

Draft Resettlement Plan

October 2013

GEO: Urban Services Improvement Investment Program – Tranche 3 (Ureki Water Supply and Wastewater Systems Construction and Operation Project)

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Land Acquisition and Resettlement Plan

for

Ureki Water Supply and Wastewater Systems Construction and Operation Project

Vol. 1

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Multi-tranche Financing Facility

Georgia: Urban Services Improvement Investment Program

Ministry of Regional Development and Infrastructure of Georgia

United Water Supply Company of Georgia

Contents

I	INTRODUCTION	4
	Sub-project Description	4
	Conditions Related to Resettlement Plan	5
II	ASSESSMENT OF PROJECT IMPACTS	7
	Methodology Review	7
	Compensation Strategy	7
	Assessment of Sub-Project Impacts	7
III.	Socio-Economic Survey and Census of Affected Persons	11
IV	COMPENSATION / REHABILITATION POLICY	13
	Georgian Legislation and ADB Policy	13
	Resettlement Principles Adopted for Sub-Project	14
	Strategy for Land Registration and Execution of Sale and Purchase Agreements	14
	Eligibility for Receiving Compensation within Sub-project Framework	16
	Compensation Entitlement Matrix	17
	Methodology for Compensation Rates Valuation	19
V.	ORGANIZATION	21
VI	PUBLIC CONSULTAION, INFORMATION DISCLOSURE, HANDLING OF COMPLAINTS AND GRIEVANCES	23
	Public Consultation	23
	Disclosure	23
	Redress of Grievances and Complaints	23
VII	IMPLEMENTATION SCHEDULE	25
VIII	COSTS	26
	Compensation for Land	26
	Compensation for Impact on Crops	26
	Cost of Rehabilitation Allowances for Vulnerable Households	26
	Cost of Rehabilitation of AHs for Severe Impact	27
	Cost of Rehabilitation Allowances for Land Registration	27
	Summarized Costs	27
IX	MONITORING	29
	Internal Monitoring	29
	External Monitoring	29
X	ANNEXES	31
	Annex 1. Information Pamphlet	31
	Annex 2. Sale and Purchase Agreement	37
	Annex 3 Demarcation Certificate	40
	Annex 4 Subproject Maps	41
	Annex 5 Engineering design of the sub project	45

Abbreviations

ADB	Asian Development Bank
AH	Sub-project Affected Household
AP	Sub-project Affected Person
EA	Executive Authority
EIA	Environmental Impact Assessment
ESSU	Environmental and Social Safeguards Unit
FY	Fiscal Year
GRC	Grievance Redress Commission
IMA	Independent Monitoring Agency
IPSA	Initial Social and Poverty Assessment
LAR	Land Acquisition and Resettlement
MFF	Multi-tranche Financing Facility
MLARO	Municipal Land Acquisition and Resettlement Office
MOED	Ministry of Economic Development of Georgia
MRDI	Ministry of Regional Development and Infrastructure of Georgia
NAPR	National Agency of Public Registry
NGO	Non-Governmental Organization
RF	Resettlement Framework
RP	Resettlement Plan
UWSCG	United Water Supply Company of Georgia

I INTRODUCTION

1. Improvement of the urban water supply and sanitation systems (WSS) is one of the major priorities of the Government of Georgia, and is of essential importance for improving the life level, attracting investments and growing of the productivity and competitiveness. Recognizing the need to overcome the current problems and constraints the government's urban WSS sectoral development plan (SDP) for 2011-2020, approved on 31 January 2011, aims at achieving the continuous and reliable water supply and safe sanitation services to all of Georgia's urban population by 2020. The SDP's objectives include technical sustainability of WSS services, environmental protection of natural resources, institutional effectiveness of service utilities and sector regulators, and provision of an adequate legislative and regulatory framework for delivering of the WSS services.
2. This Land Acquisition and Resettlement Plan (LARP) has been prepared for the sub-project for construction and operation of Ureki water supply and sanitation systems (further "Subproject"), which is envisaged in the 2011-2020 WSS Sector Development Plan (SDP).
3. This LARP has been prepared by the United Water Supply Company of Georgia (UWSCG), which is an Implementing Agency (IA) subordinated to the Executing Agency (EA) – Ministry of Regional Development and Infrastructure (MRDI) under the Georgian Urban Services Improvement Investment Program. The Resettlement Plan aims at development of the comprehensive action plan for ensuring provision of the people affected by the sub-project with compensations in compliance with the requirements of the ADB's Safeguards Policy Statement (SPS) 2009.

Sub-project Description

4. At present Ureki water supply and sanitation systems are unable to meet the growing demands and urgently require rehabilitation and expansion of service coverage, thereby facilitating to the further economical development of the region. The sub-project is targeted to expand the water supply and sanitation systems for meeting the forecasted demands of 2040. (see design details of the sub project in the annex No 5). Some elements of the project require land acquisition:

	[m ²]
Wastewater treatment plant, WWTP	39.624
Drinking water pumping station, PS	8.069
Reservoir 1 (Tsvermagala)	1.982
Reservoir 2 (Ureki)	1.367
Total	51,042

In terms of titles that require compensation because the land is either private or used state-owned land, the plots amount to:

	Affected land parcels [m ²]
State-owned, permanent informal use	1.330
State-owned, sometimes informal use	3.255
Registered or non-registered private plots	41.438
Total	46,023

The difference of 5,019 m² is state-owned land that is not used by anyone and for which no compensation is required.

5. The sub-project affects 19 private land parcels (total area of 44,869 m²). From these, 8 parcels have already been registered, but 2 of them will require re-registration as their outlines resulting from the actual survey do not match with the cadastral data retained in the National

Agency of Public Registry (NAPR). The remaining unregistered 11 parcels (25,074 m²) have been legalized and are to be registered in the NAPR. From the 3 state-owned parcels (6,575 m²), one (3,320 m²) is under the informal use. The part (1,330 m²) of the latter parcel shall be allocated for the sub-project purposes. The 19 private parcels falling under the sub-project's impact are in possession of 13 owners/users, including one legal entity. The total area of the project affected land comprising privately owned or used state-owned plots amounts that require compensation amounts to 46,023 m², including:- 41,438 m² of private land (belonged to 19 private plots with total area of 44,869 m²); 1,330 m² of state land (belonged to one state plot with total area of 3,320 m²) being under permanent informal use; 3,255 m² of state land (two plots), which are sometimes informally used.

The Table 1 below shows distribution of the affected parcels by different project sections.

Conditions Related to Resettlement Plan

6. The sub-project impacts do not entail either removal of any residential or other privately owned buildings or structures, nor require any physical resettlement of sub-project affected persons. Construction activities may cause certain temporary disturbance to some part of the parcels. Also, the sub-project may affect the yield of annual crops. In this LARP the cases representing the loss of assets are dully identified and assessed along with the severe impacts and vulnerable affected households (AHs).

7. According to the ADB's SPS 2009, this sub-project shall be classified as of Category B.

II ASSESSMENT OF PROJECT IMPACTS

Methodology Review

9. The Consultant conducted census of sub-project affected persons, surveyed the sub-project affected parcels and identified and assessed the sub-project impacts. The public meetings and consultations were also held. The census, collection of the socio-economical data, demarcation and land survey works were performed in parallel to each other. The studies completely covered all owners of the sub-project affected parcels. December 25, 2012 was set as a cut-off day for data collection works. The area to be impacted by sub-project activities was surveyed in full including identification of the boundaries. The land survey and impact assessment has been conducted with participation of all APs or their authorized representatives.

10. In result of the land survey and demarcation works, all affected parcels and their owners were identified, along with the entire and affected areas of each affected parcel. In addition, all affected vulnerable households were determined through census and socio-economical study.

11. The independent licensed valuator studied the documents and performed the market research. This included assessment of the sub-project affected parcels and determining their current market value applying the replacement cost method and considering each type of potentially lost assets as prescribed by international valuation standards

Compensation Strategy

12. This LARP determines all types of losses incurred by APs possessing or using sub-project affected land parcels and provides the detail explanation of necessary procedures and methodology for land acquisition and compensation strategy.

13. The permanent loss of the land will be compensated at land replacement cost based on the current market prices. The persons, whose land shall be purchased for sub-project purposes, will receive fair cash compensation for their land, and lost crops and assets through the formally executed sale and purchase agreements. The person that is using state land for agriculture shall receive crop compensation and a self-relocation allowance.

14. In addition, the landowners will receive compensation in case they incur any losses and damages due to performance of the maintenance or repair/restoration works. The UWSCG will be responsible for loss assessment and payment of a due compensation in accordance with the applicable Georgian law, proven best practice, the rates established in this LARP, and provisions of the Resettlement Policy Framework.

15. The present compensation strategy also envisages provision of the additional support to the vulnerable households and persons, whose land are subjected to the severe impact.

16. During implementation of the LARP, all affected persons will be provided with the technical assistance in undertaking the registration and legalization procedures.

Assessment of Sub-Project Impacts

17. The sub-project impacts on the persons and households are classified based on impacted assets and revenues. Below is given detailed description of each type of impact together with the appropriate compensation strategy. There is no permanent loss of structures.

A. Impact on land

18. All 19 private land parcels affected by sub-project with total area of 44,869 sq.m are used for agricultural purposes, specifically for corn cultivation. From these, 8 parcels have already been registered, but 2 of them will require re-registration as their outlines resulting from the actual measurements do not match the cadastral shapes kept in the NAPR. The remaining unregistered 11 parcels (25,074 sq.m) may be legalized and are to be registered at the NAPR. From the 3 state-owned parcels (6,575 sq.m), one (3,320 sq.m) is in the informal (non-legalized) use. Only part (1,330 m²) of the latter parcel shall be allocated for the sub-project purposes. In total, 19 private parcels falling under the sub-project's footprint are possessed by 13 owners/users, including one legal entity. The table below shows distribution of the affected parcels by different project sections.

Table 1: Division of the sub-project affected land parcels

m ²		WWTP	PS	Res. 1	Res. 2	Total
Private	Number of land parcels	17	2			19
	Total area (m ²)	36,800	8,069			44,869
	Area to be acquired (m ²)	33,369	8,069			41,438
State	Number of Parcels	1		1	1	3
	Total area (m ²)	3,320		1,982	1,273	6,575
	Are for project purpose (m ²)	1,330		1,982	1,273	4,585
	from which:					
	Permanently used by private person	1,330				1,330
	Not permanently used			1,982	1,273	3,255
Total affected land parcels		34,699	8,069	1,982	1,273	46,023

The project affected land being in private ownership or use has been grouped according to the legal status as follows

private land

- 1 legal entity - 8,069 m² (2 plots);
- 12 physical persons (households) – 33,369 m² (17 plots);

state land

- 1 permanent informal user - 1,330 m² (1 plot), the land in
- sometimes informally used - 3,255 m² (2 plots).

B. Permanent loss of land, and temporary impacts and restrictions on future land use

19. The permanent loss of land is the only identified type of impact on such assets from the subproject side. No restrictions will be imposed on the future use of the affected parcels. Certain temporary impacts may arise during construction period, and shall be under responsibility of the contractor.

20. The statutory procedures and stages to be implemented prior to purchase of the land and related to the payment of the due cash compensations are described in detail in Chapter IV. These procedures include initial registration of the ownership rights over sub-project affected parcels, division of the parcels (wherever necessary for the sub-project needs), execution of the sale and purchase agreements and their registration at the NAPR.

C. Partial and full land acquisition for sub-project needs

21. Decision on acquisition of the full parcel will be made with a due consideration of the following important factors:

- Required land take exceeds 70-90 percent of entire size of the affected parcel
- Residual land is deemed useless due to its size;
- Complicated (restricted) access (including to the residual land)

22. Within this sub-project, three parcels will be purchased partially. The following Table 2 provides overview of the sub-project affected land parcels selected for the full and partial acquisition.

Table 2: Full and partial land acquisition

Number of land parcels to be partially purchased	3
Total area (m ²)	5,387
Area to be acquired (m ²)	1,956
Number of land parcels to be purchased in full	18
Total area (m ²)	36,051

D. Severe impact

23. For determining severity level of the impact to each affected parcel, additional data were collected about all other agricultural (arable) land allocated to the same landowner. The total area of affected parcel was added to the aggregated area of all other agricultural lots owned by the AH. For each affected household, the proportion of land take vs. the entire size of all owned agricultural lots was calculated, and if such proportion of the land take exceeded 10 percent, then the case was classified as the severe impact. The Table 3 below summarizes the data on severe impacts associated with the sub-project.

Table 3: Summarized schedule of severe impacts

Number of households subjected to the severe impact	12
Total area of agricultural parcels (m ²)	83,500
Total area of land take (m ²)	33,369
Total area of the land remaining in possession (m ²)	50,131

24. Thus, in total 12 households were identified within the framework of this project, which will experience the severe sub-project impact, and are eligible to the additional compensation according to this LRAP.

E. Impact on crops

24. Another type of loss applicable to all sub-project affected parcels is loss of annual crops. The cash compensation will be given to each household possessing or using the land directly impacted by sub-project activities.

26. All affected households will receive cash compensation for annual crops determined according to the size of affected land in amount of the gross value of the expected 3-years harvest.

27. The Table 3 below quantifies expected impacts on the crops within the sub-project affected area.

Table 4: Impact on crops

Total number of land parcels	18
Area under impacted crops (m ²)	34,699

F. Impact on immovable assets (fences, perennial plants, buildings and structures)

28. The sub-project does not impact any immovable assets (fences, buildings and structures, perennial plants).

G. Impact on business

29. The sub-project affects 2 agricultural land parcels (8069 sq.m) owned by one legal entity. These parcels are intended for the future use and currently do not host any activities. Therefore the sub-project has no impact neither on revenues of this business nor on the wages/salaries of its employees.

H. Vulnerable households

29. The sub-project affects 2 vulnerable households headed by females. However, the sub-project does not affect any households, which are below official poverty line (as registered by the Social Security Agency).

I. Impact on public infrastructure

29. The following impacts on the public infrastructure expected during implementation of sub-project were identified in the course of preparing this LARP:

- a) Damages to drainage system
- b) Limitation of access for one landowner
- c) Dismantling of the low voltage transmission line.

Elimination of impacts on the social infrastructure and other similar cases, which may arise during construction shall be under responsibility of the engineering design consultant and construction contractor.

III. Socio-Economic Survey and Census of Affected Persons

32. The census and socio-economic survey covering all 12 households affected by sub-project was conducted in December 2011. The households were interviewed using the specially developed questionnaire including the questions about composition and social status of the household, the age, gender, health, marital status, education, employment, livelihood activities, income of its members, possession of the land and other assets, etc.

33. The census and collection of socio-economic and demography data were conducted by visiting each affected household. For one household that was not present during the survey, the needed socio-economic and demography data required for inclusion into the LARP were collected from their authorized representatives. Members of two households were interviewed in Tbilisi.

34. In total 12 households fall under expected sub-project impact. This households in aggregate consist of 40 members, including 17 males and 23 females. The average age of the household head is 55.8 years. The detail demographic data are given in the following table.

Table 5: Age and sex structure of the affected persons

Age	Male	Female	Total
<15	2	2	4
15-65	13	16	29
>65	2	5	7
Sum	17	23	40

35. The average number of household members is 3.3.

36. All APs are Georgian. The sub-project does not affect any indigenous population (as defined in ADB SPS 2009).

37. From the APs 8 have primary education, 26 – secondary and 6 – high. The detailed data on education level of affected persons is provided in the following table.

Table 6: Education level of affected persons

Achieved Education Level	Male	Female	Total
Without any education	0	0	0
Nursery	0	0	0
Primary	4	4	8
Secondary	12	14	26
High	2	4	6
Sum	18	22	40

38. The majority of the AHs are engaged in the agriculture (crop cultivation). The state employment was specified as a supplementary income generating activity only in the one interviewed household. Mostly the AHs produce the annual crops for self-use, while the perennial products (tangerine) are intended for sale. However during the recent years the Ahs could not sell the harvested crops in full.

39. The average annual cash income of the AHs is 7700 GEL. The following table describes an average structure of the cash revenues and expenses of the AHs determined based on the data of socio-economic survey.

Table 7: Structure of the cash revenues/expenses of the AHs

Expenses		Revenues	
Food/beverages	31%	Income from employment	9%
Clothes/Shoes	5%	Production sales	59%
Houseware	6%	Pension and other allowances	32%
Health	14%		
Education	18%		
Electricity	7%		
Transport/Communication	4%		
Fuel (heating) / cooking	6%		
Agricultural expenses	9%		
Sum	100%	Sum	100%

40. The average area of the land owned by the AHs (families) estimated as 1.1 ha from which 6,958 sq.m.is arable. Each family lives in the private detached house. From the 12 AHs 1 has radio, 12 – TV set, 8 – gas oven, 8 – refrigerator, 6 – washing machine, 1 – bicycle. Also, 1 family has 1 pig, and four keep poultry with an average flock size of 7 per household.

41. Each of the AHs is supplied with electric power. Natural gas is not available, and gas storage tanks are used. The main water sources are wells. The major type of lavatory facilities are flush toilets and latrine pits. Wood is the only fuel used for heating.

42. From the 12 affected households, almost all (10) state that they have irregular incomes, insufficient food (10) and lack sufficient money for purchasing clothes (11). All households growing the school age children point to the lack of money needed for their education.

44. The general opinion about sub-project reflected by the surveyed population is distributed as follows: positive – 8 households, neutral – 2, and without certain opinion – 2. As regards to the expected influence of the sub-project over socio-economic state of the community, 7 households expected the positive effect, 2 – negative and 3 – could not specify the certain opinion.

45. Obviously, the cash payment is only desired compensation form for each AH.

