



RP1669 REV

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**PROJECT: EMPOWERING POOR COMMUNITIES AND MICRO-
ENTREPRENEURS IN THE GEORGIA TOURISM SECTOR**

**Resettlement
Policy Framework**

Biological Farming Association Elkana

June, 2014

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PREFACE

This Resettlement Policy Framework (RPF), covering involuntary resettlement and land acquisition issues has been prepared by the Biological Farming Association Elkana (ELKANA). It is one of key safeguard documents for the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector, supported by the World Bank and Japan Social Development Fund (JSDF). The other safeguards are reflected in the Operational Manual (OM). Present RPF is supplementary document to the OM and should be considered as its essential part. The screening tools mentioned in the RPF are found in the OM.

Present document takes into account the approaches to land acquisition and resettlement issues by the Government of Georgia and the World Bank, and best international practice. The document prepared by ELKANA provides the framework for assuring mutually accepted compliance to the concerns of all parties, with the understanding that the most stringent requirements of any party would prevail and be respected.

The Resettlement Policy Framework is elaborated for the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector financed by the WB. The project has multiple components focused on generation of employment and increasing household incomes for poor and vulnerable communities in the Kakheti and Imereti regions by supporting them to (i) start/grow micro, small, and medium-sized enterprises in the tourism sector and (ii) implement small works in the vicinity of cultural heritage sites. The organization accomplishing the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector and concrete subprojects is the Biological Farming Association Elkana.

The Biological Farming Association Elkana is a non-governmental Georgian organisation founded in August 1994. The association aims to improve the socio-economic conditions of the population of Georgia and to ensure environmental protection through fostering the development of sustainable & organic farming and increasing the self-reliance of the rural population. The program activities of ELKANA include: Sustainable & organic farming extension service, Conservation and sustainable use of agricultural diversity, Rural tourism development and the valorization of traditional food and wine production & processing, Raising public awareness on the importance of sustainable & organic farming and of traditional varieties and Advocacy of farmers' rights.

ELKANA, within the limits of the programs accomplished by it, is responsible for implementation of different projects in agriculture, rural development and tourism. During the project implementation ELKANA is obliged to follow the legislation of Georgia under the established rule and by observing the environmental and social requirements of donor organizations. ELKANA is responsible for proper consideration of the environmental and social safeguards of donor organizations in relation with the accomplished projects.

Projects similar to the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector are implemented by ELKANA in cooperation with different donor organizations, such as Brot für die Welt Germany, OXFAM UK, UNDP, GEF, GIZ, SDC, etc. Present Resettlement Policy Framework builds on the Framework elaborated specifically for the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector financed by the WB. However, it may serve as guiding document for implementation of similar projects financed by other donors, in cases

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when the project is associated with the social impacts, regulated by the Resettlement Policy. Similarity of safeguard policies of different donor organizations makes this document applicable for the projects financed by different donor organizations.

Resettlement Policy Framework for the project is prepared since the Project triggers the World Bank Safeguards Policy on Involuntary Resettlement OP 4.12. Resettlement impacts would mainly relate to temporary relocation and/or loss of income or productive assets due to implemented MSME and community sub-projects. Since the nature and kind of sub-projects is to be defined during the project implementation RPF is prepared to provide guidance for Resettlement Action Plan preparation if sub-projects trigger O.P/BP 4.12 Involuntary Resettlement.

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TABLE OF CONTENTS

Preface	2
Abbreviations	5
Glossary	6
1. Project Objective and Anticipated Project Impacts	8
2. Policy, Legal and Administrative Framework in Georgia	13
2.1. Institutional Responsibilities	13
2.2. Resettlement Related Legislation of Georgia	14
3. The World Bank Policy, Safeguards and Georgian Legislation	15
3.1 The World Bank Safeguards and Involuntary Resettlement Policy	15
3.2 Comparison of Georgia Land Acquisition Law and WB Resettlement Policy	17
4. Principles for Resettlement and Land Acquisition	18
5. Eligibility and Entitlements, Entitlement Matrix	19
6. Implementation	21
7. Agreements	23
8. Grievance Redress Mechanism	23
Annex 1 Synopsis of Selected Georgia Laws and Regulations on LAR	25
Annex 2 OP 4.12 Involuntary Resettlement Involuntary Resettlement Instruments	30
Annex 3 Outline of a Resettlement Action Plan	31
Annex 4. Minutes of Stakeholders' Meeting in Kutaisi	34
Annex 5. Minutes of Stakeholders' Meeting in Telavi	40
Annex 6. Project Presentation document for Stakeholders' Meetings in Kutaisi and Telavi	47

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ABBREVIATIONS

ADB	Asian Development Bank
AF	Affected Family
AH	Affected Household
AP	Affected Person
BP	Bank Procedure
CDD	Community-driven development
DP	Displaced person
EA	Executing Agency
EBRD	European Bank for Reconstruction and Development
EIA	Environmental Impact Assessment
ESSU	Environmental and Social Safeguards Unit
GEC	Grievance Examination Commission
GIZ	German Technical Cooperation
IFI	International Financial Institutions
IMA	Independent Monitoring Agency
IPSA	Initial Poverty and Social Assessment
LAR	Land Acquisition and Resettlement
LSG	Local Self Government
MCC	Millennium Challenge Corporation
MCG	Millennium Challenge for Georgia
MDF	Municipal Development Fund
MLARO	Municipal Land Acquisition and Resettlement Office
NAPR	National Agency for Public Registration
NGO	Non-Governmental Organization
OD	Operational Directive
OP	Operational Policy
PAP	Project Affected Person
PIC	Public information centre
RAP	Resettlement Action Plan
ROW	Right of Way
RP	Resettlement plan
RPF	Resettlement Policy Framework

GLOSSARY

1. **Affected Person (or households)** - People (households) affected by project-related changes in use of land, water or other natural resources
2. **Asset Inventory** - A complete count and description of all property that will be acquired.
3. **Compensation** - Loss reimbursement for the Project affected persons; Cash payment or in-kind compensation in the due amount in return for the loss of assets (property), resources or income
4. **Displaced Persons** - The people or entities directly affected by a project through the loss of land and the resulting loss of other assets.
5. **Direct road impact** - When privately owned land parcels are physically affected by the road rehabilitation works
6. **Economic Rehabilitation** - Economic Rehabilitation implies the measures taken for income restoration or economic recovery so that the affected population can improve or at least restore its previous standard of living.
7. **Eligibility** - The criteria for qualification to receive benefits under a resettlement program.
8. **Eminent Domain** - The right of the state to acquire land, using its sovereign power, for public purpose. National law establishes which public agencies have the prerogative to exercise eminent domain.
9. **Expropriation** - Process whereby a public authority, usually in return for compensation, requires a person, household, or community to relinquish rights to land that it occupies or otherwise use
10. **Grievance Procedures** - The processes established under law, local regulations, or administrative decision to enable property owners and other displaced persons to redress issues related to acquisition, compensation, or other aspects of resettlement.
11. **Initial Baseline Survey** - The population census, asset inventory, and socioeconomic survey together constitute the baseline survey of the affected population.
12. **Income restoration** - Re-establishing income sources and livelihoods of people affected
13. **Involuntary resettlement** - Development project results in unavoidable resettlement losses that people affected have no option but to rebuild their lives, income and assets bases elsewhere.
14. **Land Acquisition** - The process of acquiring land under the legally mandated procedures of eminent domain.
15. **Land parcels under road impact** - When only privately owned land parcels are physically affected by the Motor Road rehabilitation activities
16. **Land parcel with residential house attached under road impact** - When privately owned land parcels as well as residential houses are physically affected by the Motor Road rehabilitation activities and require demolition of the house
17. **Land parcel with supplementary structure under road impact** - When privately owned land parcels as well as any non-residential and non-commercial structures are physically affected by the Motor Road rehabilitation activities and may require demolition of the residential house as well
18. **PAP - Project-Affected Persons (or Population) PAF - Project-Affected Family** - Any family (household) that loses , land or other assets because of land acquisition.
19. **Population Census** - A complete and accurate count of the population that will be affected by land acquisition and related impacts. When properly conducted, the population census provides the basic information necessary for determining eligibility for compensation.
20. **Project Cycle** - the cycle of project development from initial phases of identification and assessment of feasibility, until its final implementation. From standpoint of the project implementing agency, it is convenient to represent the project cycle as consisting of following

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phases: Pre-feasibility Assessment, Feasibility Studies, Project Design and Appraisal, Project Implementation.

21. **Rehabilitation** - Re-establishing incomes, livelihoods, living, and social systems
22. **Relocation** - Rebuilding housing, assets, including productive land, and public infrastructure in another location
23. **Replacement rates** - Cost of replacing lost assets and incomes, including cost of transactions
24. **Resettlement** - Term – “Resettlement” in accordance to the World Bank Involuntary Resettlement Operational Policy Document 4.12 considers alienation of land parcels and/or physical relocation (moving to other place) of households being appeared within the project affected area
25. **Resettlement Entitlements** - Resettlement entitlements with respect to a particular eligibility category are the sum total of compensation and other forms of assistance provided to displaced persons in the respective eligibility category.
26. **Resettlement effects** - Loss of physical and non-physical assets, including homes, communities, productive land, income-earning assets and sources, subsistence, resources, cultural sites, social structures, networks and ties, cultural identity, and mutual help mechanisms
27. **Resettlement plan** - A time-bound action plan with budget setting out resettlement strategy, objectives, entitlements, action, responsibilities, monitoring and evaluation *Resettlement (Action) Plan* -A resettlement action plan [RAP] is the planning document that describes what will be done to address the direct social and economic impacts associated with involuntary taking of land.
28. **Resettlement Strategy (Rehabilitation Strategy)** - The approaches used to assist people in their efforts to improve (or at least to restore) their incomes, livelihoods, and standards of living in real terms after resettlement. The resettlement strategy typically consists of payment of compensation at replacement cost, transition support arrangements, relocation to new sites (if applicable), provision of alternative income-generating assets (if applicable), and assistance to help convert income-generating assets into income streams.
29. **Socioeconomic Survey (SES)** - A complete and accurate survey of the project-affected population. The survey focuses on income-earning activities and other socioeconomic indicators.
30. **Stakeholders** - A broad term that covers all parties affected by or interested in a project or a specific issue—in other words, all parties who have a stake in a particular issue or initiative. Primary stakeholders are those most directly affected—in resettlement situations, the population that loses property or income because of the project and host communities. Other people who have an interest in the project—such as the project authority itself, the beneficiaries of the project (e.g., urban consumers for a hydro-power project), and interested NGOs are termed secondary stakeholders.
31. **Task Manager or Task Team Leader** - In Bank parlance, the officer in charge of a Bank-supported project or activity.
32. **User** - Physical person not registered as the owner at the Public Register, or holding the right to use the land
33. **Usufruct** -The right to use and profit from land belonging to other person, or group of persons but in difference with the owner he/she will have no right to alienate, mortgage or bequeath of the land parcel
34. **Vulnerable groups** - Distinct group of people who might suffer disproportionately from resettlement effects

1. Project Objective and Anticipated Project Impacts

The development objective is to support employment generation and increase household incomes for targeted poor and vulnerable communities in the Kakheti and Imereti regions by helping them to (i) start/grow micro, small, and medium-sized enterprises in the tourism sector and (ii) implement small works in the vicinity of cultural heritage sites.

An estimated 2700 poor and vulnerable people, including IDPs, will directly benefit from this project. An emphasis will be made on targeting women among these groups. This number corresponds to the number of jobs created through the support to the creation of MSMEs and small works in the vicinity of cultural heritage sites aimed at improving visitation experience of tourists. The grant will equip local poor and vulnerable individuals with competitive matching grants, know-how and information, for the creation of no less than 500 MSMEs in cultural and tourism-related industries. These are expected to provide employment to 4 people each on average, for a total of 2000 jobs. The small works for the improvement and maintenance of the access to the cultural heritage sites will require less skill, as they will mostly consist of physical labor. The number of beneficiaries from this activity is expected to be 700.

Expected Results

The following outcomes are expected from the JSDF project, as measured by the listed indicators:

DEVELOPMENT OUTCOME INDICATORS ¹		Project Baseline	End Target
(a)	Development of the cultural/tourism sector (measured by the number of MSMEs started/expanded using the project's matching grants, segregated by gender and IDPs)	0	500
(b)	Increased employment opportunities , (measured by the number of new jobs created, segregated by gender and IDPs)	0	2,700
(c)	Increased household income of beneficiaries , (measured by the <i>difference in monthly income of participatory households due to their activities in the tourism sector between the start and end of the project</i> , segregated by gender and IDPs)	Average across all targeted households to be determined in baseline once beneficiaries selected	20% increase at household level
(d)	Improved entrepreneurial capacity (measured by the number of persons benefiting from technical assistance, segregated by gender and IDPs)	0	500
(e)	Implemented sub-projects for the improvement of the areas along the access routes and in the vicinity of cultural heritage sites (measured by the number of communities)	0	60

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	interventions)		
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Proposed Project Components

The Empowering Poor Communities and Micro-entrepreneurs in the Georgia Tourism Sector Project will provide complementary activities to the RDP I and II projects that will galvanize the impact of the expanding tourism sector for the poorest and most vulnerable, and increase local community ownership of tourism development. The project consists of the five components:

Component 1: Assessments (US\$ 82,680).

- (i) **Market Assessment.** Knowledge of current and potential markets for tourism-related MSMEs in Kakheti and Imereti, and the desired products and services from these enterprises is crucial to the proper design of the Technical Assistance and Capacity Building activities. Product and service offerings for potential further development were identified in the tourism value chain analysis conducted in Kakheti,¹ and the Imereti Tourism Development Strategy.² Potential offerings included cultural heritage activities, wine heritage, and nature and adventure activities. These analyses were used to inform the improvement of basic infrastructure, the development of a more skilled workforce at the institutional level, product improvements, and more effective marketing and promotion of the region. There is a need however for further analysis of the role of MSMEs in the provision of needed products and services, and the markets for such offerings. The Terms of Reference for this consultancy will be developed before project effectiveness and will be ready at the onset of the Grant. The market assessment will be completed within four months of JSDF financing.
- (ii) **MSMEs and gender assessment.** This assessment will be carried out with the objective of better understanding MSMEs and vulnerable groups’ role, including women, in the local economy. An analysis will be undertaken of the economic constraints faced by vulnerable groups, in particular women, and the potential of their sectors of activity to be linked to the tourism and agro-processing sectors. Baseline indicators will be drawn from these analyses. This output will closely inform the design of components 2 and 3. Unlike the market assessment, existing data on MSMEs and gender is largely available from official national data records and only needs to be revised in light of the proposed activities of the grant. Results will be available at the onset of financing by JSDF.

The results of the above assessments will be collected in a database that will show baseline indicators, and ongoing progress. These will be used to inform the impact assessment.

Component 2: Technical Assistance and Capacity Building (US\$ 220,800).

¹ Solimar International, Inc. (2012), “Kakheti Tourism Development Part I: Value Chain Analysis”

² Georgia National Tourism Agency. (2012). “Imereti Tourism Development Strategy”

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- (i) **Provide training to MSMEs.** This sub-component will include management and other skills development, advisory services, training on access to markets (particularly tourism), and product development. The goal is to address the constraints of poor and vulnerable groups in accessing networks and know-how to tap into the tourism sector opportunities. Gender-sensitive training will be provided for women among the targeted beneficiaries. This component will be shaped by the results of the market and gender assessments. Training activities will be undertaken under the stewardship of the implementing agency, Elkana, in coordination with other NGOs as needed.

Component 3: Support to MSMEs (US\$ 1,080,000).

- (i) **Matching grants will be provided in the maximum amount of US\$ 2,000 to eligible beneficiaries to start or expand their businesses/enterprises.** The matching grant will be utilized to support the production of goods and services related to cultural heritage for micro-entrepreneurs currently not targeted by the RDPs. This may include agro-processed foods, guiding services, handicrafts, performing arts, and other cultural industries. The grant will cover activities such as equipment, services, product promotion, and the acquisition of technical and market information. The details of the sub-grants will be provided in the Operations Manual that will be prepared before project implementation. The grant facility will be accessible on a repeat basis for scaling-up the initial enterprise based on the performance of the first grant (including number of people employed by the enterprise). Beneficiaries receiving funds to expand their operations will be required to hire at least one person who will benefit from their business and thus provide employment opportunities (it is expected that on average, the supported micro-enterprises will contain 3-4 employees). Selected beneficiaries can get support (maximum 50% of the estimated costs of their planned productive investment) for upgrade or purchase of technical equipment (e.g. pasteurization device, wine bottling equipment, fat measuring device, sewing machines, etc.) or building material. The beneficiaries' contribution will cover rehabilitation of properties/work space and be at least 50% of the needed sum. Transparent eligibility criteria and selection processes are described in the project manual and will be further developed and adopted on the basis of the market and gender assessments.

Eligible Activities will include, inter alia,:

- Agro-processing,
- Guiding services,
- Handicrafts,
- Performing arts,
- Hospitality venues and services (cafes, restaurants, B&B, etc.)
- Promotion and marketing of products, services and destinations,
- Other cultural industries.

Ineligible activities include:
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- Activities whose nature is not in compliance with the *Eligible Activities* listed above
- Activities that require land acquisition
- Activities that will have a negative environmental impact

Grant Selection Criteria will include:

- Rationale (correspondence with an existing demand or validated rationale for a projected demand)
- Soundness of the business plan (cost-effectiveness, reasonable return on investment based on 3 years operations)
- Number of jobs created
- Compliance with National and Local Laws and Regulations³
- Ability to match grant amount requested in financial and/or in-kind contribution⁴

(ii) Support will be provided to MSMEs to enhance their business development capacity, and build credit with local financial institutions. This will include consultations, meetings, and workshops that will link entrepreneurs with local business associations and financial institutions. Guidance will be provided to the entrepreneurs on preparing loan applications, negotiating the terms of the loans, and better understanding the appraisal requirements of financial institutions. This is intended to address the constraints poor and vulnerable groups face in accessing credit even after the completion of the project. A detailed design and operational arrangement with the local financial institutions for achieving long-term bankable activities will be further developed and confirmed by the results from the MSMEs and gender assessment.

Component 4: Community Mobilization for Implementation of Small Works at Targeted Cultural Heritage Sites (US\$ 741,520).

The JSDF grant will support community mobilization and small works at targeted cultural heritage sites using the following process/activities:

³ All activities funded under the grant facility must comply with all national and local laws and building by-laws, including but not limited to, those for cultural heritage and environmental protection.

⁴ In-kind contributions include goods, materials, works and services, such as labor, construction materials and/or equipment. Technical experts in the Grant Approval Committee will certify the accuracy of the in-kind contribution values.

- (i) **Community mobilizers/facilitators will work closely with communities in** developing clear and transparent criteria for the grant facility; disseminating information and organizing meetings with residents and local Community Based Organizations (CBOs); developing feasible sub-project ideas; overseeing implementation of small works by the CBOs; ensuring that applicants have the qualifications corresponding to the type of activity proposed (mostly labor); ensuring transparency of the processes to avoid elite capture; and liaising between the community and the funding facility.

- (ii) **A stakeholder dialogue platform will be created** that will include: selected applicants, municipal authorities, and representatives from the two Regional Development Projects (Municipal Development Fund - MDF, the National Cultural Heritage Protection Agency - NCHPA and the Georgian National Tourism Administration -GNTA). This is intended to encourage partnerships, accountability and sustainability, ensure that small works are conducted by individuals with the appropriate skills, and that interventions remain within the scope of this grant. The platform will be created at the start of the JSDF grant and will meet at least twice a year to discuss the project implementation. It will be facilitated by Elkana with close support from MDF/NCHP and local municipalities.

- (iii) **Community driven initiatives will be supported for the improvement of cultural heritage sites and access.** The grant facility will fund community driven initiatives that engage neighborhood groups in protecting their own heritage through maintenance initiatives such as cleaning, access to sites, signage and interpretation, under the stewardship of the NCHPA. Those activities will be small scale initiatives not currently financed under RDP and RDP II. The grantees will be required to contribute up to 20% of project costs in cash or in kind. The size of the grant supporting the community driven initiatives shall not exceed USD 60,000.

Component 5: Participatory Monitoring and Impact Evaluation and Project Management and Administration (US\$ 375,000)

(i) Participatory Monitoring and Impact Evaluation

Participatory monitoring: This activity will build upon community mobilization activities carried out under component 4 and train selected staff of municipalities to oversee participatory monitoring activities. Specific activities will include: a) the development of impact indicators and other performance measures for quantifiable results; b) a beneficiaries' assessment at the onset and at the end of the project. A consultant to document lessons learned through grant implementation will be recruited. A workshop will be held to present the results and findings of the JSDF project, and will be distributed to all stakeholders. A Beneficiary feedback mechanism

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will be put in place by Elkana at the project start to collect and address project beneficiaries' feedback. Results will be monitored and reported annually.

Impact evaluation: Annual surveys will be carried out to monitor the impact of provided training and matching grants and to compare results to baseline data. Additionally, these surveys will cover both control and treatment groups so that the Donor and the WBG will have real evidence of poverty and vulnerability reductions as a result of the proposed grant.

(ii) Project Management and Administration

This subcomponent will cover the incremental operating costs of the NGO managing the activities.

Resettlement impacts would mainly relate to temporary relocation and/or loss of income or productive assets due to implemented MSME and community sub-projects under Components 3 and Component 4 respectively.

The table below gives the summary of resettlement related issues that may occur, the likelihood of such issues actually happening, and proposed actions to be taken.

Resettlement Situational Scenarios	Probability	Status/Action
Temporary impact on the visual quality of private land; disturbance during construction works without any losses of income or property;	moderate	Allowed/ impact mitigation measures within EMP
Temporary impact on the private land; disturbance during construction works associated with the losses of income (loss of harvest and annual income for farmers; losses of income for small businesses, like roadside commercial activities, etc.)	moderate	Allowed/ Abbreviated RAP, compensation of losses
Temporary impact on the private land; losses of productive assets (trees; ancillary buildings)	low	Allowed/ Abbreviated RAP, compensation of losses
Land take; (less than 10 affected households) Acquisition of certain part of private land parcels without or with associated loss of assets	extremely low	Not allowed under the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector. Excluded using screening process.
Land take; (more than 10 affected households) Acquisition of certain part of private land parcels without or with associated loss of assets	extremely low	Not allowed under the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector. Excluded using screening process.

Structural demolition resulting in physical relocation of households or businesses	extremely low	Not allowed under the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector. Excluded using screening process.
Restriction of access to land or natural resources, including informal users	extremely low	Not allowed under the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector. Excluded using screening process.

It is thus anticipated that the majority of resettlement related impacts that may occur during project implementation will be limited to temporary income loss and loss of standing crops and other productive assets. The project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector fully rules out cases of land acquisition.

The RPF will also cover issues related to informal use of public land and restriction of access to resources. Concerning the private sector investments to be selected competitively and supported under Components 3 and 4 of the project, those investments that require involuntary resettlement or restriction of access to natural resources will be screened out.

2. Policy, Legal and Administrative Framework

2.1 Institutional Responsibilities

Table 1. State Institutions that may be involved in land acquisition process

Ministries and Departments	Responsibilities
1. Ministry of Economic Development	Matters pertaining to the project site approval, for the projects of Specific Importance (approval within the Construction Permit).
2. Ministry of Justice - National Agency of Public Registry	Identifies the land plots and ownership rights and their registration into the Public Registry.
3. Ministry of Environmental Protection and Natural Resources	Resolves the issues related to the changes of the designation of land. Site approval within the Construction Permit.
4. Tourism Department	Site approval within the Construction Permit. Certain
	Restrictions on construction in a sanitary protection zones of resorts.
5. Ministry of Culture, Monuments Protection and Sports	Site approval within the Construction Permit. Certain restrictions on construction in a archaeologically valuable sites.

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6. Ministry of Agriculture	Information regarding the yield capacity of given agricultural lands
Regional/local Authorities	Responsibilities
7. Regional Governor	
8. Local Rayon Gamgeoba	
9. Local Rayon Sakrebulo	
10. Local governing Units and their architectural and Construction service units	Implement the decisions on the land parcellation

Table 2. The responsibilities of the entities involved in the process of expropriation as defined under the Legislation of Georgia

Measures/activities	Responsible Body
Presidential Decree on Assigning the Right of an Expropriator	The President of Georgia
Right on Undertaking Expropriation	Through the Court Decision
Conducting appraisal (evaluation) of land and real property	Independent expert invited by the Expropriator
Information regarding the yield capacity of given agricultural lands	Ministry of Agriculture

2.2 Resettlement Related Legislation of Georgia

No land acquisition will take place within the project. Although, there might be the cases of temporary loss of incomes due to the community or MSME investments that might cause disruption in livelihoods.

	The Frame Legislation	Issues addressed
1	The Constitution of Georgia, August 24, 1995;	Frame legislation covering private ownership, privatization, compensation, expropriation and publicity issue.
2	The Civil Code of Georgia, June 26, 1997;	Frame legislation covering Ownership Rights, Construction Right, Servitude Right and Necessary Right of Way issues.
	The Laws Regulating Land and Property Ownership and Land Acquisition Issues	
3	The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996; as amended	The sphere of regulation of the Law on ownership right to agricultural land mainly extends over the agricultural land parcels.

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4	The Law of Georgia on Privatization of State-owned Agricultural Land, July 8, 2005;	regulates the privatization of State-owned agricultural land
5	The Law of Georgia on Compensation of Compensatory Land Cultivation Costs and Sustained Damage in Case of Allocation of Agricultural Land for Non-Agricultural Purposes, October 2, 1997, and the last amendment to this Law made on July 11, 2007;	The law establishes the rules and compensation levels (according to municipalities and recreational zones) for allocation of agricultural lands for non-agricultural land use purpose.
6	The Law of Georgia on Registration Ownership Rights to Immovable Property, December 28, 2005;	defines the rules, terms, and conditions for registration of rights to immovable property
7	The Law of Georgia on the Property of Local Self-governing Units.	identifies property categories, its creation rules and property rights of local self-governing
Legislation Regulating Land and Property Expropriation		
8	The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999	Eminent Domain Law – regulates expropriation of land or property for Necessary Public Need
9	Procedural Civil Code of Georgia, November 14, 1997	The general courts of Georgia consider the cases (including land ownership expropriation cases) according to the rules identified under the Procedural Civil Code of Georgia.
Other Laws Having Regards to Land Acquisition		
11	The Law of Georgia Licenses and Permits, 2005	Permits and procedures for the RoW approval within the Construction Permit
12	The Law of Georgia on Construction Permit	Permits and procedures for the RoW approval within the Construction Permit
	The Law of Georgia on Environmental Impact Permit, 2008	Permits and procedures for the RoW approval through EIA process
	The Law of Georgia on Protection of Cultural Heritage, 2007	Permits and procedures for the RoW approval through Archaeological clearance (within the Construction Permit)
Precedents of Expropriation		
	Presidential Decree No 588, October 1, 2007 about Granting of Ownership Expropriation Rights for Necessary Public Need	Related to expropriation of the private land plot needed for the project of public importance – “Modernization of the Natakhtari - Aгаiani Section of the Tbilisi – Senaki – Leselidze Highway”

Below we will present a brief summary: Overall the above laws/regulations provide that the principle of replacement cost compensating at market value is reasonable and legally acceptable. The laws also identify the types of damages eligible to compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of incomes. Finally, these laws place strong emphasis on consultation and notification to ensure that the Project Affected People (PAP) participate in the process.

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As in practice, public opposition to expropriation is very strong, eminent domain is very rarely used by public authorities, to be exercised only when negotiations between the agency acquiring the land and the owners fail. Indeed, in the example of expropriation cited above, the acquiring agency resorted to expropriation only with a limited number of land owners with whom negotiation failed.

3. The World Bank Policy, Safeguards and Georgian Legislation

3.1 The World Bank Safeguards and Involuntary Resettlement Policy

All projects funded by WB must comply with the WB social and environmental safeguards. The WB financed projects, in their turn, require compliance with the WB safeguards and guidelines. WB BP/OP 4.12 Involuntary Resettlement is one of the most important safeguards guiding land acquisition and related resettlement/compensation issues during project implementation. In line with the principles of host-country responsibility, Georgia is committed to implement the WB financed projects in compliance with the requirements of WB BP/OP 4.12.

Generally, the Georgian legislation is compatible with the major provisions of the WB Resettlement Policy but a few important differences are to be noted⁵. The WB resettlement policy is directed at improving (or at least restoring) incomes and living standards, rather than merely compensating people for their expropriated assets. This improvement of incomes and living standards broadens the objective of the policy to include the restoration of income streams and retraining of people unable to continue their old income-generating activities after displacement. The emphasis on incomes and living standards, in contrast to the conventional emphasis on expropriated property, expands the range and number of people recognized as adversely affected. Recognition of this broader range of adverse impacts leads to a greater appreciation of the issues to be considered in resettlement and consequently requires careful delineation of responsibilities, elaborate risk management and explicit and distinct resettlement planning.

The WB policy complements the Georgian legislation/regulation with certain additional requirements, which are mandatory for the WB financed projects. In particular, appropriate planning/management instruments must be developed prior to project appraisal, like **Resettlement Policy Framework (RPF)** and **Resettlement Action Plan (RAP)**, as appropriate.

Resettlement Policy Framework (RPF). A policy framework needs to be prepared if the extent and location of resettlement cannot be known at appraisal because the project has multiple components, as typically happens in projects with financial intermediaries or multiple sub-projects. The policy framework establishes resettlement objectives and principles, organizational arrangements, and funding mechanisms for any resettlement operation that may be necessary during project implementation. The framework also assesses the institutional capability to design, implement, and oversee resettlement operations.

Resettlement Action Plan (RAP). All projects that entail involuntary resettlement require a **RAP**. “The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement”

⁵ See RPFs for “Georgia Methane Leak Reduction from Gas Pipeline Project” and for the “East – West Highway Improvement Project”.

(OP 4.12, Annex A, para. 2). RAP is location-specific and comprehensive action plan including preliminary studies (socio-economic assessment, sociological survey, census, valuation of impacts, and consultation with affected persons), a set of compensation/mitigation measures for each affected person/household, and detailed implementation plan with indication of responsible parties and schedule.

The WB Policy on Involuntary Resettlement, as defined in the OP/BP 4.12, is based on the following principles:

- Involuntary resettlement is to be avoided or at least minimized.
- Compensation/Rehabilitation provisions provide affected persons with opportunity to improve, or at least restore, pre-project incomes and living standards.
- Affected Persons should be fully informed and consulted on Land Acquisition and Resettlement compensation options.
- Affected Persons' socio-cultural institutions should be supported/used as much as possible.
- Compensation will be paid at replacement cost to affected persons, without deduction for depreciation or any other purpose.
- Lack of legal title should not be a bar to compensation or alternative forms of assistance as needed to achieve policy objectives.
- Particular attention should be paid to households headed by women and other vulnerable groups.
- Land Acquisition and Resettlement should be conceived and executed as a part of the project, and the full costs of compensation should be included in project costs and benefits.
- Compensation and resettlement subsidies will be fully provided prior to clearance of right of way/ ground levelling and demolition.

3.2 Comparison of Georgian Legislation on LAR and WB Resettlement Policy

Generally the Georgian legislation is compatible with major provisions of the WB Resettlement Policy but a few differences are to be noted. The most significant of these differences is that under Georgian legislation/regulation, emphasis is put on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and compensated while in the case of WB policy emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of the Project Affected People (PAP) and Households (AH). Also, in addition, the legislation of Georgia does not require any specific planning/implementation instrument like RPF or RAP based on extensive public consultations. The differences between the legislation of Georgia and WB policy are outlined in Table below.

Table 2: Comparison of Georgia Laws/Regulations on LAR and WB Resettlement Policy

Georgia Laws and Regulations	WB Involuntary Resettlement Policy
Land compensation only for titled landowners	Lack of title should not be a bar to compensation or alternative forms of assistance. Non-titled landowners may receive forms of assistance in lieu of formal compensation payments.

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Only registered houses/buildings are compensated for damages/demolition caused by a project	All affected houses/buildings are compensated for the damages/demolition caused by a project
Crop losses compensation provided only to registered landowners.	Crop losses compensation provided to landowners and sharecrop/lease tenants whether registered or not
Land valuation based on replacement cost: (i) current market value where active land markets exist; (ii) Reproduction cost of an identical plot where no active land markets exist.	Land valuation based on replacement cost.
PAP the grievance should lodge the complaints at the court.	Adequate grievance redress mechanism, which consists of both formal and informal venues, should be developed and made accessible to all PAP
No formal requirements to organize public consultation to inform the PAP of the nature of the project and expected impact	Information on quantification, affected items value assets, entitlements, and compensation/financial assistance amounts is to be disclosed to the APs prior to appraisal.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses.	Income loss, disturbance allowance, and expenses incurred by the PAPs during the relocation process, should be compensated.

4. Principles of Resettlement and Land Acquisition Adopted for the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector

Considering the above-mentioned differences, WB policy complements the Georgian legislation/regulation with additional requirements related to (i) the economic rehabilitation of all AP/AF (including those who do not have legal/formal rights on assets acquired by a project); (ii) the provision of indemnities for loss of business and income, (iii) and the provision of special allowances covering PAP expenses during the resettlement process or covering the special needs of severely affected or vulnerable PAPs. Therefore, during implementation of the project - Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector ELKANA is committed to ensure that:

1. For each subproject that involves acquisition of private land, temporary or permanent income loss, or other impact that triggers the OP 4.12, a Resettlement Action Plan (RAP) will be developed in compliance with policies and procedures set out in this RPF, the WB OP 4.12 and Georgian legislation.
2. Applicants that propose subprojects to ELKANA will be responsible for developing the relevant RAP, and ELKANA will provide technical support.
3. No civil work can start at the section where impacts that trigger OP 4.12 occur before a RAP is

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- deemed acceptable by the Bank.
4. No structural demolition that would cause physical relocation of households or businesses is allowed under the Project.
 5. The private sector investments to be supported under this project will not involve involuntary resettlement or restriction of access to land or other natural resources, including informal usage.
 6. PAP will receive compensation or support of various kinds, without regard to the status of land registration and ownership, in accordance with the entitlement matrix included in this RPF and in compliance with the active legislation of Georgia and the World Bank safeguard policy.
 7. PAP will be informed about their rights and existing alternatives;
 8. PAP will be consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.
 9. PAP will be offered effective compensation at full replacement cost for losses of assets;
 10. PAP will be offered additional support in case impact is considered to be severe, to support their livelihood during the transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;
 11. PAP will be provided with development assistance in addition to compensation measures described, such as land preparation, credit facilities, training, or job opportunities;
 12. Special attention will be paid to the needs of the most vulnerable groups of the population – children, women, the elderly, those below the poverty line, disabled, refugees, etc.
 13. A fair and accessible grievance redress mechanism will be developed.
 14. Compensation measures are completed prior to start-up of the particular construction activities that trigger OP 4.12.

5. Eligibility and Entitlements

Eligibility

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

1. All PAPs losing land, or access to land, permanently or temporarily either covered by legal title/traditional land rights or without legal status;
2. Tenants and sharecroppers whether registered or not;
3. Owners of affected buildings, crops, plants, or other objects attached to the land; and
4. PAPs losing business, income, and salaries.

Compensation eligibility will be limited by a cut-off date to be set for each subproject on the day of the beginning of the Census. Persons who settle in the affected areas after a locally publicized cut-off date will not be considered project-affected, and persons initiating improvements to land or structures after a locally publicized cut-off date will not be eligible for additional compensation. They, however, will be given sufficient advance notice, requested to vacate premises or dismantle affected structures prior to project implementation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction.

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Entitlements

At present, following categories of people are expected to be affected by the project (see Entitlement Matrix, below):

- Private landowners (with an established legal title to the land) whose land will be purchased or expropriated to implement subprojects, including the construction or rehabilitation of residential stocks.
- Private owners whose non-residential assets such as stables, workshops, fences, barns, warehouses, trees, standing crops, and other valuable assets need to be demolished.
- Communal landowners in existing rights of way and new alignments and sites
- Public entities, including self-governing bodies, that own land in existing rights of way and new alignments and sites
- Public/Private Utilities that use portions of the right of way for their own use, such as electric power transmission, water and other pipelines, railroads, and roads.
- Leaseholders (individual and enterprise) who have lease agreements with the Municipalities or other owners in existing and alternative alignments and sites
- Informal/illegal occupants and land users on existing rights of way and new alignments and sites.
- Private landowners or leaseholders (with an established legal title to the land) whose access to their land or assets will be temporary restricted during civil works
- Communal landowners whose access to land and assets will be temporary restricted during civil works
- Public entities, including self-governing bodies, whose access to their land or assets will be temporary restricted during civil works
- Informal/illegal occupants and land users whose access to land and assets will be temporary restricted during civil works

Affected persons will be compensated for land purchased for permanent structures and for servitude agreements (i.e., easements) on existing and new alignments for land they own or use, formally or informally. Affected persons (i.e., owners, informal users and leaseholders) will also be compensated for damages and structures, standing crops, trees and other economic assets that are affected. Whenever possible, and when acceptable to ELKANA, Municipalities and the affected persons, land acquired will be replaced in kind. There will be no physical relocation of houses or businesses under the Project.

Persons affected temporarily by construction activities will be compensated for any lost income, assets and damages. **Assessment of Compensation Unit Values**

The methodology for assessing unit compensation values of different items is as follows:

Agricultural Land will be valued at replacement rates according to two different methodologies depending on whether in affected areas active land markets exist or not.

Where active land markets exist, loss of land will be compensated at the replacement rate based on a survey of land sales in the year before the impact survey. Where active land markets do not exist, loss of land will be compensated based on the cost of reproduction of a plot with equal characteristics, access and productivity to the plot lost. A clear valuation methodology for these cases will be detailed in RAPs.

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No planned demolition of residences or commercial structures is allowed under the project. However, accidental damages to structures could occur. If such damages occur, houses/buildings will be valued at replacement value based on the cost of materials, types of construction, labour, transport and other construction costs. No deductions will be applied for depreciation, salvaged materials and transaction costs.

Annual crops will be valued at net market rates at the farm gate for the first year crop. In the event that more than one-year compensation is due to PAPs, the crops after the first year will be compensated at gross market value (total farm gate sales value minus input costs).

Trees will be valued according to different methodologies depending whether the tree lost is a wood tree or a productive tree.

- Wood trees will be valued based on age category (a. seedling; b. medium growth and c. full growth) and wood value and volume
- Fruit/productive trees will be valued based on age (a. seedling; b. adult-not fruit bearing; and c. fruit bearing) whereas trees at stage a and b will be compensated based on the standard value of the investment made; trees at stage c, instead will be compensated at the net market value of 1 year income x the number of ELKANA needed to grow a new fully productive tree

The unit compensation rates will be assessed by Project consultants based on clear and transparent methodologies acceptable to WB. The assessed compensation rates will then be verified and certified by the Municipality Resettlement Officer and by ELKANA.

There will be no land acquisition under the project.⁶

6. Implementation

This policy framework will be implemented in four stages, each of which is described briefly below.

a) **Resettlement Screening and Scoping.** ELKANA environmental and social specialist will ensure that ToR for the Feasibility Studies (FS) and EIA for each subproject (including the private sector investments to be supported under Component 1.2) includes resettlement screening/scoping paragraph. Resettlement screening will provide sufficient information to determine whether the subprojects trigger OP 4.12 and to identify broad scope and scale of impact. If a private sector investment triggers OP 4.12, it will be removed from the competitive selection process for support under Component 1.2. This is also the case for any sub-project that requires the resettlement of households or businesses.

b) **Preparation of RAPs.** The Consultant to be hired by ELKANA to conduct the FS will, at an early

⁶ Any expected impact of the project will be temporary and small, as there will be no land acquisition. PAP will be further compensated in case they are affected

phase of the FS, carry out a field survey and consult with the land cadastre, to determine if OP 4.12 is triggered. If it is determined that the OP 4.12 will be triggered, then the Consultant will prepare the RAP, under the guidance of the environmental and social specialist of ELKANA. The environmental and social specialist will swiftly inform the Bank task team that OP 4.12 will be triggered and that a RAP will be prepared. If it is determined that OP 4.12 will not be triggered, the FS for the particular subproject will clearly state to the effect.

Once it is determined that OP 4.12 will be triggered, the Municipality responsible for RAP implementation will establish special Commission (RAP Implementation Unit) consisting of municipal officials, head of land use and land management services of municipalities, heads of other relevant services of Municipalities, head of legal services, the environmental and social specialist and the lawyer of ELKANA etc. The Working Group will consist of specialists of the land use and land management services of Municipalities (topographers, GIS and land cadastre specialists, etc.), highly skilled experts of economic and law procured to fit the purpose. On a basis of agreement with ELKANA management and the Commission, if necessary the structure of the Working Group can be expanded on the account of the invitation of professionals of different spheres in view of the specification of the concrete project.

ELKANA will also procure Consultant to prepare a RAP that complies with OP 4.12 for each subproject requiring RAP. ELKANA will ensure that RAP preparation process will meet Bank's consultation and disclosure requirements and will submit draft RAPs to the Bank and other stakeholders for review and clearance. Approval of the RAP by the Bank is required before imposition of impacts and initiation of works.

c) **Implementation of the RAPs.** ELKANA will be responsible for the implementation of the RAPs and will assist affected persons in protecting their rights and preparing documentation required to receive due compensations for livelihood disruption. Compensation/rehabilitation measures will be implemented as the civil works progress but prior to the start of the construction on a particular section.

The details of compensation procedure will be spelled out in RAP(s), but they will include:

- Initial consultation to PAP to notify the project and board impact
- Census, geographic survey and socioeconomic survey of PAP
- Determination of PAP and scope/ scale of impact
- Compensation package and drafting of RAP
- Consultation with PAP
- Negotiation with PAP and payment of compensation
- Payment of compensation and implementation of rehabilitation measures

In the process of implementation of concrete projects, the most important function of the Working Group is to check the alienation of affected land and the demarcation made by the contractor, also to correct measuring and inventory data stipulated by project possible changes. The Working Group will implement its activities in intimate contact with society. Namely, all implemented inventory processes by this group should be held in witness as of the owner, also his/her neighbours, representatives of Sakrebulo and rayon administration. When developing an inventory of impact, the Demarcation Act, similar to what is developed for the East-West Highway Improvement project and attached to the RPF, will be developed

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and used to ensure that all stakeholders, including the affected persons, their neighbours, the Municipality and the representative of ELKANA agree on the scope and scale of impact.

In accordance with approved RAP and active legislation, the Working Group will prepare all necessary documentation (extract from public registry, demarcation act, audit conclusion, copy of ID, bank requisites, etc.), which should be presented then to the Commission. On the basis of these submitted documents the Commission makes a decision concerning the delivery of compensation and in case of owner's consent makes a deed of purchase. Based on contract with the owner the amount will be transferred on private bank account, and afterwards ELKANA will obtain its right on the land.

If Municipality fails to reach agreement over terms of compensation, then it may either revise the design of civil works to accommodate requests of PAP, or start a process of expropriation. The Constitution of Georgia establishes the right to involuntary expropriation of property for public needs. The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need (July 23, 1999) defines the procedures, obligations and the rules of implementation of expropriation. The permit on property expropriation should be issued by the District (City) Court Decision on the basis of the Presidential Decree. Expropriation can be undertaken only after the compensation that regional court has judged as fair and equal to the market value has been paid to the relevant land owners. The PAP may lodge a complaint over the amount compensated, however, the Municipality will be granted right to expropriate and initiate civil works once the court decision for expropriation is established and compensation as considered fair by the court is paid into the PAP.

The project shall resort to property expropriation only in exceptional cases as the last resort: (i) when negotiation over the purchase price of land and other project affected properties fails; and (ii) re-design of investments is impossible. When an empty land or abandoned structures whose owners cannot be physically identified needs to be acquired, the compensation amount due to the PAP shall be deposited in an escrow account and saved at the bank account, and the notice will be posted in national newspapers, until the PAP is identified.

d) Monitoring. ELKANA and Municipalities will develop a mechanism to monitor implementation of the RAPs.

7. Agreements

- Land acquisition and/or income loss will be kept to an absolute minimum.
- Wherever possible, the Municipality will negotiate with the PAPs to agree on the terms of compensation and avoid expropriation.
- No subproject that requires physical relocation of households or businesses is allowed under the Project.
- No private investment that involves involuntary resettlement is supported by the Project. ELKANA will ensure that RAPs be prepared following provisions of OP 4.12, attached to this RPF, for any subproject that is determined to trigger the Involuntary Resettlement policy.
- ELKANA will report to the Bank Task Team immediately once it is determined that OP 4.12 will be triggered for particular subprojects.
- ELKANA will develop an implementation plan based on OP4.12 and the approved RAPs.
- The Bank, will review drafts of the respective RAPs and recommend revisions, as needed. Bank

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- approval of each RAP is required prior to imposition of impacts and initiation of works.
- ELKANA will establish a monitoring capacity in the Municipality where relevant RAP is implemented to monitor preparation and implementation of the RAPs
 - The environmental and social specialist of ELKANA will provide necessary support to ensure that municipalities implement relevant RAPs satisfactorily.
 - The Bank, and other stakeholders, will participate in different aspects of preparation, implementation and monitoring of the RAPs during regular missions.
 - ELKANA will promptly inform the Bank and other stakeholders of significant unforeseen problems or circumstances that may affect outcomes of the RAPs and implementation plans.
 - ELKANA will submit to the Bank RAP completion reports for each subproject for which a RAP is developed.

8. Grievance Redress Mechanism

- PAPs dissatisfied with compensation or other resettlement assistance at any stage of the process can complain directly to the environment and social specialist for ELKANA. A phone number, email address, postal address, and SMS service will be available for this purpose, in order to resolve grievances within a matter of days (maximum 3 days).
- If the PAP is not satisfied with the solution provided by the environment and social specialist, then the Municipal Commission can be called together, to hear the case of the PAP. This meeting should be chaired by an independent third party (e.g. NGO, Academic, Retired Judge etc.). This commission should be formed and its findings completed within two weeks of the complaint being lodged.
- If the PAP is still not satisfied, then ELKANA will put together an ad-hoc committee at the national level to review the complaint. This committee will include representatives of ELKANA, Municipality, and independent third parties, and its work will be completed within a month of the complaint being lodged.
- At any point an independent valuation or assessment of the value of the asset to be acquired can be conducted in order to support the grievance redress process.
- At any point, the PAP is entitled to go to court in order to resolve the grievance.
- PAPs will be made aware of their rights under the grievance redress mechanism and Georgian law as soon as it is clear that they will be affected.

ANNEX 1

SYNOPSIS OF SELECTED GEORGIAN LAWS AND REGULATIONS ON RAP

Framework Legislation

Ownership Rights. The ownership right entitles its beneficiary to freely possess and use property. Mentioned right can be limited within legislative or other agreement. Ownership on the land parcel gives implicit right to land owner to implement construction activities if it is not restricted by any agreement or law.

Construction Right. The owner is allowed to transfer a land plot to another person in temporary usage (not to exceed 59 years) for charge or free of charge. The transferee obtains the right to build a building/construction on or under the land plot, as well as to assign and transfer this right under inheritance or tenancy, borrowing or renting. The construction right may cover such part of a land plot that is not necessary for the actual construction but allows a better use of the facility constructed on the basis of the construction permit. Termination of the construction right requires consent from the landowner. However, as the terms of construction right refer to motor road construction aside to this approach also possible to be utilized the right to request necessary right of way. On the basis of the Article 180 of this Code, if a land parcel lacks the access to public roads that are necessary for its adequate use, the other owner may claim from a neighbor to tolerate the use of his land parcel by the owner for the purpose of providing the necessary access. The mentioned article may be used for road construction, though the determination of necessary right of way is rather complicated procedure and in case of road construction evolves the obligations to prove the existence of the elements of such rights. In case of necessary right of way, the implementer of road project shall have the right to undertake road construction notwithstanding the owner's will. It should be noted also Servitude Right on the property, that due to Georgian Civil Code presents establishment the limits on land parcel or on other property in favour to other land parcel or owner of the property (beneficiary). The Beneficiary is granted the right to use land parcel under restriction with some conditions and /or restrict concrete activities or prohibits land owner from using significant rights against this land parcel. Necessary Right of Way. The Georgian Civil Code gives utilities and state agencies the ability to obtain rights of way under the Necessary Right of Way provision

However, in regard with this project, any rights (among them ownership, construction, inevitable road or servitude) the terms and conditions for transfer the right for construction shall be defined against each land parcel in accordance to the identified rules and on the basis of entered and registered agreement entered by a landowner and the party holding the corresponding right of construction.

Land and Property Ownership Related Legislation

In Georgia, land acquisition for public use is governed by the following laws, reviewed below:

The Law of Georgia on Ownership to Agricultural Land, March 22 1996, as amended;

The current law is completely different from the initial version adopted in 1996. The changes made to this law in different times (among them the amendments on the basis of the Law # 389 as of July 14, 2000)

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have significantly changed its initial format and simplified to maximum extent the procedures considered under the Law. The sphere of regulation of the Law on ownership right to agricultural land mainly extends over the agricultural land parcels.

Article 3.1. Defines that "a land parcel with or without household structure that is registered at the public register and used for cattle-breeding and plant cultivation produces is considered as an agricultural land parcel" with existing household and additional structures or without them. Also the share of a member of household community within the shared hay fields, grazing lands or forestry areas and the part of the agricultural land that may be the object "of separate ownership right" (Article 3.2). The Law determines that the ownership right to agricultural land is granted to the State, physical person, household community (Komli) and legal entity registered in accordance to the legislation of Georgia, which carries out his activities in agricultural sphere. Besides, the Law declares the form of village and household community (Komli) ownership to state-owned grazing lands, private and form of community ownership in high mountain regions (Article 4.3). According to the Articles 6 and 8, acquisition of agricultural land is allowed on the basis of ordinary rules and general restrictions. Ordinary rule considers land alienation without any permits and other limitations, and general restrictions consider land alienation only on the basis of the consent of co-owner of shared property. In case of agricultural land acquisition the lessee has the priority right to purchase the land (Article 10). Alienation is restricted if the area after this action will be less than 5 hectare. The Law defines Tax sanctions if land has not been cultivated for 2 years and for non-payment of land tax and non-transmission to the other person in lease condition. In such cases the law does not directly state any type of penalty and only refers that in described cases shall be exercised the sanctions under the Tax legislation (Article 20).

The Law of Georgia on Privatization of State-owned Agricultural Land, July 8 2005, as amended;

The Law regulates the privatization of State-owned agricultural land. On the basis of this law the leased or non-leased State-owned agricultural land subject to privatization. However, the categories of agricultural lands listed below do not subject to privatization:

- grazing lands except the grazing lands which before law enactment were leased; grazing lands attached to existing structures being under ownership of legal and/or physical persons or state ownership in accordance to the rule refined by the Law; that
- Cattle-driving routs;
- water fund land, except fish breeding artificial ponds and the lands of common water use category utilized as agricultural lands in accordance to the Law of Georgia on Water.
- Forest fund land used under agricultural designation;
- Recreation lands;
- Lands allocated to Historical monuments, nature and religious monuments;
- Land of protected areas;
- Agricultural reform lands in Adjara Autonomous republic;
- Agricultural lands being used by Budgetary Institutions and legal entities of public law in the form of usufruct.

Privatization of the two categories (forest fund and recreation land) of agricultural land is still allowed, although only for development of resort-recreation infrastructure what the Government of Georgia makes a decision on.

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The Law of Georgia on Compensation of Compensatory Land Cultivation Costs and Sustained Damage in Case of Allocation of Agricultural Land for Non-Agricultural Purposes, October 2, 1997, as amended July 11, 2007;

The objective of the law is to establish regulation for allocation, use or dispose of the agricultural land plot for non-agricultural purpose and related compensation values corresponding to municipalities and recreational territories in Georgia, as well as terms of payment. Aside that, the law defines compensations to the private landowners or land leasers for limiting their ownership rights or for worsening the land plot quality and productivity.

According to clause 3 of the law, the land plots beyond the recreational zones owned by the citizens of Georgia (families, komlis) are not subject for the change of the land category from agricultural into non-agricultural in case of need for constructing on the mentioned land plot the leaving house for the owner or any barns and utility rooms. This protects the private landowner from additional compensation payments related with the changes of the land category. At the same time, the outcome of this clause pertinent to resettlement is that certain houses and buildings could be situated on the agricultural land plots and this may have additional impact on replacement cost calculations.

Law of Georgia on Registration of Rights to Immovable property December 28 2005, as amended

The Law defines the rules, terms, and conditions for registration of rights to immovable property (things), rights and obligations of the subjects participating in registration procedures. The goal of this Law is to declare and verify ownership rights on to immovable property (things) within the territory of Georgia thought registration of these rights into the Public Register. The Law describes the rules set forth for organization and functioning of Public Register. Some rights subject to mandatory registration others may voluntarily be registered. Among them, mandatory registration extends to: a) Obtaining ownership rights to immovable property based on sales transaction, exchange, giving as a gift (bequeath), inheritance, through verification of ownership rights, privatization and also abandonment of ownership rights being registered at the Public Register; and b) The rights to build, usufruct, mortgage and guarantee rights, rights to lease and rent (if such is based on the notarized agreement). This law ensures successful process of expropriation and obtaining of necessary right of way since in case of purchasing immovable property from an owner, it is required that land and real property is registered into the public register to provide legal validity to the sales agreement. Pursuant to the active legislation of Georgia, acquisition (purchase) of private property is legally valid and ownership rights are declared only after its registration into the Public Registry.

The Law on the Property of Self-governing Units, March 25 2005, as amended

The said law identifies property categories, its creation rules and property rights of local self-governing unit (hereinafter Self-governing Unit”) except land and natural resources the usage, possession and alienation of which is regulated by the special legislation of Georgia. According to the Article 2, the property of self-governing unit is divided into two categories: basic and additional properties. Alienation of the property of self-governing unit is limited, alienation of additional property is possible on the basis of the rule defined by the law. On the basis of the mentioned law the local state-owned property, such as roads, bridges, tunnels, streets, underground crossings, pavements, traffic lights, constructions of outdoor lighting, squares, public gardens, boulevards, fountains, parks, green plants and bank protection constructions may be transferred to the self-governing unit.

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No expropriation of property will happen within the project.

Summary

Overall the above laws/regulations provide that the principle of replacement cost compensating at market value is reasonable and legally acceptable. The laws also identify the types of damages eligible to compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of incomes. Finally, these laws place strong emphasis on consultation and notification to ensure that the AP participate in the process. As in practice, public opposition to expropriation is very strong this instrument to acquire land is used only in extreme cases when negotiations between the agency acquiring the land and the owners fail. Usually once public interest is established, the investor (RDMED, in this case) negotiates compensation for the sale or use of land with landowners and land users.

Other Laws having regard to the land acquisition process.

The Law of Georgia on Motor Roads, November 11, 1994.

Clause 27 only briefly addresses the issue of land allocation for the needs of the motor road construction through referring to the active legislation.

The Law of Georgia Licenses and Permits, 2005

The law specifies permits and license required in Georgia. Amongst the others the law mentions Construction Permit and Environmental Impact Permit, which have regard to the highway modernization projects and related activities (construction, upgrading etc.) and RoW or route approval.

The Laws of Georgia on Construction Permit (2004), on Environmental Impact Permit (2008) and on Cultural Heritage (2007) describe permits, related studies and clearance procedures applicable to the road construction projects and required to approve the route, RoW and construction corridor for the motor road. Approval of the RoW and construction corridor is necessary preliminary step before starting land acquisition. We will not describe here these laws in more details, so far as the RoW approval is not a component of the Resettlement Action Plan, but they are reviewed in the Environmental Manual.



ANNEX 2

All relevant information about Bank regulation OP/BP 4.12 Involuntary Resettlement can be found on the below web-site:

<http://intranet.worldbank.org/WBSITE/INTRANET/UNITS/INTOPCS/INTSAFEPOL/0,,contentMDK:20309281~hlPK:1006131~menuPK:613338~pagePK:64168332~piPK:64168299~theSitePK:584402,00.html>

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ANNEX 3

Outline of a Resettlement Action Plan

This section provides an annotated outline for a Resettlement Action Plan. The outline is adapted from the World Bank, *Resettlement and Rehabilitation Guidebook*, which is available on CD-ROM from the World Bank InfoShop. Excerpts from the *Guidebook*, as well as other information related to resettlement, can be found on the World Bank internet web site, <http://www.worldbank.org/essd/essd.nsf>. and selecting "Involuntary Resettlement" from the "All Topics" drop down menu.

Introduction

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

Minimizing Resettlement

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

Census and Socioeconomic Surveys

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

Legal Framework

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

Resettlement Sites

- Does the project require community relocation sites? Have affected people been involved in a participatory process to identify sites, assess advantages and disadvantages of each-site, and select preferred sites?

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

Income –Restoration

- Are the compensation entitlements sufficient to restore income streams for each category of impact? What additional economic rehabilitation measures are necessary?
- Briefly spell out the restoration strategies for each category of impact and describe their-institutional, financial, and technical aspects.
- Describe the process of consultation with affected populations and their participation in finalizing strategies for income restoration.
- How do these strategies vary with the area of impact?
- Does income restoration require change in livelihoods, development of alternative farmlands or some other activities that require a substantial amount of training, time for preparation, and implementation?
- How are the risks of impoverishment to be addressed?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?
- Describe the process for monitoring the effectiveness of the income restoration measures.
- Describe any social or community development programs currently operating in or around the project area. If programs exist, do they meet the development priorities of their target communities? Are there opportunities for the project proponent to support new programs or expand existing programs to meet the development priorities of communities in the project area?

Institutional Arrangements

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

Implementation Schedule

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

Participation and Consultation

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

Grievance Redress

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

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Monitoring and Evaluation

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

ANNEX 4

Minutes of Stakeholders' Meeting in Kutaisi

Public Consultation Meeting

Minutes

Environmental Management Framework

Resettlement Policy Framework

In order to discuss the Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) prepared for the Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project, stakeholder meeting was held in the Civic Engagement Centre of Kutaisi, Imereti on 17th June, 2014.

Population of the region was informed about the public hearing in advance through the announcements posted on the information boards of Gamgeoba building. [Also, the documentation was sent by e-mail to the project-affected municipalities.](#)

At the meeting were discussed the environmental and resettlement legal requirements of Georgia and safeguard policies of the World Bank. The structure, contents, legal background and requirements of the ESMF and RPF which are the part of the Operations Manual of Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project.

Those present:

Name	Organization
Mariam Jorjadze	Elkana, Director
Tamaz Dundua	Elkana, Program Manager
Alexander Bagdadze	Elkana, Imereti Representative based in Kutaisi

Public Consultation was attended by attorneys of the territorial entities of the municipalities of Imereti region and representatives of local population (see annexed photos).

List of attendees (interested population) is attached below:

ელკანა
ELKANA

პროექტი: ადგილობრივი თემებისა და მიკრომეწარმეების გაძლიერება საქართველოს ტერიტორიის სექტორში
დონორი: მსოფლიო ბანკი და იაპონიის სოციალური განვითარების ფონდი
თემა: გარემოსდაცვითი და სოციალური მართვისა და განსახლების პოლიტიკის ჩარჩო დოკუმენტების განხილვა

მონაწილეთა სია ქუთაისი, 17.06.14

N	სახელი, გვარი	ორგანიზაცია, თანამდებობა	საკონტაქტო ინფორმაცია	ხელმოწერა
1	სახელი ვიქტორია	ფინანს. ინსტიტუტების ასოციაცია	599 17 08 05	[Signature]
2	გიორგიან ვანუშა	სოციალური მედიაციის ცენტრი	595-90-10-71	[Signature]
3	ლევან ხუციანი	ქვემო ქართლი რეგიონული განვითარების ცენტრი	595-90-85-89	[Signature]
4	მედიან ხუციანი	ქვემო ქართლი რეგიონული განვითარების ცენტრი	599-71-45-59	[Signature]
5	სადაჩი მხევიძე	სადაჩი მხევიძე	585-30-80-72	[Signature]
6	პროფ. კობახიძე	People in Need	571 557177	[Signature]
7	ხუციანი ხელისუფლება	ქვემო	599 44 64 35	[Signature]
8	ქალი ხუციანი	ქალი (ს) სპ. სპ. სპ.	599 33 52 98	[Signature]
9	მედიან ხუციანი	სოციალური მედიაციის ცენტრი	599 45 74 48	[Signature]
10	მედიან ხუციანი	სოციალური მედიაციის ცენტრი	598-10-41-65	[Signature]
11	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	599-70-57-85	[Signature]

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ელკანა
ELKANA

N	სახელი, გვარი	ორგანიზაცია, თანამდებობა	საკონტაქტო ინფორმაცია	ხელმოწერა
11	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	599-18-33-70	[Signature]
12	მედიან ხუციანი	სოციალური მედიაციის ცენტრი	599 45 74 48	
13		სოციალური მედიაციის ცენტრი	n.medea@elkana.org	
14		სოციალური მედიაციის ცენტრი	Ph. Medea Supatvashvili	
15		სოციალური მედიაციის ცენტრი		
16	მედიან ხუციანი	სოციალური მედიაციის ცენტრი	577497481	
17	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	5-95-90-10-71	[Signature]
18	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი		Paoluia 1954 @me
19	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	599767154	
20	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	6501112@gmail.com	
21	გიორგი ხუციანი	სოციალური მედიაციის ცენტრი	59536484	[Signature]
22				
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During the meeting:

- Brief description of Project and sub-projects under Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project (presentation in Georgian attached)
- Introduction to the Resettlement Policy Framework (RPF)
 - Policy, Legal and Administrative Framework
 - The World Bank Policy, Safeguards and Georgian Legislation
 - Principles of Resettlement and Land Acquisition Adopted for the Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project
 - Eligibility and Entitlements
 - Implementation
 - Agreements
 - Grievance Redress Mechanism
 - Outline of a Resettlement Action Plan
- Introduction to the Environmental Management Framework
 - Environmental Compliance of the Project
 - Subproject Screening and Approval
 - Environmental Review and Environmental Management Planning
 - Public Consultation
 - Environmental Liabilities of Elkana Contractors
 - Environmental Monitoring
 - Reporting
- Involvement of population in consultation processes.

The presentation was followed by debates. the Q&A session held by the Elkana staff is given in the below table.

Question/Comment	Response
When will the project implementation start?	The project has not been started yet. It is expected that the agreement will be signed by September 2014. In this case the first works will start in the beginning of 2015.
Will the local population be employed?	The Project development objective is to generate employment and increase household incomes for poor and vulnerable communities in the Kakheti and Imereti regions by supporting them to (i) start/grow micro, small, and medium-sized

	<p>enterprises in the tourism sector and (ii) implement small works in the vicinity of cultural heritage sites. Therefore the project will support only those sub-projects that are focused on local communities and local employment.</p>
<p>Who are project direct beneficiaries?</p>	<p><i>The main beneficiaries are poor and vulnerable communities and individuals in the Kakheti and Imereti regions of Georgia, including IDPs.</i> There will be an emphasis on targeting women. Beneficiaries include local entrepreneurs interested in starting a business, home-based enterprises, women-managed enterprises which traditionally employ large groups of women in areas relevant to tourism (such as hand-crafts, guest-houses, cafes/restaurants, and souvenir shops), and organic food processing businesses. Other members of the local community will have a chance to participate in community-driven small works initiatives around cultural heritage sites. The project will provide complementary activities to the Regional Development Project (RDP) and RDP II that will galvanize the impact of the expanding tourism sector for the poorest and most vulnerable, and increase local community ownership of tourism development.</p>
<p>What type of grants will be offered and on what conditions?</p>	<p>Matching grants will be provided in the average amount of US\$ 2,000 to eligible beneficiaries to start or expand their businesses/enterprises. The matching grant will be utilized to support the production of goods and services related to cultural heritage for micro-entrepreneurs currently not targeted by the RDPs. This may include agro-processed foods, guiding services, handicrafts, performing arts, and other cultural industries. The grant will cover activities such as equipment, services, product promotion, and the acquisition of technical and market information. The details of the sub-grants will be provided before the grant call is announced. It is planned that the grant facility will be accessible on a repeat basis for scaling-up the initial enterprise based on the performance of the first grant (including number of people employed by the enterprise). Beneficiaries receiving funds to expand their operations will be required to hire at least one person who will benefit from their business and thus provide employment opportunities (it is expected that on average, the supported micro-enterprises will contain 3-4 employees). Selected beneficiaries can get support (maximum 50% of the estimated costs of their planned productive investment) for upgrade or purchase of technical equipment (e.g. pasteurization device, wine bottling equipment, fat measuring device, sewing machines, etc.) or building material. The beneficiaries' contribution will cover rehabilitation of properties/work space and be at least 50% of the needed sum. Transparent eligibility criteria and selection processes will be developed and adopted</p>

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	<p>on the basis of the market and gender assessments and public consultations.</p> <p>In addition, community driven initiatives will be supported for the improvement of cultural heritage sites and access. The grant facility will fund community driven initiatives that engage neighborhood groups in protecting their own heritage through maintenance initiatives such as cleaning, access to sites, signage and interpretation, under the stewardship of the NCHPA. Those activities will be small scale initiatives not currently financed under RDP and RDP II. The grantees will be required to contribute up to 20% of project costs in cash or in kind. The size of the grant supporting the community driven initiatives shall not exceed USD 60,000.</p>
<p>Are regional CBOs eligible for grants?</p>	<p>In the sub-grant component for community driven initiatives local CBOs are eligible for grants.</p>
<p>If an affected person is against receiving the compensation stipulated in the Resettlement Action Plan, how will the property be purchased and reimbursed in this case?</p>	<p>No land acquisition will take place within the project. There might be only the cases of temporary loss of incomes due to the community or MSME investments that might cause disruption in livelihoods. Resettlement impacts would mainly relate to temporary relocation and/or loss of income or productive assets due to implemented MSME and community sub-projects.</p>
<p>Is it already determined according to the environmental policy of the WB to which environmental category do the sub-projects belong?</p>	<p>1. The project carries investment components in support to infrastructure development and therefore triggers OP/BP 4.01 Environmental Assessment. Based on the principles of the OP/BP 4.01, most of the expected investment subprojects fall under environmental Category B, while some may be environmental Category C. The entire project is ranked as environmental Category B. All subprojects will require examination of environmental and social risks and risks to the cultural/historic heritage. Based on the outcome of risk assessment and classification of subprojects, subproject-specific sets of risk mitigation measures will be developed and environmental and social monitoring of works will be planned.</p>

Attached: Photos of the meeting

Meeting in Kutaisi, the Centre for Civic Engagement, 17.06.2014



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ANNEX 5

Minutes of Stakeholders' Meeting in Telavi

Public Consultation Meeting

Minutes

Environmental Management Framework

Resettlement Policy Framework

In order to discuss the Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) prepared for the Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project, stakeholder meeting was in the Centre for Civic Engagement of Telavi, Kakheti on 19th June, 2014.

Population of the region was informed about the public hearing in advance through the announcements posted on the information boards of Gamgeoba building. Also, the documentation was sent by e-mail to the project-affected municipalities and distributed through Caucasian Environmental NGO Network (see attached).

At the meeting were discussed the environmental and resettlement legal requirements of Georgia and safeguard policies of the World Bank. The structure, contents, legal background and requirements of the ESMF and RPF which are the part of the Operations Manual of Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project.

Those present:

Name	Organization
Mariam Jorjadze	Elkana, Director
Gia Rukhadze	Elkana, Administration Officer

Public Consultation was attended by attorneys of the territorial entities of the municipalities of Imereti region and representatives of local population (see the photos blow).

List of attendees (interested population) is attached below:

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პროექტი: ადგილობრივი თემებისა და მიკრომწარმოებების გაძლიერება საქართველოს ტერიტორიის სექტორში
 დონორი: მსოფლიო ბანკი და იაპონიის სოციალური განვითარების ფონდი
 თემა: გარემოსდაცვითი და სოციალური მართვისა და განახლების პოლიტიკის ჩარჩო დოკუმენტების განხილვა

მონაწილეთა სია* თელავი, 19.06.14

N	სახელი, გვარი	ორგანიზაცია, თანამდებობა	საკონტაქტო ინფორმაცია	ხელმოწერა
1	ბეჩია ლეკიძე	საქართველო სავაჭრო „აგრო“	551 927623	<i>[Signature]</i>
2	ჭონი ნაირაშვილი	საქართველო-საქართველო მემოსი	598-327-125	ჭონი ნაირაშვილი
3	ნეჩხა ნაძვალაძე	ს. ნეჩხაძის „საქართველო“	5.99.707709	<i>[Signature]</i>
4	ნეჩხა ნაძვალაძე	ს. ნეჩხაძის „საქართველო“	5.99.707709	<i>[Signature]</i>
5	მუსხიშვილი დიმიტრი	საქართველო-საქართველო მემოსი	595-535-095 meminasi2001@yahoo.com	მ. დიმიტრი
6	მომო დავისაძე	მომო დავისაძის „საქართველო“	509-78-76-96	მ. დავისაძე
7	ნაყოფიანი ნაძვალაძე	ნაყოფიანი ნაძვალაძის „საქართველო“	591-01-01-92	ნ. ნაძვალაძე
8	ნახაძის ვლადიმერი	ნახაძის ვლადიმერის „საქართველო“	577921133 9090fidze@gmail.com	ნ. ნახაძე
9	მარამ ჯორჯი	საქართველო-საქართველო მემოსი	577497401	მ. მარამ
10	ნათა ქიქოძე	საქართველო-საქართველო მემოსი	599658855	ნ. ქიქოძე

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პროექტი: ადგილობრივი თემებისა და მიკრომწარმოებების გაძლიერება საქართველოს ტერიტორიის სექტორში
 დონორი: მსოფლიო ბანკი და იაპონიის სოციალური განვითარების ფონდი
 თემა: გარემოსდაცვითი და სოციალური მართვისა და განახლების პოლიტიკის ჩარჩო დოკუმენტების განხილვა

მონაწილეთა სია* თელავი, 19.06.14

N	სახელი, გვარი	ორგანიზაცია, თანამდებობა	საკონტაქტო ინფორმაცია	ხელმოწერა
11	ნინო ჯორჯი	ნინო ჯორჯის	599 43 27 20	ნ. ჯორჯი
12	მომო მარამი	მომო მარამის	599 22 65 70	მ. მარამი
13	მედი ნახაძე	მედი ნახაძის	591 34 14 76	მ. ნახაძე
14	მედი ნახაძე	მედი ნახაძის	591 34 14 76 MINKAZI@yaho.com	მ. ნახაძე
15	მედი ნახაძე	მედი ნახაძის	591 34 14 76	მ. ნახაძე
16				
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The following main topics were presented during the meeting:

- Brief description of Project and sub-projects under Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project
- Introduction to the Resettlement Policy Framework (RPF)
 - Policy, Legal and Administrative Framework
 - The World Bank Policy, Safeguards and Georgian Legislation
 - Principles of Resettlement and Land Acquisition Adopted for the Empowering Poor Communities and Micro-Entrepreneurs in the Georgia Tourism Sector Project
 - Eligibility and Entitlements
 - Implementation
 - Agreements
 - Grievance Redress Mechanism
 - Outline of a Resettlement Action Plan
- Introduction to the Environmental Management Framework
 - Environmental Compliance of the Project
 - Subproject Screening and Approval
 - Environmental Review and Environmental Management Planning
 - Public Consultation
 - Environmental Liabilities of Elkana Contractors
 - Environmental Monitoring
 - Reporting
- Involvement of population in consultation processes.

The presentation was followed by debates. the Q&A session held by the Elkana staff is given in the below table.

Question/Comment	Response
When will the project implementation start?	The project has not been started yet. It is expected that the agreement will be signed by September 2014. In this case the first works will start in the beginning of 2015.
Who are project direct beneficiaries?	<i>The main beneficiaries are poor and vulnerable communities and individuals in the Kakheti and Imereti regions of Georgia, including IDPs. There will be an emphasis on targeting women. Beneficiaries include local entrepreneurs interested in starting a</i>

	<p>business, home-based enterprises, women-managed enterprises which traditionally employ large groups of women in areas relevant to tourism (such as hand-crafts, guest-houses, cafes/restaurants, and souvenir shops), and organic food processing businesses. Other members of the local community will have a chance to participate in community-driven small works initiatives around cultural heritage sites. The project will provide complementary activities to the Regional Development Project (RDP) and RDP II that will galvanize the impact of the expanding tourism sector for the poorest and most vulnerable, and increase local community ownership of tourism development.</p>
<p>What type of grants will be offered and on what conditions?</p>	<p>Matching grants will be provided in the average amount of US\$ 2,000 to eligible beneficiaries to start or expand their businesses/enterprises. The matching grant will be utilized to support the production of goods and services related to cultural heritage for micro-entrepreneurs currently not targeted by the RDPs. This may include agro-processed foods, guiding services, handicrafts, performing arts, and other cultural industries. The grant will cover activities such as equipment, services, product promotion, and the acquisition of technical and market information. The details of the sub-grants will be provided before the grant call is announced. It is planned that the grant facility will be accessible on a repeat basis for scaling-up the initial enterprise based on the performance of the first grant (including number of people employed by the enterprise). Beneficiaries receiving funds to expand their operations will be required to hire at least one person who will benefit from their business and thus provide employment opportunities (it is expected that on average, the supported micro-enterprises will contain 3-4 employees). Selected beneficiaries can get support (maximum 50% of the estimated costs of their planned productive investment) for upgrade or purchase of technical equipment (e.g. pasteurization device, wine bottling equipment, fat measuring device, sewing machines, etc.) or building material. The beneficiaries' contribution will cover rehabilitation of properties/work space and be at least 50% of the needed sum. Transparent eligibility criteria and selection processes will be developed and adopted on the basis of the market and gender assessments and public consultations.</p> <p>In addition, community driven initiatives will be supported for the improvement of cultural heritage sites and access. The grant facility will fund community driven initiatives that engage neighborhood groups in protecting their own heritage through maintenance initiatives such as cleaning, access to sites, signage and interpretation, under the stewardship of the NCHPA. Those activities will be small scale initiatives not currently financed under RDP and RDP II. The grantees will be required to</p>

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	contribute up to 20% of project costs in cash or in kind. The size of the grant supporting the community driven initiatives shall not exceed USD 60,000.
Are regional CBOs eligible for grants?	In the sub-grant component for community driven initiatives local CBOs are eligible for grants.
Does the project consider gender aspects?	The project will start with Market and Gender assessments. This component will be carried out with the objective of better understanding MSMEs and vulnerable groups' role, including women, in the local economy. It is planned to provide Gender-sensitive training for the targeted beneficiaries. In addition the project will consider different demands and expectations of male and female beneficiaries as part of the beneficiary feedback mechanisms.
Are women/female groups specifically targeted by the project?	There will be an emphasis on targeting women, beneficiaries include local entrepreneurs interested in starting a business, home-based enterprises, women-managed enterprises which traditionally employ large groups of women in areas relevant to tourism (such as hand-crafts, guest-houses, cafes/restaurants, and souvenir shops), and organic food processing businesses. In terms of participation, the project will ensure that women are adequately represented in the consultations and in the working groups supervising the project implementation.
If an affected person is against receiving the compensation stipulated in the Resettlement Action Plan, how will the property be purchased and reimbursed in this case?	No land acquisition will take place within the project. There might be only the cases of temporary loss of incomes due to the community or MSME investments that might cause disruption in livelihoods. Resettlement impacts would mainly relate to temporary relocation and/or loss of income or productive assets due to implemented MSME and community sub-projects.
Is it already determined according to the environmental policy of the WB to which environmental category do the sub-projects belong?	2. The project carries investment components in support to infrastructure development and therefore triggers OP/BP 4.01 Environmental Assessment. Based on the principles of the OP/BP 4.01, most of the expected investment subprojects fall under environmental Category B, while some may be environmental Category C. The entire project is ranked as environmental Category B. All subprojects will require examination of environmental and social risks and risks to the cultural/historic heritage. Based on the outcome of risk assessment and classification of subprojects, subproject-specific sets of risk mitigation measures will be developed and environmental and social monitoring of works will be planned.

By the end of the meeting a local media group took interviews and posted the information on KakhetiNews webpage: <http://www.kakhetinews.ge/ge/voice-of-kakheti/news/biologiur-mecnierebata-asociaciam-elkana-telavsi-sexvedra-gamarta-video>

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Attached: Photos of the meeting

Meeting in Telavi, the Centre for Civic Engagement, 19.06.14



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Attached: Project Information distributed through CENN network

From: Info CENN <info@info.cenn.org>
Sent: Wednesday, June 18, 2014 2:27 PM
To: cenn_ge1 List Member
Subject: [cenn_ge1] Empowering Poor Communities and Micro-entrepreneurs in the Georgia Tourism Sector: Stakeholder meeting in Telavi_19.06



"საქართველოს ტურიზმის სექტორში ჩართული თემებისა და მიკრომწარმეების ხელშეწყობის პროექტი"

პროექტის მოსამზადებელი საინფორმაციო-საკონსულტაციო

შეხვედრები

დაინტერესებულ მხარეებთან

პროექტის დონორები: "იაპონიის სოციალური განვითარების ფონდი" და "მსოფლიო ბანკი"

შეხვედრები გაიმართება:

19 ივნისი, 15:00 – 17:00 ქალაქი თელავი - თელავის, ყვარლისა და ახმეტის მუნიციპალიტეტების წარმომადგენლებისათვის (მისამართი: ვაჟა-ფშაველას ქ. 3, თელავის დემოკრატიული ჩართულობის ცენტრი)

პროექტის "საქართველოს ტურიზმის სექტორში ჩართული თემებისა და მიკრომწარმეების ხელშეწყობა" მოსამზადებელ საინფორმაციო - საკონსულტაციო შეხვედრებზე დაინტერესებულ პირებს (ადგილობრივი ხელისუფლების წარმომადგენლები, არასამთავრობო ორგანიზაციები, ტურიზმის სექტორში მოღვაწე ან მასთან დაკავშირებული ორგანიზაციები და პირები) შესაძლებლობა ექნებათ გაეცნონ პროექტის კონცეფციასა და "გარემოსდაცვითი მართვისა" და "განსახლების" ჩარჩო-დოკუმენტებს.

დოკუმენტების წინასწარი გაცნობა შესაძლებელია ელ. მისამართებზე:
<http://www.new.ruraltourism.ge/uploads/RPFELKANA%20.pdf>;
<http://www.new.ruraltourism.ge/index.php?action=page&page=90&lang=geo>;
<http://www.new.ruraltourism.ge/index.php?action=page&page=91&lang=eng>

დამატებითი ინფორმაციისათვის გთხოვთ დაგვიკავშირდეთ: + 995 32 2328321; pr@elkana.org.ge

გთხოვთ მოზრმანდეთ!

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ANNEX 6

Project Presentation document for Stakeholders' Meetings in Kutaisi and Telavi

გარემოსდაცვითი და სოციალური მართვისა და განსახლების პოლიტიკის ჩარჩო დოკუმენტების განხილვა

მარიამ გვორჯაძე
ქუთაისი, 17.06.14
თელავი, 19.06.14

პროექტის შესახებ

□ პროექტი:
ადგილობრივი თემებისა და მიკრომეწარმეების გაძლიერება საქართველოს ტურიზმის სექტორში

□ დონორი:
მსოფლიო ბანკი და იაპონიის სოციალური განვითარების ფონდი

□ ბიუჯეტი:
2,500,000 აშშ დოლარი

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პროექტის შესახებ

□ პროექტის მიზანი:
კახეთისა და იმერეთის რეგიონებში სამუშაო ადგილების შექმნა და დარიბი და დაუცველი თემების საოჯახო შემოსავლების გაზრდა შემდეგ საქმიანობაში მათი ხელშეწყობის გზით:

- 1) ტურიზმის სექტორში მიკრო, მცირე და საშუალო ზომის საწარმოების შექმნა და გააფართოება;
- 2) მცირე მასშტაბის სამუშაოების განხორციელება კულტურული მემკვიდრეობის ადგილების კონსერვაციისა და შენარჩუნებისათვის.

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პროექტის შესახებ

□ პროექტი შედგება 5 კომპონენტისაგან:

- I კომპონენტი: **(82,680 აშშ დოლარი)**.
 - ბაზრის შეფასება
 - მიკრო-მცირე-საშუალო საწარმოების და გენდერული შეფასება
- II კომპონენტი: ტექნიკური შეფასება და პოტენციალის ამაღლება **(220,800 აშშ დოლარი)**.
 - ტრენინგების ჩატარება მიკრო-მცირე-საშუალო საწარმოებისათვის.

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III კომპონენტი: მმსს-ს მხარდაჭერა **(1,080,000 აშშ დოლარი)**

- საქმიანი გრანტები საშუალო მოცულობით **2000 აშშ დოლარი** გაიცემა იმ ბენეფიციარებზე, რომლებსაც უნარი შესწევთ დაიწყონ ან გააფართოვონ თავიანთი ბიზნესი/საწარმოს მუშაობა
- მმსს-ების ხელშეწყობა კრედიტებზე ხელმისაწვდომობისათვის

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IV კომპონენტი: თემის მობილიზება მცირე სამუშაოების განხორციელებისათვის სამიზნე კულტურული მემკვიდრეობის ადგილებზე **(741,520 აშშ დოლარი)**.

- სათემო მობილიზება
- დაინტერესებულ მხარეთა პლატფორმა
- თემების ინიციატივების მხარდაჭერა კულტურული მემკვიდრეობის ადგილების გაუმჯობესებისათვის

V კომპონენტი: თანამონაწილეობითი მონიტორინგი, გაგუენის შეფასება, პროექტის მართვა და აღმინისტრირება **(375,000 აშშ დოლარი)**

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განსახილველი დოკუმენტები

1. განსახლების პოლიტიკის ჩარჩო დოკუმენტი

<http://www.new.ruraltourism.ge/uploads/RPFELKANGeo.pdf>

<http://www.new.ruraltourism.ge/uploads/RPFELKANA%20.pdf>

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განსახილველი დოკუმენტები

2. გარემოსდაცვითი და სოციალური მართვის ჩარჩო დოკუმენტი

<http://www.new.ruraltourism.ge/uploads/ESMFEIkanaJune2014Geo.pdf>

<http://www.new.ruraltourism.ge/uploads/ESMFEIkanaJune2014.pdf>

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დიდი მადლობა ყურადღებისათვის!

www.elkana.org.ge

www.ruraltourism.org.ge

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