within the width of 120 m of the following the project alignment are specified and geo-referenced. This includes all structures within the existing RoW, where works will be carried out.;

- Identification of illegal land users: Designers carry out roadside surveys along the entire alignment to identify and describe any form of illegal use of the RoW or territories that will be affected by bypass construction or land acquisition. The basic attention has been paid to barely noticeable structures that have not been detected with the help of the above-described methods for identification of legal land users. This type of land users involves, for example, illegal agricultural enterprises (gardens, small fields, seasonal points of sale), structures for livestock and poultry breeding that have been illegally located within the RoW;
- Identification of persons, whose interests will be significantly affected: Based on available cadastral survey data and construction surveys of the designers, it will be possible to determine in addition to land plots and buildings, which will be directly affected, the land-tenures, which will have a significant impact, in accordance with the shares of the seized lands.

Information on any registered plot and its location with topographical coordinates is kept in the Immovable Property Centers of the Ministry of Justice. This information is also collected by “State Scientific Production Centre for Land Resources and Land Management” RSE (GosNPTsZem) under the authority of Land Resources Management Agency. Designers contracted by CfR received information on potentially affected landowners from oblast level departments of GosNPTsZem in the form of a 1:25 000 scale maps, where there is indicated projected road and land plots that are intersected with a highway or located in close vicinity of it. The designers compared these maps with information which they generated themselves during topographic alignment surveys that have been carried out by them earlier during their scheduled work.

For the identification of illegal land users, designers compare the official land use data received from GosNPTsZem with their own data from the latest construction surveys. Thus, each designer has an opportunity to identify structures which have been built (generally, within the RoW) illegally and without formal ownership right. In order to assess costs of the land to be acquired and structures to be demolished, akimats of Karaganda and Zhambyl oblasts (akimats of relevant districts) will sign contracts with appraisers who have appropriate licenses. Based on the land requirement data compiled by the designers, the appraisers will contact potentially affected persons to assess the value of their properties. Assessment methods that have been used to estimate compensation for structures, met common international practices based on: (i) cost, (ii) incomes, and (iii) comparison with similar structures, where the cost is known. Estimates will be based on current market values. Cost method will be applied for assessment of industrial and commercial premises, where the construction material cost and quality, year of construction, and state of the facility itself is taken into account. The comparative method has been applied mainly based on principles of substitution; it has been mainly applied for residential premises. Incomes calculation approach is based on the expectant principle, i.e. a buyer (investor) acquires a land plot expecting the future incomes or profit. The application of this approach requires thorough analysis of economic conditions and tendencies that impact the level of property profitability in the area of the assessed facility location, and using such procedures as discounting and capitalization. Assessment on the basis of documents (tax statement, income statement, etc.) will be also applied to define the property value.

In assessment of agricultural land plots value, method based on assessment of agricultural losses in case of land acquisition is used. The used methods will be based on the national Kazakhstani legislation, procedures and regulations. The compensation amounts calculated by the appraisers will be negotiated between the majority of the owners and representatives of akimat of relevant district in Karaganda and Zhambyl oblasts.

The process of identification of the project affected persons and property facilities will be started upon the project approval. Independent appraisal agencies will be appointed for assessment of the property facilities that are located in the project affected areas. These appraisal agencies will carry out appraisal procedures for the project affected property facilities based on the documents provided by the owners. During the property assessment, a full list of property facilities and land plots that are subjected to acquisition for the project implementation will be prepared.

Lists of identified project affected persons will be approved by the decrees of akimats of the relevant districts. On the basis of the assessment report, relevant akimats will provide expropriation decrees. Commissions, appointed by the relevant akimats for impacts assessment, will consist of unspecified number of members out of the staff of oblast departments for land recourses management, architectural, urban-planning and other related services.

## **5. PROPERTY ASSESSMENT AND COMPENSATION PROCESS**

### **5.1 ASSESSMENT PROCESS**

The final list of Affected People along with their affected properties will be provided to the Akimat of Karaganda and Zhambyl Oblasts after project approval. This will be followed by issuing of appropriate Akimats' Decision on land plots acquisition for the final assessment of the affected properties and AP's compensation purposes.

The first assessment of the valuation of the affected properties will be undertaken by the independent evaluator under the Committee for Roads for the preparation of RAP.

The akimats of Karaganda and Zhambyl Oblasts will appoint licensed independent evaluation companies after the approval of RAP by akimats, to evaluate 100% of impact on properties and to assess cost compensation. Independent Evaluation Company was responsible for 100% evaluation of affected households (lands/structures/real estate) for these acquired land plots. The final list of affected people will be provided by independents evaluators to akimats of Karaganda and Zhambyl Oblasts. Evaluators on the basis of documents provided by respective owners carried out the evaluation of affected assets. Following documents were submitted for consideration during evaluation:

- Identity Card
- State Act on Land referred to measurements of the land
- Technical Passport of the Structures



Three types of evaluation methods which are satisfactory to meet the replacement value requirement of OP 4.12, depending on the evaluation of properties, which are common in Kazakhstan, will be applied. These are presented below:

**(a) Cost Method**

Cost method represents the expenditures of owner. It' based on the fact that the cost for this land plot and its improvement will not increase the market price for already improved land plot with the equal on purpose and quality land improvements. For instance, in case of using this method, the manufacturing material: the quality and cost of property material, year of construction, state of the object and etc. should be considered. Mainly this method is used for habitable premises.

**(b) Comparable Method**

Comparative method represents the comparison of similar property objects and land plots, which are on the same territory. Evaluator should take into account prices indicated in advertisement about sale of similar property objects and land plots, publishing in the local newspapers and TV. Comparison of prices of recent sale carries out with similar objects on the independent market, where decisions are made by independent customers and independent sellers. The approach is based on the principle of substitution: wise buyer doesn't pay larger amount for evaluated object, then that amount that is available on the market for similar of quality and utility objects. This principle is working mainly for residential premises.

**(c) Income Method**

Income method is applied only for the objects for commercial and agriculture purposes (filling stations, cafes, shops, points of sale, empty commercial lands, farming lands and others) for identifying of object cost that is capable to bring income in future during definite period of its use. The cost represents the amount of future income and profit due to resale of evaluating object. The approach is based on the principle of waiting, that is wise buyer (investor) acquires land plot expecting the future income or profit. The application of this approach requires thorough analysis of economics conditions and tendencies that may affect on profitability in the area of evaluation object location, and using of such procedures as discounting and capitalization. For evaluation of the cost property has applied assessment on the basis of documentations (tax return, income statement and etc.).

In Republic of Kazakhstan as per the clause 4, article 6 of RK Law "About evaluation activity" the obligatory evaluation should be performed in accordance with legislative acts of RK on purchasing and acquisition of property from owner for the Government needs.

**Affected Population**

All affected population including vulnerable people along the road and "Karaganda – Balkhash - Burylbaital" will be determined and listed after the completion of detailed design.

**6. PUBLIC CONSULTATIONS AND INFORMATION DISCLOSURE**

In July 2015 staff of "KazDorNii" JCS in association with Sapa SZ LLP and "KazZEP" LLP, "Sauyn Engineering Group" LLP jointky with personnel of local akimats of Karaganda and Zhambyl Oblasts conducted Public Hearings under the issues of Social Policy of WB on the basis of

existing data, studies and analysis for the sections of Center-South Corridor Reconstruction, road section “Karaganda – Balkhash - Burylbaital” to may be financed by the World Bank. Within the few weeks of preceding consultations several hundred information leaflets were distributed in the course of the field studies.

The following groups of people were invited to the Public Hearings:

- All local population, whose interests are likely to be affected during road reconstruction;
- NGOs working in the environmental and social areas;
- Representatives of the official authorities in the area of environmental design and social issues.

The details of Public Consultations are presented in the attached Minutes of Meeting. During the event the local residents raised a number of issues concerning the Project implementation period/duration, compensation amounts, pedestrian crossing (walkway), locations, green plantings and other issues. The audience was satisfied with the clarifications of the specialists of “KazdorNII” JSC in association with SAPA SZ LLP and “KazCEP” LLP, “Sauen Engineering Group” LLP provided in response to the questions raised and the World Bank Environmental and Social policies as a whole. There were some useful comments or recommendations from the part of the participants in regards to the design and construction stages of the Project. In particular, to begin construction of the road in the shortest time and to inform the population in advance of the construction commences. In contrast, general public and potential affected people took a vivid interest in the Project. Apparently this campaign was one of the first instances of public disclosure of Project details. The main issues raised at the public consultations were the issues related to the provision of employment for local population during the reconstruction, amounts and types of compensation for land plots to be potentially acquired. At this stage there appeared to be little concern from the population to questions related to the environmental and social impact of the road renovation.

#### **Consultation on RPF discussion, July 2015 – november 2015**

Consultations were carried out in the following settlements/ villages of Karaganda, Zhambyl, Akmola, Kostanay and Aktobe Oblasts:

##### **Karaganda Oblast**

- Saryshagan village – 08.07.2015, 04.11.2015
- Gulshat village – 08.07.2015
- Balkhash – 09.07.2015, 05.11.2015
- Akshatau village – 09.07.2015
- Aksu-Ayuly village – 09.07.2015, 05.11.2015
- Aksu village – 10.07.2015
- Kurminka village – 10.07.2015

##### **Zhambyl Oblast**

- Shyganak village - 08.07.2015, 04.11.2015
- Kashkanteniz station – 08.07.2015

Consultations were held since June 29 to July 10, 2015, from November 04 to November 05. The consultant jointly with Employer – the CR participated in the public hearings devoted to the discussion of the Environmental Impact Assessment and Resettlement Policy Framework for the sections of the international transit corridor and “Center – South” that may be financed by the World Bank. The main elements of the Resettlement Plan were also discussed. During the public hearings it was distributed information brochures on the social and environmental policies of the WB and a brief description about all procedures of acquisition and application of grievance.

The event was arranged by:

- Local executive agencies – Akimats of the Karaganda, Zhambyl oblasts, cities, rayons and (settlements) rural districts

A notice on the planned public hearings was published in the press:

- “North Balkhash Region” newspaper № 70 (1391) July 01, 2015
- “Balkhash Oneri” newspaper № 68-69(12319) June 26, 2015
- «Tokyraun tynasy» №28 (7502) June 26, 2015
- «Moimkym tany» №64 (6057) July 03, 2015
- «Shet shugylasy» № 27 (10 543) July 02, 2015

Following groups of people were invited to the public hearings:

- All local population, whose interests are likely to be affected during road reconstruction;
- NGOs working in the environmental and social areas;
- Representatives of the official authorities in the area of environmental designing and social issues.

In addition, public hearings were held in Karaganda and Zhambyl oblasts in the period from May 23 to May 26, 2016 involving participation of the project organizations at the stage of the project works completion, where social and environmental policy of the World Bank, ESIA were repeatedly clarified for the attendees.

Karaganda oblast

- Kurma Saryshagan Village – 23.05.2016
- Nurataldy Village – 23.05.2016
- Aksu Ayuly Village – 24.05.2016
- Akshatau Village – 24.05.2016
- Akzhal Village – 24.05.2016
- Balkhash Town – 25.05.2016
- Saryshagan Village – 25.05.2016
- Priozyorsk Town – 25.05.2016

## Zhambyl oblast

- Mynaral Village – 26.05.2016
- Shyganak Village - 26.05.2016

Moreover, all identified affected people will be provided with the information brochure, considering relevant rules, rights, prices, compensations, payments and grievance redress mechanisms. In addition, these brochures and other information about the project, will be available in all regional and district akimats, where every interested person can attend and obtain information.

RPF will be translated into Russian and Kazakh languages and will be published on the web-site of the project (europe-china.kz), on the web-site of the CfR and relevant district akimats. RPF in English language will be presented on the web-site of WB.

Process of Consultations at the stage of project preparation was mainly concentrated on the interview of key informers, focus group discussion, and public hearings.

The program of Consultations includes the following people:

- a) Head of households, likely to be affected
- b) Members of households
- c) Community
- d) Relevant Akimat
- e) Main concerned entities such as women, road users group, medical workers and;
- f) Public information brochure distributors

Given Public Information leaflet (PIL) will include the following useful information, regarding Resettlement Plan:

- A) Summary description of the project;
- B) Types of anticipated impact;
- C) Main policy of compensation and payment;
- D) Summary information on restoration measures of the livelihoods;
- E) When and where affected people will receive their rights
- F) Consultations and affected public and entities participation;
- G) Execution schedule
- H) Grievance redress mechanism
- I) Roles and responsibilities of local executive bodies, deputy District Akimat, RK, local representatives of the CR of the MID RK, grievance redress coordinators;
- J) Contact information (including PMC grievance redress coordinators) names, contact numbers and addresses;
- K) For additional information, can address to PMC grievance redress coordinator
- H) Description of mechanisms for consultation with displaced person during planning and implementation of the RAP.

## **6.1 INSTITUTIONAL MECHANISMS AND GRIEVANCE REDRESS MECHANISMS**

### **6.1.1 EMPOWERMENT**

The Project Management Consultant (PMC) will play a key role in the organizational setup for resettlement and land acquisition management during Project implementation. According to the PMC's terms of reference (TOR) there will be two safeguards specialists (one is international, another one is local) for the whole period of implementation, working in the PMC during entire duration of the Project. Part of their duties and responsibilities will be the management of implementation of the given RPF.

PMC will carry out independent evaluation of the land purchasing process to inform (Committee for Roads and World Bank) and also to prepare each six month Reports on Monitoring and Resettlement Assessment and submit it to World Bank.

## **7. GRIEVANCE REDRESS MECHANISM, INCLUDING GRIEVANCES SUBMITTED DURING CONSTRUCTION**

Guideline on Grievance Redress Mechanism (GRM Guideline) is designed and approved in 2014 by Committee for Roads MID RK for all road sector projects. GRM Guideline is intended to be used as a guidance document for stakeholders involved in design, preparation and implementation of road projects, and complements grievance redress requirements incorporated in the loan agreements, as well as environmental and social safeguard documents of the World Bank (in case of projects funded by WB).

The overall objective of the GRM Guideline is to establish an effective communication channel among the stakeholders for providing a timely and efficient two-way feedback mechanism to address any complaints made about the project, including those from members of the communities, local businesses and other stakeholders, as well as raising public awareness on the projects and on the availability of a GRM mechanism. The Grievance redress procedure suggests resolution of grievances in the spirit of mediation between the parties, and should comply with the spirit of WB standards and practices.

Specific objectives of GRM Guideline include:

- Facilitation of an effective dialogue and open communication between the project stakeholders;
- Development of an accessible, transparent and efficient complaint procedure for people involved in and/or impacted by road sector projects;
- Clear definition of roles and responsibilities of the various parties involved in consideration and resolution of grievances;
- Establishment of procedures and standards for recording, sorting, investigating, handling of grievances, and providing feedback;
- Establishment of a mechanism for responding to complaints in an understanding, transparent and culturally appropriate way;

- Increase of awareness on project activities and available mechanism for amicable resolution of grievances,
- Minimization of grievances regarding the project activities and impacts, better management of expectations;
- Improvement of the projects performance (including environmental and social performance) through ensuring monitoring of grievance redress process and periodic progress reporting.

The GRM will be available for those living or working in the areas impacted by the project activities. Any person impacted by or concerned about the project activities will have the right to participate in the GRM, will have easy access to it, and will be encouraged to use it. The proposed GRM does not replace the public mechanisms of complaint and conflict resolution envisaged by the legal system of the RoK, but attempts to minimize use of it to the extent possible.

## 7.1 GRIEVANCE REGISTRATION

Complainants or concerned individuals may visit, call or send a letter or e-mail or fax to the rural Akimat, authorized people of CCs and CSCs, GRC Coordinator representative of CoR MID RK in Karaganda and Zhambyl Oblasts and register their complains, related to road sector projects. Receipt of grievances received through a letter or e-mail or fax shall also be acknowledged through a letter / e-mail / fax within 3 working days upon receipt by GRC coordinator at regional level. Receipt of grievances lodged in person or via phone will be acknowledged immediately.

Each party involved in the GRC at regional level shall maintain a record-book to register the complaints, and regularly share the grievance details with GRC coordinator at regional level, in order to keep the track of grievances and the status of their resolution. The GRC coordinator at the regional level shall coordinate with each member of the GRC on a weekly basis, collect relevant documents, maintain a consolidated registry of complaints received, follow-up on the status of resolution of each complaint received, maintain an up-to-date grievance database and provide relevant reporting.

Whichever method is used for receiving the grievance (e.g. e-mail, mail, fax, call, etc.), it must be registered by GRC Coordinator at the regional level, who acknowledges receipt and follow up with the grievance investigation and consideration of the complaint GRC at regional level. All the grievances will be recorded, and include but not limited to the following details:

- Contact information of the affected party;
- Date, time, and place where the complaint was received;
- Name of the person who received the grievance;
- Description of the appeal cases.

The project will pursue a participatory approach in all stages of planning and implementation. This is expected to ensure that the affected people have nothing or little to complain about. However, some people may still remain dissatisfied for some reason. Many grievances arise due to inadequate understanding policies and procedures of the project, and can be promptly resolved by properly explaining the situation to the compliant.

In case the complainant refuses to provide contact details or no contact information is available in the grievance received by e-mail / mail / fax, the GRC at the regional level will consider the anonymous complaint. In such cases, the printed response will be posted at the information board of the CR's respective in Karaganda and Zhambyl Oblasts, as well as at the information board of the relevant Akimat, so the complaining party could be informed about the response.

The GRC coordinator at regional level will collect the data on grievances and centralize the grievance registry where every affected person, group or community has an individual registry number and that follow-up and corrective actions are implemented as per resolution provided, or if the issue was not resolved at regional level, it is passed for consideration and possible decision at the central level. The grievance database will be maintained and updated on a bi-monthly basis by the GRC coordinator at regional level for each project. The database will be designed to make it simple and easy to input data, provide information on grievance and status of its resolution, timeline for resolution and level at which the issue was considered and resolved, track individual grievances, etc. The grievance database will specify details of grievance resolution and include information on satisfaction of complaining party by the resolution provided (excluding the cases of grievance lodged anonymously). Where it will not be possible to resolve grievances to the satisfaction of both parties, appropriate information will be reflected in the database. The GRC coordinator at regional level for each project will share the grievance database with the safeguard specialist of central office the CR of the MID RK/ GRC coordinator at central level, who will maintain and update the centralized grievance database for all road sector projects.

Grievances which are not related to the activity or project impact will not be considered within the GRC guideline, include in the log book and database and will be send to appropriate rural/district/oblast akimat. Feedback will be provided to the complaining party with clarifications why this question cannot be considered within the GRC guideline and what organization it has been sent.

### **Consideration of Complaint**

Depending on the nature of grievance, this step may include verification, investigation, negotiation, mediation or arbitration, coordination with appropriate agencies and decision-making. Verification includes gathering of documents, proofs and facts, as well as clarifying background information in order to have a clear picture of the circumstances surrounding the appeal case of grievance. Verification will be undertaken by members of the GRC at the regional level, and overall coordination of activities will be ensured by the GRC coordinator. Results of verification or fact-finding activities will be presented at the meeting of the GRC at the regional level, where the issue will be considered and resolution will be sought.

The GRC at regional level will discuss the grievance case within ten working days and recommend its settlement to parties. Meetings of the GRC at the regional level will be held on a bi-monthly basis; however, special ad hoc meetings can be arranged is between of regular meetings as needed. The GRC coordinator at the regional level will ensure that actions and decisions are properly documented in order to demonstrate that the GRC at regional level is providing an appropriate attention to the grievance and is actively seeking ways to obtain resolution that could satisfy the parties.

If grievance cannot be resolved by the GRC at the regional level and is passed for consideration by the GRC at the central level, appropriate documents collected during investigation and fact-finding

will be shared with the GRC coordinator at the central level. The GRC coordinator at the central level will circulate such documents among the members of GRC at central level, to ensure that they are aware of all relevant details prior to GRC meeting.

Consideration of grievance case by GRC at central level, may require further verification of the issue, including gathering of additional documents, obtaining input from various state stakeholders and project parties in order to have a clear picture of the circumstances surrounding the grievance case. Additional verification will be undertaken by members of GRC at the central level (as needed), and overall coordination of activities will be ensured by the GRC coordinator at central level. Results of verification will be presented at the meeting of GRC at the central level, where the issue will be considered and resolution will be sought.

The GRC at the central level will discuss the grievance case within twenty working days and recommend its settlement to parties. Regular meetings of GRC at central level will be held on a monthly basis; however, special ad hoc meetings can be arranged in between of regular meetings as needed.

If after its consideration of GRC at central level, the grievance cannot be resolved to the satisfaction of the complaining parties, the recommendation will be made to seek resolution through the courts. Irrespective of the outcome of grievance consideration, documentation regarding the case by the GRCs at regional and central levels will be collected and maintained by GRC coordinator at central level (with participation of GRC coordinator at regional level). The GRC coordinator at the central level will keep a separate track of cases, which were not resolved through GRM and were referred to the RoK legal system.

### **Feedback Provision**

At the regional level, for grievances lodged in the office or via phone to the GRC coordinator at regional level the acknowledgement of grievance receipt will be confirmed immediately. For mailed, e-mailed or faxed grievances acknowledgement of receipt will be provided by GRC coordinator at regional level not later than 3 working days. In case the grievance is not related to project activities or impacts generated due to the project implementation and cannot be considered under this GRM Guideline feedback will be provided to the complaining party to which entity (rural/district/oblast Akimat, as relevant) it has been forwarded.

Acknowledgement of the grievance receipt, as well as response/recommendation will be provided to complaining party through preferred mode of communication mentioned in grievance registration form.

If grievance was resolved at regional level, the complaining party will be informed of the outcome. If grievance was not resolved at the regional level and was passed to the GRC at the central level for consideration and resolution, appropriate information will be provided to the complaining party, including the date when the case was passed to GRC at the central level and the date by which the outcome at the central level is expected.

If the grievance was resolved at the central level, the complaining party will be informed on the outcome of grievance resolution. If grievance was not resolved by the GRC at central level, appropriate information will be provided to the complaining party, including details why the case was not resolved, as well as recommendation to seek for resolution through RoK legal system.



If the grievance was anonymous or the complainant refused to provide contact details, the information on status of grievance redress and outcomes resolution process, will be posted on the information boards of relevant regional branch of CoR MID RoK and relevant community / rayon / oblast Akimats. Outcomes of the grievance resolution process will also be documented in the grievance database and reflected in the project periodic progress reports.

Grievance must be tracked for monitoring and reporting with the use of grievance registration form and GRM logbook of parties at the regional level. Grievance registration form must be filled for each appeal case (which has relation to the project) by parties GRM at the regional level, where the grievance has been submitted (CC, CSC, PMC, akimats, representatives of the CR of the MID RK in Karaganda and Zhambyl Oblasts) if it is necessary.

The GRC coordinator at the regional level will coordinate GRM activities with members of GRC at regional level on a weekly basis to update GRC's consolidated database of complaints for each project. Each member of the GRC at the regional level will have access to the grievance database and will be provided with an electronic copy of the grievance database file in MS Excel format.

The GRC coordinator at regional level will monitor the grievance resolution process and prepare a summary report on GRM, which will be included in its quarterly progress report. The GRC coordinator at the regional level will submit the grievance monitoring forms, as well as grievance database for each project to the GRC coordinator at central level on a monthly basis.

The GRC coordinator at central level will collect data from the GRC coordinators at regional level, undertake monitoring of the overall GRM process, track timelines of grievance resolution, recommend corrective actions to GRC coordinators at regional level (as needed), and prepare a summary report on GRM, which will be shared with CfR (and WB, as needed) on quarterly basis. In addition, the GRC coordinator at central level will maintain a centralized grievance database for all road sector projects and will update that on monthly basis. The copies of the grievance database should be shared with CfR (and WB, as needed) for jointly use, on a monthly basis. In addition, the GRC coordinator at central level will prepare summary reports on a semi-annual and annual basis (as needed) and submit them to the CfR (and WB, as needed).

To ensure timely and effective resolution of grievances, it is recommended to establish a tracking system and define key performance indicators. This approach will enable to assess the overall effectiveness of the GRM and perform corrective actions as needed.

## **7.2 DISCLOSURE OF GRIEVANCE REDRESS PROCEDURE**

The information on grievance redress procedure for the project will be disseminated through leaflets and brochures, and presented during the project related meetings and public consultations. During these gatherings, it should be emphasized that the informal GRM is aimed at quick and amicable resolution of complaints and does not substitute the legal process established under national legislation.

At the beginning of each project (commencement of construction at each section of the road) CC and CSC with coordination and supervision of GRC Coordinator at the regional level must carry out

public hearings in order to ensure people’s awareness of informal GRM, steps of grievance resolution as well as contacts and locations of authorized entities to be approached in case of grievance.

CCs, CSC, PMCs, oblast representatives of CoR and Akimats, as well as NGOs and professional mediators are considered as the key actors of the informal GRM and play a crucial role in disseminating the information on GRM and facilitating quick and amicable resolution of complaints. The GRC coordinator at the regional level shall coordinate information dissemination activities on GRM, and ensure that the posters providing details on GRM and contacts of authorized entities of CC and CSC, GRC coordinator at the regional level are posted in publicly accessible and visible places at every construction site and in every affected rural district. In addition, the information on GRM (leaflets, brochures), including contact details of authorized entities of CCS and CSC, GRC coordinator at the regional level, should be available at the offices of CCS, CSCs, PMCs, Akimats and oblast representatives of CfR.

In the areas populated by minority groups meetings shall be held and information leaflets shall be provided in the linguistically appropriate manner, if the language used by the minority group is different from official language of RoK

## 8. MONITORING AND ASSESSMENT

PMC will assign a specialist for internal monitoring of resettlement, who will develop a detailed plans and indicators for monitoring for subsequent phases of the RAP. The monitoring specialists will submit semi-annually information about the progress of resettlement to be incorporated into Project reports. They will prepare semi-annual Summary Reports on checking. Expenditures for this internal monitoring will be incorporated into the project budget. A general system of monitoring indicators will be explained in Karaganda and Zhambyl Oblasts Resettlement Action Plan.

If necessary, the PMC will hire specialist for external monitoring. The specialist on external monitoring will decide whether the resettlement plan terms have been complied during its implementation, whether the sources of income of the individuals, whose interests have been affected, has been restored, and whether any unplanned or unexpected consequences of the resettlement and acquisition occurred there.

Following table gives detailed scope of work of Internal Monitoring and External Monitoring

**Table 8.1: Scope of Internal and External Monitoring:**

Scope of work of ‘Internal Monitoring’	Scope of work of ‘External Monitoring’
Land Acquisition	Review of pre project baseline data on APs
Payment of compensation	Identification and selection of an appropriate set of indicators for gathering and analyzing information on resettlement impact.
Dissemination of information	Use of various formal and informal surveys for impact analysis.
Consultation with APs and other	Assessment of resettlement efficiency,

stakeholders	effectiveness, impact and sustainability.
Grievance Redress Mechanism	Assessment of APs satisfaction on the valuation of assets and entitlements, timing of payments, funds availability and disbursement.
Restoration of livelihood and income	Assessment and Analysis;
Ability of vulnerable APs, including women APs, to improve their livelihood	Analysis and recommendations on their livelihood improvement;

The indicators will be established to ensure attainment of the RPF’s objectives as was given in the Resettlement Action Plan (RAP), will be followed during internal monitoring.

The monitoring at the site will be done by Social Safeguard Specialist of PMC in coordination with CfR and relevant Akimat. The monitoring will rely mainly on the following information gathering methods: a) review of documents b) informal sample survey of APs) key informant interview d) in-depth case studies and e) community public meetings.

The PMC will send progress reports to the Committee for Roads.

External monitoring will be conducted one time. External Monitoring Report must be done by PMC and will be submitted simultaneously to the CfR and the World Bank.

External monitoring will be performed from the PMC budget.

## **9. DETERMINATION OF ADDITIONAL COMPENSATION REQUIRED BY THE WB OP 4.12**

In accordance with World Bank OP 4.12 and the agreed Land Acquisition and Resettlement Framework dated May 2008 and updated on February 2009, additional compensation or assistance issue shall be considered for: 1) socially vulnerable people who may have difficulties in adapting to project-related changes, 2) those, who require to relocate (in this case, commercial enterprises) and who will have resettlement expenses, and 3) those, who will lose a significant part of their productive lands (more than 10%). These modes of assistance are normally supplemental to standard Government compensation. It was also stated that in case of signing the Loan Agreement between the Republic of Kazakhstan and the World Bank, these requirements will enter into force. The following section defines the requirements and current status. Initially, it was planned to construct Karaganda-Balkhash-Burylbaital sections through republican budget financing. However, because of the impossibility of financing, other sources had to be involved. At the same time, akimats of relevant districts of Karaganda and Zhambyl oblasts will provide additional types of assistance to persons who have the right thereto, as well as compensation and other assistance according to the requirements of the World Bank in case of detection of additional affected owners or land users during the project implementation.

### **9.1 Determination and Additional Payments to Socially Vulnerable People**

After signing the agreement between the World Bank and the Committee for Roads, a letter will be forwarded to all the district akimats of Karaganda and Zhambyl oblasts requesting to determine socially vulnerable entities according to the list, “State Targeted Public Assistance Act” No. 246-II dated July 17, 2001. This list includes all families, who are in need of public assistance. This is a

special program for payment of lump-sum allowances to socially vulnerable and poor families in each settlement. It was agreed by the akimats of relevant district of Karaganda and Zhambyl oblasts that all families, who are on the list of socially vulnerable entities, who are resettled or from whom the land/buildings are acquired, would receive additional lump-sum compensation payment.

Although, currently socially vulnerable persons, who have been affected by the road construction, have not been identified, administration of akimats in respective districts of Karaganda and Zhambyl oblasts agreed that if socially vulnerable persons are detected in accordance with the legal acts or requirements of the World Bank's Operational Policy OP 4.12 prior to the construction, or if any person will address to akimat of any district confirming the fact that he/she belongs to the group of socially vulnerable persons in accordance with legal acts, then he or she will be offered payment of additional compensation to socially vulnerable persons.

## **9.2 Resettlement Allowance**

Similarly, in accordance with the agreement between akimats of Karaganda and Zhambyl oblasts, the Committee for Roads and the World Bank, all enterprises that are required to be relocated in connection with the project implementation will receive relocation allowance, sufficient to cover transport expenses, or will be assisted by transport services provision as and when required, including compensation for losses during the period required to re-establish the business. Households, who are required to be relocated, will be provided with lump-sum allowances prior to relocation, as well as stores and enterprises owners, who will also be required to relocate including coverage of expenses to re-establish the business.

In compensation payment process, assessment of the basic land and property facilities that are located therein, as well as other parameters, such as orchards availability (given the age of the trees located therein) and any other property facilities, which result in revenues to the affected persons, the work process, which will be disturbed in connection to the land seizure that will result in loss of revenues for the owner/leaseholder, will be also taken into account.

## **9.3 Significantly Affected Families**

According to the RPF dated 2009, persons who considered to have been significantly affected (e.g., those, who has lost more than 10% of their productive land areas) are to receive additional assistance of at least two times of the annual agricultural output value for the acquired land area. This assistance is additional to land compensation which is normally provided in Kazakhstan. Regarding the leaseholders: The compensation for income loss for the leaseholders is calculated based on the estimate profit associated with the use of land during the remaining lease term of up to a maximum of 49 years (which represents the maximum rental period in Kazakhstan). The appraisers will use the principle outlined above, resulting in lost profit being paid for some sections as and where applicable.

Regarding the landowners: For the landowners, the appraisers will use the most appropriate methods out of the three standard assessment methods detailed above. This method will result in compensations received by the owners in accordance with the market practices in this territory. The appraisers provide comparison with other land plots (five similar quotes on average), based on which the seller takes into account all the expenses and the expected income from this land plot

(mainly harvest) in the price for its land plot. As a result, akimats of Karaganda and Zhambyl oblasts and the World Bank assume that significantly affected landowners will receive compensation according to the RPM. The CR and akimats of Karaganda and Zhambyl oblasts and the World Bank will conduct review of the compensation information. Based on the results of that review, after the Project approval, the CR and akimats of Karaganda and Zhambyl oblasts will take additional measures to comply with provisions of the Resettlement Policy Framework, if necessary, once the Project is approved and if any severely impacted landowners are identified by the Project. .

## 10. ILLEGAL LAND USERS TREATMENT

In accordance with the long-term and historically accepted local practice, local farmers usually have free access to the use of public lands for animals grazing (usually sheep, goats and cattle). A part of this state-owned land will be lost due to the construction of the road. There will be no change in this local practice, and the district akimats will ensure that the farmers continued to use free access to public lands for grazing as and where available along the road. The impact of the road on the grazing of farm animals is likely to be more significant, as the road will potentially block routes to destinations within grazing lands. It is necessary to construct droves (usually tunnels under the road) at regular intervals, which will allow farmers to take animals across the road. Representatives of WB agreed that it is necessary to build additional droves, if local residents state about the necessity of a route for farmers or other land users, provided that it does not create any engineering problems. Decisions must be taken in relation to locations for the additional droves prior to the start of the construction.

According to the Law of the RK "On State Property" – In case if private property ownership right in relation to the land plot under the legislation of the Republic of Kazakhstan is not registered, after the decision is made, the legal owner may make necessary arrangements for confirmation of the private property ownership right in relation to the land plot in respect of which such decision is made.

At the same time, the period of expropriation for public use, specified in the decision, is extended by no more than six months.

Compensation for squatters and those with no titles will comply with Entitlement Matrix provisions.

## 11. COMPENSATION MONITORING AND ASSESSMENT

Since land acquisition and resettlement works have not been started yet, its monitoring will be conducted. Monitoring indicators are presented in the following table.

**Table 11.1 Monitoring Indicators**

Purpose	Activities	Monitoring indicators
Determination of compensation recipients	Checking of list of compensation recipients eligible for compensation based on the criteria of compensation assignment	Number of people on the list of compensation recipients who are not eligible for compensation assignment criteria (inclusion by mistake)
	Identifying persons who may claim to acknowledge their right to receive	Number of people who meet the criteria but are not listed among compensation recipients (exclusion by

Purpose	Activities	Monitoring indicators
	compensation, but are not listed among compensation recipients. Separate inspection should be provided for each type of compensation.	mistake)
Compensation types of control	Confirmation of the territories which are temporarily or permanently affected under the final RPF	The land subjected to temporary acquisition, for which compensation will be paid
		The land subjected to permanent acquisition, for which compensation will be paid
Compensation control	Examination of financial documents	Number of people who will receive compensation promptly and to full extent with the breakdown by compensation type
	Identification and analysis of the reasons for which compensation has not been paid to full extent and in timely manner	Number of people who will receive compensation promptly with the breakdown by compensation type
		The amount of funds allocated for compensation payment
Impact on households (revenues restoration)	Follow-up of socio-economic survey of affected households (3rd year)	Changes in revenues/ livelihood of households, comparison of the results of socio-economic census with the results of the subsequent surveys
Consultation and participation	Determination of the level of involvement and identification of reasons for inadequate participation	Number of compensation recipients who participated in the consultation and coordination meetings at each stage of land acquisition
	Analysis of disputes and grievances content. Conflict resolution	Number of grievances
		Number of grievances redressed.

## 12. LAND PURCHASE COMPENSATION AND RESETTLEMENT FRAMEWORK

Land acquisition has not been started along entire road. Compensation Payment Mechanism which is applied within the Project is based on RPF prepared and approved with several donors. So that in ORG (Operational Resettlement Guideline) there is an information which is required by the CR and the Bank to identify whether the land has been acquired in accordance with requirements of RPF and if it is not, whether it is necessary to make special additional measures.

**Table 12.1 Entitlement and Compensation Matrix**

Property	Description	Affected people	Compensation entitlement
<b>Permanent loss</b>			

Cropland, private property	All land losses, irrespective of significance of impact	Owner	<ul style="list-style-type: none"> <li>• Compensation granted as land with provision of land plots similar by productivity and cost to lost plots;</li> <li>• Cash compensation for acquired land at replacement cost (market cost) without withholding taxes, transaction costs, registration or transferring.</li> <li>• If the remaining part of the site is too small to use, compensation is provided, exchange is offered or the entire plot is purchased.</li> </ul>
		Long-term leaseholder	<ul style="list-style-type: none"> <li>• Cash compensation, market cost of gross harvest (average over three years), the renewal of the lease agreement on the alternative plot.</li> </ul>
		Short-term leaseholder	<ul style="list-style-type: none"> <li>• Cash compensation, market cost of gross harvest (average over three years)</li> </ul>
		Sharecropper	<ul style="list-style-type: none"> <li>• Cash compensation, market cost share of lost harvest</li> <li>• Assisting to restore livelihoods by providing another plot of land for sharecropping and other activities development</li> </ul>
		Agricultural worker	<ul style="list-style-type: none"> <li>• Cash compensation equal to earnings in cash and in kind till the end of the agricultural year</li> </ul>
		Illegal and informal land users in the ROW and acquired lands	<ul style="list-style-type: none"> <li>• Cash compensation equal to the market cost of lost harvest</li> <li>• Assisting to restore livelihoods by providing another plot of land for sharecropping and other activities development</li> </ul>
		A significant impact – more than 10% of productive agricultural land is acquired	Owner, Leaseholder
Sharecropper	<ul style="list-style-type: none"> <li>• Cash compensation equal to twice market value of the share of lost harvest</li> <li>• Livelihood restoration assistance, either through alternative land for sharecropping or other employment type</li> </ul>		
Cropland, State property (lease)	All losses, regardless of the severity of the impact	Long-term leaseholder	<ul style="list-style-type: none"> <li>• Cash compensation, market cost of gross yield (average over three years); compensation for trees or other immovable property; renewal of lease agreement on alternative plot.</li> </ul>
		Short-term leaseholder	<ul style="list-style-type: none"> <li>• Cash compensation, market cost of gross yield (average over three years); compensation for trees or other immovable property; renewal of lease agreement in alternative plot.</li> </ul>
		Encroachers /squatters	<ul style="list-style-type: none"> <li>• Cash compensation equal to the market cost of lost harvest; access to land for lease, if it is available</li> <li>• Assistance to restore livelihoods by providing another land plot for sharecropping and other activities development</li> </ul>

Land for placement of residential and commercial real estate		Owner	<ul style="list-style-type: none"> <li>Land compensation with the provision of the land plot with similar cost to the lost land plot</li> <li>Cash compensation for land for the full replacement cost without paying taxes, registration fees and relocation</li> </ul>
		Renter, Leaseholder	<ul style="list-style-type: none"> <li>Allowance for 1-3 months</li> </ul>
Houses, buildings, structures		Owners of permanent structures	<ul style="list-style-type: none"> <li>Compensation as house, if swap house is lower cost, so the differences pay by cash</li> <li>Cash compensation on the rates of swap affected structure and other property on the basis of the cost of materials, cost for construction and labor, excluding the cost of recycled materials, and amortization charges and processing</li> </ul>
		The owners of temporary structures (kiosks, stalls)	<ul style="list-style-type: none"> <li>Approved and appropriate land plot for relocation</li> </ul>
Trees	Trees affected	All affected persons, including squatters	<ul style="list-style-type: none"> <li>Cash compensation reflecting income reimbursement economic value of trees in accordance with the category of age and the estimated market price of the gross income for one year, multiplied by the number of years needed to achieve the same tree productivity, plus purchase price of seedlings and raw materials.</li> </ul>
Business & employment	Temporary or permanent loss of business or employment	All affected persons, including squatters	<ul style="list-style-type: none"> <li>Owner: If constant so cash compensation equal to one year income; in case if it is temporary, so cash compensation for the period of loss. Compensation is based on tax declaration or official minimum wage, whichever is greater.</li> </ul>
		Business Owner	<ul style="list-style-type: none"> <li>Compensation for lost profit during interruption up to 3 months</li> </ul>
Relocation	Transport expenditure and expenditure on food	All affected persons by relocation	<ul style="list-style-type: none"> <li>Allowance sufficient to cover transport expenditure on food for one month due to relocation.</li> </ul>
House renters		Renters with leases	<ul style="list-style-type: none"> <li>The rent for three months at the prevailing market rate and assistance in finding alternative accommodation</li> </ul>
State property			<ul style="list-style-type: none"> <li>Rehabilitation or replacement of structures to the condition of appropriate to the pre-project</li> </ul>
Vulnerability		Affected persons (vulnerable) who requires special support to avail themselves of the project benefits	<ul style="list-style-type: none"> <li>The categories of vulnerable APs are given in table</li> <li>All the vulnerable people will be covered under 'State Targeted Public Assistance Act July 17, 2001 of RK</li> <li>Skill development and increasing of awareness in rural communities and vulnerable groups</li> <li>In case if vulnerable people will be identified during implementation of RAP, the additional vulnerable APs will be eligible for all forms assistance provided to them in RAP.</li> <li>Special programs which is considering additional compensation, allowance and other types of cash payment</li> </ul>



			<p>on the basis of the results of social assessment and census of APs. They receive from the Government privileges and a one-time compensation from the State, included to the special program regardless they affected or not under the acquisition</p> <ul style="list-style-type: none"> <li>• All APs covered by the Law dated July 17, 2001 of the RK “State Targeted Public Assistance”</li> <li>• Lump-sum payment minimum living wage X 12 months) in accordance with an agreement between the CfR and the World Bank, according to the World Bank’s Operational Policy</li> </ul>
<b>Temporary loss</b>			
Land used for construction activities	Subject to negotiation between the owner and the contractor	The owner (private or public)	<ul style="list-style-type: none"> <li>• Contractor pays cash compensation at local commercial rental rates for duration of use</li> <li>• Land restored to original status at end of lease</li> <li>• Environmental safeguard requirements accordance</li> </ul>
Land for borrow pits	Subject to negotiation between owner and contractor	Owner (private or public)	<ul style="list-style-type: none"> <li>• Contractor pays cash compensation on local commercial prices for the duration of use</li> <li>• Land restored to original status at end of lease</li> <li>• Environmental safeguard requirements accordance</li> </ul>
Unforeseen adverse effects and impacts	<ul style="list-style-type: none"> <li>• Rayon Akimat and RSE "Committee for Roads of the Ministry for Investment and Development of the Republic of Kazakhstan" will deal with any unforeseen impacts of the project during and after the period of implementation of the project in terms of implementation of the principles of social protection of affected.</li> </ul>		

### 13. COMPENSATION SCHEME IMPLEMENTATION

The CR, akimats of Karaganda and Zhambyl oblasts recommend that this Draft Plan be considered by all parties as the agreed approach for all remaining land acquisition and resettlement in connection with the construction of Almaty-Astana Road.

Akimats of Karaganda and Zhambyl oblasts have to ensure, that all APs will be paid compensation defined above. It is obvious that in the event of disagreement about whether payment was made in accordance with the legislation of Kazakhstan or resettlement policy of the World Bank, APs shall receive the compensation, which will be higher. In particular, the CR commits to the following:

- a) **Vulnerable Persons:** Persons whose interests are affected by the project are subject to the operational definition of socially vulnerable persons, additional assistance will be provided.
- b) **Informal Users:** all informal users (specifically livestock grazers) will continue to be allowed to use remaining adjacent State Land for grazing of livestock.
- c) **Assistance to Significantly Affected Households:** After the signing of official agreement on the Project with World Bank, akimats of Karaganda and Zhambyl Oblasts will provide data regarding income factors taking into account during the compensation calculation for acquired lands, paid to all significantly Affected households and further have to pay

supplemental assistance to any households that have received less than two years' agricultural output for land compensation.

- d) Support to indirectly affected persons by the project: Akimat of Karaganda and Zhambyl oblasts and CoR will give due consideration to measures intended to support existing communities along the original "Karaganda – Balkhash – Burylbaital" roads, in order to enable them to benefit from the construction of a new road.
- e) Grievance Redress and TOR: The grievance redress mechanism outlined in this document is used as a means insuring the communities concerns and complaints are fairly dealt with from now and during construction stage. For the provision of work of the given mechanism in the Supervision Consultants' ToR a separate specialist is provided.
- f) Monitoring and evaluation: will be carried out.