

Resettlement Policy Framework – RPF

(Final)

Republic of Uzbekistan

Medium-Sized Cities Integrated Urban Development Project (MSCIUDP)

State Investment Committee of the Republic of Uzbekistan

October 5, 2018

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Abbreviations and glossary

Abbreviations

ARAP	Abbreviated Resettlement Action Plan
AD	Agricultural Department
CB	Central Bank of Uzbekistan
CBO	Community-based organization (mahalla)
CC	Consulting Company
CM	Cabinet of Ministers of the Republic of Uzbekistan
CE	Citizen Engagement
DCM	Decision of Cabinet of Ministers
DMS	Detail Measurement Survey
EA	Executive Agency
EM	Entitlement Matrix
ESMF	Environmental and Social Management Framework
GRM	Grievance Redress Mechanism
IDA	International Development Association
IFI	International Financial Institution
IPF	Investment Project Financing
LAA	Land Acquisition Act
LAR	Land Acquisition and Resettlement
LARC	Land Acquisition and Resettlement Commission
LRSCD	Land Resources and State Cadaster Department
M&E	Monitoring and Evaluation
MIS	Management Information systems
MSCIUDP	Medium-Sized Cities Integrated Urban Development Project
NGO	Non-Governmental Organization
OP	Operational Policy
PAP	Project Affected Persons
PIU	Project Implementation Unit
R&R	Resettlement and Rehabilitation
RAP	Resettlement Action Plan
RPCU	Regional Project Coordination Unit
RCM	Resolution of the Cabinet of Ministers of Uzbekistan
RPF	Resettlement Policy Framework
<u>RoW</u>	Right-of-Way
<u>SIC</u>	State Investment Committee
SES	Sanitary Epidemiological Service
SS	Safeguard Specialist
TOR	Terms of Reference
USD (US\$)	United States dollar
UZS	Uzbek Sum
WB	World Bank
WBG	World Bank Group

Glossary

Displaced Person (DP)	Any individual or part of the DHs living, cultivating land or carrying on business, trade or any other occupation within the Corridor of Impact (CoI) who are impacted by the project is a Displaced Person (DP). Includes households, business units including their workers and owners of assets like land and buildings affected by MCIUDP. It may include; non-resident landowners (including farmers and horticulturist); non-resident lessees; resident landlord (including farmers and horticulturists); resident lessee; resident lessees, tenants or sub-tenants of buildings; squatters (non-resident structure owners, resident structure owners, tenants);
Compensation	Payment in cash or in kind to which the Project Affected Persons are entitled in order to replace land or other assets taken for project use.
Census	A field survey carried out to identify and determine the number of Project Affected Persons (PAP), their assets, and potential impacts; in accordance with the procedures, satisfactory to the relevant government authorities, and the World Bank Safeguard Policies
Cut-off-date	The date after which people WILL NOT BE considered eligible for compensation, i.e., they are not included in the list of PAPs as defined by the census.
Entitlement	Entitlement means the range of measures comprising compensation in cash or in kind, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and business restoration, which are due to PAPs, depending on the type, degree, and nature of their losses, to restore their social and economic base.
Environmental and Social Management Framework (ESMF)	A safeguard instrument (document) which establishes a mechanism to determine and assess future potential environmental and social impacts of the project funded activities in the MSCIUDP construction program and other activities associated with this project regardless of the funding agency.
Hokim	Head of public authority in places (Governor)
Hokimiyat	A public authority in places, carrying out the interaction between local communities and the government at regional and national levels. Possesses the highest administrative and legal authority over the local population living in the territory within the jurisdiction.
Income restoration	Income Restoration means re-establishing productivity and livelihoods of PAPs.
Involuntary Resettlement	For the purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice
Land acquisition	Land Acquisition means the process whereby a person is compelled by a public agency to alienate all or part of the land she/he owns or possesses, to the ownership and possession of that agency, for public purposes in return for fair compensation.
Low-income family	Low-income family is the family whose monthly average income per person is less than 1.5 times of minimum wage which equals US\$1.17. This line is the subject to the provision of social support from the Government. In Uzbekistan, the minimum salary per person shall not be below the 2.5 times of minimum wage which equals US\$1.95. This

		number amount is equal to the World Bank's global poverty line to US\$1.90. Therefore, in this document, this number will be taken as a reference to identify low-income families.
Vulnerable people		Women headed household, low-income household, a household headed by elderly ¹ with no support and household headed physically challenged people
Owner		The person who own, use and dispose of appurtenant property (resources, enterprises, things, including buildings, apartments, structures, equipment, raw materials and production, money, equities, and other property, as well as objects of intellectual property) at his/her discretion and in his/her interests.
Ownership		Ownership or property right represents the right of the person to own, use and dispose of appurtenant property at his/her discretion and in his/her interests, and also requires the elimination of any violations of his/her property right of whoever they are originated. The property right is perpetual.
Project Affected Persons		Persons who as a result of Project activities, for reasons of the involuntary taking or voluntary contribution of their land and other assets, results in direct economic and or social adverse impacts, regardless of whether or not PAPs are required to physically relocate
Replacement cost (assets)		For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the value of an affected asset.
Replacement cost (land)		Replacement cost for land is the pre-project or pre-displacement, whichever is higher, the market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes
Rehabilitation		Assistance provided to the affected persons to supplement their income losses in order to improve, or at least achieve full restoration of their pre-project living standards and quality of life.
Mahalla		Community-based organization at the local level, officially recognized in Uzbekistan, serving as an interface between the government and the community and responsible for provision by the means of social support and cultural interaction of its members. Chairmen of the Mahalla are elected by local gatherings.

*** The rate of the Central bank (CB) of the Republic of Uzbekistan
(As of September 15, 2018)**

US\$ 1 = 7862.17 Uzbek Sums (UZS)

¹ Elderly people will be defined by the Retirement Age for women and man as of national legislation on the date of survey.

EXECUTIVE SUMMARY

1. The Government of the Republic of Uzbekistan has requested the World Bank to support the development of a Medium-Sized Cities Integrated Urban Development Project (MSCIUDP) that would address the key challenges in a holistic manner, based on the experience from other Bank projects. Initially under the MSCIUDP will cover three cities of Uzbekistan such as Qagan, Yangiyul, and Chartak to improve the cities' overall living conditions, while also supporting its strategic vision for long-term local development that would benefit both local population and the incoming visitors/tourists.

2. The project may involve permanent and temporary land acquisition affecting to agricultural and urban lands. The permanent land acquisition may be needed, for example, for construction of water distribution centers, water reservoirs, waste collection points, solid waste processing facilities. The temporary land acquisition could be needed for reconstruction and extension of water and sewerage pipelines, widening of roads. Land for that purposes can be taken from agricultural as well as urban lands thus, affecting to farmers, households or businesses (path, title, and non-title holders). There will be no need for permanent land acquisition within the city, but may involve temporary land acquisition due to the construction/reconstruction of sewerage and water supply pipelines, and other urban infrastructure. The project is expected to have several subprojects which will become known only during the implementation phase. While the broad category of activities/ impacts is foreseen, exact magnitudes can become known only after detailed designing of the subprojects. Social Impact Assessments (SIA) will need to be undertaken in respect of each subproject to determine the magnitude of displacement and prospective losses, identify vulnerable groups for targeting, ascertain the costs of resettlement, and prepare a resettlement action plan (RAP) for implementation. At the project preparation stage, an Environmental and Social Management Framework (ESMF) has been developed for this MCIUDP to serve as 'guidance', to provide details on procedures, criteria, and responsibilities for subproject screening, preparing, implementing and monitoring of subproject specific ESIA's. The framework will be applied as and when a subproject surface and an Environmental and Social Management Plans (ESMP) will be prepared which will include, among others, resettlement action plan (RAP), each citizen engagement plan (CEP), gender action plan (GAP) and a labor management plan (LMP). Towards preparing a RAP, project preparation has developed a Resettlement Policy Framework (RPF).

The key objective of the Resettlement Policy Framework is to provide a framework to appropriately identify, address and mitigate adverse socioeconomic impacts that may occur due to the implementation of subprojects that involve the involuntary acquisition of land and the subsequent resettlement of affected families. RPF also serves the following specific purposes:

- Review the existing legal framework, compare with Bank OP 4.12 for gaps, if any, and indicate gap-filling measures;
- Describe the approach to the taking of private land, assets and other common property resources;
- Valuation process of impacted assets;
- The process of preparation of SIA and RAPs and their review by PIU;
- Defining of the cutoff date for Title and Non-Title holders;
- Consultation mechanisms/approaches to be adopted including disclosure of safeguards instruments; and
- Monitoring and Evaluation arrangements including a Grievance Redress Mechanisms role/responsibilities of different stakeholders.

Subproject-specific RAPs will be prepared in accordance with the resettlement policy framework. The corresponding safeguards document for other social and economic impacts not associated with land takings and restrictions is an environmental and social management framework. This RPF is based on

relevant National laws and Decrees as well as the World Bank Operational Policy for Involuntary Resettlement (OP-4.12). The guidelines of the resettlement policy framework apply all the investments financed by MSCIUDP. The policy framework applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of vulnerable groups among those women headed household, low-income household, a household headed by elderly with no support and household headed physically challenged people.

3. In this RPF, the resettlement impacts are categorized as Significant (Category 1)² – If as a result of the subproject, about 200 or more people may experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets, Not significant (Category 2)³ – If as a result of the subproject, fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets, No resettlement effect (Category 3)⁴ – If the subproject does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income.

4. There are some differences between World Bank OP policies and Uzbekistan’s legislation in the sphere of involuntary resettlement. The main discrepancies include detail explanation of entitlements to project affected households, provision of just compensation instead of full replacement cost, cut-off date and carrying out socioeconomic surveys. The RPF has been prepared harmonizing to the extent possible the two policies. However, The Bank Policy 4.12 will prevail in cases of differences in substance and/ or in the interpretation, between WB and Uzbekistan legislation.

5. Each subproject shall be screened for social impacts based on the given designs for the proposed improvements envisaged to determine if any impacts that require preparation of the resettlement action plan that entitles the project affected persons a resettlement assistance. In order to ensure that ineligible persons do not take the opportunity to claim eligibility, a cut-off date will be established. The cut-off date will be the last date of the census. It is a date, after which people who are not included in the list of Project affected persons (PAPs)⁵ as defined by the census will not be considered eligible for compensation.

6. Based on the harmonization efforts and the impacts likely to occur, an Entitlement Matrix (EM) has been developed, that summarizes the types of losses and the corresponding nature and scope of entitlements. Compensation and rehabilitation assistance to various categories of losses based on the tenure and magnitude of impact has been provided. Additional assistance to vulnerable, reimbursement of transaction costs in relation to those who receive land for land compensation, buy land/property with the compensation and assistance in the name of women, cash assistance for housing to physically displaced squatters are some of the provisions contained in the EM. (Table I).

² Full RAP is prepared

³ Abbreviated RAP is prepared

⁴ No resettlement plan is required. Due Diligence Report is prepared

⁵ Persons who as a result of Project activities, for reasons of the involuntary taking or voluntary contribution of their land and other assets, results in direct economic and or social adverse impacts, regardless of whether or not PAPs are required to physically relocate

Table I: Entitlement Matrix

S.No	Impact Category	Entitlements	Implementation Guidelines	
Section I. TITLE HOLDERS - Loss of Private Property				
1	Loss of Land (agricultural, residential, commercial or otherwise, including resident & non-resident landlords)	a	Land for land compensation with a plot of equal value.	Compensation “land for land” is provided to all the PAPs in case of loss of their land by selection of the similar (equivalent) land plots of the equal value/productivity, of comparable location and additional agricultural means. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project
		1.1 Agricultural land		
		a	Land for land compensation with a plot of equal value. <i>OR</i> Compensation to recover a new land to the pre-project condition.	Compensation based on market value for loss harvest equals the average annual income for the past 3 years multiplied by 4 times (years). Unaffected portions of an affected arable plot will also be compensated if the same becomes unviable after impact.
		b	One time subsistence allowance of equivalent to three months minimum wage income ⁶ for severely affected households	Households who are losing more than 10% of productive lands.
2	Loss of residential structure (inhabited structures)	2.1. Inhabited structures		
		a	<i>In addition to Compensation for land listed above under S.No.1</i> 6-month notice in advance to vacate the structures Cash compensation at full replacement costs <i>OR</i> Provision of the alternative house of equal in adjacent territories. In case the alternative house’s market value lower than an affected house, then additional cash compensation for the difference will be provided	Payment of compensations is carried out by the independent Valuation Service on the basic values in local markets in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is enviable.
		b	Right to salvage affected materials	There will be no deductions for depreciation or for retention of salvaged materials in the calculation of compensation.
		c	One time subsistence allowance of equivalent to three months minimum wage income for the project affected households who are required to relocate due to the project	Households who need to relocate are provided assistance as part of livelihood restoration
		d	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		Rental allowance up to 24 months	Monthly allowance will be calculated during the	

⁶ According to September 2018, the minimum wage in Uzbekistan equals to 184300, so one time allowance is 552900 UZS. This number is subject to corrections based on minimum wage rate at the time of census

		e	for affected households who gets cash compensation for affected residential structure OR Rental allowance for 1 month, who gets an alternative house.	census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as reference. One month allowance will be given to households who will be provided a ready alternative house to live.
		2.2. Losses of adjoining substructures to the residential houses such as fences, shed /tents etc.		
		a	Compensation at full replacement cost for affected structure/ fixed assets free of depreciation and transaction cost	PAPs must have the right to salvage materials
3	Loss of Commercial structures	a	In addition to Compensation for Land and Assurances listed above under S.No.1 Cash compensation at full replacement costs OR Provision of the alternative commercial structure of equal in adjacent territories. In case the alternative structure's market value lower than affected structure, then additional cash compensation for the difference will be provided	Payment of compensations is carried out by te independent Valuation Service on the basis of values in local markets in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is unviable.
		b	6-month notice in advance to vacate the structures	
		c	Right to salvage affected materials	There will be no deductions for depreciation or for retention of salvaged materials in the calculation of compensation.
		d	One time grant equal to one year of wages for loss of trade/self-employment for the business owner	Provision of compensation will be based on tax declaration or official minimum salary
		e	One time subsistence allowance of equivalent to three months minimum wage income for owners of commercial structures who are required to relocate due to the project	Owners of Commercial structures who need to relocate are accepted as severely affected entities losing more than 10% of their production capacities.
		f	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		g	Rental allowance up to 3 months for lost income during the interruption.	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as reference. Provision of rehabilitation assistance if required (assistance with job placement, skills training).
4	Impact to Tenants	4.1 Residential		
		a	1-month notice to vacate the rental	

	(Residential/ Commercial / Agricultural)		premises		
		b	Rental allowance for 1 month	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as a reference	
		c	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.	
4.2 Commercial					
		a	1-month notice to vacate the rental premises		
		b	Rental allowance for 1 month	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as a reference	
		c	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.	
		d	Commercial tenants will receive a one-time allowance for loss of trade/self-employment provided under 3(c) above in lieu to the owner	Provision of compensation will be based on tax declaration or official minimum salary	
4.3 Agricultural tenants					
		a	In case of agricultural tenants advance notice to harvest crops OR Compensation for the lost crop at the market value of the 1-year yield	Based on 1 year of production costs (inputs) plus an allowance equivalent to 1-year average net income based on the average income over the past 3 years determined by the Agricultural Department (AD) at respective districts of the project area	
5	Impact to trees, standing crops, other properties, perennial and non-perennial crops	a	Three months (90 days) advance notification for the harvesting of standing crops OR A lump sum equal to the market value of the yield of the standing crop lost	Based on 1 year of production costs (inputs) plus an allowance equivalent to 1-year average net income based on the average income over the past 3 years determined by the AD	
		b	Compensation for timber trees provided based on replacement cost.	Based on the market value of dry wood volume determined by the AD. Felled trees will be kept by affected households	
		c	Compensation for fruit trees will be provided based on replacement cost.	Based on market value for loss harvest equal the average annual income for past 3 years multiplied by 4 times (years) plus input costs for trees to reflect the duration from planting to reach the productive stage	
Section II. Additional assistance for Women headed households (Title and non-title holders)					
6	Loss of Land / house / shop		One time subsistence allowance of equivalent to three months minimum wage for women-headed households who are required to relocate due to the project		
Section III. NON TITLE HOLDERS - Impact to squatters / Encroachers					

7	Impact to Squatters	7.1 Loss of house		
		a	Cash compensation at market value for the structures OR Provision of comparable alternative structures	
		b	Right to salvage the affected materials	
		c	One time subsistence allowance of equivalent to three months minimum wage income for project affected households who are required to relocate due to the project	
		d	One time allowance of moving costs for those who have to relocate	
		e	Assistance in the legalization of title	Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project
		7.2 Loss of shop, kiosk, repair shop		
		a	Cash compensation at full replacement costs for the structures OR Provision of comparable alternative structures	
		b	Right to salvage the affected materials	
		c	One time subsistence allowance of equivalent to three months minimum wage income for project affected households who are required to relocate due to the project	
		d	One time allowance of moving costs for those who have to relocate	
		e	Assistance in the legalization of title	
		7.3 Loss of standing crops		
			Three months (90 days) advance notification for the harvesting of standing crops OR A lump sum equal to the market value of the yield of the standing crop lost	
8	Impact to Encroachers	8.1 Loss of Standing crops		
		a	2-month notice to harvest standing crops or market value of compensation for standing crops, if notice is not given.	Market value for the loss of standing crops will be decided by the PIU in consultation with the Agriculture Department at respective districts.
		8.2 Structure		
		a	1-month notice to demolish the encroached structure	
	b	Compensation at market value for structures without depreciation for the affected portion of the structure		
Section IV. Loss of Livelihood Opportunities				
9	Loss of employment in non-		One time subsistence allowance of equivalent to three months minimum wage income. Only agricultural laborers who are in fulltime / permanent employment of the land owner, or those affected full-time employees of the business, will be eligible	

	agricultural activities or daily agricultural wages or other wage workers			for this assistance. Seasonal agricultural laborers will not be entitled to this assistance.
Section V. Impact on Vulnerable Households				
10	Vulnerable Households (Women headed household, Low-Income household, a household headed by elderly with no support and household headed physically challenged people)	a	Inclusion in existing safety net programs to ensure the continuation, or increase, of previous income.	One adult member of the displaced household, whose livelihood is affected, will be entitled to skill development.
		b	One-time subsistence allowance equivalent to three months minimum wage income	The census team will identify the number of eligible vulnerable displaced persons based on the 100% census of the displaced persons and will conduct training need assessment in consultations with the displaced persons so as to develop appropriate training programmes suitable to the skill and the region. Suitable trainers or local resources will be identified by MSCIUDP's SS at PIU in consultation with local training institutes. It is recommended to involve local NGOs in this process
		c	Priority for employment in project-related jobs, training opportunities, self-employment, and wage employment assistance.	
Section VI. Unforeseen Impacts				
Any unanticipated impacts identified during Project implementation will be compensated in full at replacement cost and the entitlement matrix shall be revised if required in case major unanticipated impacts occur during detailed and final design.				

7. The replacement value of houses, buildings and other immovable properties will be determined on the basis of market value as on date without depreciation. Compensation for trees will be based on their market value and compensation for the loss of crops, fruit-bearing trees will be decided by the Agricultural Department at respective districts. Prior to taking possession of the land or properties, the compensation will be fully paid and PAPs will have the opportunity to harvest crops/trees within 30 days from the date of payment of compensation

8. The main project implementing agency is the State Investment Committee (SIC). SIC was established on 31 March 2017 as an authorized state body to be responsible for coordinating the formation and implementation of a unified state investment policy and attracting foreign investments. The main role of the SIC includes full implementation of the investment potential of Uzbekistan, further improve the investment climate, create the most favorable conditions for attracting foreign investment, expand cooperation with international financial institutions and leading foreign companies and banking structures, as well as an increase of efficiency of attracted foreign investments. SIC also acts as the part of the complex of Cabinet of Ministers for development of territories and communal sphere, transport, capital construction, construction industry.

9. In MCIUDP SIC is responsible for control and approval of feasibility studies under the project, in addition to the coordination role amongst all the relevant sectors. A Project Implementation Unit (PIU), under the SIC, is established at the national level to coordinate and implement the project for the three pilot cities, and subsequently expand its responsibility to implement the proposed National Urban Program for the 28 cities. The PIU is led by a Project Director and has the staff capacity for procurement, financial management, technical, environmental and social safeguards. The project would be implemented at the local level through Regional Project Coordinating Units (RPCUs) which will be working closely with the respective district and city Governorates or in local language Hokimiyats. Land Resources and

State Cadaster Department (LRSCD) for each District in the project is responsible for identifying and verifying property boundaries and ownership. LSCD also clarifies land allotment certificates for agricultural land that has been formally registered and transferred to the Real Property Registration Offices. Hokimiyats are the final beneficiaries of the project implementation. Table II explains in detail the role and description of responsibilities of involved institutions and agencies in this project.

Table II: Institutional Arrangements for Implementation of the Resettlement and/or Land Acquisition Procedure

Steps	Institution	Description of responsibilities	Remarks
Step 1	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Identification of PAPs, public information, calculation of RAP value	Information on project effects needs on RAP, evaluation, and verification of PAPs
Step 2	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	PAP Consultation	Explanation on assets to be affected, identification of the best way o compensation, explanation of time of compensation, main actors on the implementation process, procedures to be undertaken and the rights for Grievances
Step 3	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Preparation of final RAP report	Preparation of RAP Report considering the comments of WB and SIC
Step 4	PIU Safeguards Unit. WB, SIC	Submit RAPs to WB Task Team for review and no objection before implementing. Approval of the final report	No objection from World Bank experts for the RAP. Formalizing the RAP report and including at project implementation ToR
Step 5	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Grievance Committee Creation	The Grievance Committee needs to be formalized and specific contacts need to be given to the PAPs.
Step 6	PIU Safeguards Unit SIC	Request for expropriation for public interest	Fulfill of criteria provided by law, especially the necessary documents that prove the expropriation needs
Step 7	SIC	The Expropriation Commission at SIC has to examine the request and documents	Raising of Expropriation Commission, verification of documentation on proprieties, calculation and verification of compensation value
		If the legal criteria are fulfilled the SIC starts the expropriation procedures.	
		If not, the request will be rejected.	
Step 8	PIU Safeguards Unit, Grievance Committee	Ensure that the Expropriation Commission decisions are	Evaluation of compliance between interested part requests

		based in GoU Legislation and WB guidelines and considers PAPs requests	
Step 9	Local Authority/ SIC /PAPs	Compile the agreement considering pretends of any parts and legislation	Give solution and incite agreements supporting PAPs requests upon legislation
Step 10	SIC	Agreement with PAP's about expropriation.	Important: the fair evaluation of the properties
		Publication of the notice for the expropriation – Declamation	The procedure must be followed carefully and respecting the right of the third persons to prevent the complaint to the Court
		Examine the suggestions and the complaints of persons affected by the process	The expropriation will be done for the persons who will accept to be compensated with the conditions published.
		Prepare the draft decision for the Cabinet of Ministers.	Preparation of DCM on PAP compensation
Step 11	Cabinet of Ministers	Approve the decision of the expropriation for the public interest;	DCM shall be implemented 1 month after declaiming on official newspaper
		Or	
		Reject the proposal to SIC with the suggestion to review, if it is not in conformity with the law. Pay the compensation to persons affected by the project	
Step 12	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit) /Grievance Committee	Assistance on the relationship between PAPs and Local and Governmental authorities, verifications, and supervision of RAP implementation	Verification of compatibility of the agreement between interested parts.
Step 13	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit) /Grievance Committee	If needed, the assistance of PAPs on grievance procedures for administrative bodies, RAP procedures, compensation values etc and support PAPs grievances on the Court	If PAPs will have grievances
Step 14	PAPs	Opening a Bank Account and reporting it at the SIC	Institutional support of the compensation process
Step 15	SIC	Pay the compensation to persons affected by the expropriation before the civil works begin	Ensure that compensation is done with respect (amount and time) of agreements signed by interested parties and before starting the project implementation

Step 16	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Ensure that the process implementation has considered all pretend by both interested parties	Ensure that compensation is done in respect (amount and time) of agreements signed by interested parties
Step 17	PIU Safeguards Unit	Prepare the final report on RAP implementation	Considering that compensations will be finished before starting the project implementation.
Step 18	PIU, PAP, PIU Safeguards Unit	Assignment of the disclosure process according to the interested parties demands and in respect of DCM	Ensure a signed document that shows the RAP is finished and the compensation is done.
			This document also will verify that in the future the expropriate lands are ownership of PIU

10. The involvement of PAPs in planning prior to the move is critical. PIU/SIC will be responsible for organizing and conducting public consultations with community groups affected by each subproject prior to completion of the site-specific RAP. Public consultations will be conducted as a meeting in each subproject. Any legitimate issue raised through the public consultation should be included in the RAP. In this way, the concerns of PAPs will be taken into account and reflected in subproject implementation.

11. The Resettlement Policy documents including RPF, ARAP/RAP (in case there will be any type of Involuntary resettlement) will be disclosed to the public through all possible channels including social media, websites. Any type of displacement announcement in regard to the relocation of residential/business structures shall also be disclosed publicly. The draft RPF was disclosed⁷ in early 19 September 2018 on the website of SIC. Additionally, the public consultation meetings were held on 2-4 October 2018 in Qagan, Chartak and Yangiyul cities where ESMF and RPF were presented to the main stakeholders. The executive part of the RPF was distributed to the stakeholders and their views and suggestions were discussed and incorporated in finalization of the RPF. The minutes of meetings are given in Annexes 1, 2. The final RPF was disclosed on the website of SIC. The executive summary of the RPF was translated into Russian language and disclosed through the SIC and during the public meetings. The documents available in the public domain include Entitlement Matrix, Grievances Redresses Mechanism, Institutional arrangements and the categories of eligible PAPs for various R&R benefits. The same procedure is to be followed in case of RAPs will be developed during the project.

12. An external professional agency (Or Consulting company - CC) would be contracted to undertake concurrent Monitoring and Evaluation (M&E) of RAP implementation. The M&E CC shall undertake monitoring and verification of processes and activities in RAP implementation and would submit quarterly reports. It would also undertake an end-term evaluation post RAP implementation to ascertain if the RAP objectives have been achieved. The CC shall identify gaps based on desk reviews and field visits and provide timely inputs for course-correction to SIC to improve implementation and outcomes.

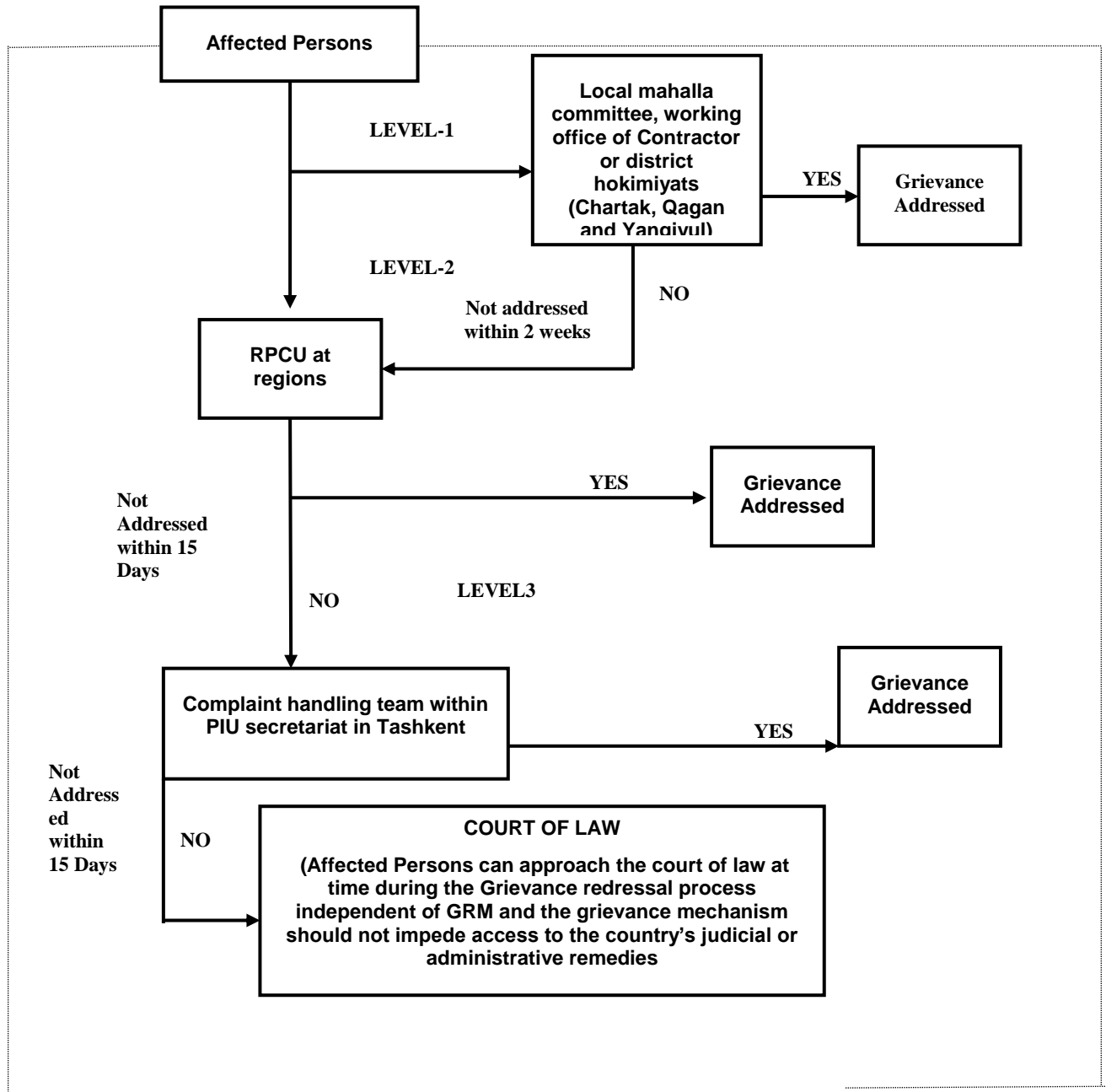
13. The land acquisition and resettlement implementation will be co-coordinated with the timing of procurement and commencement of civil works. Before the commencement of any civil works, PAPs will need to be compensated in accordance with the resettlement policy framework/RAP. For activities involving the land acquisition or loss, denial or restriction of access, it is further required that these measures include the provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required.

⁷ Link: <https://invest.gov.uz/bez-rubriki/struktura-politiki-pereseleniya-proekt-dlya-kommentariyv-kompleksnoe-razvitiie-srednih-gorodov-respubliki-uzbekistan.html>

In particular, the taking of land and related assets may occur only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to displaced persons.

14. The project establishes a Grievance redress mechanism (GRM) (Figure I) which would function at the three-levels to receive, evaluate and facilitate the resolution of displaced person's concerns, complaints and grievances. The GRM was presented during public consultations as well.

Figure I: Flow of Grievance redresses mechanism



15. On the first level, PAPs can deliver grievances to local mahalla committee, working office of the Contractor and district Hokimiyats of Chartak, Qagan, and Yangiyul cities respectively. The second level includes Regional Project Coordinating Units that will function in Chartak, Qagan, and Yangiyul cities respectively. Additionally, in the second level, PAPs can submit their grievances to PIU directly as well. The third level includes Economic Court if the issue was not solved or the applicant is dissatisfied with the decision/resolution given by Levels 1, 2. In this mechanism, beneficiaries and citizens can turn to

register any grievances on all issues that tackle within any infrastructure subprojects of MSCIUDP. All grievances received from the PAPs will be registered in a log book (Annex 7) which should be available at levels 1 and 2: at the site office of Contractor, each mahalla committee of project area districts and PIU Tashkent office. The PAPs will have the right to file complaints and queries on any aspect of land acquisition compensation and resettlement. PIU will be responsible for the establishment of GRM during the project and act as the GRM secretary to make sure that the GRM is operational to effectively handle environmental and social concerns of project affected persons. PIU will ensure that grievances and complaints on any aspect of the land acquisition, compensation, and resettlement are addressed in a timely and satisfactory manner. All possible avenues are made available to the PAPs to resolve their grievances at the project level. Under the proposed project-level grievance mechanism, affected households may appeal any decision, practice or activity connected with the assessment or valuation of land or other assets, acquisition and compensation.

16. In order to implement the Resettlement Policy measures, budgetary provisions will be made available, in terms of each subproject. Budgetary estimates for subproject where resettlement implementation is necessary, including resettlement management will be incorporated into the cost estimates. Accordingly, land acquisition and resettlement expenses for consultation and participation, grievances redress, the cost of relocation, Income restoration, transitional allowance, livelihood program, monitoring and evaluation, administration, contingencies etc. will be included as cost estimates for social management. SIC will provide an adequate budget for all land acquisition compensation and R&R assistance from the counterpart funding (local budget, or by centralized Fund under Cabinet of Ministers). The budget estimates and its sources will be reflected in RAPs. The World Bank loan will not be available for land acquisition compensation and R&R assistance paid in cash. The World Bank's loan will be available for costs such as works, purchase of goods and services if required.

17. This Resettlement Policy Framework will be updated when changes or amendments to the applicable laws and policies are made and based on implementation experience and lessons learned

1. INTRODUCTION

1.1. Background

The Government of the Republic of Uzbekistan (GoU), acknowledging the need for a comprehensive approach to medium size cities (with a population between 50,000 and 100,000 people) in the country, has requested the World Bank to support the development of a Medium-Sized Cities Integrated Urban Development Project (MSCIUDP) that would address the key challenges in a holistic manner, based on the experience from other Bank projects. The MSCIUDP will support GoU's overarching development goal of achieving an "integrated and balanced social-economic development of regions, districts, and cities"⁸ of Uzbekistan. It is conceptualized as a long-term national program that targets medium-size cities and supports innovative approaches tailored to the country context to promote integrated urban and territorial development and transform targeted cities in a holistic way, through the efficient management of urban systems.

The investments would be designed to address the specific needs of each project city, combining as necessary: (i) integrated urban service improvement, to address the basic infrastructure and service gap, thereby enhancing the functional aspects of the city; (ii) urban regeneration of selected areas of the city to improve livability and (iii) support to local economic development for job creation. Investments would be complemented by assistance to enhance the efficiency of urban planning and capacity building of local and central government agencies.

1.2. PROJECT DESCRIPTION

The project will consist of 3 components: (i) Improvement of Urban Services⁹ and Enhancement of Public Urban Spaces, (ii) Institutional Strengthening, Capacity Building and Technical Assistance Support to the National Medium-Size Cities Program, and (iii) Implementation Support. First component will have two sub-components: *Subcomponent 1.A: Catalytic Urban Infrastructure Rehabilitation and Upgrading* will finance targeted area-based investments selected to contribute to the enhancement of public urban spaces in project cities; and *Subcomponent 1.B: Connective and Basic Urban Infrastructure and Services Improvements* will finance selected basic infrastructure and services improvements aimed at addressing major infrastructure bottlenecks by inter alia: (i) rehabilitating and modernizing trunk infrastructure, including water supply and sewerage, (ii) support to solid waste management systems; (iii) upgrading of bridges to reduce severance in all cities and improvements to other critical access points, and (iv) preparation of feasibility studies and detailed designs. *Component 2: Institutional Strengthening, Capacity Building and Technical Assistance Support to the National Medium-Size Cities Program*. This will include two subcomponents: *Subcomponent 2.A: Institutional strengthening and capacity building*. Will consist of activities targeting project cities and local government agencies, tailored to their specific needs. *Subcomponent 2.B: Support to the National Medium-Size Cities Program*. Will support the design at country level of the NMSCP for all participating cities and agencies, and preparation of its roll-out phase. *Component 3: Implementation Support*. This component will support project implementation, including maintenance of the Project monitoring and evaluation system, as well as training and financing of Incremental Operating Costs.

Initially under the MSCIUDP above mentioned components will be implemented in three cities of Uzbekistan – Qagan (Qagan district of Bukhara province), Yangiyul (Yangiyul district of Tashkent province) and Chartak (Chartak province of Namangan province). Detail description of subprojects and planned activities are given in Table below.

⁸ Presidential Decree dated February 7, 2017, on Action strategy on five priority development directions of the Republic of Uzbekistan in 2017-2021

⁹ Services include any urban services delivered under a Social, Urban, Rural and Resilience (SURR) project or intervention—water supply, sanitation, sewerage, sidewalks, roads, etc. (*The World Bank 2016, Corporate Results Indicators Bank Guidance*).

Table 1: Type of MCIUDP subprojects and activities

No	PROPOSED TYPES OF SUBPROJECTS	Activities
1	Street lighting upgrading	<ul style="list-style-type: none"> ▪ Repairing of existing pillars; ▪ Replace old pillars with new ones; ▪ Installing new pillars where needed; ▪ Replacements of bulbs;
2	Parks, playgrounds, and other public spaces improvements	
3	Intracity transport:	<ul style="list-style-type: none"> ▪ Construction/rehabilitation of bus terminals and stops; ▪ Construction of car parking areas; ▪ Installing street lights and road signs
4	Roads rehabilitation: Road resurfacing	<ul style="list-style-type: none"> ▪ Widening of existing roads (within the ROW); ▪ Construction of bicycle trail; ▪ Rehabilitation of walkways
5	Bridge rehabilitation	<ul style="list-style-type: none"> ▪ Extension of existing automobile bridge ▪ Construction small-scale new bridges, including pedestrian ones
6	Drainage extension	<ul style="list-style-type: none"> ▪ Widening of existing drains ▪ Rehabilitation of existing drains ▪ Drilling of new shallow wells/rehabilitation of existing for flood control and reduction with the installation of pumps
7	Water Supply Systems	<ul style="list-style-type: none"> ▪ Extension and rehabilitation of water supply networks ▪ Drilling of new deep-water wells ▪ Construction/rehabilitation of water reservoirs ▪ Overhead water tanks ▪ Construction or rehabilitation of pumping stations
8	Sewerage network management systems	<ul style="list-style-type: none"> ▪ Rehabilitation of sewage pumping stations ▪ extension and rehabilitation of sewerage networks ▪ Septic Tanks
9	Solid waste management systems	<ul style="list-style-type: none"> ▪ Construction of solid waste processing facilities (segregation) ▪ Construction of collection points ▪ Improvement of solid waste landfill
10	Social infrastructure upgrading	<ul style="list-style-type: none"> ▪ Repair/replacement of external doors and windows, window optimization; ▪ Insulation of walls, basements, and attics; ▪ Small-scale refurbishing activities inside the school premises (e.g. Walls repainting, tiling, installation of cable ducts, new water-pipes) ▪ Major refurbishing activities involving removal/reconstruction of walls (especially when containing Asbestos isolations or sheets); Replacement of the asbestos roofs
11	Cultural heritage rehabilitation and	

No	PROPOSED TYPES OF SUBPROJECTS	Activities
	conservation	
12	Street lighting	<ul style="list-style-type: none"> ▪ Underground electric cabling (for magistral lines) ▪ Overhead electric cabling ▪ New distribution electrical transformers; ▪ Installing of short segments of new distribution lines or replacing of obsolete pillars;
13	Purchasing of public utility equipment; transportation means and etc.	
14	Heating systems	<ul style="list-style-type: none"> ▪ Reconstruction, modernization of heating systems, (replacement or modernization of the heat source such as a burner, boiler or external sources); ▪ Buildings retrofitting and insulation; ▪ Installation of solar panels; ▪ Replacement of old heating pipes under roads to be rehabilitated
15	Small scale construction of public facilities	<ul style="list-style-type: none"> ▪ information centers; ▪ visitor centers; ▪ maintenance facilities; storage facilities)
16	Installing antennas for providing WIFI services	

1.2.1. Project area

Chartak city: The project will support infrastructure development in Chartak to improve the city's overall living conditions, while also supporting its strategic vision for long-term local development that would benefit both local population and the incoming visitors/tourists. In particular, the project will support area-based strategic investments in the old and new bazaar (market) area, area surrounding the railway station, and will focus in supporting Chartak's eco-city tourism assets, including through the proposed development of a greenway (or tourism-loop) along the river, connecting the city with the water reservoir, nature and sanatoriums.

Yangiyul city: The investments under this project will be selected with the aim to enhance the role of Yangiyul as a regional market hub by upgrading the aging water supply system, improving mobility and pedestrian safety, and reducing severance in areas around the Bazar, ultimately contributing to improving the living conditions and economic activities, and the accessibility to and mobility in the city, addressing bottlenecks connecting to the regional highways and connecting roads, improving interconnectivity, and allowing for safe pedestrian movement along the city core and market surrounding area

Qagan city: The project will support urban upgrading of the city core, focusing on the area around the railroad station and potential core touristic circuit in the areas in front and behind the railroad station. Other potential investments would include rehabilitation and adaptive reuse of selected heritage buildings, improvement of traffic, parking and pavements, upgrading of streets and public spaces and basic service provision.

Detail description of the proposed project areas is given in ESMF prepared for MSCIUDP project.

1.3. LIKELY IMPACTS

Of the above Table 1, key components/activities with likely resettlement impacts are as follows:

- Widening of existing roads

- Construction of bicycle lane
- Construction small-scale new bridges, including pedestrian ones
- Widening of existing drains
- Drilling of new shallow wells/
- Extension and rehabilitation of water supply networks
- Drilling of new deep-water wells
- Construction/rehabilitation of water reservoirs
- Overhead water tanks
- Construction or rehabilitation of pumping stations
- Construction of Waste collection points
- Construction of solid waste processing facilities
- Small scale construction of public facilities

The team of social safeguards consultants visited the proposed project areas (three cities). During the visits, the type of proposed physical works has been discussed with local implementing agencies and site visits have been carried out. The preliminary impact assessments show that some of the proposed physical activities may trigger involuntary resettlement thus requiring permanent and temporary land acquisition. The permanent land acquisition may be needed for construction of new water pumping station in the settlement area *Arbagish* of Chartak district. Additionally, a construction of new water and sewerage pipeline also require land for a temporary period. Reconstruction of water and sewerage networks also requires a temporary land acquisition. Land for that purposes can be taken from agricultural as well as urban lands thus, affecting to farmers, households or businesses. There will be no need for permanent land acquisition within the city, but may involve temporary land acquisition due to the construction/reconstruction of sewerage and water supply pipelines, and other urban infrastructure. Types of impacts will be defined in detail after the development of project design.

1.4. IMPACT ASSESSMENT (IS)

Impact assessment descriptions are given in detail in ESMF. Consulting company will be hired to make ISs. Types of impacts will be defined in detail after the development of project design. On completion of the detailed engineering designs, a social impact assessment report and resettlement plan shall be prepared based on a census of the Displaced Persons (DPs) and socio-economic survey of major impacted DPs. Social Impact Assessment (SIA) of the displaced persons will be undertaken in each subproject so as to determine the magnitude of displacement and prospective losses, identify vulnerable groups for targeting, ascertain the costs of resettlement, and prepare a resettlement and rehabilitation program for implementation.

1.4.1. Social Impact Assessment

Per the WB safeguards policies Social Assessment (EA) is a process of the pre-implementation stage which evaluates a project's potential social risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, sitting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse social impacts and enhancing positive impacts; and includes the process of mitigating and managing adverse social impacts throughout project implementation. SIA is mandatory for projects, which may potentially have negative impacts. Furthermore, a well-organized public participation is mandatory in all the stages of the process.

1.4.2. Environmental and Social Management Framework (ESMF)

The project may involve permanent and temporary land acquisition affecting to agricultural and urban lands. The permanent land acquisition may be needed, say for example, for construction of water pumping station, water reservoirs, waste collection points, solid waste processing facilities. The temporary land acquisition could be needed for reconstruction and extension of water and sewerage pipelines, widening of roads. Land for that purposes can be taken from agricultural as well as urban lands thus, affecting to

farmers, households or businesses (path, title, and non-title holders). There will be no need for permanent land acquisition within the city, but may involve temporary land acquisition due to the construction/reconstruction of sewerage and water supply pipelines, and other urban infrastructure. The project is expected to have several subprojects which will become known only during the implementation phase. While the broad category of activities/ impacts is foreseen, exact magnitudes can become known only after detailed designing of the subprojects. Social Impact Assessments (SIA) will need to be undertaken in respect of each subproject, so as to determine the magnitude of displacement and prospective losses, identify vulnerable groups for targeting, ascertain the costs of resettlement, and prepare a resettlement action plan (RAP) for implementation. On the project preparation stage, an Environmental and Social Management Framework (ESMF) has been developed for this MCIUDP to serve as 'guidance', to provide provides details on procedures, criteria, and responsibilities for subproject screening, preparing, implementing and monitoring of subproject specific ESIA's. The framework will be applied as and when a subproject surface and an Environmental and Social Management Plans (ESMP) will be prepared which will include, among others, resettlement action plan (RAP), each citizen engagement plan (CEP), gender action plan (GAP) and a labor management plan (LMP). Towards preparing a RAP, project preparation has developed a Resettlement Policy Framework (RPF).

1.4.3. Resettlement policy framework

The key objective of the Resettlement Policy framework is to provide a framework to appropriately identify, address and mitigate adverse socioeconomic impacts that may occur due to the implementation of subprojects that involve the involuntary acquisition of land and the subsequent resettlement of affected families. RPF also serves the following specific purposes:

- Review the existing legal framework, compare with Bank OP 4.12 for gaps, if any, and indicate gap-filling measures;
- Describe the approach to the taking of private land, assets and other common property resources;
- Valuation process of impacted assets;
- The process of preparation of SIA and RAPs and their review by PIU;
- Defining of the cutoff date for Title and Non-Title holders;
- Consultation mechanisms/approaches to be adopted, including disclosure of safeguards instruments; and
- Monitoring and Evaluation arrangements, including Grievance Redressal Mechanisms role/responsibilities of different stakeholders.

A resettlement action plan (or resettlement plan) will be prepared for each subproject once its footprint has been properly defined. The corresponding safeguards document for other social and economic impacts not associated with land takings and restrictions is an environmental and social management framework. This RPF is based on relevant National laws and Decrees as well as the World Bank Operational Policy for Involuntary Resettlement (OP-4.12). The guidelines of the resettlement policy framework apply to all the investments financed by MSCIUDP. The policy framework applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of vulnerable groups among those women headed household, low-income household, a household headed by elderly with no support and household headed physically challenged people.

This Resettlement Policy Framework will be updated when changes or amendments to the applicable laws and policies are made and based on implementation experience and lessons learned.

1.4.4. Citizen Engagement

In Uzbekistan, Citizen Engagement (CE) has not been regulated within the Urban Planning and Resettlement Planning process. Involvement of citizens in the Urban Development Planning process and in the implementation stage is limited. However, social impact assessments carried out in several sectors of WBG projects suggest that the quality of service can be improved with active engagement by users. CE will be regulated by the Project Implementation Unit. Apart from consultations and meeting at local levels, ICT platforms will be actively used to collect opinions, feedbacks, and recommendations given by citizens and stakeholders. This can be done through the application of multiple uptake channels such as mail, e-mail, telephone, project website, and Management Information Systems (MIS). Nowadays the citizens are active in using mobile internets and therefore, the project will open special groups in the Telegram app and on Facebook. In order to establish systemized CE, PIU established close contact with representatives of Mahalla and local NGOs. In the frame of MSCIU DP following citizen, engagement mechanisms are proposed: (i) Consultations (ii) Focus Group Discussions. (iii) Grievance Redress (iv) Participatory planning (v) Citizen Satisfaction surveys (vi) Participatory Monitoring and Evaluation

1.4.5. Labor (labor influx, forced and child labor)

In the frame of MSCIU DP, the proposed Contractors for civil works are asked to involve local labor. However, in case there is a shortage of technical skills among local workers, then the Contractor may involve workers from outside the project area. The rapid migration to and settlement of workers and followers in the project area is called labor influx. , and under certain conditions, it can affect project areas negatively in terms of public infrastructure, utilities, housing, sustainable resource management, and social dynamics. The impacts may include increased demand and competition for local social and health services, as well as for goods and services, which may lead to price hikes and crowding out of local consumers, increased volume of traffic and higher risk of accidents, increased demands on the ecosystem and natural resources, social conflicts within and between communities, increased risk of spread of communicable diseases, and increased rates of illicit behavior and crime

Forced labor is prohibited in Uzbekistan. According to the article 7 of the Labor Code, a forced labor, that is, compulsion to perform work under the threat of the use of any punishment (including as a means of maintaining labor discipline) is prohibited.

According to the Labor Code of Uzbekistan and Minimum Age Convention (No. 138 from 1973) minimum age is defined for children under the age of 18. In Uzbekistan, in accordance with Administrative Responsibility Code (article 49), employment of persons younger than 18 years by a legal entity is subject for a fine of 5 to 10 times the minimum wage.

1.5. PREPARATION OF THE RESETTLEMENT POLICY FRAMEWORK

RPF of this project is prepared based on the harmonization of the World Bank's OP/BP 4.12 and the Uzbek Laws and Decrees on compensation, assistance, and resettlement. The basic objective of the Resettlement Policy Framework is to ensure that all PAPs will be compensated at replacement cost and assisted with restoration measures to help them improve or at least maintain the living conditions and the capacity to make income before the project. This Resettlement Policy Framework presents the basis for preparation, review, and approval of RAPs for later sub-projects of the project.

The RPF is prepared based on the results of (1) Technical report; (2) Review of policies of Uzbekistan and WB on resettlement (3) site survey and social impact screening of project areas to assess possible impacts of land acquisition and resettlement; (4) consultations and public meetings with local stakeholders. In the project implementation stage, data will be updated fully (after DMS) and suitable to serve the implementation of the resettlement action plans, meeting the project objectives and policies.

In the period of project preparation, the RAPs for the subprojects will be prepared based on the guidance given in this RPF. In the period of project implementation, the updated RAP of each sub-project will be prepared when the detailed engineering design has been finished to allow Detail Measurement Survey of losses and damages and precise identification of affected persons to be conducted. This updated RAP requires clearance from WB's review before payment release.

Where impacts on the entire affected population are not significant or fewer than 200 people are affected, an abbreviated resettlement plan will be applied (Annex 3). Where impacts on the entire affected population are significant, or equal to or higher than 200 people are affected, a full resettlement plan will be applied (Annex 4).

The primary goal of the RPF is to ensure that those negatively affected by Project activities, through temporary or permanent losses and impacts, are not worse off the following implementation, that they are compensated in a participatory and timely way, and that any mitigating activity is carried out in a systematic and beneficial manner. The following principles will apply to all activities under the Project:

- **Resettlement impacts will be minimized.** If any resettlement impact, as defined under OP4.12, is identified during screening of MSCIUDP subprojects then proposed subprojects shall explore feasible alternative project designs and/or configurations.
- **Project affected persons will be defined inclusively.** This means that PAPs are defined as those whose livelihoods and standards of living are adversely affected by project activities - whether through the loss of assets or access to assets, through being deprived of resources, through loss of income sources or means of livelihood, through physical relocation, or through other losses that may be identified during the process of resettlement planning.
- **Meaningful consultation with PAPs and communities.** PAPs and impacted communities have the right to:
 - Receive information on Project developments on an on-going basis;
 - Be consulted on issues pertaining to them, such as possible measures to restore their livelihoods, allowing participation in the final selection and design of such measures;
 - Get information on Project activities and implementation schedules, such as land acquisition dates, sufficiently in advance of execution;
 - Have access to relevant safeguards documents at a place accessible to them in a form, manner, and language that is understandable to them.
- **All adverse Project impacts will be identified prior to implementation and losses properly recorded.** The following information should be recorded to facilitate the planning, implementation, and monitoring of impacts:
 - Develop an inventory of impacted landholdings and immovable/non-retrievable improvements (buildings and structures) to determine fair and reasonable levels of compensation or mitigation;
 - A census detailing PAP composition and demography, and other relevant socio-economic characteristics.
- **PAPs are entitled to full compensation and rehabilitation measures on an equitable basis.** Compensation must be sufficient to, at a minimum, to maintain pre-project living standards. As a principle, the Project should seek to leave PAPs with improved conditions through the inclusion of PAPs in project benefits. All PAPs will be equally eligible to the entitlement, irrespective of social or economic standing, tenure status, or any other discriminating factor.
- **Vulnerable groups will receive special attention.** Particular attention will be paid to adverse impacts on groups/social categories such as the elderly, the physically disabled, women-headed households, child/orphan-headed households, and households below the poverty line who, because of their social position, may be vulnerable to changes brought about by project activities or excluded from project benefits. Members of these groups are often not able to make their voices heard, and the account will be taken of this in the consultation and planning process, and in the establishment of grievance procedures.

- **Resettlement planning, budgeting, and implementation will be an integral part of the Project.** Any resettlement-associated cost is an upfront investment. All restorative activities and compensation identified as part of the RPF process must be completed prior to Project implementation.
- **Grievance, monitoring, and evaluation procedures will verify the effectiveness of resettlement measures.** PIU and RPCU are responsible for monitoring adequate implementation of this RPF as well as any associated RAPs. This requires that an effective and accessible grievance procedure is in place.
- **Project activities must be in accordance with the policy and legislative framework.** All Project activities are to be carried out in compliance with all legal obligations, in accordance with international best practices and the World Bank OP 4.12 as defined in the Legal Framework section of this RPF and Uzbek Legislations where appropriate.

1.6. CATEGORIES OF RESETTLEMENT IMPACTS

In this RPF, the resettlement impacts are categorized as follows:

- A. Significant (Category 1)** – If as a result of the subproject, about 200 or more people may experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets. Full RAP is required to be prepared
- B. Not significant (Category 2)** – If as a result of the subproject, fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets. Abbreviated RAP is prepared;
- C. No resettlement effect (Category 3)** – If the subproject does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income. No resettlement plan is required. This category also includes temporary but not significant impacts which will have to be mitigated as a part of construction management in consultation with the PAPs by the Contractor. Due Diligence Report is required.

1.7. IMPLEMENTATION OF RESETTLEMENT PLANNING

The Resettlement Planning and Implementation will be carried out through the PIU at State Investment Committee together with Local Hokimiyats, Land Resources and State Cadastre Department (LRSCD) and the State Architectural Departments which are responsible for land acquisition and resettlement, valuation companies, NGOs and community-based organizations.

A flow chart of the steps to be undertaken in a RAP/ARAP procedure is provided in the figure presented in **Annex 5**. The main steps to be undertaken for the finalization of a RAP/ARAP process are presented shortly below:

Step 1: Describe the project activities to be undertaken for the MSCIUDP. The activities have to be approved by the relevant authorities in SIC.

Step 2: A discussion and finalization of the distribution within the parties will need to be done, for a clear process of RAP/ARAP writing and implementation.

Step 3: The PIU's Safeguard Team will finalize the cooperation and agreements with Local Hokimiyats, relevant Ministries and SIC.

Step 4: Using participatory methods, the PIU in collaboration with Local Hokimiyats will consult the local communities, within the project area, to identify the required piece of land, using the screening criteria. At this stage, the cut-off date will be established.

Step 5: If the PIU Safeguards Unit determines that the site is suitable, based on the screening criteria, the allocated land/site would be acceptable. In this case, this process may continue at **Step 10**.

Step 6: If the site does not meet the screening criteria, the Local Hokimiyats will be advised to allocate another piece of the land/site that satisfies the screening criteria. If resettlement cannot be avoided as the

specific area cannot be changed, moved the process will continue in consideration to the World Bank Safeguard Policies.

Step 7: For situations where resettlement cannot be avoided, OP 4.12 and the Expropriation Law will apply. In this case, for each parcel of land, property or assets of potential PAPs, the cut-off date established at Step 4 above will apply.

Step 8: The PIU will carry out a socio-economic survey, a census and to collect other information about the land area and affected population. This will be done to identify the potential PAPs; focusing on the individual household and vulnerable groups and; to calculate their incomes, as the first step in the preparation of the RAP/ARAP.

Step 9: On completion of the socio-economic study and the baseline census, the PIU Safeguards Unit will prepare a Resettlement Action Plan (RAP) or abbreviated version of it (ARAP) for the area that is affected by resettlement and compensation. There will be as many RAPs as the activities sites.

Based on the description in the main ToR of the project, the MSCIUDP belongs to the Category 2 (mentioned above). MSCIUDP has identified an initial group of activities to be supported in the first year of implementation for which ESMPs and RAPs have been prepared as needed. The RPF needs to be prepared to guide the preparation of RAPs or ARAPs which may be needed to address land acquisition impacts for activities to be undertaken in future years of implementation. The decision to prepare a RAP or ARAP is based on the World Bank Guidelines OP 4.12 Involuntary Resettlement and the World Bank Handbook on Preparation of RAP. The main possible outline and contents of a RAP are explained in **Annex 3**, while the possible outline and content of an ARAP is briefly presented in Annex 4. An Abbreviated Resettlement Action Plan can be prepared if agreed according to the guidelines of the World Bank¹⁰.

Step 10: The PIU then will forward the RAP's, to the respective Local Hokimiyats and World Bank. All project activities that trigger OP 4.12 and resettlement plans would be subjected to the final approval of the World Bank, to ensure compliance with Banks safeguards. The World Bank must provide final clearance/approval of the RAPs/ARAPs, which will be in compliance with the local laws, institutional requirements as well as the World Bank Policy requirements. Thus ensuring that land is actually acquired or access to the resource is lost, denied, or restricted and that the individual resettlement plans are consistent with the social considerations of this document.

Step A-B: For project activities that do not have any resettlement issues and do not trigger OP 4.12, the provisions of the RPF/social provisions of the ESMF does not apply and the reference is the Environmental Focus of the Environmental and Social Management Framework ESMF.

Resettlement Planning Implementation can be carried out in a systematic way through available software such as Asana, MS project, Zoho Projects, Teamwork projects.

¹⁰ O.P. 4.12. Resettlement Instruments, Article 25: Where impacts on the entire displaced population are minor,²⁶ or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower

2. LEGAL FRAMEWORK

2.1. APPLICABLE NATIONAL LAWS AND POLICIES

In Uzbekistan, land expropriation is provided for the public needs under the Land Code (LC). Expropriation in this context refers to the taking away of private land and landed property for a public purpose by the government with or without the owner’s consent subject to laws of eminent domain, which stipulates prompt and adequate compensation among other things. In Uzbekistan, there is no separate legal document in relation to Land acquisition and Resettlement. The LC defines the terms of rights of termination on land plot, seizure and land acquisition of land plot for state and public needs, and terms of seizure of land plot in violation of land legislation. The LC also regulates the allocation, transfer, and sale of land plots, defines ownership and rights on the land. It describes the responsibilities of different state authorities in land management; rights and obligations of the land possessor, user, tenant, and owner; land category types, resolution of land disputes and land protection.

The mechanism of payment of compensation in detail is given other legal documents such as Presidential resolution # 97 mainly on urban land and structures. The resolution of Cabinet of Ministers # 146 mainly on agricultural land, crops, and trees. Recent presidential decrees and resolution adopted in this 2018 year gives an opportunity to carry out public consultations before any LAR activities and follow the LAR policies of international donor institutions in the investment projects in Uzbekistan.

In the table below the summary of a legal framework which is related to resettlement is given.

Table 2: Legal instruments applicable to resettlement

Legal Framework	Functional Relationship to Resettlement
The Land Code (LC) dated on 30 of April 1998	Describes a condition for permanent land expropriation and temporary land acquisition
The resolution “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs” dated on 29 May 2006 #97	Regulates resettlement compensations for affected buildings, structures, and plantings in the settlements.
The resolution “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes” dated on 25 May 2011 #146	Regulates resettlement compensations for affected agricultural lands and trees. Also regulates the provision of land to land compensation principles.
The resolution “On Approval of the order of the appointment and payment of social allowances and material (financial) assistance to low-income families” dated on 15 February 2013 #44.	Regulates the mechanism to the determination of vulnerable groups and their entitlements
Presidential resolution “On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations” dated on 16 July , 2018 #3857	Confirms that the resettlement costs are paid based on assessment documents prepared by IFI in accordance with their own methodology.
Presidential Decree “On measures on major improvement of investment climate in the Republic of Uzbekistan” dated on 1 August 2018 #5495	Defines that land expropriation can be implemented only after meaningful consultation with PAPs.
Presidential Decree “On measures to improve the system of protection of rights and legal interests of subjects of entrepreneurship” dated 27 July 2018 # 5490	Defines the source of Resettlement budget in the investment projects.

2.1.1. General Provisions

The following are the general principles and procedures that will be carried out for acquiring a land plot or portion thereof (hereafter referred to a land plot) and compensating individuals and legal entities for residential , manufacturing, or other special purpose buildings, facilities, and plantings subject to demolition in connection with land withdrawal for government or public needs.

(a) Withdrawal (or acquisition) of a land plot for public needs shall be carried out with landowner’s consent or upon agreement with the land-user/tenant, by a resolution of the Hokim of a particular jurisdiction (district, town, city, province), or by the resolution of the Cabinet of Ministers of the Republic of Uzbekistan.

(b) If the landowner, land-user, or landholder disagrees with the resolution of the Hokim of the relevant jurisdiction or the Cabinet of Ministers on withdrawal of a land plot, then the resolution may be appealed in a court.

(c) A resolution on the withdrawal of a land plot and demolition of residential, manufacturing, or other assets (that is, buildings, facilities, and plantings) shall be made in accordance with the general layouts, as well as the detailed plans for the development of residential areas and neighborhoods in cities and settlements.

(d) Unjustified demolition of residential, manufacturing, or other buildings, facilities, or plantings shall be prevented.

(e) Based on a resolution of the Cabinet of Ministers, the Hokims of the respective districts/towns shall adopt their own resolutions on withdrawing a land plot and demolishing residential, manufacturing, and other buildings, facilities, and plantings.

(f) The Hokimiyats of the respective districts/towns shall notify the owners of relevant residential, manufacturing and other buildings, facilities, and plantings in writing and against a receipt about the resolution at least six months before the targeted demolition date. The notification shall be supported by copies of the respective resolutions on withdrawal of the land plot and demolition of residential, manufacturing, and other buildings, facilities, and plantings located on the land plot.

(g) Landowners may appeal the Resolution of the respective District/Town Hokim on the demolition and approval of the value of residential, manufacturing, and other-purpose buildings, facilities, and plantings subject to demolition in the Hokimiyats of the Provinces as well as in the court system.

(h) The value of residential, manufacturing, or other-purpose buildings and facilities built without proper authority shall not be reimbursed.

(i) If the withdrawn lands are allocated to enterprises, institutions, or agencies, those entities will be responsible for the payment of compensation, provision of houses or apartments, and temporary housing, as well as the reimbursement of all relocation costs based on the decision of the respective District/Town Hokim.

The following are the specific procedures and terms for compensating individuals and legal entities for houses, buildings, facilities, and plantings.

2.1.2. Procedure for Calculating Compensation to displaced PAPs

(a) The respective Hokimiyats shall establish commissions (hereafter referred to as the “Commission”) to determine the size and type of compensation. The Commission will be headed by the Deputy Hokim of the district/town and include the representatives of financial and other departments of Hokimiyats, the State Inspector for Supervision over Land Use and Protection, local authorities, landowner (that is, land-user or landholder) in charge of the land plot to be withdrawn, representative of the enterprise, institution, or agency to which the land plot is to be allocated, as well as representatives of other relevant authorities at the discretion of Hokimiyats.

(b) The technical condition of houses or apartments, buildings, and facilities are appraised, and the value of plantings to be withdrawn will be determined by the District/Town LRSCD at the expense of the applicant. In case of disagreement with the results of the appraisal by the LRSCD, the owner has the right to contract independent licensed appraisers which will be paid for by the applicant. The appraisal materials are to be submitted to the Commission.

(c) If the land plot to be withdrawn is owned by an individual who has acquired a lifetime ownership with the right of inheritance through an auction, the individual will be provided with lifetime ownership to an equivalent new land plot with the right of inheritance. The appraisal will be performed by the licensed appraisers of the LRSCD at current prices at the expense of the applicant.

(d) Any materials resulting from the dismantlement of houses or apartments, other buildings, and facilities (except unauthorized constructions) shall remain at the disposal of the developer or landowner (land-user, landholder) who pays full-scale compensation to the owner. In specific cases, at the request of the owner of the demolished property or plantings, and by the decision of the respective Hokim, the materials resulting from the dismantling of the property may be transferred to the owner. In this case, the Commission shall determine the value of the materials transferred to the owner at current market prices, taking into account wear-and-tear.

(e) The specific timing and procedures of monetary compensation payment shall be set forth by resolutions of the relevant jurisdiction. However, monetary compensation is to be paid prior to the commencement of the demolition process.

2.1.3. Procedure and Terms for the provision of housing to displaced PAPs

(a) If privately owned are to be demolished, the individuals, members of their families, as well as the individuals permanently residing in these houses or apartments at their own choice and subject to agreement of the parties, will be provided with an equivalent suitable dwelling with the floor space meeting the public norms on an ownership basis, and will receive compensation for the value of the plantings, or will get compensated for the value of demolished houses or apartments, other buildings, facilities, and plantings. Equivalence is determined as being an amount equal to the value of the house or apartment to be demolished. If the value of the house or apartment to be demolished is higher than the value of the housing provided, the owner will be compensated for the difference.

(b) The respective District/Town Hokimiyats will be responsible for providing housing and/or paying other types of compensations to the owners of the demolished houses or apartments out of the funds from local budget revenues.

(c) In order to get living quarters, the owner of the residential house or apartment to be demolished after receipt of a notification about the upcoming demolition shall, within a month's time, file an application agreed with family members and other people residing (registered) in the house or apartment to the respective District/Town Hokimiyat requesting assignment of living quarters in exchange for the housing to be demolished, specifying family members, number of permanently residing persons, as well as any available benefits which entitle them to extra housing floor space in addition to the public norm.

(d) After the respective District/Town Hokimiyats approve the Commission resolution on the size and type of compensation, assignment of living quarters in exchange for the demolished residential house or apartment, or, at the request of the owner, on provision of monetary compensation, the owner shall file with the Hokimiyat a letter providing a guarantee to vacate the residential house (apartment) subject to demolition.

(e) A house or apartment may only be demolished subject to the agreement of the parties and after the owner was provided with living quarters in exchange for the house or apartment to be demolished.

(f) In specific cases, subject to the agreement of the owner of the house or apartment to be demolished, the District/Town Hokimiyat may provide living quarters in houses, which are in the course of construction, specifying in the resolutions the exact timing when the house is to be commissioned. If the living quarters

in the houses being constructed are not provided by the established date, the Hokimiyat shall be responsible for providing the living quarters within a month's time.

(g) Belongings of the owner of the residential house (apartment) to be demolished shall be moved to a new location at the expense of the developer or landowner (land-user, landholder) to whom the plot was allocated.

(h) The respective District/Town Hokimiyats will compensate the owner of the house to be demolished due to the withdrawal of the land plot.

2.1.4. Procedure and Terms for Provision of Land Plots to displaced PAPs

(a) In case of demolition of privately owned residential houses or apartments in connection with a land plot acquisition for public purposes, the owners of the properties, their family members, as well as individuals permanently residing in these houses or apartments at their request could be provided with a land plot for private housing construction within the established norms. Here, temporary housing under the terms of a lease shall be provided for the development period of up to two years along with full-scale compensation for the value of the houses or apartments, buildings, facilities, and plantings to be demolished.

(b) A land plot for private housing construction and monetary compensation shall be provided to the owner of the demolished houses or apartments by the respective District/Town Hokimiyat. If the withdrawn land plots are to be allocated to enterprises, institutions, or agencies, these entities will be responsible for providing compensation land plots for private housing construction and compensation payments to the owners of the demolished residences.

(c) To obtain a land plot, the owner of a house or apartment to be demolished after receipt of the notification on the upcoming demolition shall, within a month's time, file with the respective District/Town Hokimiyat an application for assignment of a land plot for private housing construction specifying the family members, the number of permanently residing persons, and the need for temporary housing.

(d) After the respective District/Town Hokimiyat approves the Commission resolution on the size and type of compensation, the owner shall file with the Hokimiyat a letter providing a guarantee to vacate the house (apartment) subject to demolition within the term specified by the respective District/Town Hokimiyats.

(e) A house or apartment may be demolished only after the owner is provided with a land plot for private housing construction and with temporary housing in terms of a lease for the period of development of the land plot of up to two years.

2.1.5. Procedure for Compensating Legal Entities for Damages Resulting from Land Withdrawal for Government and Public Needs

(a) In the case of withdrawal of a land plot that accommodates residential, manufacturing, or other buildings, facilities, or plantings owned by a legal entity, the legal entity is to be provided with equivalent property and is fully compensated for all damages due to the withdrawal of land plot for public needs.

(b) Land-owners/users/tenants/proprietors of land plots in urban areas shall be compensated for the damages in agriculture and forestry-based production in accordance with the land laws of the Republic of Uzbekistan.

(c) Legal entities shall be compensated for damages resulting from the withdrawal of land plots by the respective district/Town Hokimiyat. If the withdrawn land plots are to be allocated to enterprises, institutions, or agencies, then payment of compensation, provision of living quarter and temporary housing, as well as moving the property to the new location shall be carried out at the expense of such enterprises, institutions, and agencies according to the resolution of the respective District/Town Hokimiyat.

(d) To be compensated for the withdrawal of a land plot, the legal entity following the receipt of notification of the upcoming demolition shall, with a month's time, file an application specifying the type of compensation with the respective District/Town Hokimiyat.

(e) After the respective District/Town Hokimiyat approves the resolution of the Commission, the legal entity shall file with the Hokimiyat a letter providing a guarantee to vacate the residential house, other buildings, and facilities subject to demolition within the term specified by the respective District/Town Hokimiyats.

(f) Residential, manufacturing, and other special purpose buildings, as well as facilities belonging to a legal entity, may be demolished only after the type and size of compensation and timing of payment thereof are agreed to with the owner.

2.1.6. Procedure and Terms of relocation costs to displaced PAPs

(a) At the request of individuals and legal entities, the residential, manufacturing, and other purpose buildings and facilities owned by them, which are subject to demolition may be moved and restored in a new location in accordance with a resolution of the respective District/Town Hokimiyats, and shall be funded out of local budget revenues. The individuals and legal entities who own the housing shall be provided with temporary housing under a lease for the period of land plot development up to two years.

(b) The property will be moved and restored within the limits of a given locality on land plots assigned in accordance with the established norms, subject to a condition that the technical state of houses, buildings, and facilities allows for their movement, *i.e.* the condition of the engineering structures and structural components must be able to withstand disassembly, transport, and reassembly in a new location. The Commission will determine the feasibility of moving the houses, buildings, and facilities based on a feasibility study and design estimates developed by specialized design agencies at the expense of the developer to whom the withdrawn land plot is allotted. The movement of residential, industrial, or other buildings and facilities and their restoration in a new location shall be carried out within the timeframe set forth by the respective District/Town Hokimiyats. However, the term should not exceed a period of one year.

(c) All costs associated with the movement of residential, manufacturing, and other buildings and facilities and restoration thereof in a new location, rent of temporary housing, movement of property of individuals or legal entities to the temporary housing and from there to the restored buildings/facilities based on the decision of the respective District/Town Hokimiyats shall be borne by the developer or landowner (land-user, landholder) to whom the plot was allocated.

(d) Relocation of equivalent residential, manufacturing, or other-purpose buildings and facilities owned by a legal entity shall be carried out only after the type, the size, and the timing of payment of compensation are agreed to with the owner.

2.1.7. Procedure and Terms of Settlement in Cases of Construction of Houses and Buildings in a new location to displaced PAPs and legal entities

(a) At the request of individuals and legal entities whose houses or apartments are subject to demolition, residential houses and buildings may be constructed in a new location and transferred to their ownership. In this case, no monetary compensation for the demolished residential houses or apartments is paid.

(b) Construction of residential houses and buildings in a new location and their transfer to the ownership of individuals and legal entities whose residential houses or apartments are subject to demolition shall be carried out by the respective District/Town Hokimiyats.

(c) If the withdrawn land plots are to be allocated to enterprises, institutions, or agencies, then the construction of residential houses and buildings in a new location and transfer thereof to the ownership of individuals and legal entities, whose residential houses or apartments are subject to demolition, will be carried out at the expense of such enterprises, institutions, or agencies.

(d) Construction of residential houses and buildings in a new location for individuals and legal entities, whose residential houses or apartments are subject to demolition shall be carried out within the limits of a given locality (population center). Here, for the period of construction of residential house/building at the new location, the respective District/Town Hokimiyats will provide the individuals and legal entities concerned with temporary housing on terms of a lease.

(e) All costs related to the leasing of temporary housing, movement of property of the individuals and legal entities to the temporary housing, and from there to the residential houses built in a new location based on the decision of the respective District/Town Hokimiyats, shall be borne by the developer or land owner (that is, land-user, landholder) to whom the withdrawn land plot was allocated.

(f) In order to get the residential house/building constructed in the new location in exchange for the house or apartment to be demolished, the individuals and legal entities, owning houses or apartments subject to demolition shall, within one month after receipt of notification about demolition, file an application specifying the family members, number of permanently residing persons, as well as the available housing benefits with the respective District/Town Hokimiyats.

2.1.8. Additional Procedures or Principles Relating to Expropriation of Urban Land

Based on the Civil Code, the Housing Code, and the Urban Construction Code, the real estate value and corresponding compensation are determined on the basis of the registered price estimated by LRSCD. However, this price may be an underestimation of the real price of the property. In some cases, the registered price can be several times below a real estate's actual market value. The real estate owner is given a choice between cash compensation or the provision of real estate of equal value on a different plot of land. Given that all land in Uzbekistan is state-owned, loss of land is not compensated in cash. Enterprises or businesses that are expropriated will be compensated by a new plot of land and building, thus allowing affected people to pursue their activities.

2.2. PRINCIPLES OF RESETTLEMENT POLICY FRAMEWORK FOR COMPARISON OF THE GOVERNMENT STATUTES AND WORL BANK POLICY

The World Bank recognizes that involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. The Bank's Resettlement Policy OP 4.12, includes safeguards to address and mitigate the economic, social, and environmental risks arising from involuntary resettlement.

The WB's involuntary resettlement policy objectives are the following:

- (i) Involuntary resettlement should be minimized after exploring all viable alternatives in project design;
- (ii) Resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to share the benefits to PAPs. PAPs should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- (iii) PAPs should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-project levels or to levels prevailing prior to the beginning of project implementation, whichever is higher

2.2.1. Principles of resettlement policy framework

The involuntary taking of land results in relocation or loss of shelter; and loss of assets or access to assets or loss of income sources or means of livelihood, whether or not the PAPs must move to another location or not. Therefore meaningful consultations with the affected persons (directly and through representatives), local authorities and communal leadership allow for establishing the criteria by which

displaced persons will be deemed eligible for compensation and other resettlement assistance. OP4.12 suggests the following three criteria for eligibility;

- (a) those who have formal rights to land;
- (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the national and local laws of Uzbekistan or become recognized through a process identified in the resettlement plan;
- (c) those who have no recognizable legal right or claim to the land they are occupying, using or getting their livelihood from, but are recognized under the World Bank's OP 4.12.

Those covered under (a) and (b) above are to be provided compensation for the land they lose, and other assistance in accordance with this RPF. Persons covered under c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this RPF, if they occupy the project area prior to a cut-off date established by the Hokimiats in close consultation with the potential PAPs, local community leaders and the respective local LRSCD, LARC and acceptable to the World Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in (a), (b) or (c) above are to be provided with compensation for loss of assets other than land. Therefore, it is clear that all project affected persons irrespective of their status or whether they have formal titles, legal rights or not, squatters or otherwise encroaching illegally on land, are eligible for some kind of assistance if they occupied the land before the entitlement cut-off date. Persons who encroach the area after the socio-economic study (census and valuation) are not eligible for compensation or any form of resettlement assistance.

2.2.2. Comparison of national legislation and WB Policy in Involuntary Resettlement

Analysis of previous resettlement documentation including resettlement plans, frameworks shows that there were discrepancies between World Bank OP policies and Uzbekistan's legislation in the sphere of compensation for involuntary resettlement took place in the investment projects. The main discrepancies included, in public consultation before resettlement activities, detail explanation of entitlements to project affected households, provision of just compensation instead of full replacement cost, carry out socio-economic surveys among PAPs. Uzbek Laws only provide compensation for land that is legally owned by PAPs and no compensation to encroachers for the same. The World Bank OP4.12 provides for compensation for land to both legal owners and encroachers. OP4.12 states that where there is a conflict between the Bank and government frameworks, those of the Bank shall take precedence. However, recent Presidential Decree # 3857 clearly defines PIU can use a preliminary assessment document prepared in accordance with the operational policies of international finance institutes (World Bank) as a pre-project document that defines the main parameters of a project implementation.

There is no provision for compensation for loss of income or profits. This is in contrast to the Land Code, according to which farmers are compensated for lost income. It is important to note that because of State ownership of lands in Uzbekistan, land use is only possible with the permission of local authorities on the basis of a lease or on other terms. Accordingly, land use issues are fully covered by land legislation and are not governed by provisions of customary law, traditional practices, or neighborhood relationships, etc. Thus, according to Uzbek laws, those who use or occupy land without a lease or other type of official permission will not be entitled to legal compensation. The State will have the right to seize the land from those "illegal land users."

Persons who take up their residence on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. WB OP 4.12 highlights that particular attention should be paid to the needs of the most vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, and also other categories of displaced persons whose interests may not be protected by national legislation with regard to the compensations for the land plots subject to withdrawal.

A recent change in legislation of Uzbekistan considers the market value of affected property, plantations and crops in consideration of the highest value before the cut-off date while WB considers full replacement cost of structures through calculating the cost of materials, type of construction, labor, transport and other construction costs as on date. No deductions will be applied for depreciation or transaction costs. The cost of reconnection of lost water, electricity, gas and telephone connections will be included in the compensation (the new land sites are assumed to have similar services available). According to the resolution, N97 salvaged materials are deducted from total compensation or will be under the disposal of Contractor, while WB considers salvaged materials to be allowed for taking away by the PAPs prior to demolition at no charge.

The Bank Policy 4.12 will prevail in cases of discrepancies between WB and Uzbekistan legislation, not just simply in relation to compensation issues but to all issues.

A further comparison between the Uzbek Legislations and the World Bank OP 4.12 a harmonization measures are contained in Table 2.

Comparison of Uzbek Legislation and WB’s OP 4.12

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
SOCIAL SAFEGUARDS REQUIREMENTS			
Involuntary Resettlement	World Bank Group Operational Policy on Involuntary Resettlement. OP 4.12	<p>The legal and policy framework of the project is based on national laws and legislation related to land acquisition and compensation policy in Uzbekistan, there are:</p> <ul style="list-style-type: none"> (i) Land Code (30.04.1998); (ii) Resolution of the Cabinet of Ministers dated 29.05.2006, #97 “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs”; (iii) Resolution of the Cabinet of Ministers dated 25.05.2011, #146 “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes”; (iv) Resolution of the President of the Republic of Uzbekistan dated 16.07.2018 #3857 “On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations”; (v) Decree of the President of the Republic of Uzbekistan dated on 01.08.2018 #5495 “On measures on cardinal improvement of investment climate in the Republic of Uzbekistan” 	
Screening and Categorization	WB carry out project screening and categorization at the earliest stage of project	According to legislation, there is no categorization in Resettlement documents.	

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
	preparation when sufficient information is available for this purpose. Type of project categorizations are 1, 2, 3		
Compensation entitlements	<p>A. PAPs with the formal title has to be compensated for lost land/other assets.</p> <p>B. PAPs with the legalizable title have right to be compensated for lost land and assets after the EAs helps them in legalizing their assets.</p> <p>C. PAPs with no legal title are compensated for lost non-land assets.</p>	<p>A. PAPs with the formal title is compensated for lost land/other assets.</p> <p>PAPs with legalizable or no legal title. Legalizable are not distinguished and considered non-legal as legalization is a burden of the PAPs. Non-legal PAPs have no right to be compensated for land and non-land assets.</p>	<p>A. Same in principle/application. No reconciliation needed.</p> <p>Critically different in principle and application. The application already reconciled in previous WB projects but formal Reconciliation on both counts is needed through a Decree for WB projects as well as through the inclusion of additional safeguard covenants into the loan agreements which are equivalent of the international treaty or agreement.</p>
Compensation	<p>A. Permanent loss of land. Replacement land as a preferred option or cash compensation at the full market rate. At least for legal/legalizable PAPs.</p> <p>B. Replacement of leased land. Based on replacement of lost income through cash compensation of gross income x the remaining lease years or through a replacement land lease.</p> <p>C. Loss of structures/buildings. Cash compensation at replacement cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>D. Loss of indirectly affected items. Non affected parts of an asset no longer usable after impact will have to be</p>	<p>A. Permanent loss of land. Replacement land for legal PAPs.</p> <p>B. Replacement of leased land. Based on lease replacement and compensation in cash all losses including lost profit.</p> <p>C. Loss of structures/buildings. Cash compensation at market cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>D. Loss of indirectly affected assets. Law requires that all losses including lost profits are to be compensated to all legal PAPs.</p> <p>E. Loss of business. Cash compensation at market value for all damages/opportunity</p>	<p>A. Same in principle/application for legal PAPs. Reconciliation needed both for principle and application to allow the compensation of all non-land losses of legalizable and non-legal PAPs. It is hoped that this could be achieved through a special Decree for WB projects or through the inclusion of additional safeguard covenants into the loan agreements which are equivalent of the international treaty or agreement.</p> <p>B. Same in principle. Application to be further improved. No</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
	<p>compensated as well.</p> <p>E. Business losses. Reimbursement of actual losses plus business re-establishment costs. For application based on tax declared income for a period of business stoppage. In absence of tax declaration based on maximum non-taxable salary.</p> <p>F. Loss of trees:</p> <p>i) Unproductive. Irrespective of legal land occupancy status compensation at market rate. Application based on tree type/ wood volume or other methods ensuring PAP rehabilitation.</p> <p>ii) Productive. Compensation at replacement cost based for application on various methods: tree reproduction cost, income lost (x tree type x market value of 1-year income x full production years lost).</p> <p>G. Loss of crops. Compensation of crop in cash at market price.</p>	<p>costs incurred. The burden of proving opportunity costs rest on the PAP based on recognized documented evidence but no clear methodology.</p> <p>F. Loss of unproductive and productive trees. Unproductive as well as productive trees affected by a public project are to be compensated.</p> <p>G. Loss of crops. Loss of crops to be compensated. There are two forms of compensation of loss of crops: i) compensation of uncompleted agriculture production and ii) compensation of lost profit by multiplying four (years) average income for the last three years.</p>	<p>reconciliation needed. To be reflected through an instruction for WB projects.</p> <p>C.No reconciliation of principles and application needed. However, it is required the establishment of a protocol allowing the compensation of structures/ building at replacement cost, when the salvaged materials remain with the developer or landowner provides full reimbursement to the owner. It is hoped that this can be formalized without legal reform but only a Decree for WB projects or through the inclusion of additional safeguard covenants into the loan agreements which are equivalent of the international treaty or agreement.</p> <p>D. No reconciliation of principles and application needed.</p> <p>E. Same in principle but WB does not consider opportunity cost. Application reconciliation needed to define a clear methodology and distinguish short- and long-term losses.</p> <p>F. Same in principle, different in application. Already adjusted for previous</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
			<p>WB projects but Application reconciliation is needed through a decree for WB projects ensuring systematic law implementation and also cash compensation is provided by default, ensuring and use of valuation standards fitting OP 4.12.</p> <p>G. No reconciliation for policy is needed but the reconciliation of policy application is necessary to ensure that crops are compensated at the moment close as much as possible to the date of calculation lost profit.</p>
Involuntary Resettlement Planning, assessment, and valuation of impacts	<p>Resettlement Action Plan (RAP). RAP preparation includes: a) impacts assessment/PAP census; b) definition of entitlements, income/livelihood restoration strategy, compliance & grievance mechanisms, institutional arrangements; c) consultation results; d) monitoring schemes; e) budget and implementation schedule. RAP requires the following surveys:</p> <p>i. Measurement survey. Measures all affected items.</p> <p>ii. PAP Census. Identifies all PAPs and establishes legitimate beneficiaries based on legal status.</p> <p>iii. Socio-economic survey. Provides background</p>	<p>Resettlement Plan. There are no requirements to prepare integrated and stand-alone RAPs. LAR planning entails similar but less extensive/simpler assessment/survey efforts than WB Policy, as detailed below:</p> <p>i. Measurement survey. Land and buildings impacts measured. Other impacts identified but not measured;</p> <p>ii. PAPs Identification. Identifies only legal PAPs;</p> <p>iii. Socio-economic survey. No comparable requirements exist;</p> <p>iv. Valuation survey;</p> <p>a) Land: valued at a market rate based on a transactions survey. Valuation includes transaction costs/third party</p>	<p>Partly different in principle and application. No reconciliation needed as law/regulation is silent on this matter and OP 4.12 requirements have been already applied in previous WB projects. Still, clear instructions regarding WB projects ensuring the measurement of all impacts and the counting of all PAP are needed for mainstream purposes.</p> <p>i. Detailed Measurement Surveys to be mainstreamed for all impacts;</p> <p>ii. Detailed count of</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
	<p>information on PAP' socio-economic features.</p> <p>iv. Valuation survey</p> <p>a) Land: If land market exist based on a survey of recent transactions; without land market based on land productivity/ income;</p> <p>b) Buildings and structures. The replacement cost of materials, labor and transport and special features of building/structure without discounting depreciation, salvaged materials and transaction costs;</p> <p>c) Trees/crops. Based on the methodology detailed in section Compensation.</p>	<p>liabilities;</p> <p>b) Buildings and structures. Replacement cost but the salvaged materials remain with the developer or landowner provide full reimbursement to the owner;</p> <p>c) Trees/crops. If compensated is provided based on the methodology detailed in section "Compensation" section F. and G. or based on an agreed lump sum.</p>	<p>individuals to be mainstreamed;</p> <p>iii. The execution of the survey is to be mainstreamed;</p> <p>iv. Valuation survey;</p> <p>a) The land is not valued because of compensation land to land; there is only measuring land area and valuation of land quality (productivity/soil quality) in order to compensate land to equal land;</p> <p>b) Already reconciled for previous WB projects but Formal reconciliation needed.</p>
<p>Procedural mechanisms</p>	<p>A. Information disclosure. Resettlement-related documents to be timely disclosed in the PAP language.</p> <p>B. Public consultation. Meaningful public consultations are to be held with the PAPs. PAPs should be informed about their entitlements and options, as well as resettlement alternatives.</p> <p>C. Grievance procedure. A Grievance Redress Mechanism (GRM) is to be established for each project. Information on GRM to be communicated to the PAPs.</p> <p>D. Asset acquisition conditions. Property can be acquired only after full compensation is paid to the PAPs.</p>	<p>A. Information disclosure. No disclosure requirement exists.</p> <p>B. Public consultation. Matters of local importance to be publicly discussed with local authorities. But no requirement to consult directly the PAPs.</p> <p>C. Grievance Procedures. Each state agency/ministry must follow to detail instructions (approved by the government) on registering and reviewing the concerns and claims from citizens.</p> <p>D. Asset acquisition conditions. Property can be acquired only after full compensation is paid to PAPs.</p>	<p>A. Different in principle and application. Already reconciled for WB projects.</p> <p>B. Same in principle but different in application. Already reconciled for WB projects. The better application needed.</p> <p>C. No reconciliation is needed.</p> <p>D. Same in principle, but unsystematic in the application. Application to be improved.</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	HARMONIZED FRAMEWORK
<p>Assistance to vulnerable and severely affected PAP</p>	<p>A. These PAPs are to be identified and special assistance is provided to restore/ improve their pre-project level of livelihoods.</p>	<p>A. There are no special laws or regulations for livelihood restoration due to land acquisition and involuntary resettlement impact. However, there are a number of legislative documents related to social support and livelihood improvement measures considered by the government of Uzbekistan to consider social allowances and needy families through two Cabinet of Ministers resolutions (#350, 12 December 2012 and #44, 15 December 2013) and to consider disabled people through the Law on social protection of disabled people (#422-XII, 18 November 1991). Thus, support of vulnerable segments of the population is provided on the regular base by the Government on central and local levels and does not require additional payments in connection with the project implementation.</p>	<p>A. Critically different in application. Formal reconciliation of the application mechanisms details may be needed. To be elaborated in a Decree for WB projects.</p>

Based on the above comparisons and discussions, an Entitlement Matrix has been developed, that summarizes the types of losses and the corresponding nature and scope of entitlements, and is in compliance with National Laws and World Bank OP 4.12. Detail description of entitlements is given in section 3.5. Categories of PAPs including vulnerable groups, the nature of loss/assistance are given in chapter 4. Type of compensation/assistance to be provided to PAPs is described in detail in section 3.6.

2.3. ELIGIBILITY CRITERIA

PAPs may be classified in one of the three groups listed in *Section 4.2*. The process will involve a review of tenure documents owned by occupants, interviews with households and groups in the affected area. Local authorities and Land Resources and State Cadaster Department LRSCD concerned with land ownership and management will also hold the consultant. PAPs covered in a) and b) are provided compensation for the land they lose, and other assistance ensuring that they are:

- I. Informed about their options and rights pertaining to resettlement.
- II. Consulted on, or offered choices among, and provided with technically and economically feasible resettlement.
- III. Provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.

Land for land compensation will be applied to PAPs who might lose their land. All PAPs irrespective of their status or whether they have formal titles, legal rights or not, squatters or otherwise encroaching illegally on land, are eligible for some assistance if they occupied the land before the entitlement cut-off date. Persons who encroach on the area after the socio-economic study (census and valuation) are not eligible for compensation or any form of resettlement assistance. There will, therefore, be a package of compensation and other resettlement measures to assist each category of eligible PAPs to achieve the objectives of the policy.

Eligibility criteria will also be determined by:

- i. Loss of property
- ii. Loss of wages
- iii. Cut-off date.

Refer to Table 3 for reference to the types of eligibility criteria which should be used in the implementation of RPF.

Table 3: Categories of losses and their impacts on project affected persons

Loss Category	Type of Losses
Relocation	Impoverishment, disturbance of production systems, loss of sources of income, loss or weakening of community system and social networks, loss of access to social amenities such as hospitals and schools, water; dispersion of kin groups, loss of cultural identity and traditional authority, loss or reduction of potential for mutual help, emotional stress.
Loss of land but no relocation	Impoverishment, loss of sources of income and means of livelihood, Loss of assets or access to assets, increased time to access resources
Alienation due to neighbors being relocated	Impoverishment, weakening of community systems and social networks, loss of mutual help and community support, loss of traditional authority, Loss of identity and cultural survival, emotional stress
Hosting PAPs	Impoverishment, loss of sources of income, reduced time and access to resources such as hospitals and schools, water, sewerage, electricity increased time to access resources.

Any person or household, or community who suffers the loss of land, shelter, business, incomes, sources of livelihood because of the Project impact is eligible for receiving compensation and or R&R assistance

to offset such loss enabling restoration of living conditions to a state better or equal to the pre-project situation. The eligibility will be determined on the basis of an impact survey carried out while preparing the ARAP/RAP and approved by the PIU Whereas the eligibility list provided in the ARAP/RAP will remain the basis for providing entitlements to the non-titleholder PAPs, in case of the titleholders eligibility will be determined through scrutiny of title deeds or other legal documents admissible and recognized under law as valid ownership documents.

2.4. CUT-OFF DATE

Cut-off dates are essential in the process of drawing up lists to ensure that ineligible persons do not take the opportunity to claim eligibility. The establishment of a cut-off date is required to prevent opportunistic invasions/rush migration into the chosen land, thereby posing a major risk to the subproject.

The cut-off date will be the last date of the census. It is a date, after which people who are not included in the list of PAPs as defined by the census will not be considered eligible for compensation. The census will be carried out to collect data on the affected households. The specific date will be included in the RAP and clearly communicated to affected communities. Thereafter, no new cases of affected people will be considered. Unfinished structures would be identified and secured, and unused materials for individuals' constructions will be gathered at the site so that the cut-off survey can estimate PAPs' investment which should be compensated for in lieu of expenses (including labor) incurred until the cut-off date. Because the time period between the cut-off date and the time that actual productive investments (civil works, etc.) would start, special attention needs to be taken to secure the sites from the rush and opportunistic invasion.

These measures could include close consultation with the recognized PAPs, signs that inform the general public of the intended use of the site, security patrols to identify opportunistic invaders etc. Further patrols and monitoring of any violation of the cut-off date could be carried out by local hokimiyats (local governments) and be reported to the local resettlement commission in written form. This could also be done both by the local PAPs representatives or the local community.

This process must be in full compliance with the conflict resolution mechanisms in this RPF and this date must be communicated effectively to the potential PAPs and surrounding local communities. The local community and traditional leaders will play a crucial role in identifying users of land.

2.5. ENTITLEMENT MATRIX

All involuntary land acquisitions will be compensated at replacement cost as per the OP 4.12 and the PAPs will be assisted to re-establish their living standards (affected shelter and incomes) to a level to or better than their living condition prior to the project. In accordance with Presidential Decree # 5495 (dated on 01.08.2018), a replacement cost, including compensation on market value and losses shall be paid to PAPs. So, the valuation of affected structures can be valued by independent valuation companies without deducting any depreciation. Land-based compensation is provided by local Hokimiyats on the basis of land acquisition acts at respective cities.

In accordance with the principles of the RPF of MSCIUDP, all displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance depending on the nature of ownership rights on lost assets and scope of the impacts including socio-economic vulnerability of the displaced persons and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to the following five types of compensation and assistance packages:

- (i) Compensation for the loss of land, crops/ trees at their replacement cost;
- (ii) Compensation for structures (residential/ commercial) and other immovable assets at their replacement cost;
- (iii) Assistance in lieu of the loss of business/ wage income and income restoration assistance;
- (iv) Assistance for shifting and provision of the relocation site (if required), and
- (v) Rebuilding and/ or restoration of community resources/facilities.

Displaced persons meeting the cut-off date requirements will be entitled to a combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including the social and economic vulnerability of the displaced persons. Unforeseen impacts will be mitigated in accordance with the principles of this RPF.

An Entitlement Matrix has been developed in Table below that summarizes the types of losses and the corresponding nature and scope of entitlements, and is in compliance with National Laws and World Bank OP 4.12. The entitlement matrix presents the entitlements corresponding to the tenure of the DPs in the following order.

- 1) Loss of Land (agricultural, residential, commercial or otherwise)
- 2) Loss of residential structure (inhabited structures)
- 3) Loss of Commercial structures
- 4) Impact to Tenants (Residential/ Commercial / Agricultural)
- 5) Impact to trees, standing crops, other properties, perennial and non-perennial crops
- 6) Loss of Land/ house/shop
- 7) Impact to Squatters
- 8) Impact to Encroachers
- 9) Loss of employment in non-agricultural activities or daily agricultural wages or other wage workers
- 10) The impact on Vulnerable Households
- 11) Unforeseen impacts.

Table 4: Entitlement matrix

S.No	Impact Category	Entitlements	Implementation Guidelines	
Section I. TITLE HOLDERS - Loss of Private Property				
1	Loss of Land (agricultural, residential, commercial or otherwise including resident & non-resident landlords)	a	Land for land compensation with a plot of equal value.	Compensation “land for land” is provided to all the PAPs in case of loss of their land by selection of the similar (equivalent) land plots of the equal value/productivity, of comparable location and additional agricultural means. Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project
		1.1 Agricultural land		
		a	Land for land compensation with a plot of equal value. <i>OR</i> Compensation to recover a new land to the pre-project condition.	Compensation based on market value for loss harvest equal the average annual income for past 3 years multiplied by 4 times (years). Unaffected portions of an affected arable plot will also be compensated if the same becomes unviable after impact.
		b	One time subsistence allowance of equivalent to three months minimum wage income ¹¹ for severely affected households	Households who are losing more than 10% of productive lands.
2	Loss of residential structure (inhabited structures)	2.1. Inhabited structures		
		a	<i>In addition to Compensation for land listed above under S.No.1</i> 6-month notice in advance to vacate the structures Cash compensation at full replacement costs <i>OR</i> Provision of the alternative house of equal in adjacent territories. In case the alternative house’s market value lower than an affected house, then additional cash compensation for the difference will be provided	Payment of compensations is carried out by independent Valuation Service on the basis values in local markets in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is unviable.
		b	Right to salvage affected materials	There will be no deductions for depreciation or for retention of salvaged materials in the calculation of compensation.
		c	One time subsistence allowance of equivalent to three months minimum wage income ¹² for project affected households who	Households who need to relocate are provided assistance as part of livelihood restoration

¹¹ According to September 2018, the minimum wage in Uzbekistan equals to 184300, so one time allowance is 552900 UZS. This number is subject to corrections based on minimum wage rate at the time of census

¹² According to September 2018, the minimum wage in Uzbekistan equals to 184300, so one time allowance is 552900 UZS. This number is subject to corrections based on minimum wage rate at the time of census

			are required to relocate due to the project	
		d	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		e	Rental allowance up to 24 months for affected households who gets cash compensation for affected residential structure OR Rental allowance for 1 month who gets an alternative house.	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as reference. One month allowance will be given to households who will be provided a ready alternative house to live.
		2.2. Losses of adjoining substructures to the residential houses such as fences, shed /tents etc.		
		a	Compensation at full replacement cost for affected structure/fixed assets free of depreciation and transaction cost	PAPs must have the right to salvage materials
3	Loss of Commercial structures	a	In addition to Compensation for Land and Assistance listed above under S.No.1 Cash compensation at full replacement costs OR Provision of the alternative commercial structure of equal in adjacent territories. In case the alternative structure's market value lower than affected structure, then additional cash compensation for the difference will be provided	Payment of compensations is carried out by independent Valuation Service on the basis values in local markets in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is unviable.
		b	6-month notice in advance to vacate the structures	
		c	Right to salvage affected materials	There will be no deductions for depreciation or for retention of salvaged materials in the calculation of compensation.
		d	One time grant equal to one year of wages for loss of trade/self-employment for the business owner	Provision of compensation will be based on tax declaration or official minimum salary
		e	One time subsistence allowance of equivalent to three months minimum wage income for owners of commercial structures who are required to relocate due to the project	Owners of Commercial structures who need to relocate are accepted as severely affected entities losing more than 10% of their production capacities.
		f	One time allowance of moving	One time allowance will be calculated

			costs for those who have to relocate	during the census survey based on the actual market value in respective project areas.
		g	Rental allowance up to 3 months for lost income during the interruption.	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as reference. Provision of rehabilitation assistance if required (assistance with job placement, skills training).
4	Impact to Tenants (Residential/ Commercial / Agricultural)	4.1 Residential		
		a	1-month notice to vacate the rental premises	
		b	Rental allowance for 1 month	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as a reference
		c	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		4.2 Commercial		
		a	1-month notice to vacate the rental premises	
		b	Rental allowance for 1 month	Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas. Information from Real Property Agencies or websites can be taken as a reference
		c	One time allowance of moving costs for those who have to relocate	One time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		d	Commercial tenants will receive a one-time allowance for loss of trade/self-employment provided under 3(c) above in lieu to the owner	Provision of compensation will be based on tax declaration or official minimum salary
		4.3 Agricultural tenants		
		a	In case of agricultural tenants advance notice to harvest crops OR Compensation for the lost crop at the market value of the 1-year yield	Based on 1 year of production costs (inputs) plus an allowance equivalent to 1-year average net income based on the average income over the past 3 years determined by the Agricultural Department (AD) at respective districts of the project area
5	Impact to trees, standing crops, other properties,	a	Three months (90 days) advance notification for the harvesting of standing crops OR	Based on 1 year of production costs (inputs) plus an allowance equivalent to 1-year average net income based on the average income over the past 3 years determined by

	perennial and non-perennial crops		A lump sum equal to the market value of the yield of the standing crop lost	the AD	
		b	Compensation for timber trees provided based on replacement cost.	Based on the market value of dry wood volume determined by the AD. Felled trees will be kept by affected households	
		c	Compensation for fruit trees will be provided based on replacement cost.	Based on market value for loss harvest equal the average annual income for past 3 years multiplied by 4 times (years) plus input costs for trees to reflect the duration from planting to reach the productive stage	
Section II. Additional assistance for Women headed households (Title and non-title holders)					
6	Loss of Land / house / shop		One time subsistence allowance of equivalent to three months minimum wage for women-headed households who are required to relocate due to the project		
Section III. NON TITLE HOLDERS - Impact to squatters / Encroachers					
7	Impact to Squatters	7.1 Loss of house			
		a	Cash compensation at market value for the structures OR Provision of comparable alternative structures		
		b	Right to salvage the affected materials		
		c	One time subsistence allowance of equivalent to three months minimum wage income for project affected households who are required to relocate due to the project		
		d	One time allowance of moving costs for those who have to relocate		
		e	Assistance in the legalization of title	Transaction costs including, valuation fee, stamp duty, and registration charges will be born by the project	
		7.2 Loss of shop, kiosk, repair shop			
		a	Cash compensation at full replacement costs for the structures OR Provision of comparable alternative structures		
		b	Right to salvage the affected materials		
		c	One time subsistence allowance of equivalent to three months minimum wage income for project affected households who are required to relocate due to the project		

		d	One time allowance of moving costs for those who have to relocate	
		e	Assistance in the legalization of title	
		7.3 Loss of standing crops		
			Three months (90 days) advance notification for the harvesting of standing crops OR A lump sum equal to the market value of the yield of the standing crop lost	
8	Impact to Encroachers	8.1 Loss of Standing crops		
		a	2-month notice to harvest standing crops or market value of compensation for standing crops, if notice is not given.	Market value for the loss of standing crops will be decided by the PIU in consultation with the Agriculture Department at respective districts.
		8.2 Structure		
		a	1-month notice to demolish the encroached structure	
		b	Compensation at market value for structures without depreciation for the affected portion of the structure	
Section IV. Loss of Livelihood Opportunities				
9	Loss of employment in non-agricultural activities or daily agricultural wages or other wage workers		One time subsistence allowance of equivalent to three months minimum wage income.	Only agricultural laborers who are in fulltime / permanent employment of the landowner, or those affected full-time employees of the business, will be eligible for this assistance. Seasonal agricultural laborers will not be entitled to this assistance.
Section V. Impact on Vulnerable Households				
10	Vulnerable Households (Women headed household, Low-Income household, a household headed by elderly with no support and household headed physically challenged people)	a	Inclusion in existing safety net programs to ensure the continuation, or increase, of previous income.	One adult member of the displaced household, whose livelihood is affected, will be entitled to skill development.
		b	One-time subsistence allowance equivalent to three months minimum wage income	The census team will identify the number of eligible vulnerable displaced persons based on the 100% census of the displaced persons and will conduct training need assessment in consultations with the displaced persons so as to develop appropriate training programmes suitable to the skill and the region.
		c	Priority for employment in project-related jobs, training opportunities, self-employment, and wage employment assistance.	
				Suitable trainers or local resources will be identified by MSCIU DP's SS at PIU in consultation with local training institutes.
				It is recommended to involve local NGOs in this process

Section VI. Unforeseen Impacts

Any unanticipated impacts identified during Project implementation will be compensated in full at replacement cost and the entitlement matrix shall be revised if required in case major unanticipated impacts occur during detailed and final design.

2.6. VALUATION AND COMPENSATION OF LOST AND AFFECTED ASSETS

In accordance with the principles of the RPF, all displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance depending on the nature of ownership rights on lost assets and scope of the impacts, including the socio-economic vulnerability of the displaced persons and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to the following five types of compensation and assistance packages:

- (i) Compensation for the loss of land, crops/ trees at their replacement cost;
- (ii) Compensation for structures (residential/ commercial) and other immovable assets at their replacement cost;
- (iii) Assistance in lieu of the loss of business/ wage income and income restoration assistance;
- (iv) Assistance for shifting and provision of the relocation site (if required), and
- (v) Rebuilding and/ or restoration of community resources/facilities.

The following methods of calculation shall be adopted for the preparation of the aforementioned standardized asset valuation tables and/or the application of specific, case-by-case valuations in the case of projects that have significant impacts.

2.6.1. Valuation of assets

The valuation of the assets, including real estate property, business etc., is carried out on the basis of the Law “On Valuation Activity”, decrees and resolutions of the President and the government state standards, departmental regulations and other provisions of national legislation

Among the legal acts related to the evaluation of real estate and used in determining compensation for alienated land, demolition and resettlement should be highlighted:

- Resolution of the Cabinet of Ministers dated 29.05.2006, №97 “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs”;
- Resolution of the Cabinet of Ministers dated 25.05.2011, №146 “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes” (annex 2 – Regulations on the indemnification of possessors, users, tenants, and landowners, as well as losses of agricultural and forestry production);
- National property valuation standards of Uzbekistan (IF) N 10 "Valuation of real estate" (registered by the Ministry of Justice of 18.11.2009, N 2044);
- The decision of the Khokim of the city of Tashkent dated 21.11.2014, №953 “On approval the Regulations on the damages to businesses and individuals, whose non-residential buildings were demolished in connection with the withdrawal of land plots in the city of Tashkent for state and public needs”;
- Resolution of the Board of the Central Bank of the Republic of Uzbekistan “On Approval of the Procedure of valuation the right to lease the land plot” (Registered 8.04.2004 by Ministry of Justice, reg. №1336);

Sequencing of legal acts and their contents characterize the state and public understanding of the theory and practice of market valuation. This confirms by a number of definitions and norms declared in the Law “On valuation activity”. For example:

- “Valuation activities are the activities of appraisal organization, aimed at determining the value of the assessment”¹³
- "Appraisal organization - a legal entity licensed to carry out valuation activities. Appraisal organization in its activity is independent. No interference consumer services (hereinafter - Customer), or other interested parties in the evaluation activities of the organization. Creation of the appraisal organization and realization of valuation activities by public authorities and administrations are prohibited unless otherwise provided by law”¹⁴.

While the evaluation activities carried out by independent organizations (private companies having certified evaluators), the state plays an important role in the regulation of evaluation activities. The State Committee for State Property Management and Development of Competition (Goskomkonkurentsii) is responsible for: i) developing and approving regulations, including standards for the valuation of the property; ii) licensing of valuation activity; iii) certification of experts-appraisers, as well as organize their training and professional development. The Society of Appraisers of Uzbekistan shall protect the rights of appraisers, increase their capacity, provides an independent expert opinion, when requested, to validate findings of the valuation report, etc.

According to the UNECE publication “Land Administration Guidelines with Special Reference to Countries in Transition” (1996), “In countries of east and central Europe currently in transition the cadastral system was based on the Russian model and focused on land use. The land was “valued” in terms of its agricultural potential based on soil types, climate, rainfall, etc. and the farmers were then instructed to grow appropriate crops. This concept of the term “value” is only indirectly connected with the sort of valuations that are needed to manage land in a market economy”¹⁵. This principle may explain why the Land Code has no information on land valuation.

2.6.2. Use of Standard Valuation

In case of anticipated subproject interventions result in any type of temporary or permanent impact to land, structures or trees, then Valuation Company will be hired. It is therefore proposed that an evaluation expert is contracted by the Implementing Agency at the project outset to develop a standardized procedure for asset valuation, which can then be applied by PIU and local level Hokimiyats (Governorates). This standardized procedure would include a series of ‘look-up’ tables for estimating asset value by type according to the approximate size and condition of the existing asset.

The qualified independent appraisal company is hired and mobilized by PIU in defined timeframes to ensure the evaluation of compensation and allowances for AHs during the RAP finalization by SIC. The draft ToR for valuator is given in the following statements.

Objective and Scope of Work

The main objective for the assignment Implementation is as follows: To carry out valuations of affected assets, as well as the calculation of applicable allowances under the finalized RAP/RPF to comply with Uzbekistan's legislation and policies and WB's OP 4.12 referring to the prepared draft RAP's provisions. Particularly, the valuator shall ensure that all valuation is done based on “Replacement cost” as it is defined by WB's OP 4.12, namely:

Replacement cost: *Replacement cost is the principle to be complied with in compensating for lost assets. Calculation of which should include: (i) fair market value; (ii) transaction costs; (iii) interest accrued,*

¹³ Law “On Valuation Activity”, Article 3, Clause 1, dated 19 August 1999, last amended 14 May 2014

¹⁴ Law “On Valuation Activity”, Article 4-1, Clause 1,2,5, dated 19 August 1999, last amended 14 May 2014

¹⁵ Available at: <http://www.unece.org/fileadmin/DAM/hlm/documents/Publications/land.administration.guidelines.e.pdf>

(iv) transitional and restoration costs; and (v) other applicable payments, if any. Where market conditions are absent or in a formative stage, PAPs and host populations will be consulted to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information. Baseline data on housing, house types, and construction materials will also be collected. Qualified and experienced experts will undertake the valuation of acquired assets. In applying this method of valuation, depreciation of structures and assets should not be taken into account.

The Valuator will act under the direct supervision of PIU's social specialists.

The Valuator shall be familiarized with the provisions of draft RAP prepared for the Project and carry out the valuation of affected assets and calculation of applicable allowances in accordance with defined entitlement matrix in draft RAP. PIU's social specialists will provide the valuator with the training prior to the start of works. The Valuator will provide at least 2 samples of valuation reports for prior review and approval by the Client.

Below are presented the main tasks of the Valuator under the assignment:

- 1) To carry out an inventory of affected assets (building, crops, trees, other improvements to be affected by the project) in the presence of PAPs, and if it is impossible to ensure their presence, the works shall be implemented with the participation of the local authorities' representative (hokimiyat). The inventory shall be carried out in a way to ensure that all details are available required by RAP provisions (types of crops, types, and age of trees, materials of buildings and other improvements etc.). The inventory shall be carried out also for temporary impacts.
- 2) The inventory data shall be included accurately in the forms agreed with the Client beforehand and shall be analyzed by comparing the information provided by cadaster data and property rights certificate/technical document where available.
- 3) All data shall be entered into the consolidated database. The format of the database shall be agreed with the Client.
- 4) The Valuator shall prepare Valuation Report for each unit (property) with clear separation of each asset/property and losses with final summary particularly:
 - Valuation of affected properties/assets (building, crops, trees and other improvements)
 - Calculation of compensation for business and affected employees
 - Calculation of transportation costs for movable assets.
 - Calculation of allowances defined by RAP (allowance for relocation, severe impact, vulnerability etc.). The list of AHs entitled for allowances will be provided by the Client.
- 5) The calculation for the applicable allowances (if any) can be included in the Valuation Report or separate Calculation Report can be prepared to be agreed with the Client.

Deliverables and Reporting

- (i) The Valuator shall submit detailed valuation methodology prior to the start of works (including the form inventory, as well as database format).
- (ii) The Valuator shall prepare Valuation Report for each unit (property) with clear separation of each asset/property, as well as Calculation Report for allowances where applicable.
- (iii) The Valuator shall submit a consolidated database in Excel with all collected data (inventory, costs etc.) based on format agreed beforehand.

The scale of Work and Payment

The final number of needed reports is not known, the Valuator will be paid based on an actual number of submitted Valuation Reports based on acceptance Act to be signed between the Valuator and the Client.

2.6.3. Compensation for Land

Compensation for land is aimed at providing a farmer whose land is acquired and used for project purposes with compensation for land labor and crop loss. Compensation for agriculture land will be on a “land for land” basis, with land being provided to owners by the District Hokimiyat following assessment by the LARC. Such land will be of equal value/productivity in a nearby location and with comparable associated services/ facilities, or compensation to provide such services.

Alternatively, cash compensation for agricultural land at replacement cost will also be provided in case the PAPs refuses land-for-land compensation. The compensation for the permanent loss of land use rights over the affected agricultural land will be compensated equivalent to 4 years net average income of the past 3 years (of the affected annual crop).

In cases wherein all or parts of the lease holding become unviable, unaffected portions of a plot will also be compensated.

Given that all land in Uzbekistan is state-owned, loss of land is not compensated in cash. Enterprises or businesses that are expropriated will be compensated by a new plot of land and building, thus allowing affected people to pursue their activities.

2.6.4. Compensation for crops

Loss income from crops planted on the affected land will be compensated in cash at replacement cost based on 1 year of production cost (inputs) plus an allowance equivalent to 1-year average net income computed based on the average income over the past 3 years. Loss income from fruit trees will be compensated in cash based on the average annual income for the past 3 years multiplied by the 4 times to reflect the duration from planting to reach the productive stage. In the case of loss of timber trees, compensation will be based on the market value of their dry wood volume. The compensation for trees will be free of deduction for the value of the wood left to the PAPs.

Table 5: Sample calculation method to compensate for crops

Item Compensated	Basis of Value	UZS / ha
Value of Crops	An allowance equivalent to 1-year average net income computed based on the average income over the past 3 years yield.	
Production cost	Input costs preparing a replacement land for 1 year	
Total	Replacement value of crops	

2.6.5. Compensation for Buildings and Structures.

Following compensations will be given to affected building and Structures:

- Full compensation of the inhabited structures (full replacement cost of affected assets in local markets), adjacent territories and objects in this territory;
- Calculation of compensation is based on the results of the market estimation of the cost of the specified objects, including all the related payments; depreciation and transaction costs. No deductions shall be made for salvage materials.

- Relocation assistance;
- Rental assistance for temporary accommodation (rental allowance sufficient to get accommodation equivalent to their current homes) in the form of 1 to 24 months' rent in cash for those who plan to construct a new house themselves.
- Full compensation of the affected substructures (full replacement cost of affected assets in local markets), adjacent to the house; No deductions shall be made for salvage materials.
- Calculation of compensation is based on the results of the market estimation of the cost of the specified objects.

Table 6: Sample calculation method to compensate for building & structures

Item Compensated	Basis of Value	UZS/ha
	Market value	
Building and Structure		
Relocation Assistance	Relocation of salvage materials	
Rental Assistance	Up to 24 months rental fee	
Total	Replacement value of B & S	

2.6.6. Rebuilding and/ or restoration of community

Any impact to the social infrastructures of local communities will be rehabilitated as of pre-project condition. The contractor will restore to the local communities or other agency responsible to maintain any affected social infrastructures.

2.6.7. Compensation for Timber and Fruit Trees

In the case of loss of timber trees, compensation will be based on the market value of their dry wood volume of the affected tree. The compensation for trees will be free of deduction for the value of the wood left to the PAPs.

Fruit trees will be compensated at replacement cost equivalent to the average yearly net income from last three years plus input costs multiplied by 4 times (years) to reflect the duration from planting to reach the productive stage. Not yet fruit bearing trees will be compensated at replacement cost equivalent to the 1-year net income. The estimate has taken into account view of the affected households through consultation, information from valuers and other relevant authorities. In order to provide a replacement cost, market value for average annual income from fruit trees and input costs per fruit tree will be taken into consideration.

Table 7: Sample calculation method to compensate Timber Trees

Item Compensated	Basis of Value	UZS/ha
	Market value	
Timber Tree		
Total	Replacement value of Timber Trees	

Table 8: Sample calculation method to compensate Fruit Trees

Item Compensated	Basis of Value	UZS/ha
Fruit Tree	average yearly net income from last three years multiplied by 4 times (years)	
Input costs	The price of the market value of Trees	
Total	Replacement value of Fruit Trees	

Assessment of the affected crops and trees was done at market value. In the determination of total compensation the principles of WB's OP.4.12 and regulations of CoM Resolution#146 of was taken into account.

2.6.8. Compensation for Vulnerable Groups

Vulnerable households, including women headed household, Low-Income household, a household headed by elderly with no support and household headed physically challenged people will be provided with a one-time additional allowance equivalent to 3 months minimum wage income in accordance with proof provided by Mahalla. In addition, members of vulnerable households will also be prioritized¹⁶ in project related employment. The Mahallas and district government have a record of all households in the communities and will be tapped in identifying and certifying vulnerable households. Encroachers who are found to be vulnerable group will be provided compensation in the form of replacement cost for affected building and structures.

2.6.9. Methods of Compensation

Individual and household compensation will be made in cash, in kind, and/or through assistance. The type of compensation will be an individual choice. The table below describes the forms of compensation.

Table 9: Forms of Compensation

Cash Payments	Compensation will be calculated in Uzbek sums. Rates will be adjusted for inflation.
In-kind Compensation	Compensation may include items such as land, houses, other buildings, building materials, seedlings, agricultural inputs, and financial credits for equipment.
Assistance	Assistance include onetime payment, moving allowance, transportation and labor, training.

Making compensation payments raises some issues regarding inflation, security, and timing that must be considered. One purpose of providing in-kind compensation is to reduce inflationary pressures on the costs of goods and services. Local inflation may still occur, thus market prices will be monitored within the time period that compensation is being made to allow for adjustments in compensation values. The question of security, especially for people who will be receiving cash compensation payments needs to be addressed by the local administration. Local banks and microfinance institutions should work closely with the local administration at this level to encourage the use of their facilities, which will positively impact the growth of the local economies. The time and place for in-kind compensation payments will be decided upon by each recipient in consultation with the LARC.

¹⁶ Applicants should meet eligibility requirements in terms of qualification and skills.

2.6.10. Procedures for Payment of Compensation

Compensation payments will be made before any project use of land, loss of assets or physical resettlement takes place unless those payments are staggered to enable affected people to begin preparation of new sites. The overall responsibility for payments on expropriation claims for the Project is under the Cabinet of Ministers. The Cabinet of Ministers is responsible for issuing the expropriation decision and authorizing the funds required. The land acquisition transfer must be fully completed, and payment made before any Works can be executed on the expropriated property. Each PAP will receive the compensation payable into a bank account opened by the owner for purposes of the expropriation. Such sums will be approved by a DCM and the funds will be passed to the bank account of each PAP(s), according to the banking documentation provided by them. The PAPs will be individually informed by the bank within upon the transfer of compensation into the account. Any cost associated with account opening and maintenance will be covered MSCIUDP and the banking service will be offered free of costs to each PAPs. The transfer of payment will be made after the publication in the Official Gazette of the Decision of Expropriation. The Decision of the Cabinet of Ministers (DCM) for expropriation is effective (enter into power) immediately and is published in the Official Gazette. In the event of an appeal in the Court, when no agreement is reached, if the compensation payable is not agreed upon between the government and the landowner, such compensation shall be determined by the Court. In these conditions, the person gets the money from the bank, but depending on the judicial decision he is entitled to receive an additional benefit.

3. POTENTIAL IMPACTS OF THE PROJECT

3.1. DEFINITION OF PROJECT AFFECTED PEOPLE (PAPs)

This RPF considers project affected person as those who stand to lose, as a consequence of the project, all or part of their physical and non-physical assets, including homes, communities, productive lands, resources such as irrigated lands, forests, rangelands, or important cultural sites, commercial properties, tenancy, income-earning opportunities, and social and cultural networks and activities. Such impacts may be permanent or temporary. This might occur through land expropriation, using eminent domain or other regulatory measures, and include restricted or reduced access to public parks, playgrounds, and protected areas.

In General, People directly affected by a project through the loss of land, residences, other structures, business, assets, or access to resources, specifically are:

- Persons whose agricultural land will be affected (permanently or temporarily) by the Project;
- Persons whose residential land/houses will be affected (permanently or temporarily) by the Project;
- Persons whose leased-houses will be affected (permanently or temporarily) by the Project;
- Persons whose businesses, farming activities, occupations. or places of work will be affected (permanently or temporarily) by the Project;
- Persons whose crops (annual and perennial)/ trees will be affected in part or in total by the Project;
- Persons whose other assets or access to those assets will be affected in part or in total by the Project; and
- Persons whose livelihoods will be impacted (permanently or temporarily) due to the restriction of access to protected areas by the Project.
- Persons whose will be impacted due to stopping irrigation water supply when construction

The guidelines of the resettlement policy framework apply to investments by the MSCIU DP. The policy framework applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land Particular attention will be paid to the needs of vulnerable groups among those economically and/or physically displaced especially those women headed household, low income household, household headed by elderly with no support and household headed physically challenged people or other economically and/or physically displaced persons who are not eligible for compensation as of Uzbekistan’s land compensation legislation.

3.2. CATEGORIES OF PAPs

Land acquisition for subprojects may result in negative impacts on different categories of PAPs. Because the technical details of the subprojects have not yet been developed, it is not possible to estimate the likely number of people who may be affected. However, the likely displaced (economically or physically) persons based on World Bank polices can be categorized into following groups which are given in Table below.

Table 10: General Categories of PAPs

General Typology	Definition
Private Property Owners	Are those who have legal title to land, structure and other assets
Unlawful resident	Are those who have illegally (informal settlements) occupied municipality/commune lands for residential, business and or other purposes?
Encroachers	Encroachers are persons who have extended their building, agricultural lands, business premises or workplaces into municipality/commune lands, safety zones of utility lines.

General Typology	Definition
Tenants	Tenants are those persons having tenancy agreements, written or unwritten, with a private property owner with clear property titles, to occupy a structure or land for residence, business or other purposes.
Street Vendors	Street vendors are those persons who have a permit from the municipality to occupy a public structure or land for the business purpose
Project-Affected Families	Are defined to include each adult displaced person, his/her spouse, minor children and other dependents who habitually reside in one household.
Project-Affected Persons	Are persons who have economic interests or residences within the project impact corridor who may be adversely affected directly by the project. Project-affected persons include those displaced, those losing commercial or residential structures in whole or part, <i>those losing agricultural land</i> or homesteads in whole or part, and those losing income sources as a result of project activities.
Project Affected Groups:	Are groups or communities outside the immediate impact of the water supply system to be established, that may be affected by the project with a focus on the more vulnerable or weaker groups in society.
HH living above the Poverty Line	Based on social assistance schemes acquired at the Regional Department of Social Insurances.
Vulnerable groups:	Are those groups such as women-headed households, handicapped/disabled and landless families, who will be dealt with on a case to case basis.

In Uzbekistan, based on the Land Code following categories of land users are eligible for compensation for losses and damages in connection with land acquisition:

- Land tenants – citizens who were allocated land plots for individual housing construction and/or dehkan farming on the basis of life-long tenure
- Lessees (leaseholders) – farmers, who were allocated land plots for agricultural production purposes, on the basis of a long-term lease
- Landowners – users of land plots occupied by trade and services infrastructure, which are used as private property. Land, occupied by trade and services infrastructure, however, may not be sold separately from the latter
- Land users – all other enterprises, organizations, and institutions, which are entitled to use non-agricultural lands. This is the largest category, which includes enterprises and institutions of all types (private and public). Examples include hospitals, schools, private enterprises, and factories.

3.3. APPROXIMATE NUMBERS OF PAPS

It is important to underscore that at this stage it is not possible to determine the number of PAPS for several reasons:

- (a) The individual subprojects to support area-based urban upgrading have not yet been identified, since the necessary studies to fully identify the viable investments are either just launched or to be launched soon, but not yet reached the stage of final identification and design of subprojects. Due to this, the locations, nature, and magnitude of these subprojects cannot be determined before implementation. For each subproject, which might require physical and/or economic resettlement (this will be assessed through screening processes), the number of PAPS will be established through a RAP, which will be elaborated before project implementation.
- (b) At appraisal stage, it was assessed that some of the sewerage/water management related subprojects might require the physical and/or economic resettlement of populations to provide space for the rehabilitation and extension of water storage facilities pipelines for a temporary period out of urban areas and for a permanent period out of agricultural farming lands. However, project descriptions do

not exist for any of these subprojects that would allow an estimate of the number of PAPs to be made. For each subproject that is considered during screening to require physical and/or economic resettlement, the number of PAPs will be established through a RAP, which will be elaborated before the subproject is approved for inclusion in the work program of the project.

3.4. VULNERABLE GROUP, GENDER.

The Project realizes that there are certain social groups that have fewer possibilities to restore their living conditions, livelihoods, and income levels and the Project shall integrate these issues in project preparation and implementation activities through the involvement of PAPs in planning and implementation process. Especially, women in districts contribute to the economic development of the family and community livelihood. They will be empowered to become active members in community activities as well as in supporting project implementation and monitoring.

During the implementation process, the MSCIUDP will pay special attention to the women and female-headed HHs as the project beneficiaries. Women will participate equally in the whole process of project implementation to enhance the project sustainability. Active participation of women and the ethnic minority group will ensure that design of restoration measures suits their specific needs or concerns, e.g. groups of people without land, the poor and female householder, disables, the elders and children who have no assistance sources. In case of having a full resettlement action plan that is suitable and agreed by all relevant parties, a strategy of gender action plans will be incorporated.

In accordance with the initial social assessments, the vulnerable groups will generally include the following:

- Low-income households as identified by MSCIUDP's social assessment and according to local regulations;
- Low-income landholders that have limited productive land (this will be determined by the minimum amount of farmland needed to be a viable farmer in the project area);
- Mentally and physically handicapped people or people in poor physical health; infants, children, and women without assistance, elderly people;
- Low income women-headed households or women-headed households with no other support;
- Other PAP identified by the project management unit and who may not be protected through national land compensation or land titling; or
- Any additional groups identified by the socio-economic surveys and by meaningful public consultation.

3.5. LIVELIHOOD RESTORATION/SUPPORT

No losses of livelihood as a result of displacement have been anticipated in accordance with preliminary investigations, however, should any be identified during the census or in the implementation of RAP, then measures will be put in place to mitigate the impacts. This section summarizes the approach to livelihood restoration.

The livelihood restoration and rehabilitation plan include efforts to assist displaced persons to restore livelihoods at par or better than pre-project conditions when their livelihoods are adversely affected by the project.

The following measures will be provided to the PAPs as special assistance over and above the compensation for affected assets in order to ensure that they are able to restore or improve upon their pre-project standard of living. Thus, these measures are provided in order to improve the living conditions of vulnerable affected households in compliance with Entitlement Matrix:

- The land-based assistance would include land to land compensation. In the case of voluntary rejection of such form of compensation by PAPs, it is important to exclude the permanently affected land parcel out of the total balance of private and dehqan farms. This will help them to avoid being overtaxed and minimization of the State quota for cotton/wheat respectively.
- The farm-based livelihood restoration efforts for households that rely on agriculture for income (farmers/dehqans) will include the provision of training on better agriculture practices (where necessary), enhancement of agricultural productivity, consultation with various agriculture development programs of the government;
- PAPs losing business will be paid cash compensation for the period of business interruption¹⁷ up to 6 months in case of permanent closure of the business. This will be calculated based on the estimated average monthly income in the past 3 years multiplied by the number of months of business interruption. Workers from the affected businesses will be paid for lost wages for the duration of business interruption up to 6 months in case of permanent closure of the business. In case of agricultural workers losing their employment as a result of land acquisition, cash compensation will correspond to their salary (in cash and in-kind) for the remaining part of the agricultural year or a contractual period whichever is higher.
- Vulnerable households will be provided one-time subsistence allowance equivalent to three months minimum wage income. In addition, members of vulnerable households will also be prioritized in project related employment. The Mahallas and district governments have a record of all households in the communities and will be tapped in identifying and certifying vulnerable households.
- Employment. Project affected households/persons will receive preference for project-related waged employment in case they lost their employment. Contractors will be required to demonstrate they have offered waged employment to such persons, ensuring equal pay for equal work between men and women and that no child labor is employed.
- Encroachers who widened their boundary up to safety zones of utilities will be provided compensation in the form of replacement cost to affected building and structures.
- The SIC will verify at the time of project implementation if any of the residents have ownership claims on the property in a case where this is a public land. If someone has such ownership claims, SIC must assist them to obtain property titles and compensate them for the expropriated property. To include an expropriation reserve fund of 10% of the total compensation amount, for any unexpected claim on land compensation from PAPs, who may require additional compensation and win the case at the Court.

¹⁷ Business interruption includes the time for receiving a new land plot, and designing/building of a new commercial structure.

4. PROCESS FOR SCREENING, PREPARING AND APPROVING RAPs

This section sets out the step by step process to determine whether the subprojects will result in physical or economic displacements, and therefore whether an ARAP/RAP is required, how to prepare and implement one.

4.1. SCREENING FOR INVOLUNTARY RESETTLEMENT

Screening is a Mandatory Procedure for the identification of possible involuntary resettlement in accordance with 4.12 OP/BP of the World Bank. The Bank undertakes to screen of each proposed subproject for which it will provide funding in order to determine the appropriate extent and type of the involuntary resettlement to be conducted.

Each subproject shall be screened for social impacts based on the given designs for the proposed improvements envisaged. Built-up sections will be identified during screening requiring different treatment and accordingly suitable modifications to the design/alignment cross section/detours should be proposed to minimize social impacts. Further the screening exercise should identify all aspects that could lead to adverse environmental and social impacts and involuntary resettlement, regardless of the source of financing; from all activities that are necessary to achieve project objectives as set forth in the project documents; and iii) are carried out, or planned to be carried out, contemporaneously with the project. Identify presence of Indigenous Peoples that meet the four characteristics as outlined in the Operation Policy 4.10 on Indigenous Peoples. In light of the findings, clearly, indicate if there is a need to prepare Indigenous Peoples Development Plan for every location specific investment.

The social screening serves to ensure that the process for screening remains simple and concise. A version of the Social Screening Format is attached in Annex 9 attached to ESMF prepared for MSCIUDP. Specific questions based on each activity of the MSCIUDP might be added as seen relevant by external consultants and the PIU Safeguard Specialist. The list of project activities that have potential resettlement issues will then be subjected to a comprehensive sensitization and consultation process with the potentially impacted communities and the outcome of this process would be documented for each subproject.

The list and the outcome of the consultative process for each site/project activity on the list would then be sent to the respective implementing agencies in the jurisdiction mandated to confirm, approve, disapprove, refer for further consultation and/or take a final decision on each proposed site/ project activities. Carrying out the screening process in this way is designed to give it the integrity and transparency it needs to allow all stakeholders to have confidence in the process.

For project activities that do not have any resettlement issues and do not trigger OP 4.12, the provisions of the RPF /social provisions of the ESMF does not apply. Then the reference is the Environmental Focus of the Environmental and Social Management Framework ESMF.

The screening and categorization of impact on involuntary resettlement in subprojects will be initiated by RPCU either with its own social safeguard specialist and other relevant staff or, if there are no such skills, with the help of external consultants. The social screening report will be prepared by the Consultant or RPCU's Social Safeguard Specialist and reviewed by an Authorized person of the Implementing Agency and PIU Director for clearance. The Social Safeguard Specialist and Director at PIU will finally endorse the social screening and safeguard categorization of the proposed subproject

Subproject screening is used to identify the types and nature of potential impacts related to the activities proposed under the Project and to provide adequate measures to address the impacts. Screening for resettlement issues shall be part of the environmental and social screening, as is detailed in the ESMF.

Measures to address resettlement shall ensure that PAPs are:

- Informed about their options and rights pertaining to resettlement;
- Included in the consultation process and given the opportunity to participate in the selection of technically and economically feasible alternatives;
- Provided prompt and effective compensation at full replacement cost for; and

- Losses of assets and access attributable to the subproject(s).

For projects not anticipated to result in displacement, and where loss of assets are anticipated to be negligible, then this information shall also be indicated in the subproject application form along with a request to waive the requirement for a RAP.

4.1.1. Screening Checklist

The screening checklist form is shown in *Annex 9 attached to ESMF* and will be incorporated into the Project’s Implementation Manual. The screening checklist will be completed by an SS at RPCU or external consultants and submitted to PIU for a decision.

Based on screening results an appropriate social safeguards instrument shall be developed.

Due Diligence Report explaining the procedures adopted to minimize negative impacts and measures taken to mitigate construction induced impacts will be prepared for subprojects which will result in minor impacts affecting access to residences, improvement of existing properties.

Abbreviated Resettlement Action Plan (ARAP) is prepared for investments of subprojects of the MSCUIDP which will result in affecting less than 200 people, but not physically displaced and/or less than 10% of their productive assets are lost. Detail outline of ARAP is given in Annex 4 attached to this RPF

Resettlement Action Plan (RAP) is prepared for investments of subprojects of the MSCUIDP that may result in more significant impacts, displacement of more than 200 people, and more than 10% of their productive assets are lost. Detail outline of RAP is given in Annex 3 attached to this RPF

In the frame of MSCUIDP type of subprojects are defined and here below in Table 2, resettlement categorization and safeguard instrument are given for further use

Table 11: Subprojects categorization and proposed safeguard instrument

No	PROPOSED TYPES OF SUBPROJECTS	POSSIBLE RESETTLEMENT CATEGORY	PROPOSED SAFEGUARDS INSTRUMENT
1	Street lighting upgrading; <ul style="list-style-type: none"> ▪ Repairing of existing pillars; ▪ Replace old pillars with new ones; ▪ Installing new pillars where needed; ▪ Replacements of bulbs; 	• Category 3	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF
2	Parks, playgrounds, and other public spaces improvements	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
3	Intracity transport: <ul style="list-style-type: none"> ▪ Construction/rehabilitation of bus terminals and stops; ▪ Construction of car parking areas; ▪ Installing street lights and road signs 	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP

No	PROPOSED TYPES OF SUBPROJECTS	POSSIBLE RESETTLEMENT CATEGORY	PROPOSED SAFEGUARDS INSTRUMENT
4	Roads rehabilitation: <ul style="list-style-type: none"> • Widening of existing roads (within the ROW); Road resurfacing <ul style="list-style-type: none"> • Construction of bicycle trial; • Rehabilitation of walkways 	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
5	Bridge rehabilitation – an extension of the existing automobile bridge Construction small-scale new bridges, including pedestrian ones	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
6	<ul style="list-style-type: none"> ▪ Drainage extension ▪ Widening of existing drains ▪ Rehabilitation of existing drains ▪ Drilling of new shallow wells/rehabilitation of existing for flood control and reduction with the installation of pumps 	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
7	<ul style="list-style-type: none"> ▪ Extension and rehabilitation of water supply networks ▪ Drilling of new deep-water wells ▪ Construction/rehabilitation of water reservoirs ▪ Overhead water tanks ▪ Construction or rehabilitation of pumping stations 	<ul style="list-style-type: none"> • Category 2 OR • Category 1 	<ul style="list-style-type: none"> ✓ ARAP OR ✓ RAP
8	<ul style="list-style-type: none"> ▪ Sewerage network extension and rehabilitation; ▪ Rehabilitation of sewage pumping stations ▪ Septic Tanks 	<ul style="list-style-type: none"> • Category 2 OR • Category 1 	<ul style="list-style-type: none"> ✓ ARAP OR ✓ RAP
9	Solid waste management systems: <ul style="list-style-type: none"> ▪ Construction of solid waste processing facilities (segregation) ▪ Construction of collection points ▪ Improvement of solid wastes landfill 	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
10	Social infrastructure upgrading: <ul style="list-style-type: none"> ▪ Repair/replacement of external doors and windows, window optimization; ▪ Insulation of walls, basements, and attics; ▪ Small-scale refurbishing activities inside the school premises (e.g. walls repainting, tiling, installation of cable ducts, new water-pipes) ▪ Major refurbishing activities involving removal/reconstruction of walls (especially when containing Asbestos isolations or sheets); ▪ Replacement of the asbestos roofs 	<ul style="list-style-type: none"> • Category 3 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF
11	Cultural heritage rehabilitation and conservation	<ul style="list-style-type: none"> • Category 3 OR 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP

No	PROPOSED TYPES OF SUBPROJECTS	POSSIBLE RESETTLEMENT CATEGORY	PROPOSED SAFEGUARDS INSTRUMENT
		• Category 2	✓ ESMF ✓ ARAP
12	<ul style="list-style-type: none"> ▪ Underground electric cabling (for magistral lines) ▪ Overhead electric cabling ▪ New distribution electrical transformers; ▪ Installing of short segments of new distribution lines or replacing of obsolete pillars; 	• Category 3	✓ DDR ✓ ESMP ✓ ESMF
13	Purchasing of public utility equipment; transportation means and etc.	• <u>No resettlement impact</u>	✓ No actions
14	<ul style="list-style-type: none"> ▪ Reconstruction, modernization of heating systems, (replacement or modernization of the heat source such as burner, boiler or external sources); ▪ Buildings retrofitting and insulation; ▪ Installation of solar panels; ▪ Replacement of old heating pipes under roads to be rehabilitated 	<ul style="list-style-type: none"> • Category 3 OR • Category 2 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF ✓ ARAP
15	Small scale construction of public facilities (information centers; visitor centers; maintenance facilities; storage facilities)	<ul style="list-style-type: none"> • Category 3 • 	<ul style="list-style-type: none"> ✓ DDR ✓ ESMP ✓ ESMF
16	Installing antennas for providing WIFI services	• <u>No social impact</u>	✓ No actions

4.2. BASELINE AND SOCIO-ECONOMIC DATA

An important aspect of preparing a RAP is to establish appropriate socio-economic and census baseline data to identify the persons who will be displaced by the individual subproject, to determine who will be eligible for compensation and assistance, and to discourage inflow of people who are ineligible for these benefits.

The PAPs may be classified into three groups:

- Those who have formal legal rights to the land they occupy;
- Those who do not have formal legal rights to land, but have a claim to land that is recognized or recognizable under the national laws including those measures put in place by the draft land policy; or
- Those who have no recognizable legal right or claim to the land they occupy.

In summary, the census consolidates information that 1) provides initial information on the scale of resettlement to be undertaken; 2) gives an indication of further socioeconomic research needed to quantify losses to be compensated and, if required, to design appropriate development interventions; and 3) establishes indicators that can/be measured at a later date during monitoring and evaluation.

Baseline data for subproject RAPs will include a number of persons; number, type, and area of the houses to be affected; number, category, and area of residential plots and agricultural land to be affected; and productive assets to be affected as a percentage of total productive assets. A Resettlement Consultant or Company based on the data from Land Resources and State Cadaster Department will decide based on a review of this data the scope of the RAP.

4.3. PREPARATION OF A SUBPROJECT RAP/ARAP

Full RAP is prepared if the resettlement impacts are categorized as Significant (Category 1) when about 200 or more people may experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets.

Abbreviated RAP is prepared if the resettlement impacts are categorized as Not Significant (Category 2)¹⁸ when fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets.

ARAP/RAP shall be prepared by PIU's SS, preferably with the support of consulting service providers or mobile extension teams, for subprojects that have been determined to result in potential involuntary resettlement and/or land acquisition. When an ARAP/RAP is required, the PIU shall submit completed studies along with their RAP's subproject application to the Resettlement Commission for appraisal, and subsequently to the World Bank.

4.4. APPROVAL OF RESETTLEMENT ACTION PLANS

After clearance from the LARC, the compensation, resettlement and rehabilitation activities of the RAP will be satisfactorily completed and verified by the communities before funds can be disbursed for civil works under the subproject.

The RAPs will comply with the principles outlined in this RPF adopted for the project. The SIA and RAP for each subproject will be reviewed by SIC and by the World Bank for review to ensure that they are produced in line with the OP 4.12. RAP shall be approved by SIC and disclosed on SIC's portal and the World Bank's portal prior, to the invitation of bids for civil works. Disbursement of compensation payments and entitlements will be made prior to displacement and prior to handing over of the land parcels to civil work contractors. Subsequent RAPs prepared throughout the rest of the project can then be reviewed by the independent review process led by the World Bank.

¹⁸ Abbreviated RAP is prepared

6. IMPLEMENTATION ARRANGEMENTS

5.1. INSTITUTIONAL ARRANGEMENTS – ROLE AND RESPONSIBILITY MATRIX, PREPARATION AND REVIEW OF SUBPROJECT SMPs.

5.1.1. Project coordination

The main project implementing agency is the State Investment Committee (SIC). SIC was established on 31 March 2017 as an authorized state body to be responsible for coordinating the formation and implementation of a unified state investment policy and attracting foreign investments. The main role of the SIC includes full implementation of the investment potential of Uzbekistan, further improve the investment climate, create the most favorable conditions for attracting foreign investment, expand cooperation with international financial institutions and leading foreign companies and banking structures, as well as an increase of efficiency of attracted foreign investments. SIC also acts as the part of the complex of Cabinet of Ministers for development of territories and communal sphere, transport, capital construction, construction industry.

This Agency is responsible for control and approval of feasibility studies under the project, in addition to the coordination role amongst all the relevant sectors. Furthermore, an Inter-Ministerial Steering Committee has been set-up with key line ministries and government agencies, including the Ministry of Finance, Ministry of Economy, Ministry of Construction, State Committee for Tourism Development, and regional and local government representatives in proposed project areas with the aim of coordinating project implementation. This SIC will guide and support the Project Implementation Unit (PIU) in decision-making, and will be chaired by the Deputy First Prime Minister and include high-level representations from all relevant sectors and agencies. The SIC would also validate all tender documents and procurement, presented to them by PIU.

5.1.2. Project Implementation Unit

A Project Implementation Unit (PIU), under the State Committee of Investments, is established at the national level to coordinate and implement the project for the three pilot cities, and subsequently expand its responsibility to implement the proposed National Urban Program for the 28 cities. The PIU is led by a Project Director and has the staff capacity in procurement, financial management, and technical sectors, particularly for planning, transport, water, and energy. The PIU will hire also a Safeguards Specialist (SS) which will oversee overall coordination of RAP implementation, reporting to SIC, and to the WB regarding safeguards issues, as well as of integrating safeguards requirements into bidding and contracting documents. He/she also will be responsible for interacting with the environmental authorities, ensuring an efficient implementation of safeguards documents and will undertake, randomly, field visits and environmental supervision and monitoring, assessing environmental compliance at worksites, advising project Regional Project Coordinating Units (RPCUs) on environmental and social safeguards issues. The PIU SS will be, also, responsible for identifying EA training needs of all parties involved in RAP implementation. The PIU SS will cooperate with all local institutions to provide a successful implementation of the Resettlement Procedure (RAP/ARAP).

5.1.3. Regional Project Coordinating Units

The project would be implemented at the local level through RPCUs which will be working closely with the respective district and city Hokimiyats. The RPCUs will be established for a region overseeing a cluster of cities, emphasizing the importance of integrated urban development across the city boundaries and looking at development at a regional level. For the RPCUs to be effective and consistent, a Regional Level Working Committee representing each city hokimiyats will be established for coordination amongst the cities, along with an inter-agency working group at the city hokhimiyat level. The RPCUs will also

include Safeguards Specialist (SS), whose main duties would be to ensure that the project activities are implemented in compliance with the WB safeguards Operational Policies and national EA rules and procedures. Among major responsibilities of the RPCU SS will be the following: (a) ensuring that contractors comply with all ESMPs requirements; (b) coordinating of all environmental and social related issues at the city and district level; (c) conducting ESMP supervision and monitoring and assessing environmental and social impacts and efficiency of mitigation measures, as well as identifying non-compliance issues or adverse trends in results, and putting in place programs to correct any identified problems; (d) when needed, providing advises and consulting contractors in RAP implementation; and, (e) reporting to the PIU with regard to implementation of the Resettlement Procedure.

5.1.4. Land Resources and State Cadaster Department (LRSCD)

LRSCD for each District in the Project is responsible for identifying and verifying property boundaries and ownership. They also will clarify land allotment certificates for agricultural land that has been formally registered and transferred to the Immovable Property Registration Offices.

5.1.5. The Local Hokimiyats (Municipalities, Administrative Units)

Hokimiyats are the final beneficiaries of the project implementation. From the institution, it is required continuous assistance and presence during all the progress of the project. The Regions and the Municipalities will be responsible for the coordination of the implementing procedures and execution of the compensation together with SIC/PIU.

In the Table below respective institutional arrangement is presented. The table describes in detail the steps of a Resettlement Action Plan to be implemented.

Table 12: Institutional Arrangements for Implementation of the Resettlement and/or Land Acquisition Procedure

Steps	Institution	Description of responsibilities	Remarks
Step 1	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Identification of PAPs, public information, calculation of RAP value	Information on project effects needs on RAP, evaluation, and verification of PAPs
Step 2	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	PAP Consultation	Explanation on assets to be affected, identification of the best way for compensation, explanation of time of compensation, main actors on the implementation process, procedures to be undertaken and the rights for Grievances
Step 3	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Preparation of final RAP report	Preparation of RAP Report considering comments of WB and SIC
Step 4	PIU Safeguards Unit. WB, SIC	Submit RAPs to WB Task Team for review and no objection before implementing. Approval of the final report	No objection from World Bank experts for the RAP. Formalizing the RAP report and including at project implementation ToR
Step 5	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Grievance Committee Creation	The Grievance Committee needs to be formalized and specific contacts need to be given to the PAPs.

Step 6	PIU Safeguards Unit SIC	Request for expropriation for public interest	Fulfill of criteria provided by law, especially the necessary documents that prove the expropriation needs
Step 7	SIC	Expropriation Commission at SIC has to examine the request and documents	Raising of Expropriation Commission, verification of documentation on properties, calculation and verification of compensation value
		If the legal criteria are fulfilled the SIC starts the expropriation procedures.	
		If not, the request will be rejected.	
Step 8	PIU Safeguards Unit, Grievance Committee	Ensure that the Expropriation Commission decisions are based in GoU Legislation and WB guidelines and considers PAPs requests	Evaluation of compliance between interested part requests
Step 9	Local Authority/ SIC /PAPs	Compile the agreement considering pretends of any parts and legislation	Give solution and incite agreements supporting PAPs requests upon legislation
Step 10	SIC	Agreement with PAP's about expropriation.	Important: the fair evaluation of the properties
		Publication of the notice for the expropriation – Declaration	The procedure must be followed carefully and respecting the right of the third persons to prevent the complaint to the Court
		Examine the suggestions and the complaints of persons affected by the process	The expropriation will be done for the persons who will accept to be compensated with the conditions published.
		Prepare the draft decision for the Cabinet of Ministers.	Preparation of DCM on PAP compensation
Step 11	Cabinet of Ministers	Approve the decision of the expropriation for the public interest;	DCM shall be implemented 1 month after declaiming on official newspaper
		Or	
		Reject the proposal to SIC with the suggestion to review, if it is not in conformity with the law. Pay the compensation to persons affected by the project	
Step 12	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Assistance on the relationship between PAPs and Local and	Verification of compatibility of the agreement between interested parts.

	/Grievance Committee	Governmental authorities, verifications, and supervision of RAP implementation	
Step 13	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit) /Grievance Committee	If needed, the assistance of PAPs on grievance procedures for administrative bodies, RAP procedures, compensation values etc and support PAPs grievances on the Court	If PAPs will have grievances
Step 14	PAPs	Opening a Bank Account and reporting it at the SIC	Institutional support of the compensation process
Step 15	SIC	Pay the compensation to persons affected by the expropriation before the civil works begin	Ensure that compensation is done with respect (amount and time) of agreements signed by interested parties and before starting the project implementation
Step 16	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Ensure that the process implementation has considered all pretend by both interested parties	Ensure that compensation is done in respect (amount and time) of agreements signed by interested parties
Step 17	PIU Safeguards Unit	Prepare the final report on RAP implementation	Considering that compensations will be finished before starting the project implementation.
Step 18	PIU, PAP, PIU Safeguards Unit	Assignment of the disclosure process according to the interested parties demands and in respect of DCM	Ensure a signed document that shows the RAP is finished and the compensation is done.
			This document also will verify that in the future the expropriate lands are ownership of PIU

In consideration of the project activities and of the below-mentioned phases a summarizing table of the preliminary linkages with the resettlement procedures can be found in A preliminary linkage of the activities with the resettlement procedures is presented in **Annex 6**. This annexed Table and the specifications if a RAP will be undertaken for the project are subject to further updates by the PIU Safeguards Unit, in accordance with the project activities developments.

During implementation, the PAPs will need to be informed about their rights and options, at which point they will have their say and discuss matters that need clarification. Cash compensation amount and size of land offered for compensation will be presented to each eligible PAP for consideration and endorsement before cash payment or land compensation can be affected. A committee of peers will be set up for grievance redress.

5.1. CONSULTATIONS

The involvement of PAPs in planning prior to the move is critical. PIU/SIC will be responsible for organizing and conducting public consultations with community groups affected by each subproject prior to completion of the site-specific RAP. Usually, these groups consist of people living near the subproject site and any local NGOs. The purpose of the public consultation is to inform affected community groups about the subproject and offer them the opportunity to voice their views of any adverse environmental and

social issues they feel may develop during subproject implementation. Any legitimate issue raised through the public consultation should be included in the RAP. In this way, the concerns of PAPs will be taken into account and reflected in subproject implementation.

Public consultations will be conducted as a meeting in each subject. The key characteristic of public consultation is that it is a *two-way flow of information*: subproject originators describe their activities to local communities, and local communities ask questions or raise their concerns in return.

It is very important to document public consultation results properly and include them in the RAPs. To obtain cooperation, participation, and feedback, the PAPs will be systematically informed and consulted during preparation of the resettlement plan about their options and rights. They will also be able to choose from a number of acceptable resettlement alternatives. Particular attention must be given to vulnerable groups to ensure that they are represented adequately in such arrangements.

The plan should address and mitigate the resettlement's impact on host populations. Host communities and local governments should be informed and consulted. Any payments due to the hosts for land or other assets provided to displaced persons should be promptly rendered.

Successful resettlement requires a timely transfer of responsibility from settlement agencies to the displaced persons themselves. Otherwise, a dependency relationship may arise, and agency resources may become tied up in a limited number of continually supervised schemes. Local leadership must be encouraged to assume responsibility for environmental management and infrastructure maintenance.

A. Public Participation with the PAPs would initiate the compensation process as part of an ongoing process that would have started at the planning stages when the technical designs are being developed and at the land selection/screening stage. This process, therefore, seeks their involvement and wishes to involve PAPs in a participatory approach with the project, from the beginning.

B. Notification of land resource holders – in cases where there is clearly no identified owner/user, the respective local land control boards and the resettlement committee having been involved in identifying the land that the Resettlement committees require will notify the community leaders and representatives who will help to identify and locate the land users. These leaders and representatives will also be charged with the responsibility to notify their members about the established cut-off date and its significance. The PAPs will be informed through both a formal notification in writing.

C. Documentation of Holdings and Assets – the Land Acquisition and Resettlement Commission (LARC) will arrange meetings with affected individuals to discuss the compensation process. For each individual or household affected, officials of the LARC completes a compensation dossier containing necessary personal information on, the affected party and those that s/he claims as household members, total land holdings, inventory of assets affected, and information for monitoring their future situation. This information is confirmed and witnessed by representatives of Mahalla and members of LARC. Dossiers will be kept current and will include documentation of lands surrendered. This is necessary because it is one way in which an individual can be monitored over time. All claims and assets will be documented in writing.

D. Agreement on Compensation and Preparation of Contracts – All types of compensation are to be clearly explained to the individual and households involved. The respective Resettlement Committees draws up a contract listing all property and land being surrendered, and the types of compensation (cash and/or in-kind) selected. A person selecting in-kind compensation has an order form which is signed and witnessed. The compensation contract and the grievance redress mechanisms are read aloud in the presence of the affected party and the members of LARC and representative from mahalla

E. Compensation Payments – All handing over of property such as land and buildings and compensation payments will be made in the presence of the affected party, the Chairman or members of LARC and representative from Mahalla.

5.1.1. DISCLOSURE

The Resettlement Policy documents including ESMF, RPF, ARAP/RAP (in case there will be any type of Involuntary resettlement) are subject to disclosure to the public through social media, websites. Any type of displacement announcement in regard to the relocation of residence/business structures shall also be disclosed publicly.

The first round of Public Consultation on RPF took place on September 6, 2018, in State Investment Committee in Tashkent. Representatives of different organizations involved in the project participated in the meeting. Among them were representatives of project cities' hokimiyats, Ministry of Culture, Land Cadastre and Railway Agency located in Tashkent. The main purpose of that meeting was to introduce participants with information on planning activities in each city, discussed next steps and to explain the main statement of WB's safeguards policies in case there will be any social and environmental impacts. Among other technical questions, the participants discussed the procedure of site selection and the possibility of inclusion on-going project activities into the program.

The second round of public disclosure of draft RPF was conducted in three project sites during October 2-4, 2018 in Chartaq, Yangiyul and Qagan cities. Representatives of the main stakeholder organizations participated meetings. Among them were representatives of the educational organization, hokimiyats, land cadastre, architectural department, water supply, and sewage system agencies (Suvoqova and Oqovasuv), state nature committee, and citizen of mahallas. The meetings were held at the premises of administration buildings of local hokimiyats with the participation of 38 people. The objectives of the public consultations were: to inform the public and stakeholders about the objectives and project developments and the expected of environmental and social impacts; to collect information and data from the public and/or the communities that will be affected by the project; and to ensure participation of the public and local communities in a process and support for the project. During the meeting, the main emphasis was given to the explanation of entitlement framework and matrix, GRM and types of eligible PAPs in case there will be anticipated any social impacts in the relation of physical and economic displacement. The consultants explained about album influx, restrictions of forced and child labor in this project. The minutes of the consultation meetings can be found in Annex 1 and the list of participants is attached in annex 2.

In order to make the RAP preparation and implementation process transparent, a series of public consultation meetings with all stakeholders will be carried out in the field for the dissemination of information regarding the rehabilitation process and entitlement framework. The salient features of RPF, RAP and the R&R policy shall be translated in Russian or Uzbek languages and disclosed through the SIC and the local hokimiyats website. The documents available in the public domain will include Entitlement Matrix and RAP (summary in local language) and the list of eligible PAPs for various R&R benefits. All documents will be kept in PIU of SIC. As per Access to Information Policy of the WB, all safeguard documents will also be available at the World Bank Portal. The SIC will assist Consultants in community-level disclosure and information dissemination work, which will include a community display, meetings, and consultations.

5.2. MANAGEMENT INFORMATION SYSTEM (MIS)

A management information system (MIS) is an information system used for decision-making, and for the coordination, control, analysis, and visualization of information in the project. In MSCIU DP MIS can help to provide relevant information to the appropriate persons in the enterprise at the right time. The

information so provided should help managers at all levels of the organization: (i) plan its activities in the short- and long-term; (ii) organize the tasks necessary for the plan; (iii) monitor the execution of the tasks and activities to compare and control actual results with the plan; and (iv) take any necessary corrective measures or re-plan the activities. In this way, the MIS helps the enterprise manage its various activities and coordinate the goods and activities of the finance, manpower, marketing, and manufacturing functions so that the overall enterprise objectives are met.

In general, a management information system is designed to (i) collect data; (ii) record and store data; (iii) provide for retrieval of the data; (iv) process the data, and (v) transmit and present relevant information. In the context of a business enterprise, the MIS may comprise a number of sub-systems, each providing a different type of information. Regardless of the concept used to define the boundaries of an MIS, the use of the information may be categorized in terms of the business processes of (i) strategic planning; (ii) tactical planning; (iii) management control; and (iv) transaction recording system.

There are several types of MIS software based on proposed tasks. In the implementation of Resettlement policy, a decision support system (DSS) software can help PIU to make choices and take decisions, typically by ranking, prioritizing or choosing from a number of options. The information system is designed to store, search for and process entered data and serves as a tool for monitoring the actual project implementation.

An effective MIS also has a number of cross-cutting requirements:

- Governance and institutional coordination—institutional arrangements and procedures that indicate clear roles and responsibilities for program staff and institutions to ensure solid oversight
- Infrastructure and human resources—hardware and software equipment as well as human resource requirements to develop, operate, update, and maintain the MIS
- Application management—tools such as a user’s manual, training sessions, and user-friendly interfaces that facilitate the intuitive application of the MIS

The information system is used to provide proper data to relevant staff in a timely manner to meet project-specific information needs. MIS outputs are information-based products, such as reports, files, databases, information services, and other documents. In this work, MIS will be used to collect and process the grievances.

Management Information System (MIS) Routine:

- The data directly input at central and local levels by staff responsible for specific activities.
- Senior staff of the vertical chain of command shall control and be responsible for data input.
- Specialists will have an access to MIS within the limits of their competence.
- Senior staff of units also has an access to financial section and procurement section.
- Project coordinators and an M&E specialist will have full access to MIS without authorization for changes.

The data will be processed and consolidated in different reports. The project indicators are calculated by means of data summary.

5.3. MONITORING AND EVALUATION

Monitoring Indicators on the Social Impacts attached (Annex 8) to this RPF. The responsibilities for monitoring and evaluation are shared between the PIU Safeguards Unit and the SIC. The PIU Safeguards Unit is responsible for record-keeping, management and internal monitoring of the GRM as the committee will report directly to the Head of PIU Safeguards Unit or to an assigned specialist. The SIC is responsible for coordinating external monitoring and evaluation of the project implementation. The PAPs representatives will participate in the project completion workshops, to give their evaluation of the impacts of the effects of the project. They are also to suggest corrective measures, which may be used to improve the implementation of other subprojects. After

completion of all expropriation/compensation operations, the PAPs will be consulted in a household survey to be undertaken as a monitoring and evaluation exercise.

5.3.1. Internal and external monitoring

Consulting company (CC) would be contracted to undertake concurrent M&E of RAP implementation. CC shall be mobilized within a month of commencement of work by SIC. CC team will comprise very experienced professionals in the field of resettlement and livelihood. Besides it will also include a Cadastral and civil engineer who can assess the provided land and in case provision of suitable houses, quality of houses built and the common properties that are being rebuilt/relocated. The M&E CC shall undertake monitoring and verification of processes and activities in RAP implementation and would submit quarterly reports. It would also undertake an end-term evaluation post RAP implementation to ascertain if the RAP objectives have been achieved. The CC shall identify gaps based on desk reviews and field visits and provide timely inputs for course-correction to SIC to improve implementation and outcomes. Besides, it will recommend measures necessary to build capacity and provide requisite training to implementation staff and other stakeholders such as civil works contractor. Some of the key activities would include monitoring and verification of:

- a) timely payment of compensation and assistance and prior to the commencement of civil works;
- b) processes followed in the dissemination of information on the project and eligible entitlements as well as the quality of consultations;
- c) processes followed in the relocation of PAPs as per relocation plan, if displaced;
- d) provision of replacement cost (towards the cost of structures, shifting and replacement house);
- e) relocation of all common properties such as toilets, temples, etc.
- f) the provision on livelihood support measures, training towards rehabilitation;
- g) provision of work opportunities to PAPs and other community members during civil works; and
- h) grievances received and redressed by level;

5.3.2. Impact Evaluation

While monitoring shall be a concurrent activity, impact evaluation of the project shall be taken up twice – during the project’s midterm and again as an end term at the end of MSCIU DP. End term impact evaluation exercise will be carried out within two months of completion of RAP implementation. It will evaluate the RAP implementation – activities, processes, and outcomes; ascertain if there are any pending issues and make recommendations towards the improvement of outcomes, if any. The exercise will be based on the key socio-economic indicators developed during SIA and as presented in the RAP. Prior to commencing the evaluation exercise, these indicators will be further refined and improved upon by the agency in consultation with SIC

6. IMPLEMENTATION FRAMEWORK

6.1. OVERVIEW

Before any project activity is implemented, PAPs will need to be compensated in accordance with the resettlement policy framework. For activities involving the land acquisition or loss, denial or restriction to access, it is further required that these measures include the provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, the taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to displaced persons. For project activities requiring relocation or loss of shelter, the policy further requires that measures to assist the displaced persons are implemented in accordance with the individual RAPs.

The measures to ensure compliance with this RPF would be included in the RAPs that would be prepared for each subproject involving resettlement or compensation.

The schedule for the implementation of activities must be agreed to between the LARC and the PAPs, such as target dates for the start and completion of civil works, timetables for transfers of completed civil works to PAPs, dates of possession of land that PAPs are using (this date must be after the transfer date for completed civil works to PAPs and payments of all compensation), and how these activities are linked to the implementation of the overall subproject.

The screening process must ensure that RAPs contain acceptable measures that link resettlement activity to civil works in compliance with this policy. The timing mechanism of these measures would ensure that no individual or affected household would be displaced (economically or physically) due to civil works activity before compensation is paid and resettlement sites with adequate facilities are prepared and provided for to the individual or homestead affected. Once the RAP is approved by the local and national authorities, the RAP should be sent to the World Bank for final review and approval.

6.2. IMPLEMENTATION SCHEDULE

The timing of the resettlement will be coordinated with the implementation of the main investment component of the project requiring resettlement. All RAPs will include an implementation schedule for each activity covering initial baseline and preparation, actual relocation, and post-relocation economic and social activities. The plan should include a target date when the expected benefits for displaced persons and hosts would be achieved. Arrangements for monitoring implementation of resettlement and evaluating its impact will be developed during project preparation and used during supervision. Monitoring provides both a warning system for project managers and a channel for the displaced persons to make known their needs and their reactions to resettlement execution.

Environmental and social impact assessments, if deemed necessary through the application of the ESMF, will be conducted parallel with the design of the subprojects, and will determine the number of PAPs and to assess demand of needs of the displaced persons. The needs are such as housing, water, health facilities, and sanitation.

Target dates for achievements of expected benefits to resettled persons and hosts are to be set. Disseminating various forms of assistance to them will be done. Planning and coordination of the tasks of the various actors is key to successful implementation. To achieve this goal, workshops will be organized with the stakeholders and other relevant government agencies, at project launching and at the commencement of every subproject identified to have adverse social impacts.

The stakeholders will be requested to participate in the decision-making process and provide inputs in the area of their expertise in order to establish a coherent work plan or schedule. PAPs will also be consulted with the aim of obtaining their positions on issues at stake. The requirements of their work/programs/business activities will be incorporated in the expropriation/ compensatory plans.

The workshops will focus on:

- Taking stock of the legal framework for compensation.
- Settling institutional arrangements and mechanisms for payment of compensation.
- Defining the tasks and responsibilities of each stakeholder and
- Establishing a work plan.

6.3. COORDINATION WITH CIVIL WORKS

The land acquisition and resettlement implementation will be co-coordinated with the timing of procurement and commencement of civil works. The required co-ordination has contractual implications and will be linked to procurement and bidding schedules, the award of contracts, and release of cleared COI sections to the contractors. The project will provide adequate notification, counseling, and assistance to affected people so that they are able to move or give up their assets without undue hardship before the commencement of civil works and after receiving the compensation. The bid documents will specify the extent of unencumbered land to be handed over at the time commencement of works and subsequent milestones and this will be strictly followed to ensure that land is provided on a timely basis to the contractors and also plan the implementation of land acquisition and resettlement in line with procurement and civil work timetable.

The bidders are required to submit the following as part of their technical bid: ESHS strategy and implementation plan; code of conduct; and declaration of past ESHS performance. Prior to starting construction, the contractor will prepare and submit the ESMP (ESMP) to the PIU for acceptance. The ESMP will include a detailed explanation of how the contractor will comply with the project's safeguard documents, and demonstrate that sufficient funds are budgeted for that purpose. The ESMP shall be approved prior to the commencement of construction activities. The approved ESMP shall be reviewed, periodically (but not less than every six (6) months), and updated in a timely manner, as required, by the Contractor to ensure that it contains measures appropriate to the w civil works activities to be undertaken

7. GRIEVANCES REDRESS MECHANISM (GRM)

Grievances may arise from members of communities who are dissatisfied with: (a) the eligibility criteria, (b) community planning measures, or (c) actual implementation

7.1. OVERVIEW

The proposed Grievance redress mechanism (figure 1) helps complaint handling system to be functional, transparent and responsive, and where appropriate, strengthen government systems. In this mechanism, beneficiaries and citizens can turn to register any grievances on all issues that tackle within any infrastructure subprojects of MSCIUDP.

The GRM for the current project takes into account the national legislation, the specificity of the project sites and results of public consultations. According to the Resolution 97 (29 May 2006) the Hokimiyats of the respective districts (cities) are obliged to notify owners of residential, production and other buildings, constructions and plantings on the made decision in writing for signature not later than six months prior to demolition, attaching to the notice copies of the relevant decisions of the hokims of districts (cities) and regions on the basis of the decision of the Cabinet of Ministers of the Republic of Uzbekistan on any land acquisition, demolition of residential, production and other buildings, constructions and plantings located in the land.

In order to deal with the grievance that may rise during the implementation of the RAP, there is need to incorporate a grievance redress process with Implementing agencies, mahallas, and with PAPs representatives committee to hear the complaints and provide solutions, and reduce unnecessary litigation by resolving disputes through mediations.

7.2. GRIEVANCE REDRESS PROCESS

The PAPs will have the right to file complaints and queries on any aspect of land acquisition compensation and resettlement. PIU will be responsible for the establishment of GRM during the project affectivity and act as the GRM secretary to make sure that the GRM is operational to effectively handle environmental and social concerns of project affected persons. PIU will ensure that grievances and complaints on any aspect of the land acquisition, compensation, and resettlement are addressed in a timely and satisfactory manner. All possible avenues are made available to the PAPs to resolve their grievances at the project level. Under the proposed project-level grievance mechanism, affected households may appeal any decision, practice or activity connected with the assessment or valuation of land or other assets, acquisition and compensation.

PAPs will submit their grievances first of all to local mahalla or working office established in the frame of MSCIUDP. If Grievance not resolved or PAP did not get a satisfactory answer then he/she may submit the grievance to RPCU in regional offices. SS at RPCU collects the grievances. This will be done through the application of multiple uptake channels such as mail, e-mail, telephone, project website, handing personally. Nowadays the citizens are active in using mobile internets and therefore, the project will open special groups in Telegram app and in Facebook if possible.

In addition, the GRM was discussed with PIU and updated into the format applicable to both aspects – environmental and social in term of environmental impact and mitigation measures. After discussion with all parties, the following multi-level GRM was proposed for the project and is described below in Table below.

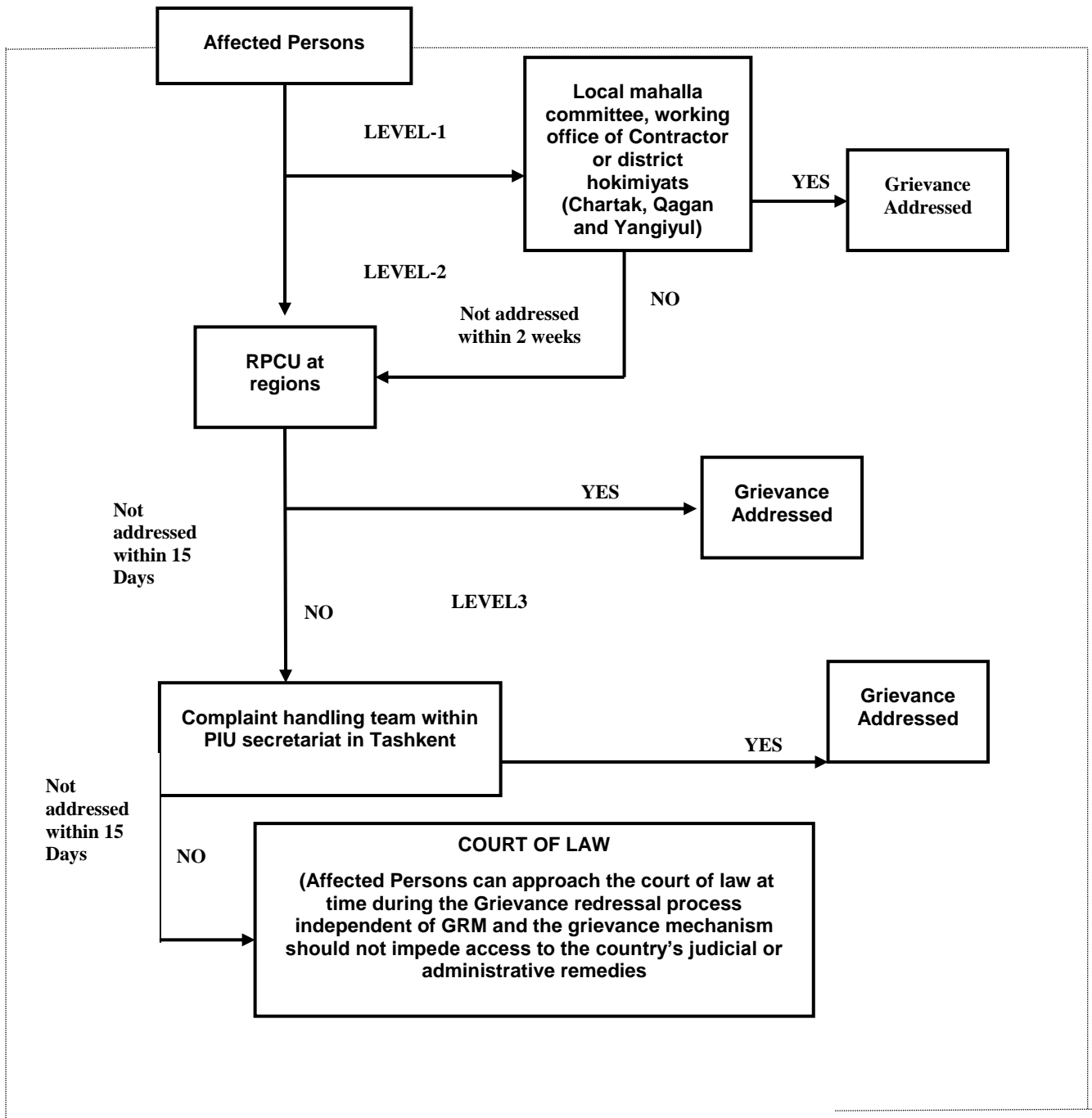
Table 13: Grievance Redress Mechanism and Levels

Level/Steps	Process
<p>Level 1- local mahalla committee, working office of Contractor and district Hokimiyats, Chartak, Qagan, and Yangiyul respectively</p>	<p>The aggrieved person applies directly to local mahalla committee or working office of Contractor. PIU WB safeguard specialist will be in charge for receiving and registration complaints and PIU WB will collect information about received complaints from mahalla committee and working Contractor offices on a weekly base.</p> <p>The alternative entry point for complaints will be also Hokimiyats due to their obligations defined by national legislation: (i) Hokimiyats of the respective districts (cities) are obliged to notify owners of residential, production and other buildings, constructions and plantings on the made decision in writing for signature not later than six months prior to demolition, (ii) there is a 1st deputy of khokim responsible for industry, capital construction communications and utilities, who is usually responsible for any issues/complaints regarding the construction and land allocation;</p> <p>After registration of received complaints, PIU WB safeguard specialist will review nature/specificity of the complaint and will forward it to relevant party for resolving. In parallel, district Hokimiyats representatives will inform PIU in Tashkent about the received complaint and further actions undertaken for its solution. Depending on nature of complaint it may go to Contractor, Land Resources and State Cadastre Department (LRSCD), Mahalla or district branch of Nature Protection Committee. For example, complaints related to resettlement issues may be forwarded to LRSCDs, hokimiyat and mahallas. In case of environmental issue, complaint will be forwarded to the Contractor or District Nature Protection Committee. At this level, the complaint should be resolved during 2 weeks.</p>
<p>Level 2 – Regional Project Coordinating Units (RPCU) and secretariat of PIU</p>	<p>In case the grievance was not redressed on the first stage or an applicant is not satisfied with the decision made/solution, s/he can submit the grievance directly to RPCU. In accordance with established procedure, the RPCU will review the complaint and will forward complaints to the secretariat of PIU and the respective department to a made decision on its redress. In case the grievance is not related directly to the project, the further instance will be recommended to the applicant where s/he should apply for the decision making.</p> <p>In case, if the complaint is required more time and resources for resolution, the PIU may establish complaint handling a team with following members such as representatives from secretariat PIU WB, district hokimiyat: LRSCD and Mahalla or village assembly of Citizens or/and farmer’s councils, or/and women’s association. All complaints will be resolved in 15 days, and in case additional details are required, a maximum of 30 days will be used to resolve and close the complaint with prior notification of the complainant.</p>
<p>Level 3- Economic Court</p>	<p>If the issue was not solved or the applicant is dissatisfied with the decision/resolution, the aggrieved person may submit the grievance to the Economic Court (Court of Law) where a decision will be made in accordance with relevant national legislation. However, PAPs can approach the court of law at a time during the grievance redressal process independent of GRM and the grievance mechanism should not impede access to the country’s judicial or administrative remedies</p>

7.3. GRM RECORDS AND DOCUMENTATION

Most of the grievances on land acquisition and resettlement issues are redressed at 1-2 levels. All grievances received from the population will be registered in a log book (Annex 7 attached in this RPF) which should be available at levels 1 and 2: at the site office of the Contractor, each mahalla committee of project area districts and PIU Tashkent office. Besides, there are also logbooks in the Hokimiyats where the grievances of the population are usually registered. Even so, the information on received by Contractor grievances and applications from the aggregated persons, and undertook measures should be submitted to the representatives of PIU on the project site for the accounting all grievances. Thereafter the information on all received grievances will be collected at the PIU.

Figure 1: Flow of GRM



8. BUDGET

At this stage of project preparation, no resettlement impacts of the project are revealed. Subprojects will be additionally screened during the detailed design process for any impacts to determine whether RAPs are necessary. The specific impacts and compensation amounts will be determined during the detailed design stage as part of the preparation of the RAP. Thus, it is not possible to calculate the approximate cost of withdrawing/impacted assets at this stage.

In order to implement the Resettlement Policy measures suggested below budgetary provisions will be made available, in terms of each subproject. Budgetary estimates for a subproject where resettlement implementation is necessary, including resettlement management will be incorporated into the cost estimates. Accordingly, land acquisition and resettlement expenses for consultation and participation, grievances redress, the cost for relocation, Income restoration, transitional allowance, livelihood program, monitoring and evaluation, administration, contingencies etc. will be included as cost estimates for social management.

SIC will provide an adequate budget for all land acquisition compensation and R&R assistance from the counterpart funding (local budget, or by Special Fund under Cabinet of Ministres). The budget estimates and its sources will be reflected in RAPs. The World Bank loan will not be available for land acquisition, compensation and R&R assistance paid in cash. The World Bank's loan will be available for costs such as works, purchase of goods and services if required.

The budget includes costs for preparing and administering the RAP(s), for the compensations as well as for monitoring and evaluating the RAP(s). The order of financing to the borrower will be assigned by the terms of loan agreements. Each RAP, prepared by EA shall include a detailed budget.

Table 14: 2: Sample Budget for RAP

Description	Cost Estimate	
	UZS	USD
Direct Cost (A)		
Building and Structures (transaction costs, relocations cost etc)		
Crop loss (Permanent and Temporary)		
Orchards and Trees Loss (Permanent)		
Subtotal (A)		
Indirect Cost (B)		
Allowances for Vulnerable PAPS		
Subtotal (B)		
Indirect Cost (C)		
The inflation rate, Increase of the minimum wage (???)%		
Subtotal (C)		
Administrative Costs (D)		
Resettlement Consultants (including social-economic and census surveys, implementation and internal monitoring)		
Valuation company costs		
Administrative costs		
Internal and External Monitoring costs		
Subtotal (D)		
Total (A) + (B) + (C) + (D) costs:		
Contingency ?? %		
TOTAL: Land Acquisition and Resettlement Budget		

In General costs for the implementation of the RAP include three categories: (a) technical support, (b) expropriation procedure, and (c) land acquisition.

- a) *Technical assistance* on the RAP implementation covers the monitoring and preparation of the expropriation case application file. For the implementation of these projects will be will use World Bank loans to cover the costs of technical assistance.
- b) The overall responsibility for *resettlement and expropriation* for the Project is under the Cabinet of Ministers and SIC. The financial responsibility for the expropriation procedures, including the compensation to be paid, resettlement costs, etc., lies with the State Investment Committee. Costs for the expropriation procedures are managed by the SIC budget for the functioning of the special expropriation commission for covering the costs of any fees for the registration of new ownership titles and issuing of Certificates of Ownership for all PAPs.
- c) The *land acquisition* will be financed by the Government of Uzbekistan's budget. The Cabinet of Ministers (CoM) is responsible for issuing the expropriation decision and authorizing the funds required, which will be delivered to owners as soon as the CoM Decision is published publicly. The land acquisition, transfer must be fully completed, and compensation payment made before any Civil works can be executed on the expropriated property.

The estimate of the overall cost of resettlement and compensation will be determined during the socio-economic and census study. Disbursements based on budgetary requirements, established by the RAPs in consultation with PAPs and local stakeholders, will be made through PIU in support of relevant District Hokimiyats, mahallas

ANNEXES

Annex 1. Minutes of Public consultations

1. Venue: Chartak city hokimiyat's administrative building, Namangan Province

Date: October 02, 2018

Medium-Sized Cities Integrated Urban Development Project (MSCIUDP)

PUBLIC CONSULTATION: Environment and Land Acquisition and Resettlement Aspects Within MSCIUDP

Prepared by: NBT Environment and Social Safeguard specialists: Madina Khalmirzaeva, Tolmasbek Boltaev, Sergey Kim and Mamanbek Reimov

Presented by: Madina Khalmirzaeva, Mamanbek Reimov

Target audience: Representatives from Chartak city hokimiyat, Regional and local authorities involved in environmental performance and land acquisition and resettlement activities with the project (specialists from Land resources and state cadaster department, a committee of ecology and environment protection, regional architectural departments, financial specialists, hokimiyat representatives, civil construction department, etc.)

Discussed main topics on the PC:

Project description and its components; potential planning project activities, national environmental, social legislation (about Land acquisition and resettlement) and relevant WB OP's requirements, identified social and environmental impacts and mitigation measures, safeguards documents needed to be developed under the MSCIUDP for each subproject, type of land acquisition and resettlement impacts, the content of RPF and RAP; eligible for compensation people, impacts and losses subject for compensation; GRM; assistance to vulnerable and severely affected households; further stages of the final RAP preparation if any impact; evaluation of compensation; further stages of the Project implementation;

After the presentation the participants raised the following questions:

#	Questions	Answers
1	Is there any final design (list) of planned subproject activities? What types of exact subprojects will be done in Chartak?	At present there no exact final design prepared for these subprojects – only a list of proposed activities. Currently, the PIU under the State Investment Committee of the Republic of Uzbekistan, local hokimiyat and World Bank's team are working on these matters. Therefore, this ESMF was developed which covers all social and environmental impacts.
2	Legislation part is clear, but based on what documentation the impacts will be identified and compensated?	The main documents of identification of exact impact will be the final design which will be prepared by design institutes (PIU responsibility), Land Allocation document (<i>Zemelniy otvod</i>) which will be prepared by local land resources and state cadaster departments based on final design (PIU responsibility) and for compensation will be based RPF or RAPs Entitlement Matrixes.

3	What organization will be responsible for project impact compensation, if any during the project?	Various ways of compensation sources could be used for the project – it could be through local hokmiyats, from the loan or another possibility. Currently, this topic is under the consideration between the State Investment Committee of the Uzbekistan and the World Bank
4	As we understood harvest lost will be calculated based on both - legislation of the Republic of Uzbekistan and WB Safeguard Policy?	Yes, you harvest lost will be calculated on the basis of legislation of the Republic of Uzbekistan and WB Safeguard Policy.

Suggestions Raised:

N/A

Photos from public consultation meetings



1. **Venue: Yangiyul city hokimiyat’s administrative building, Tashkent Province**

Date: October 02, 2018

Medium-Sized Cities Integrated Urban Development Project (MSCIUDP)

PUBLIC CONSULTATION: Environment and Land Acquisition and Resettlement Aspects Within MSCIUDP

Prepared by: NBT Environment and Social Safeguard specialists: Madina Khalmirzaeva, Tolmas Boltaev, Sergey Kim and Mamanbek Reimov

Presented by: Madina Khalmirzaeva, Mamanbek Reimov

Target audience: Representatives from Yangiyul city hokimiyat, Regional and local authorities involved in environmental performance and land acquisition and resettlement activities with the project (specialists from Land resources and state cadaster department, a committee of ecology and environment protection, regional architectures departments, financial specialists, hokimiyat representatives, civil construction department, etc.)

Discussed main topics on the PC:

Project description and its components; potential planning project activities, national environmental, social legislation (about Land acquisition and resettlement) and relevant WB OP’s requirements, identified social and environmental impacts and mitigation measures, safeguards documents needed to be developed under the MSCIUDP for each subproject, type of land acquisition and resettlement impacts, the content of RPF and RAP; eligible for compensation people, impacts and losses subject for compensation; GRM; assistance to vulnerable and severally affected households; further stages of the final RAP preparation if any impact; evaluation of compensation; further stages of the Project implementation;

After the presentation the participants raised the following questions:

#	Questions	Answers
1	What does replacement cost mean?	“Replacement cost” is the method of valuation of assets that help determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account.
2	What organization is responsible for covering the independent valuator's services cost?	As stated before the valuation will be carried out based on the defined entitlement matrix in accordance with requirements of OP 4.12 and Uzbek legislation. PIU will involve independent licensed appraisal company for the valuation of compensation and allowances for all type of losses, and the cost of appraisal will be covered by the Project. In case, if PAP is not agreed with the evaluation results of appraisal company suggested by PIU, he/she shall inform PIU about it in a written manner and present the results of his/her appraisal company by his/her own cost.
3	Is there any final design of planned subproject activities?	At present there no exact final design prepared for these subprojects. Currently, the PIU under the State

<p>What types of exact subprojects will be done in Yangiyul?</p>	<p>Investment Committee of the Republic of Uzbekistan, local hokimiyat and World Bank's team are working on these matters.</p>
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Suggestions Raised:

1. It will be good that all RPCU's specialists work on fully base (not part-time base job) and focus more site visit activities in project areas. By that way, they can increase the project progress and avoid the problems in further stages of the project.
2. We propose to include in the project conservation of landfill which is not functioning now. We would like to create a recreation zone in that area.

Photos from public consultations



3.Venue: Qagan district hokimiyat main hall, Bukhara Province

Date: October 03, 2018

Medium-Sized Cities Integrated Urban Development Project (MSCIUDP)

PUBLIC CONSULTATION: Environment and Land Acquisition and Resettlement Aspects within MSCIUDP

Prepared by: NBT Environment and Social Safeguard specialists: Madina Khalmirzaeva, Tolmasbek Boltaev, Sergey Kim and Mamanbek Reimov

Presented by: Madina Khalmirzaeva, Mamanbek Reimov

Target audience: Representatives from Qagan city hokimiyat, Regional and local authorities involved in environmental performance and land acquisition and resettlement activities with the project (specialists from Land resources and state cadaster department, committee of ecology and environment protection, regional architectural departments, financial specialists, hokimiyat representatives, civil construction department, water supply and waste water organization, district branches of Ministry of Culture etc.)

Discussed main topics on the PC:

Project description and its components; potential planning project activities, national environmental, social legislation (about Land acquisition and resettlement) and relevant WB OP's requirements, identified social and environmental impacts and mitigation measures, safeguards documents needed to be developed under the MSCIUDP for each subproject, type of land acquisition and resettlement impacts, the content of RPF and RAP; eligible for compensation people, impacts and losses subject for compensation; GRM; assistance to vulnerable and severally affected households; further stages of the final RAP preparation if any impact; evaluation of compensation; further stages of the Project implementation;

After the presentation the participants raised the following questions:

#	Questions	Answers
1	What is the severely affected and vulnerable households?	Severely affected households are those who lose 10% or more of their productive asset (income generating productive land) and or physically displaced. Low-income households, female-headed households, the elderly headed household, households headed by physically challenged persons.
2	Will the presented WB OPs requirements are applied for all ongoing project in our city	No, WB OPs will be applied only for the subprojects which will be included in this project
3	When will the project start?	It is expecting that the project will start next year

Suggestions Raised:

It will be really good that all sewerage network extension and rehabilitation and Rehabilitation of sewage pumping stations works will be done before the Roads rehabilitation works for avoiding the demolition of the already constructed road again.

Photos from public consultations



Annex 2. List of participants of public consultation meetings

Place: Namangan. Chartak subproject.

Medium-Sized Cities Integrated Urban development Project
Environmental and Social Management Framework
Public Consultation
Chartak, Uzbekistan
2 October 3, 2018
Registration List
 Place: Khojimiyat chartak

#	Organization	Name	Position	Email/phone number	Signature
1	Чартак туманида Тузилган вақт ўтмасдан қовоқлар қорасири	Шарифжанов Ўзганажар	Д.Х.ЯТ мутахассиси	93.9156031	
2	Наманган вилояти Ташкилот вақт ўтмасдан	Юнусов Башир Азизович	Замор мутахассиси		
3	Наманган вилояти Чартак тумани қорасири	Юнусов Муҳаммад	Ишлов мутахассиси	99 3915758	
4	Чартак тумани вақт ўтмасдан қорасири	Шоғинов Абдурашад	Бўлим раҳбари локалий вақт ўтмасдан вақт мутахассиси	93 728 10 71	
5	Чартак тумани Чартак И.Ф.А. Шогинов вақт	Соғдиқов Бекзод	М.Ф.А. вақт	94 509 7008	
6	Чартак тумани қорасири вақт ўтмасдан	Самиянова Шайхона	И.Ф.А. мутахассиси	94 426 80 80	
7	Тузилган вақт ўтмасдан қорасири	Соғдиқов Шайхона	И.Ф.А. мутахассиси	94 10 25	
8	Чартак вақт ўтмасдан Ободонашарҳи	Ташаббаб Равшан	Ўзганажар	94 151 37 84	

#	Organization	Name	Position	Email/phone number	Signature
9	Чартак тумани СТАТИСТИКА Бўлими	Тоғбаев Шайхона	СТАТИСТИКА мутахассиси	94 509 44 43	
10	Чартак тумани Архитектура ва Кураш вақт ўтмасдан	Шахматов Шайхона	Мутахассиси	94 156 13 17	
11	Тузилган вақт ўтмасдан Бўлими	Фурқов Шайхона	Бўлим бошқари	99-321-01-23	
12	Чартак И.Ф.А. Чартак қорасири	Қўлганов Қобулжон	Бўлим бошқари	94 500 12 10	
13					
14					
15					
16					
17					
18					

Place: Tashkent region - Yangiyul subproject

Medium-Sized Cities Integrated Urban development Project
 Environmental and Social Management Framework
 Public Consultation
 Yangiyul, Uzbekistan
 October 2, September 29, 2018
 Registration List

Place: Yangiyul Khokimiyat

#	Organization	Name	Position	Email/phone number	Signature
1	Tashkent viloyati, Yangiyul subproject, Yangiyul Khokimiyati	Boydorxonov Sunnat	mutaxassis	+99899 4041808	
2	Yangiyul Khokimiyati	Abdullayev Qurbon	zam. xokimi		
3	Yangiyul Khokimiyati	Xorramnazarov Bakhodir	ra'is	97 261-27-00	
4	Yangiyul Khokimiyati	Xorramnazarov Bakhodir	ra'is		
5	Yangiyul Khokimiyati	Maxatova Dilobar	mutaxassis	99-481-90-05	
6	Yangiyul Khokimiyati	Ermatov Dildor	mutaxassis	97-754-77-76	
7	Yangiyul Khokimiyati	Alimov Abdurajab		94.410-88-12	
8	Yangiyul Khokimiyati	Kamoliddinov Farhod	Zam. Xokim		

#	Organization	Name	Position	Email/phone number	Signature
9	Yangiyul Khokimiyati	Saidov Farhod	ra'is	99-481-12-10	
10	Yangiyul Khokimiyati	Yuldashev Anvar	mutaxassis	94-698-82-24	
11					
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18					

Place: Bukhara. Kogon subproject

Medium-Sized Cities Integrated Urban development Project
Environmental and Social Management Framework

Public Consultation

Kogon, Uzbekistan

October 2, 2018

Registration List

Place: Kogon Khokimiya +

#	Organization	Name	Position	Email/phone number	Signature
1	Городской комитет	Алишера Алимжон Саидов	зам. начальника отдела ЖКО	91.3111442 93.4533650	[Signature]
2	отдел архитектуры	Юлдашева Ирода	специалист	91.612.8140	[Signature]
3	отдел земельного кадастра	Абдуллаев Ариф Юрмушев	зам. начальника	97.302.09.02	[Signature]
4	отдел госкадастра	Жалилов Фарук	зам. начальника	93.659.61.16	[Signature]
5	ГУП „Сувораба“	Мавлонов Исраил	зам. начальника	91.2472565	[Signature]
6	ГУП „Махоратран“	Нусенов Мурод	начальник отдела	91-107-55-60	[Signature]
7	Отдел культуры	Шеира Мирова	зам. отдела культуры б/и	90.712.78-57	[Signature]
8	„Бухарский маришот“ НФУ	Шукуртопов Олифароб	маълум қотиб	90-718-09-38	[Signature]

#	Organization	Name	Position	Email/phone number	Signature
9	Фарҳанга ахбороти	Дурдубо Дилмурод Камоловна	маълум қотиб	93.626.50.13	[Signature]
10	Фарҳанга ахбороти	Ғалимова Дилмурод Дилмуродовна	маълум қотиб	9940858-45	[Signature]
11	14-МТМ	Шарипова Шахноза Хасановна	муҳрира	97-304-55-72	[Signature]
12	Бочон шаҳар инновацион маркази	Абдуллаев Шайхон Дилмуродов	Бунёд бошқаруви		[Signature]
13	Бочон шаҳар инновацион маркази	Тоқибов Ширин Абдулов	Бошқаруви	90.614-04.64	[Signature]
14	Когон шаҳар ҳокимлиги	Алишера Алимжон Саидов	Хоким ўринбосари	91.311-14-42	[Signature]
15	„Сувораба“	Жалилов Фарук	зам. начальника	93-965-15-25	[Signature]
16	Когон шаҳар ХТБ	Каримов Камолдин Фарукжон	ўринбосари	94.2469469	[Signature]
17					
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Annex 3. Outline for Abbreviated Resettlement Action Plan

This is a Template for an Abbreviated RAP (**ARAP**):

1. Census survey of displaced persons and valuation of assets;

(List of affected people and how they are affected. What are they losing concretely and valuation?)

2. Description of compensation and other resettlement assistance to be provided;

(self-explanatory: what is being given and how they are helped)

3. Consultations with project affected persons (PAP) about acceptable alternatives;

(report on consultation)

4. Institutional responsibility for implementation and procedures for grievance redress

(who does what? and when?)

5. Arrangements for monitoring and implementation

6. Timetable and budget

(timing for each step and the costs)

7. Simple socio-economic study

(In addition to the census of the individual PAPs, the survey would list all their assets and livelihood factors in order to be able to assess the magnitude of impact.)

It is important to emphasize that according to OP 4.12 “On Involuntary Resettlement”, Annex A, Article 22¹⁹ an abbreviated plan covers the following minimum elements:

- a. a census survey of displaced persons and valuation of assets;
- b. description of compensation and other resettlement assistance to be provided;
- c. consultations with displaced people about acceptable alternatives;
- d. institutional responsibility for implementation and procedures for grievance redress;
- e. arrangements for monitoring and implementation; and
- f. a timetable and budget.

¹⁹ OP 4.12, Annex A:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTPOLICIES/EXTOPMANUAL/0,,contentMDK:20066696~menuPK:64701637~pagePK:64709096~piPK:64709108~theSitePK:502184,00.html>

Annex 4. Outline of Resettlement Action Plan (RAP)

A Resettlement Action Plan will include as by the *Handbook for Preparing a Resettlement Action Plan* the below-listed chapters and subchapters. Along with the main structure is explained the content needed in each chapter.

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 the need for updates to the 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 the method of valuation used for affected structures, land, trees, and other assets.
- Prepare the entitlement matrix.

Resettlement Sites

- Does the project require community relocation sites? Have affected people been involved in a participatory process to identify sites, assess the advantages and disadvantages of each site, and select preferred sites?
- 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 a 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 a 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 (no project) institutions involved in the process of income restoration (land development, land allocation, credit, 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 the 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.

Monitoring and Evaluation

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

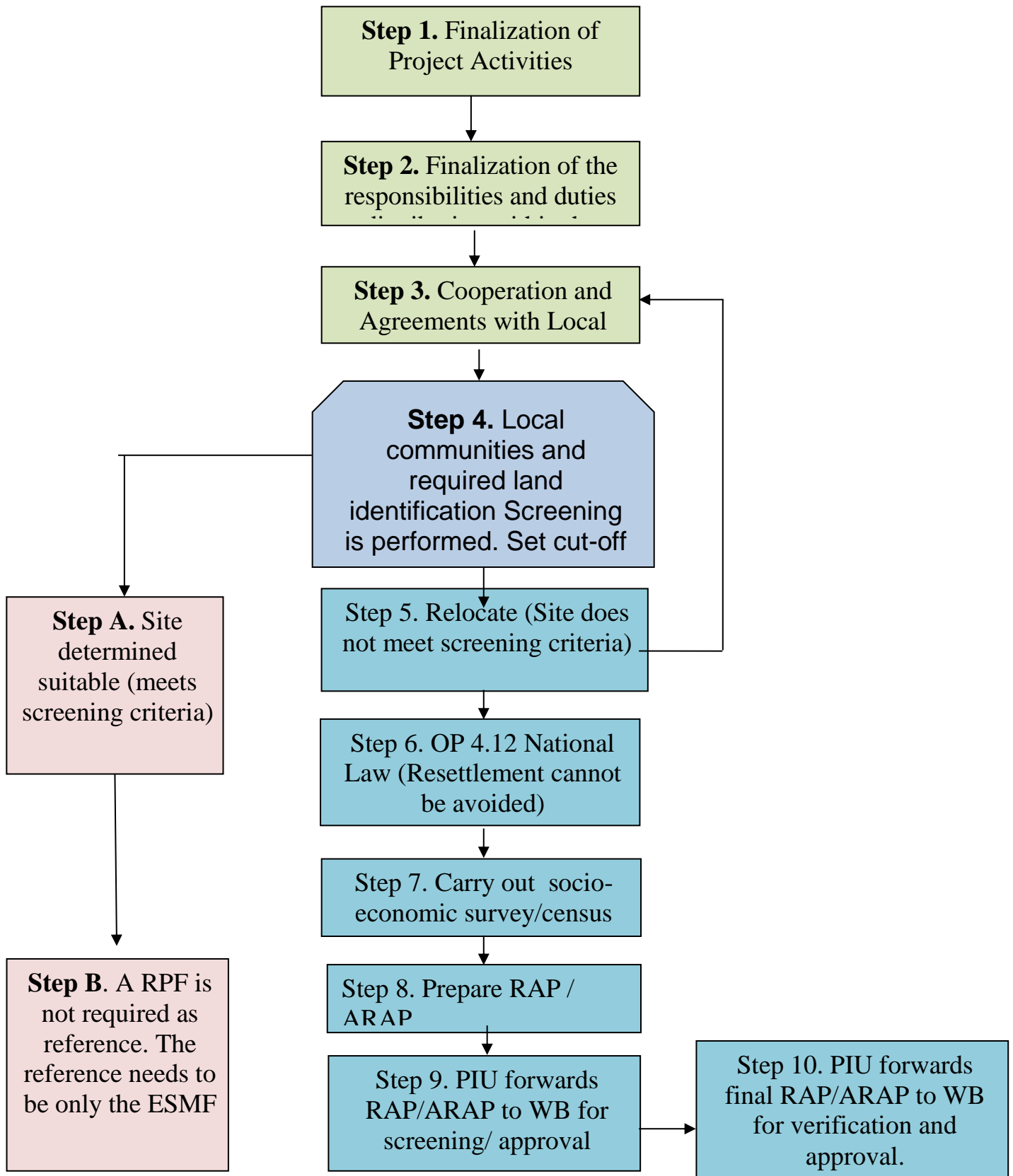
Costs and Budgets

- Provide a clear statement of financial responsibility and authority.
- List the sources of funds for resettlement and describe the flow of funds.
- Ensure that the budget for resettlement is sufficient and included in the overall project budget.
- Identify resettlement costs, if any, to be funded by the government and the mechanisms that will be established to ensure coordination of disbursements with the RAP and the project schedule.
- Prepare an estimated budget, by cost and by item, for all resettlement costs including planning and implementation, management and administration, monitoring and evaluation, and contingencies.
- Describe the specific mechanisms to adjust cost estimates and compensation payments for inflation and currency fluctuations.
- Describe the provisions to account for physical and price contingencies.
- Describe the financial arrangements for external monitoring and evaluation including the process for awarding and maintenance of contracts for the entire duration of resettlement.

Annexes

- Copies of the census and survey instruments, interview formats, and any other research tools
- Information on all public consultation including announcements and schedules of public meetings, meeting minutes, and lists of attendees.
- Examples of formats to be used in monitoring and reporting on RAP implementation.

Annex 5. Steps Leading to Preparation of the Resettlement Action Plan



Annex 6. Resettlement Linkage with Specific Activities of MSCIU DP

Pre-RAP and RAP Activity	Rehabilitation of streets/walkways	Access road/upgrading of bridges"	Rehabilitation of the city center	Street lighting city-center	Rehabilitation of basic services
Project Planning	✓	✓	✓	✓	✓
Pre-Involvement of Communities	✓	✓	✓	✓	✓
Census of project affected persons and the valuation of assets.		✓			
Consultations with not affected people in the area of the activity / or consultation with PAPs about acceptable alternatives	✓	✓	✓		
RAP Preparation		✓			
Compensation/Resettlement		✓			
Post RAP Activities		✓			

Note: This table and the specifications if a rap will be undertaken for the project are subject to further updates.

Annex 7. The Log book of GRM

Cover page:

GRIEVANCE REDRESS MECHANISM								
THE LOG BOOK OF COMPLAINTS, SUGGESTIONS, AND GRATITUDE								
N	Date	The content of Grievances /Complaint /Suggestions /Gratitude	Applicant /Aggrieved Person (Full Name)	Contact details	Signature/ Note	Accepted by	Continuation: 1) Answer orally / date 2) Replied in writing/date 3) Forwarded to another authority (to be indicated) / date 4) Other action (to be indicated) / date	The short content of the status of response and reimbursement (1-satisfactory, 2-partially satisfactory, 3-unsatisfactory.)
1								
2								
3								

For the implementation of :

MEDIUM-SIZED CITIES INTEGRATED URBAN DEVELOPMENT PROJECT
Subproject Name

Name Mahalla committee/ Contractor working office/Hokimiyat and PIU WB Tashkent office/:

District, Province:

Notice: The grievance book should sequentially be numbered and pages have been bound securely

Annex 8. Proposed Indicators for Social Monitoring Plan

No	Issues/activities to be monitored	Indicators
1	General success/acceptability of the compensation/resettlement process	Outstanding (unsigned) individual compensations/resettlement contracts as a percentage of total compensation/resettlement contracts
		The ratio of PAPs remaining supportive of the project against those not supportive
		Level of public consultation measured as the ratio of those that acknowledge having been
		Consulted vs. those that were not consulted. This ratio can be determined by random sampling.
		Actual time of completing resettlement compared to the planned time
2	Project acceptance (or not) by the community	Number of complaints as a percentage of total PAPs
		Number of grievances successfully resolved as a percentage of the total number of grievances
3	Acceptance (or not), of PAPs by the host community	Number of conflicts between PAPs and host community
4	Restoration of areas temporarily disrupted by construction	Area of land restored to cultivation as a percentage of total area of land disrupted
5	Replacement of grazing land permanently displaced by access roads and building construction	Area of new land opened up for cultivation/grazing as a percentage of total original land area cultivated/grazed
6	Quality of life compared with that before compensation/resettlement	Number of larger houses of better quality provided as a percentage of total number of houses in the original settlement
		Number of individuals and families able to re-establish their pre-displacement activities, land, and crops or other alternative incomes, as a percentage of total PAPs
		Pre-project income of vulnerable affected individuals/groups versus their present income
		Number of people participating in project activities compared to total PAPs
		Trends in environmental diseases such as malaria, diarrhea, coughs etc
		Trends in respiratory diseases
		The trend in HIV/AIDS statistics in comparison with pre-settlement statistics
		Mortality rates after resettlement compared with pre-settlement rates
Number of PAPs with access to potable water compared with		

		total PAPs
7	Productivity	Pre-project production versus present production (crop for crop, land for land).
		Post-project production per affected household/homestead compared with pre-project income.
		Wildlife conservation and eco-tourism activity on acquired land as per plan,