



**Kyrgyz Republic**  
**Community Development and Investment Agency**

**Community Support Project- CASA-1000 (P163592)**

**DRAFT**  
**Resettlement Policy Framework**  
**(RPF)**

**Bishkek**

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## ABBREVIATIONS

AA	–	Aiyl Aimak
AO	–	Aiyl Okmotu
ARIS	–	Community Development and Investment Agency
CSP	–	Community Support Project
DDE	–	Detailed Design Estimates
GRM	–	Grievance Redress Mechanism
LSGB	–	Local Self-Government Body
PAP	–	Project Affected Person
RAP	–	Resettlement Action Plan
RPF	–	Resettlement Policy Framework
WB	–	World Bank

## GLOSSARY

Assistance resettlement	in	Measures to assist PAPs that may be physically resettled, loss of access to collective property and natural resources, loss of livelihoods, restrictions on land use, negative impact on assets or incomes, etc., such as resettlement benefits, housing construction or rental fee, depending on the possibility and, if necessary, in order to facilitate the process of resettlement, after resettlement could be received assistance during some transition period, the duration of which is estimated on the basis of a justified time assessment, needed to restore livelihoods and living standards, in addition to compensation.
Census		Census of project affected persons, indicating demographic and property determinants; indication of the number of PAPs, the impact nature and level. Census will provide a detailed list of impacted persons and impacted assets.
Cut-off date		The date of the population census, serving as the eligible cut-off date to prevent a subsequent influx of population into the area. Date after which people will not be considered eligible for compensation.
Compensation		Cash or in-kind compensation of the cost of replacement of assets to be procured, or impacted, under the Project. Payment in cash or in kind of the assets at replacement cost, restoration of livelihoods and living standards, development assistance, (for example, in the form of preparing land for sowing, access to credit and training programs, providing employment opportunities, which must be procured under the project.)
Economic assistance rehabilitation	in	Assistance in addition to compensation, such as land preparation, training or employment or building the capacity of PAPs, to generate income and increase production levels, or, at least, adjusting the PAPs' living standards to the pre-project standards.

Involuntary Resettlement	<p>Involuntary land acquisition, impact on asset(s), loss of income, or restricted access to natural resources, resulting in a direct or indirect economic or social impact:</p> <ul style="list-style-type: none"> <li>a) loss of benefits from the use of such land plots;</li> <li>b) resettlement due to loss of housing or land;</li> <li>c) loss of, or impact on, assets or access thereto, regardless of whether or not PAP must be resettled;</li> <li>d) loss of, or negative impact on income sources or livelihoods, regardless of the decision on whether PAPs will be resettled or not.</li> </ul>
Replacement cost	<p>For houses and other structures, it is the market cost<sup>1</sup> 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 valuation of an affected asset. In cases, whereby the national legislation does not comply with the standards of the full replacement cost compensation, the national legislation shall be complemented by the measures required by World Bank Involuntary Resettlement policy (OP4.12) to meet the replacement cost standards.</p>
Resettlement Action Plan (RAP)	<p>A Resettlement Action Plan<sup>2</sup> is prepared after determining the specific impacts of the project, typically when the location and detailed designs are finalized. If it is determined that OP4.12 is triggered the RAP sets forth specific and legally binding requirements for land acquisition, resettlement, impact on assets, negative impact on income, or restricted access to natural resources. The RAP will be prepared following guidance put forth in this RPF. The RAP must be prepared, receive no objection from World Bank, and implemented such that impacted person(s) are fully compensated prior to being negatively impacted by project activities.</p>

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<sup>1</sup>If market cost is lower than replacement cost then additional compensation will be provided in order that all assets are compensated at cost of replacement value.

<sup>2</sup> The contents of a Resettlement Action Plan are spelled out in Annex 5.

# I. DESCRIPTION OF PROJECT AND COMPONENTS THAT MAY TRIGGER POLICY

## 1. Project Description, Objective, Components, and Communities

The PDO is to engage communities in the development of social and economic infrastructure in order to enhance services, livelihoods and inclusion in villages near the CASA1000 transmission line.

## 2. Project Beneficiaries

The proposed project will benefit targeted communities living along the 450 km CASA-1000 transmission line in the Kyrgyz Republic, traversing three oblasts (Jalal-Abad, Osh and Batken) and 22 (inhabited) Aiyyl Aimaks (AAs). The “Corridor of Impact (COI)” is defined as a 3 km-wide corridor centered on the final route of the transmission line. It is currently estimated that there are about 37 villages with a combined population of 87,500 within the corridor of impact. Within the 22 AAs there are an estimated 132 villages with a total population of about 330,000. The transmission line is expected to directly cross approximately 10 villages.<sup>3</sup>

The target areas of the CSP project support are thus defined as follows:

Communities in the vicinity of the transmission line: This refers to all those living in the estimated 10 villages through which the transmission line will pass

Communities in the Corridor of Impact: This refers to all those living in the estimated 37 ‘corridor villages’ that will lie within 1.5 km of the transmission line (including those “in the vicinity” of the line)

Communities in Aiyyl Aimaks traversed by the transmission line: This refers to all those living in the estimated 132 villages in approximately 22 AAs containing one or more of the corridor villages.

## 3. Project Components

The project includes 3 components: village investment grants, community mobilization and capacity building, and project management and coordination. The project consists of three components. Each of the components has its own specific goals and objectives. Together, the components are aimed at achieving the overall goal of the project - increasing local capacity to jointly plan the development process and improve access to reliable infrastructure in the target communities. The project includes the following components:

Component 1: Support for community-led investments in social and economic infrastructure

*Subcomponent 1A:* Support for electricity improvements within target villages

*Subcomponent 1B:* Support for social infrastructure and services in target villages

*Subcomponent 1C:* Support for livelihood facilities in selected AAs

Component 2: Support for community mobilization, youth engagement and communications

*Subcomponent 2A:* Support for community mobilization and capacity building

*Subcomponent 2B:* Support for youth engagement, awareness building and social accountability

*Subcomponent 2C:* Communications

Component 3: Project management, and monitoring and evaluation

*Subcomponent 3A:* Project management and coordination

*Subcomponent 3B:* Monitoring and evaluation

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<sup>3</sup> It is understood that the Engineering Procurement and Construction (EPC) contractor may make final adjustments to the final alignment of the CASA1000 transmission line (within a 2km construction corridor) when optimizing the design. This may affect, to some degree (10 percent of the corridor may vary), the numbers shown above which are based on the alignment considered most likely at approval.

## **Component 1: Support for community-led investments in social and economic infrastructure**

This Component will contribute to the infrastructure aspects of the PDO. Through improved infrastructure, communities will have access to improved social and economic infrastructure for poverty reduction, enhanced livelihoods and youth development.

### **Subcomponent 1A: Support for electricity improvements within target villages**

Launched in Year 1, this subcomponent will provide sub-grants to communities for: (i) village level electricity improvements, or (ii) alternative energy sources (as determined by communities). The procedures for implementation of sub-grants under Component 1A will follow a participatory process (planning, decision-making, management and monitoring) similar to that being developed for Component 1B, but will be limited to community prioritization within an agreed menu of electricity/energy related options.

The CSP sub-grants to communities will be allocated with a view to improving service provision towards an agreed standard. Based on the Village Electricity Study carried out during preparation, a ceiling will be set at US\$ 100,000 for the initial year of investment, but some villages are expected to require investments of less than US\$ 50,000. Communities will also be eligible to utilize one or both of their sub-grants under Component 1B for electricity improvements if that is their priority.

The menu of options to improve village electricity and related services is likely to include {depending on technical viability}: (i) Improved supply to existing settlements – replacement or upgrade of transformers, poles, lines and other elements of the distribution network;<sup>4</sup>(ii) Connecting new settlements – extension of the village distribution network to new settlements<sup>5</sup> within villages;<sup>5</sup> (iii) Street lighting – installation of LED street lighting;<sup>6</sup>(iv) Connecting to the internet – installation of infrastructure for internet connections (e.g. fiber optics);<sup>6</sup> and (v) Access to alternative energy sources for households or community services (including heating stoves).<sup>7</sup>

The target area for this subcomponent will be the (approximately 37) villages in the corridor of impact. The sequencing of support to the target communities will follow the sequencing of construction and/or start with those villages known to be more directly-affected/in the vicinity of the transmission line, while taking account of capacity constraints of the regional ECs<sup>8</sup> responsible for managing the supply of electricity and management of related infrastructure at the sub-oblast level.

Given the focus on improved levels of service, and anticipated constraints, it is expected that the sub-component would directly improve access to electricity supply in about 29 of the 37 villages, benefitting about 60,000 beneficiaries, approximately 70 percent of the village population in the COI.

### **Subcomponent 1B: Support for social infrastructure and services in target villages**

Starting in year 2, subcomponent 1B will provide sub-grants to communities to fund their priority social infrastructure and services projects selected through the participatory decision-making process established in subcomponent 2A.

Under subcomponent 1B, from years 2 to 4, communities in the Corridor of Impact will each benefit from at least two additional cycles of investment in community-prioritized sub-projects. Funds for Subcomponent 1B will be allocated according to village populations weighted for poverty, youth and proximity to the transmission line variables. Villages will be grouped according to their weighted population (4 to 5 groups depending on the final list of target villages) and

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<sup>4</sup> Such settlements are in many cases on land that has been allocated to young families, and are typically poorly served. Properly planned and implemented extension of electricity supply to such settlements would in many cases enjoy broad support across the community.

<sup>5</sup> In the case of extension of services to new locations, additional short lengths of 10kV lines within villages, with associated poles, would also be required. The distance from a 10kv/0.4kV transformer to the households served should not normally exceed about 800 meters. For longer distances, a transformer would be required closer to the households.

<sup>6</sup> These works would be possible if carried out in parallel with distribution networks.

<sup>7</sup> Diesel projects will not be eligible because of complex maintenance, high recurring costs in maintenance and speedy depreciation.

<sup>8</sup> ECs are likely to be implemented through RESs [full name]- wholly owned by the respective Electricity Companies, there are 3 such RESs in Jalal-Abad, 4 in Osh, and 5 in Batken.

receive proportionately sized grants. The formula for fund distribution will be finalized when the final alignment of the transmission line is determined, and the final Corridor of Impact villages identified.<sup>9</sup> Sub-grants are likely to range from a minimum of US\$ 30,000 per cycle to a maximum of US\$ 150,000 per community per cycle.<sup>10</sup> The project will also allow communities to carryover sub-grants from should they wish to undertake less (higher-value) investments over the course of the project. Communities may also opt to replace social infrastructure with livelihoods facilities and obtain technical assistance as described under subcomponent 1C. Communities will be discouraged from implementing subprojects that take longer than 18 months to complete.

Communities will choose from a relatively open menu of options that contribute to poverty reduction. While it is not known what communities will prioritize until the participatory decision making process is completed and the local development strategy updated, sub-grants are likely to support small scale infrastructure improvements relating to water, education, health, roads, agriculture, pasture investments, the rehabilitation of irrigation canals,<sup>11</sup> school rehabilitation (especially for energy efficiency), kindergartens, first aid points, and rehabilitation of roads and bridges. Facilities that specifically target youth needs will be eligible if they support livelihoods or leadership development and have the technical assessments to achieve these economic and empowerment goals.<sup>12</sup> As noted above, further village electricity improvements will also be eligible (in addition to those carried out through subcomponent 1A) depending on community priorities. All investments, except those on the negative list, will be permitted.

### **Subcomponent 1C: Support for livelihood facilities in selected AAs**

To address the lack of economic opportunity in the target AAs, subcomponent 1C will support the construction of a limited number of livelihood facilities or selected productive/economic infrastructure. This subcomponent will expand the focus of support to include all communities located in the 22 target AAs, i.e. the funding of livelihood facilities will be targeted at, and be accessible to, all 132 communities in the AAs through which the corridor of impact (COI) passes.

Given the innovative nature of this subcomponent in the context of the Kyrgyz Republic, the project has budgeted US\$ 0.9 million to be allocated through sub-grants to selected AOs, C-VIAs or villages. It is anticipated that this will result in approximately 10 facilities<sup>13</sup> being selected in Year 1 and constructed thereafter. It is anticipated that these facilities could vary significantly in technical complexity (e.g. from apple storage facilities to ICT centers). To promote livelihoods development in the COI, communities will also be able to opt for livelihoods facilities rather than social infrastructure. These investments would be undertaken as early as possible in the project to enable parallel technical assistance, capacity building and systems development needed to create sustainable investments. The final decisions on the facilities to be supported would be subject to a number of criteria: (i) the number of jobs generated for young women and men in the target AAs; (ii) the final ownership/sustainability of the assets;<sup>14</sup> and (iii) the secondary benefits especially for vulnerable groups.

## **Component 2: Support for Community Mobilization, Youth Engagement and Communications**

Subcomponent 2A will support a range of community mobilization and capacity building activities to: (i) ensure that communities, particularly youth and marginalized groups, are actively engaged in selecting poverty-focused project interventions; (ii) ensure that Component 1 investments in social and economic infrastructure (including electricity) are those that have been most highly prioritized by communities; and (iii) all members of the target communities are provided with the information, facilitation and capacity building to make decisions that are needs-based, and inclusive of women, vulnerable and poor households.

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<sup>9</sup> The grant distribution formula can only be finalized when the final TL alignment, and thus village data is known. A cut-off date (the date of Board approval) will be applied. 2017 population data will be utilized for the purposes of determining grant funding.

<sup>10</sup> This range will ensure that the minimum grant size is meaningful – to allow the purchase of something that the village would prioritize and that will have a demonstrable impact; a maximum size will ensure that the funds are not captured in more densely populated areas.

<sup>11</sup> New irrigation canals will not be financed, however rehabilitation of irrigation canals will be eligible to enable repairs that reduce losses (typically up to 40 percent) and rectify other faults.

<sup>12</sup> Sports facilities will not be eligible as they have been/are financed under the VIP3 project and Debt Swap supported by KfW, are not focused on poverty alleviation and evidence suggests that they have not been gender neutral.

<sup>13</sup> While 10 facilities have been included in the indicative budget, the exact number of facilities will be dependent on the feasibility based on RMA and value chain assessments, willingness and availability of entrepreneurs who can meet the pre-defined criteria detailed under the competition process related section. There is also a possibility that there could be smaller facilities which would have business viability. Therefore, the exact number of economic facilities would be clear once the detailed VCAs are completed and the completion process is completed.

<sup>14</sup> The criteria for selection would include a business plan, own investment contributions, jobs created, steps to work with youth and vulnerable groups among others. After the selection of the private entrepreneurs, AO, with the financial support of the project, will make additional capital investment (for example: construction of the building and purchase of additional equipment) to complement the private entrepreneur's own financing. The role and responsibilities of AO and private entrepreneurs will be enshrined in a contract.



### **Subcomponent 2A: Support for community mobilization and capacity building**

Subcomponent 2A will support the activities needed to ensure that Component 1 investments in social and economic infrastructure are community-led, that Component 1 investments are prioritized by communities and responsive to the needs of all community members (including the poor and vulnerable). The objective of this component is to build local institutional capacity and engage communities in sub-project needs assessment, planning, implementation, management and monitoring, as well as operations and maintenance (O&M) where relevant. This is expected to create a level of community engagement that will ensure that communities choose how they benefit from this support project associated with the CASA1000 transmission line, while ensuring sustainability of CSP sub-projects and maximizing development outcomes.

### **Subcomponent 2B: Youth engagement, awareness building and social accountability**

Subcomponent 2B aims to build the voice and agency of young women and men by providing support for selected: (i) awareness building activities; (ii) civic engagement activities; and (iii) social accountability activities, carried out with, and by, young men and women within target communities. The activities will be focused on building communities that are armed with knowledge on development-related issues, and more aware of local governance (including performance, transparency and accountability). Both areas of support will underpin Component 1, but will provide broader skills for use in local civic affairs.

### **Subcomponent 2C: Communications**

Subcomponent 2C is closely linked to the communications strategy developed for the various elements of the CASA1000 project, including communications about the transmission line, its purpose and benefits, and the safeguards aspects of the transmission line, be they health and safety or resettlement.

A CSP Communications Action Plan (CSP-CAP) will be developed prior to effectiveness with the specific aim of: (i) building village-level support for CASA1000 by improving community understanding of the benefits and opportunities offered by the CSP; (ii) establishing trust in the CSP and managing expectations by transparently communicating CSP scale, scope and eligibility; (iii) providing a supportive communication infrastructure for messaging related to the broader CASA-1000 infrastructure project. As with other aspects of the project will involve youth in communications activities and outreach and target youth in messaging.

Subcomponent 2C will engage young women and men from villages near the transmission line trained to communicate details of the CSP to their neighbors. ARIS will outsource design and training to a public relations firm and then execute the local level activities in parallel with subcomponents A and B.

## **Component 3: Project management, and monitoring and evaluation**

### **Subcomponent 3A: Project Management**

Component 3A will finance incremental costs of ARIS for project management, including coordination and supervision of the implementation, managing the budget, project audits, feedback system and procurement. This subcomponent will fund a dedicated project management team (include experts in community mobilization, capacity building, engineering and project management, procurement, FM) which will prepare a project work plan and budget, an operation manual, including terms of reference for all staff and consultants, and the development of training manuals. The subcomponent will also conduct the roles defined for ARIS regarding sub-grant activities (technical design<sup>15</sup>, procurement and FM), and support the management of the relationships with communities, C-VIAs, Aiyl Okmotus, and the ECs.

### **Subcomponent 3B: Monitoring and evaluation**

This subcomponent will finance the team to coordinate internal and community level monitoring as well as independent evaluations. M&E will primarily focus on the outcomes defined in the results framework and an agreed set of output indicators defined in the Operations Manual. ARIS will submit semi-annual reporting to the Bank, the Energy Committee/Ministry of Finance, as well as quarterly IFRs to the World Bank. The subcomponent will fund a baseline survey, midline and end-line evaluations focused on the results of the social and economic infrastructure developed in component 1 and the community mobilization and youth engagement processes described in component 2. To measure progress on the social inclusion aspect of the PDO, ARIS will utilize the social cohesion index piloted through the Social Cohesion Through Community Based Approaches Project, in Kyrgyz Republic implemented by AKF. It defines and measuring cohesion across three dimensions, (i) connectedness, (ii) social relations, and (iii) focus on the common good. A midterm review (conducted 8 quarters after effectiveness) will include candid reflections on lessons learned and

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<sup>15</sup> A budget will be established for technical design to facilitate appropriate design relevant to village circumstances.

recommendations for any adaption of processes that could be improved. An implementation completion report will be conducted prior to completion.

#### **4. Reason for not preparing a RAP or at this time**

At this stage, it is impossible to rule out the probability of land acquisition, restriction of access thereto, or loss of the assets belonging to project affected persons or commercial structures. The project designs have not yet been prepared, and the areas of rehabilitation/construction works have not been determined. Impacts will be known in detail at the stage of development of detailed design estimates (DDEs) and prior to commencement of construction/rehabilitation works.

## **II. PRINCIPLES AND OBJECTIVES GOVERNING PREPARATION AND IMPLEMENTATION**

### **1. Rationale for Resettlement Policy Framework and its Scope**

Given the planned work on Component 1, the impact on involuntary resettlement will be limited by small scale land acquisition, temporary land acquisition, restriction of access and economic impact. Physical relocation of households is not expected. It is expected that the construction will be carried out within the footprint of existing infrastructure or on available lands that are publicly owned. However, land may be required for new low-voltage lines in settlements where no electricity transmission lines currently exist, as well as for expansion of water supply systems, placing mini-shops for fruit processing, dairy products, placement of paramedic posts, schools, hospitals, etc that may be selected by beneficiary communities. The presence of informal users or structures and associated economic impacts covered under OP 4.12 also cannot be ruled out. While public land is expected to be made available in case of expansion of new infrastructure, the project allows for voluntary land donations by the community or individuals and this process will have to be closely managed during implementation. Individual land donation will be subject to strict scrutiny and approved by the World Bank, prior to accepting donation. Land donation cannot result in a person or household being worse off than pre-project levels and must receive benefits from the project. As the investments will be determined by the communities, the impact will not be known until the investments are selected in each cycle.

The Resettlement Policy Framework (RPF) aims to policies and procedures to ensure that people adversely affected under the Project are adequately consulted with on project activities and receive compensation or assistance that will at least restore pre-project level of livelihoods.

The RPF provides policies and procedures to determine if project activities trigger the World Bank's Involuntary Resettlement policy (OP4.12), assess expected impacts, identify detailed steps to develop appropriate mitigation measures, including mitigation and compensation for the impact caused under the project including:

involuntary land acquisition (temporary or permanent);

loss of, or impact on, assets or access thereto;

loss of standing crops, trees income source or livelihoods, regardless of whether the project affected persons (PAPs) will be resettled, or not;

restricted access to natural resources.

RPF sets forth the measures to ensure that PAPs:

are aware of the options and their rights related to land acquisition and project impacts;

participate in consultations to discuss possible compensation options. They should be granted a right to choose, and provided with technically and economically feasible alternatives;

are provided with effective compensation at full replacement cost of the assets lost, or impacted, due to implementation of the CSP, prior to commencement of the civil works.

RPF is built on the following principles:

avoid or, at least, minimize the need for involuntary land acquisition;<sup>16</sup>

PAPs, as a minimum, should be rendered with an appropriate assistance to improve, or, at least, to restore the pre-project living conditions;

PAPs should be fully informed and consulted on project activities and compensation options;

the lack of a legal land right shall not be an obstacle to obtaining compensation or alternative forms of assistance. PAPs without legal land right shall be entitled to compensation for buildings and other non-land assets;<sup>17</sup> During the resettlement process, special attention should be given to vulnerable segments of the population, such as ethnic minorities, women-headed households, the elderly, etc., with an appropriate assistance to improve their standard of living;

Compensation shall be paid to the PAPs at the full replacement cost,<sup>18</sup> without withholding for any other purposes.<sup>19</sup>

### **III. RAP PREPARATION AND APPROVAL PROCESS**

The first step in the process of preparing a RAP is the assessment to identify land plots and assets that may be affected by the Project. This assessment of land plots affected will be carried out by the ARIS Safeguards Specialists in conjunction with the representatives of local self-government bodies, and will be used to identify the types and nature of potential impacts associated with the activities proposed for implementation under the Project, to adopt respective impact mitigation measures. This assessment also shows that the prevention or minimization of resettlement is a key criterion in preparation of the RAP prior to implementation of the CSP.

The assessment will be carried out according to the established criteria detailed in Annex 1, and will be documented in the form of a report on screening (see Annex 1-3) of the expected social impacts, following the adoption of main technical solutions or detailed sub-projects.

The design will not be completed until it is clearly established that all attempts have been made to minimize the impacts of resettlement. If the assessment indicates the need for physical displacement, land acquisition, impact on assets or negative impact on economic resources, whether or not there is physical displacement, the next step will be a social and economic census and inventory of the land resources and assets in order to determine the extent of the need for resettlement. This will be followed by the development of the RAP for the Project, following the steps outlined below.

#### **1. Census, Social and Economic Surveys, Inventory of Losses**

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16 The safeguard consultant will work in close cooperation with the design engineers to prevent negative impacts to the extent possible.

17 OP 4.12 proposes 3 eligibility criteria: (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the Kyrgyz Republic; (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 laws of the Kyrgyz Republic 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, use or gain livelihoods prior to the cut-off date. Persons covered under (a) and (b) are provided with compensation for the land they lose, and other assistance according to the provisions of this RPF. Persons covered under (c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in OP 4.12, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the 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) are provided compensation for loss of assets other than land.

18 According to OP 4.12, the land replacement cost shall be equal to the replacement value of the land with similar capacity and located in the proximity to the project affected land, including all costs associated with the registration of land ownership, use or transfer. The cost of replacing buildings or structures shall be equal to the market value of the materials required for construction of a building/structure to be replaced. Location and the quality of the buildings or structures, as a result of replacement, shall be similar to those affected; repair of a partially damaged structure shall include the cost of delivery of construction materials to the construction site, plus the cost of contractors' work and the fees for registration and re-registration of property ownership. At the same time, depreciation of facilities and the cost of usable materials shall not be taken into account.

19 According to OP 4.12, the land replacement cost shall be equal to the replacement value of the land with similar capacity and located in the proximity

If the assessment findings indicate the need for land acquisition, loss of livelihoods, involuntary resettlement, or impact on assets the next step will be to determine a social and economic status and conduct census of PAPs, indicating their age, dependence on assets, income level, marital status, with the inventory and assessment of the assets of each PAP in the area defined for land acquisition or project impact. This activity should be carried out with the assistance of the ARIS Social Consultant.

A cut-off date will be established during the census and will be the date of the population census and enumeration of impacted assets.. Following the census, a RAP will be developed based on the collected data of impacts and impacted persons.

The census process includes direct consultations with PAPs (with all adult household members or both spouses), who will interact with the Social Consultant in plain language and convenient form of communication to identify the project-affected assets and discuss their social and economic situation on site. In the process of consultations, the PAPs' entitlements concerning the resettlement process will be explained both verbally and in writing (in the form of information booklets, presentations and announcements posted in places frequently visited by the population). The process will also include the description of grievance redress procedures and compensation entitlement matrix. Illiterate people will be provided with verbal information, along with information booklets. The PAPs will be given the opportunity to express their feedback and concerns.

In case of inability to conduct direct consultations with the PAPs due to them being in other cities and countries, the Social Consultant, in conjunction with the LSG representatives, will take the actions to bring the information on the resettlement to the absent PAPs through relatives or neighbors at the place of residence. The number of visits will be indicated, saying who and when received the copies of the documents, with the dates and time of the next visits, etc.

## **2. Preparation of RAP**

RAP will be prepared after the social and economic census and the identification of project affected parties.

The RAP will be drafted in consultation with the project affected parties. In particular, consultations will be held on compensation entitlement, as well as on emerging obstacles to economic and livelihood activities, on assessment methods, compensation, possible assistance, PAPs' inspirations, grievance mechanisms, as well as on the timeline for implementation. The final version of the RAP will incorporate PAP's remarks/comments. The key RAP elements indicated in OP 4.12 are listed below. More detailed guidance on RAP preparation is available on the World Bank website or in the World Bank's Involuntary Resettlement Sourcebook.<sup>20</sup> The RAP contents are outlined in the annex 5

The level of Project impact on individual affected people is not expected to be significant (i.e., the PAPs are not likely to be physically displaced or lose their productive assets). It is expected that the number of affected people under any single subproject will be less than 200 people. In such cases, an abbreviated RAP can be prepared. If the number of affected people exceeds 200, a full RAP will be developed.

The abbreviated RAP will include several standard sections, such as: description of project impact and valuation of affected assets, description of affected people and of their basic socioeconomic and demographic characteristics, institutional arrangement and implementation procedures, compensation and assistance to be provided to affected people; results of consultations, monitoring and evaluation procedures, timeline and budget, at minimum.

The data on the project-affected households are considered as an important component of the RAP; however, due to respect for privacy, the information relating to particular individuals and households shall not be subject to public disclosure. Data collected at the beginning of the RAP process can then be used as a baseline to ensure affected persons and households are able to maintain, or preferably improve, their standard of living to pre-project levels.

Where a full RAP needs to be developed, it should include the following at minimum: (i) baseline census and socioeconomic survey information; (ii) specific compensation rates and standards; (iii) policy entitlements related to any additional impacts which are not identified in this RPF but which are identified through the census or survey during

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<sup>20</sup> The sourcebook is available through the following link:

<http://documents.worldbank.org/curated/en/206671468782373680/pdf/301180v110PAPE1ettlement0sourcebook.pdf>.

implementation; (iv) programs for improvement or restoration of livelihoods and standards of living; (v) implementation schedule for resettlement activities; (vi) and detailed cost estimate.

### **3. Disclosure and approval**

The following steps should be followed after full/ abbreviated RAP preparation:

The draft RAP shall subject to discussion with PAPs; the latter will receive a copy of the RAP a week before the discussion. Public consultations shall be attended by PAPs, LSG representatives, ARIS representatives, and NGO representatives.

After the discussion, comments and proposals shall be reflected in the RAP.

The RAP shall include a section of the consultation process with the matrix of comments and proposals for the inclusion and implementation thereof.

The Safeguards Consultant shall submit the RAP to the Project Coordinator for approval.

After inclusion of the comments received as a result of disclosure of the RAP and after approval thereof by the Project Coordinator, the RAP shall be officially sent to the WB for review and confirmation on the compliance with OP 4.12 and other applicable policies/procedures.

Once the World Bank confirms the acceptability of the quality of each RAP, it shall be disclosed on the WB Info-shop website, published as a final RAP on the ARIS website and re-shared with all stakeholders. Private information about PAPs shall not be made publicly available.

No changes shall be made to the compensation entitlement matrix, eligibility criteria, compensation rates, or provisions for assistance without the prior World Bank's consent.

### **4. Estimate Impacted Population and Likely Categories**

#### **Identification of PAPs and Analysis of the Project Affected Assets**

It is impossible to completely rule out cases of temporary or permanent use of private land in course of construction/reconstruction works. It is not yet known whether an irreversible acquisition of land will be required or this will be limited to temporary access to use thereof. At this stage, it is impossible to completely rule out the probability of demolition of small structures (fences, forest plantations, etc.). Given that the persons and / or assets exposed to the impact are still not clearly defined, the impact assessment will be carried out after the project commencement.

If it is determined, during project implementation, that there will be involuntary land acquisition, impact on assets, or negative impact on income, the full or abbreviated RAP will be prepared in line with the provisions above.

#### **Cut-off Date Determination Method**

Determination of the cut-off date is a tool to prevent requests for compensation after this date. The cut-off date shall be the date of the census or the date of determining the boundaries of the project area, to be defined in RAP. After finalization of the DDEs and delineation of the boundaries, a census of the PAPs and an inventory of their property shall be conducted by a safeguards specialist. Consultations shall be also held with the Project Affected Persons to inform them about the Project, its impacts, the compensation process, and discuss options and preferences. PAPs shall provide their feedback, which may result in a change in design decisions to minimize the need for resettlement.

## **IV. ELIGIBILITY CRITERIA AND PROCEDURES FOR VARIOUS CATEGORIES OF PROJECT AFFECTED PEOPLE**

## **Eligibility Criteria**

The involuntary acquisition of land, or impact on assets, including economic assets, results in relocation or loss of shelter; loss of assets or access thereto or loss of income sources or livelihoods, whether or not the PAPs shall be moved to another location or not. OP 4.12 envisages the following three eligibility criteria<sup>21</sup>:

Those having formal rights to land including customary/communal land, traditional and religious rights recognized under the law of the Kyrgyz Republic.

Those not having formal legal rights to land on the cut-off-date, but having a claim to such land or assets provided that such claims are recognized under the law of the Kyrgyz Republic or will be recognized through a process identified in the RPF / RAP.

Those not having a recognizable legal right or claim to but using or gaining their livelihoods from the land they had been occupying on cut-off date<sup>22</sup>.

Persons covered under (a) and (b) above shall be provided with compensation for the land they lose, and other assistance in accordance with this RPF.

Persons covered under (c) above shall 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 the World Bank policy on Involuntary Resettlement and this RPF, if they had been occupying the project area prior to a cut-off date established by the project decision-makers in close consultation with the potential PAPs, local community leaders and respective local self-government bodies.

Persons who encroach on a land plot after the cut-off date shall not be eligible for compensation or any other form of resettlement assistance. All persons included in (a), (b) or (c) above shall be provided with compensation for loss of assets other than land.

Therefore, all the Project Affected Persons shall be eligible for certain assistance if they had been occupying or using the land on cut-off date, even if they were absent at the date of the census and regardless of their status, that is, whether they had formal ownership rights or legal land use rights.

## **1. Identification of PAP and Analysis of Project Affected Assets**

It is currently impossible to completely exclude cases of temporary or permanent use of private land in the course of the construction/rehabilitation works. It is not yet known whether an irreversible land acquisition will be required, or the impact will be limited to temporary access to use thereof. At this stage, it is impossible to completely exclude the possibility of demolition of small structures (fences, forest plantations, etc.). Taking into account that project-affected persons and/or assets have not been yet identified, the impact assessment will be carried out after the Project is launched.

## **2. Cut-off date determination method**

After finalization of the PAP and delineation of the boundaries, the Safeguards Specialist will conduct a census PAP and inventory of their property. The cut-off date will be the day that the census has been completed which identifies PAPs and assets of their property.<sup>23</sup> Consultations with affected persons will also be held to inform them about the Project and its impacts. When informing the PAP, the latter will provide their feedback, which may result in modification of design solutions to minimize the need for resettlement.

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21 Para 15, OP 4.12

22 The cut-off date is the date the record of population or census begins, that serves as the eligible date of termination in order to prevent a subsequent influx of invaders or other persons wishing to take advantage of such benefits. The cut-off date will be the date the census begins.

23 OP 4.12, note 22

## V. COMPENSATION ELIGIBILITY MATRIX

Project impact	PAP category	Asset affected	Entitlements
Temporary acquisition works for land for or construction	Land owner	Land	Land lease payments according to the market rates <sup>24</sup> and prices as of the period of lease  If land owners need to temporarily relocate, costs associated with and any damages that may occur to their properties during such temporary relocation will be fully compensated at replacement cost. Lands including assets affixed to them will be fully reinstated to the original conditions prior to the return of the land to owners
	Informal user	Land	Land and assets affixed to them will be fully reinstated to the original conditions prior to the return of the land to the informal owners. If they have to temporarily relocate, cost associated with the temporary relocation, including the rent during the relocation period, will be fully covered. In the event of loss of income, an allowance shall be paid proportionally and according to the average income lost per each week (7 days).
Voluntary donation of land <sup>25</sup>	Land owner	Land/ Assets	<p>Compensation for land is not provided for: any voluntary land donation so long as donation follows the voluntary donations protocol. Voluntary land donation will undergo strict scrutiny, and must be approved by the World Bank prior to accepting donation of land.</p> <p>Voluntary Land Contributions: will be accepted as long as the free, prior and informed consultation process is adhered to and if the situation is well documented by local authorities. As such, PAP and affected household have the right to make a contribution of land or other assets of their own volition without seeking or being given any form of compensation. These situations can be justified because the proposed sub-projects will likely directly benefit the PAP and affected household. Voluntary contributions of land is not allowed if impacts is greater than 10% of the total land area or productive assets. Land donation cannot cause negative impact on person or household donating land and also receive benefits from the project.</p>

<sup>24</sup>Market rates will be used so long as these rates are equal to, or greater than, replacement cost

<sup>25</sup> See Annex 7 for procedures to be followed for Voluntary Land Donation

Project impact	PAP category	Asset affected	Entitlements
Permanent land acquisition for works, construction or as part of a safety buffer protection zone <sup>26</sup>	Land owner	Land	As a priority option, a land plot of similar in the size and fertility of the seized plot, acceptable for PAP and within a radius of 3 km of area agreeable to PAP, shall be provided. If such a land is not available, cash compensation at the replacement cost, as well as the costs of fees for registration and re-registration of land rights and costs to improve the quality and productivity of the land similar to that of the land affected by the project. If the remainder of the plot is no longer suitable for use, the whole land plot of land shall be repurchased. In the event of loss of income, compensation shall be paid according to the amount of two month's actual wage earned to be no less than the minimum wage for two months, taking into account the right to useable materials.
		Assets	Monetary compensation at a replacement cost.
	Informal user	Land	Assistance shall be provided in lieu of compensation to ensure no net loss in livelihoods, depending on the specific conditions in each individual case. In the event of loss of income, compensation shall be paid according to the amount of two month's actual wage earned to be no less than the minimum wage for two months, taking into account the right to useable materials.
		Assets	Monetary compensation at a replacement cost.
Loss of or damage to structures	Structure/ building owner	Any structure, including fencing, etc.	Replacement of the structure or monetary compensation at the replacement cost, as well as the right to useable materials.
Restricted access to houses	Tenant or owner of the house	Access to house is restricted.	Every effort will be made to ensure temporary, safe, access will be provided. After completion of the works, the condition of the land shall be fully restored to its original condition. In-kind compensation shall be provided in terms of, for example, alternative parking space for cars.
	Business owner	Temporary loss of business or job due	Monetary compensation for income loss during the period of shop closure based on accounting records for the previous three months of such or an equivalent business. If business fluctuates according to season, then the amounts shall be calculated based on previous year's business or based on earning of

<sup>26</sup>The "safety buffer protection zone" is an area with a special mode of operation, which is established around production facilities and construction sites; the radius of this zone will be determined during construction works.



Project impact	PAP category	Asset affected	Entitlements
Loss of income for shop owners and their employees	Hired staff or business employees	to the project works.	equivalent business. Every effort will be made to ensure temporary access to the shop will be provided to minimize income loss.
			Compensation for lost income during shop closure. Women and men have equal opportunities
Trees, standing crops	Owner	Fruit tree	The cost of the seedling and monetary compensation for the value of the crop, multiplied by the number of years required for the young tree to reach maturity.
		Non-fruit trees	Timber or cash, equal to the value of timber.
	Users of trees	Fruit tree	The cash value of the harvest multiplied by number of years of using trees to rent
	owners	Standing crops	Every effort will be made to avoid impact on standing crops by adjusting construction period. If unavoidable, compensation at replacement cost
Irreversible acquisition	Public Assets	Structures	Compensation shall be provided in kind, new buildings / structures shall be erected, new structures shall be built, partially affected structures or buildings shall be repaired
Loss of livelihoods	All PAP categories	All types of livelihood activities	In case of loss of jobs, additional training shall be provided, as well as the assistance in the search for jobs; PAPs who lost their jobs shall be registered and other necessary assistance shall be rendered in each specific case. In addition, development assistance, for example, access to credit and training programs, providing employment opportunities and other necessary assistance for each specific case.
Poor and Vulnerable people	Vulnerable and poor people	Additional impact on livelihoods due to vulnerability	<p>Vulnerable and poor PAPs are entitled to appropriate additional assistance measures to prevent further negative impacts resulting from project implementation. Additional assistance can be provided in terms of provision of land and other property, payment of cash allowances and compensation, employment, etc. - depending on the specific conditions. Gender issues shall also be taken into account.</p> <p>Vulnerable person(s) include: households with disabled, women-headed households living below minimum wage, households identified as vulnerable by local self-government leaders.</p>

## **VI. LEGAL FRAMEWORK REVIEWING FIT BETWEEN BORROWER LAWS AND BANK POLICY REQUIREMENTS**

### **1. The legal framework of the Kyrgyz Republic**

The principle document regulating the KR residents' rights for land is the Constitution enacted by the KR Law dated 27 June 2010. According to the KR Constitution, land is under state, municipal, private and other forms of ownership.

As such, article 12 of the KR Constitution specifies as follows:

KR recognizes the variety of forms of ownership and guarantees equal protection of those.

Ownership is inviolable. None can be arbitrarily deprived of property. Expropriation of property against the will of the owner is possible only through a court decision.

Land, sub-soil resources, air space, waters, and forests are an exclusive property of the Kyrgyz Republic; those are used for protection of the unified environmental system being a basis of life and livelihood of KR people and protected by the government.

The extent and procedures used by owners to exercise their rights and ensure protection of those are regulated by Law.

Below are some articles of the Land Code of the Kyrgyz Republic mostly related to the matters of land use and acquisition:

#### *Article 4. Ownership of land*

In accordance with the Constitution of the Kyrgyz Republic, land may be the state, communal, private or other forms of ownership.

State - owned land shall include lands allocated to state land users, lands of forest, water funds, lands of especially protected territories, lands of reserve stock, lands of frontier area, lands of the agricultural ugodia re-allocation fund, pastures of rural settlements, pastures in the zone of intensive use, as well as distant pastures, and other land not transferred in private or communal ownership.

State ownership shall include lands of state pedigree cattle breeding, seed-growing, experimental farms, testing stations and areas, bases of education and scientific research institutions of agricultural profile formed on lands of the agricultural ugodia re-allocation fund, except lands allocated to citizens residing or working in the said farms as land shares.

The right of the State to land shall be exercised by the Government of the Kyrgyz Republic throughout the entire territory of the Republic within jurisdiction established by this Code.

3. Lands within the borders of rural councils, as well as within the borders of cities shall be communal ownership, except lands in private and state ownership.

Management and disposal of lands in communal ownership shall be exercised:

within the borders of rural councils – by the executive body of aiyyl or village council;

within the borders of cities - by local state administrations and bodies of local self-government;

Management and disposal of lands within the borders of rural councils and cities being in state ownership shall be exercised by the bodies of local government in cases provided by this Code.

4. Pastures cannot be transferred in private ownership or leased out.

#### *Article 7. Term of Utilization of a Land Plot by Land Users*

The use of a land plot may be termless (without indication of term) or fixed-term (temporary).

The fixed-term (temporary) use of the land plot including the use right on the conditions of the lease agreement shall be recognized the use of land limited in term up to 50 years. After expiration of this period, the period of use of the land plot may be prolonged subject to the agreement of parties.

Land plots shall be provided to foreign individuals for fixed-term (temporary) use only.

Agricultural land of reallocation fund shall be leased out as a rule for the period of not less than 5 years.

*Article 35. Transfer of a Land Plot. Payment for Transfer of a Land Plot (extract)*

1. An owner of a land plot or a land user may transfer the rights he holds to a land plot fully or partially to other individual or legal entity without any permission of state agencies unless otherwise provided by this Code, other legislative acts of the Kyrgyz Republic, conditions of allocation of a land plot.

2. Upon transfer of a right to land plot by the owner or land user to other individual or legal entity the amount of payment for land plot shall be determined by the agreement of parties.

*Article 53. Creation of an Easement*

1. An easement may be created by the agreement of the parties (voluntary easement) or in case of necessity, by the decision of the authorized agency (coercive easement).

2. Encumbrance of land with an easement shall not deprive the land owner/user of the right to use and dispose of its right to land plot.

*Article 56. Purposes of Creation of a Coercive Easement*

1. In cases provided by this Code and other legislation, an authorized agency may establish coercive easement upon demand of an interested party.

2. A coercive easement shall be established to secure:

1) access to a land plot if another access is impossible, extremely difficult, or requires incommensurate expenses;

2) laying and operation of electric transmission lines, communications, water supply, heat supply, reclamation, and other needs that may not be secured without establishment of a coercive easement.

*Article 57. Indemnification of Damages Related to Establishment of a Coercive Easement. Fee for a Coercive Easement (extract)*

1. Damages inflicted upon a land owner/user by establishment of a coercive easement shall be subject to indemnification by the person in whose advantage easement is established.

*Article 62. Termination of the Right to Land Plot*

The rights to land shall terminate in the event of:

Alienation of the right to land plot to another person;

Foreclosure of the land plot being in ownership or in use at claims of creditors in accordance with legislation;

Death of a land owner/user, provided that the owner/user have no heirs;

Voluntary waiver of the rights to land plot by the land owner/user;

Expiration of the term of the land use;

Termination of labor relations or of the relations equated to them which have conditioned the allocation of the official land plot for use;

Impossibility of further use of the land plot caused by a natural disaster;

Withdrawal of the land plot on the grounds and in the procedure provided in Chapter Eleven of this Code;

Liquidation of a state or a communal land user, of a public association, of a social fund, or of a religious organization;

Withdrawal of citizenship of the Kyrgyz Republic by the owner of the agricultural land plot or land plot, except in case of mortgage housing construction.

Termination of a concession agreement, a mining concession agreement, a production sharing agreement, and during termination of a right to use sub-soil resources;

Termination of an agreement concluded under public-private partnership.

*Article 66. Grounds for Withdrawal of the Land Plot (extract)*

Withdrawal of the land plot shall be allowed in the event of:

utilization of a land plot in violation of its targeted use;

withdrawal (redemption) of the land plot for state and public needs in accordance with provisions of this Chapter;

failure to use a land plot or part of the land plot allocated for agricultural production within three years;

failure to use a land plot allocated for non-agricultural production in accordance with the town-planning legislation;

failure to pay land tax within the period established by tax legislation;

*Article 68. Withdrawal (Redemption) of the Land Plot for State and Public Needs*

Withdrawal (redemption) of the land plot for state and public needs may be based on the agreement between the authorized agency and a land plot owners/user. In the event of disagreement of the land owner/user with withdrawal (redemption) or its conditions the authorized agency shall have the right to petition to the court within two months following the day of denial regarding compensable withdrawal (redemption) of the land plot.

In this case, pending the court decision on withdrawal (redemption) of the land plot, the land owner/user may exercise his right to land plot and make requisite expenses securing the use of the land plot in accordance with its targeted use. The land owner/user shall bear the risk of expenses and losses related to new construction, enlargement, or reconstruction of buildings and structures within the said period.

Upon calculation of the redemption price of the land plot, it shall include the market value of the right to land and of the buildings and structures located on the land, and the damages inflicted to the land owner/user by termination of the right to land plot, including the damages connected with early termination of his obligations to third parties.

4. In the event of withdrawal of the land plot for the state or public needs another land plot may be allocated to a land owner/user, subject to his consent and the value of the right to it shall be credited to the redemption price.

## **2. The World Bank Involuntary Resettlement Policy**

The WB's policy on Involuntary Resettlement OP 4.12 is aimed at avoiding where feasible or minimizing and mitigating negative impacts associated with involuntary land acquisition and impact on assets.

The overall OP 4.12 objectives are as follows:

Involuntary land acquisition shall be avoided, where possible, or minimized after exploring and analyzing all technically feasible project implementation alternatives.

If involuntary acquisition or impact on assets, including economic assets, is inevitable, resettlement activities shall be implemented as sustainable development actions, providing sufficient investment resources to enable the Project Affected Persons (PAPs) to gain benefits from these activities. PAPs shall be meaningfully consulted and have opportunities to participate in planning and implementing resettlement programs.

PAPs shall be assisted in their efforts to improve their livelihoods and living standards or, at least, to recover them, in real terms, to pre-resettlement levels or to the levels prevailing prior to project implementation, whichever is higher.

To address the resettlement policy impact, this policy requires preparation of a RAP for the land acquisition process, once the extent of the direct impact is known. Where an impact is minor (less than 200 people, no person is physically displaced, and less than 10 percent of their productive assets are lost), an Abbreviated

RAP can be prepared. For projects that have significant impacts, a full RAP is required. The policy requires that the following issues be taken into account in the process of resettlement planning:

To achieve the policy objectives, the World Bank requires special attention to be paid to the needs of vulnerable groups of the impacted population, especially to the residents living below the poverty line, the residents without land rights, the elderly, women, children, and ethnic minorities.

### **3. Measures proposed to bridge any gaps**

All the gaps identified in course of implementation of the Project shall be agreed with the WB and included in the RAPs prepared.

### **4. Comparison of the WB 4.12 Requirements with the Kyrgyz Resettlement Requirements**

Differences between the Kyrgyz Republic's Land Code and the WB policy are outlined in table 2.3.1 below. In the event of a discrepancy between the laws of the Kyrgyz Republic and the requirements of OP 4.12 "Involuntary resettlement", the principles and procedures of OP 4.12 shall be applied. This priority of the WB regulations over the state legislation shall be obligatory for all the World Bank-financed projects.

Main differences between the Kyrgyz Land Code and OP 4.12 “Involuntary resettlement” and how requirements will be fulfilled

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 requirements	Fulfillment of requirements <sup>27</sup>
Compensation for acquired land only for landowners with a land right, i.e. for those having a formal document confirming the right to land use, or those having of customary rights.	Lack of formal land right shall not prevent PAPs from being granted the right, i.e. those not having rights on land and/or premises/facilities that they occupy or use, shall be entitled to compensation for structures and to various options of assistance in resettlement under the Compensation eligibility matrix, provided that they had been processing/occupying the land in the period preceding the eligibility cut-off date.	<p>Under CSP, regardless of the availability or lack of a legal land right, PAPs shall be entitled to compensation for structures, trees and rehabilitation measures.</p> <p>Those not having formal legal rights to land by the cut-off date, but having a claim to such land or assets provided that such claims are recognized under the law of the Kyrgyz Republic or will be recognized through a process identified in the RPF / RAP. PAP shall be provided with compensation for the land and assets they lose, and other assistance in accordance with this RPF.</p>
Consultations with PAPs or communities on land or asset seizure are not required.	<p>PAPs shall be fully informed and consulted on obtaining compensation, on the rights on various types of compensation and resettlement options, including the locations of new settlements. This includes consultation with PAPs, awareness-raising campaigns, and allowing the PAPs to participate in monitoring, depending on the nature and extent of the impacts. RAPs shall be drawn up in consultation with the PAPs and other stakeholders.</p> <p>During consultations, gender issues shall be discussed in order to provide women with information and sufficient feedback opportunities.</p>	<p>During preparation and implementation of RPF and subsequent RAP, as well as during implementation of CSP, there will be mandatory consultations on options for PAPs resettlement over a period of time and in a format suitable for PAPs.</p> <p>PAPs will be consulted on project activities and project design.</p>

<sup>27</sup> International legal norms met by the Project.

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 requirements	Fulfillment of requirements <sup>27</sup>
There is no separate resettlement grievance redress	A grievance redress mechanism should be part of the RAP and avenues should be made available to allow PAPs to file their complaints and receive responds	The RPF, and subsequent RAP, provides grievance redress procedures.
No information disclosure procedures	Information disclosure is an obligatory requirement.  It is obligatorily required to disclose RPF and RAP both on the World Bank's website in the Infoshop mode, and disclosed in-country which may include the website of the relevant executing agency, as well as present copies of these documents to local self-government bodies and households directly affected by the Project.	Information disclosure procedures are set forth both in the RPF and in the RAP. Project documents will be disclosed on respective government websites, World Bank InfoShop and copies made available at locations easily accessible to impacted persons.
Compensation for land shall be provided at the repurchase price of the land plot, which includes the market value of the right to the land plot, buildings and structures located on the plot, as well as the damages inflicted on the land owner or land user as a result of the termination of the right to the land plot, including losses associated with early termination of obligations to third parties.	Provision of land in return for the seized area is preferred, while the proposed site should be acceptable for PAPs and correspond to the size and fertility of the lost plot.  If it is impossible to find a suitable land, compensation in cash shall be provided at replacement cost. The replacement cost for land plots shall be equal to the replacement value of land with a similar capacity located in the vicinity to the affected land plot, including the cost of adjusting the land condition to the similar condition of the land affected by the project plus, including the cost of fees for registration and re-registration of the rights on land ownership and use.	“land-for-land” Compensation for affected land shall be the preferred option. If compensation for the seized land with another plot is impossible, compensation shall be provided in cash at the full cost of replacement.
Compensation for other assets (structures, crops, trees and business income) shall be made to formal users at market value.	Cost of replacement of buildings and structures is equal to the replacement value. Depreciation of facilities and usable materials shall not be taken into account, as well as the cost of the project benefit.	Compensation for any other assets affected by the project (structures and trees, as well as commercial losses/loss of income) shall be provided in cash or in kind at the full a replacement cost, both for formal and informal users.

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 requirements	Fulfillment of requirements <sup>27</sup>
No provisions for supporting vulnerable PAPs are provided.	<p>Vulnerable categories shall be rendered the following assistance:</p> <ol style="list-style-type: none"> <li>1. In addition to compensation for lost assets, additional social allowances shall be paid within one year.</li> <li>2. Provide support in moving and, if necessary, transporting materials for impacted persons.</li> <li>3. Special attention shall be paid to income recovery for impacted persons.</li> </ol>	Vulnerable and poor PAPs are entitled to appropriate additional assistance measures to prevent further negative impacts resulting from project implementation and will be included in RAP implementation. Additional assistance can be provided in terms of provision of land and other property, payment of cash allowances and compensation, employment, etc. - depending on the specific conditions. Gender issues shall also be taken into account.
Payment for transportation costs and involuntary resettlement is not provided.	The replacement cost includes the costs of delivery of construction materials	Transportation costs associated with physical relocation shall be fully compensated.
At the stage of development of DDEs, proposals for acquisition of agricultural, high-yielding land shall not be applied, if other land is available.	Any land acquisition and resettlement shall be avoided, or if these are inevitable, they shall be minimized through exploring all possible options.	Alternatives will be explored in order to determine actions which will avoid, or minimize, impacts.
No assistance for temporary or irreversible loss of income/livelihoods is envisaged.	It is required to compensate for the loss of livelihoods and income as a result of temporary or irreversible land acquisition and other impacts caused by project activities.	Compensation for the loss of land or assets, or for the temporary or permanent cessation of income generation. <sup>28</sup>

<sup>28</sup> The formula for estimating compensation shall be developed and included in the relevant RAPs according to the eligibility matrix and compensation guidelines.



## **VII. METHODS FOR VALUING ASSETS**

### **1. Methods of Valuation of the Project Affected Assets**

This chapter describes the procedures for determining the value of assets affected by the Project.

#### **Compensation Types**

Compensation will be paid according to the Compensation Eligibility Matrix and Compensation Guidelines for the following assets:

- Compensation for land;
- Compensation for buildings and structures;
- Compensation for trees;
- Compensation for loss of business whether temporary or permanent;
- Compensation for other impacts specified in the Eligibility Matrix.

All these types of compensation are indicative, and may be used in preparation of detailed RAPs.

Assistance will be provided to vulnerable households. The estimation of compensations will be made with participation of certified estimators in accordance with the provisions of the WB OP 4.12.

Certified estimators will be involved to determine the value of the assets at the market price for inclusion in the RAP. Every year with the day of preparation of the RAP document will be reviewed to establish adequacy of compensation.

#### **Inventory of Assets**

During the census, the inventory of loss will be developed which include each asset name and an estimate of the value thereof based on the principles of the RPF. A copy of the inventory of loss will be shared with PAPs. The total list of affected assets and the indicated value thereof, including any additional compensation measures, will be registered and agreed with PAPs. At the same time, it should be stipulated that after the approval by the World Bank and by the CSP project coordinator, one copy of the RAP will be forwarded to PAPs with a description of the grievance redress procedures and will be sent to self-government.

### **2. Methods of Asset Valuation**

#### **Replacement Cost Method**

The land replacement cost is determined according to the market value of land having a similar value and, if possible, located beside the project impact zone, plus the cost of fees for registration and re-registration of land ownership or land use rights.

The cost of replacing buildings and structures is determined by the cost of materials required for construction or repair of the affected building or structure, plus the cost of delivery of construction materials to the construction site, plus the cost of contractors' work and fees for registration and re-registration of ownership. At the same time, depreciation of facilities and the cost of usable materials are not taken into account.

#### **Industrial Tariffs Scale**

The Ministry of Agriculture and Land Reclamation of the Kyrgyz Republic has a matrix of types of compensation for damage caused by land acquisition, loss of crops, and the rooting out fruit trees. When using this scale, the prices applicable during the actual replacement period shall be applied.

The State Agency for Architecture and Construction under the Government of the Kyrgyz Republic has a tariffs scale for estimating of construction works, the costs of construction materials and labor input. When estimating the replacement, the prices applicable during the actual replacement period shall be applied.

The ARIS social specialist will review these amounts at time of delivery of compensation to ensure amounts meet, or exceed, replacement cost.

### 3. Compensation for Various Assets

#### Land Compensation

In case of irreversible acquisition of land, formal users shall firstly consider the possibility of receiving another plot of land. If there is no alternative plot within a reasonable distance, the monetary compensation at the full replacement cost shall be paid.

In addition, PAPs will receive compensation for improvements made on their land, for example, for irrigation facilities, at current market rates<sup>29</sup> for labor, equipment, and materials.

In the event of partial acquisition of a land plot belonging to PAP, which would result in unsuitability of the land plot, compensation shall be estimated at the cost of the whole land plot, i.e. for the actually acquired part and for the rest of the plot having become unsuitable for use and/or unable to sustain PAP at standard of living levels which existed prior to project implementation.

In case of temporary acquisition of land with crops, compensation shall be provided at full market value of mature crops, or on the basis of the rates established by the Ministry of Agriculture, whichever is higher. Compensation shall be paid to a farmer, other than to a land owner, if the farmer is a tenant. Compensation shall also be paid for the lost fruit crops and other economic assets.

In addition to paying for the crops, the land shall be restored to its original condition, so that it could be further used for agricultural purposes.

#### Estimation of compensation for standing crops and fruit trees

Current prices of standing crops will be determined on the basis of the rates established by the Ministry of Agriculture or the highest market prices, whichever is higher.

The yield currently being cultivated or had been cultivated on the land in the most recent season is considered as a utilized yield.

In case of acquisition of leased land, compensation shall be paid for the entire agricultural season.

If the land to be acquired is privately owned, the owner, besides an alternative land plot or monetary compensation for land, shall also be compensated for the entire yield of the agricultural season.

In addition, PAPs can harvest crops before land acquisition. For early harvesting and obtaining an appropriate income at market prices, it is necessary to consult with the population in advance so that they could plan the harvesting accordingly.

The cost of labor input in the development of agricultural land is recovered through estimated amount of the average wage paid in this locality over a similar period of time. The amount of compensation for land shall be brought into line with the rates effective at the time of compensation.

Compensation for fruit trees shall be paid at the cost of the fruit tree seedling, taking into account the number of years that will be required for the newly planted tree to reach its full maturity, including the cost of fruit yield produced by this tree for the specified time.

#### Compensation for Structures

Affected people will be offered two options as mitigation measures for affected structures. Each PAP, or affected household, will be allowed to decide for themselves the preferred compensation package.

One option is that they are provided with alternative facilities (warehouses, fences, etc.) of equal or, if possible, a higher quality.

The second option is to provide monetary compensation at the replacement cost. The replacement cost shall be estimated based on the following indicators:

1. specifications of structures and identification of materials used;

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<sup>29</sup>So long as the market rates meet or exceed replacement cost

2. prices for these products shall be set according to the local market prices;
3. costs of transportation and delivery of these products to the replacing land plot or construction site;
4. estimates for construction of new buildings, including the cost of financing labor input;
5. all applicable taxes and registration fees.

### **Compensation for Public Assets**

Public assets identified in the course of the social and economic survey shall be also compensated. In all such cases, compensation shall be provided in kind, new facilities shall be built; facilities partially affected by the Project shall be repaired.

#### **Compensation for the loss of business**

Compensation shall be provided for loss of income during the construction period (the time interval between loss of income and recovery of commercial activities). This shall be established on the basis of PAP's daily or monthly income.

## **VIII. ORGANIZATIONAL PROCEDURES**

### **1. Roles and responsibilities**

Responsibility for development of the Resettlement Action Plan shall be undertaken by ARIS, on behalf of Project Implementation Unit, along with local self-government bodies participating in the Project. If necessary, external consultants capable of providing guidance, organizational and other assistance can be involved for developing the RAP. The planning of resettlement activities includes preliminary screening, utilizing checklist in Annex 1, and scoping of key problems, selection of appropriate resettlement tools, and collection of information required for the development of the resettlement action plan for the Project. These documents are developed with an engagement social, technical and legal specialist, as well as representatives of local community, project affected persons, and non-governmental organizations. The most important issue in preparation of resettlement action plan is the financing of compensation and other resettlement costs. Costs incurred for compensation due to land acquisition and/or asset impacts will be financed from the budget of the Project. RAPs shall be reviewed by the Project management. After the RAP is approved by the Project manager, it will be sent to the World Bank for final review and approval. Implementation of the RAP is carried out by ARIS, and behalf of the Project Implementation Unit, and local self-government bodies participating in the Project.

ARIS shall also be responsible for monitoring of the implementation of RAP, ensuring compliance of the resettlement procedures with the RPF and WB safeguards requirements. According to the RPF, the implementation of sub-projects affected by resettlement can't be launched until impacted person(s) or households receive all compensations for impacts that will be caused by project activities. All necessary measures in respect of real estate and compensation for resettlement and change of place of residence shall be carried out properly and in accordance with the requirements of the RPF, and subsequent RAP, before the implementation of the project activities. The activities ensuring compliance with this policy should be included in each Resettlement Action Plan.

ARIS responsibilities shall be as follows:

- prepare RAP in cooperation with local self-government bodies with the participation of PAPs;
- develop ToR for local consultants of appraisers;
- ensure reliability of the census of PAPs and their assets;
- Securing all clearances from local authorities, PIU, and World Bank;
- inform the PAPs about the final RAP;
- submit the RAP approved by the WB to all stakeholders;
- implement the RAP in conjunction with local self-government bodies;
- make payments to PAPs and appraisers

Responsibilities of local self-government bodies are as follows:

Assist ARIS in preparation and implementation of the RAP

Assist ARIS with RAP implementation

## **2. RPF and RAP implementation arrangements**

Overview. ARIS shall monitor the planning and implementation of resettlement activities, and coordinate all the matters related to compensation. These activities shall include:

- a) Preparation, approval process, disclosure and timely implementation of resettlement tools (RPF and RAPs);
- b) Overall management and coordination of the activities on assessment of the scope of resettlement;
- c) Management of the Safeguards Consultant's activity, which includes asset valuation and proper provision of compensation;
- d) Management of public consultations;
- e) Monitoring the implementation of measures for the compensation of PAPs
- f) Monitoring of implementation of all the resettlement activities, including grievance redress.

Implementation of resettlement and compensation activities, such as identification of land plot boundaries and ownership, within the project shall be assigned to local self-government bodies with assistance from ARIS. A bilateral Memorandum on Cooperation between local self-government and ARIS, on behalf of project implementation unit, will be signed. A Safeguards Consultant shall support the implementation of resettlement activities. Implementation of compensation activities within the project is assigned to local self-governments. ARIS safeguard consultant shall develop the RAP and support the implementation of resettlement activities. To assess the value of PAPs assets a local-consultant asset evaluator shall be hired. The cost of hiring a consultant may be included in project budget for RAP preparation and compensation..

### **Assessment of the Project Scope**

The first step in the process of preparing a RAP shall be to determine if the policy is triggered using the checklist in Annex 1. The assessment process identifies land plots and assets that may be impacted. This assessment shall be carried out by safeguards experts of ARIS together with the representatives of local self-government bodies and shall be used to identify the types and nature of potential impacts associated with activities proposed for implementation under this Project with a view to appropriate mitigation of these impacts.

This assessment shall also state that the prevention or minimization of resettlement, and impacts, is a key criterion in the preparation of the RAP prior to commencement of the CSP sub-project.

The assessment shall be conducted according to established criteria, and shall be documented as a report on the screening of potential social impacts,(see Annex 1-3), after adoption of main technical decisions or detailed sub-projects. A social specialist will be included in assessing technical designs to provide input of alternatives which may reduce impacts.

The design shall not be completed until it is clearly stated that all attempts have been made to minimize impacts. If the assessment findings indicate that the resettlement policy has been triggered, the next step shall be preparation of a Resettlement Action Plan<sup>30</sup> which includes a social and economic census and inventory of the land reserve and assets to be impacted, and determine the extent of impacts and compensation.

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<sup>30</sup>See Annex 5 for detailed outline of RAP contents

Voluntary Land Donation is accepted as long as the free, prior and informed consultation process is adhered to and if the situation is well documented by local authorities. As such, PAP and affected household have the right to make a contribution of land or other assets of their own volition without seeking or being given any form of compensation. These situations can be justified because the proposed sub-projects will likely directly benefit the PAP and affected household. Voluntary contributions of land is not allowed if impacts is greater than 10% of the total land area or productive assets. Land donation cannot cause negative impact on person or household donating land and also receive benefits from the project. A Voluntary Land Donation Report will be prepared, and reviewed by World Bank. (see Annex 7 for more details).

## **Social and Economic Surveys, Census and Inventory of Losses**

If the results of the assessment indicate the need for involuntary land acquisition, impact on assets, and/or loss of livelihoods, the next step shall be to determine the socioeconomic status and census of PAPs. Census data includes, but not limited to, age, income, household data, impact on assets, and dependence on asset. This activity should be carried out with the assistance of the ARIS social services consultant.

During the census, it shall be required to establish the cut-off date which will be the date of completion of household census and enumeration of assets. A RAP shall be developed based on the collected census data.

The census process shall include direct consultations with PAPs (with all adults residing within households, or both spouses) who shall interact with a social consultant in plain and comfortable manner to identify the project affected assets and discuss their social and economic situation. In the process of consultations, the compensation rights of PAPs shall be explained both verbally and in writing (information booklets, presentations) and announcements posted in public places. Grievance procedures and the compensation eligibility matrix shall also be described. Verbal information shall be given to illiterate people in addition to written information materials. The PAPs shall be given the opportunity to express their feedback and concerns which should be addressed during preparation of RAP.

If direct consultations with the PAP are impossible because of their absence (they might be in other cities or countries), the social consultant in conjunction with the LSG representatives shall take the actions to bring the information on the resettlement to the absent PAPs through their relatives or neighbors at the place of residence. The number of visits shall be indicated, to whom and when the copies of documents are handed over, and the date and time of the next visit, etc. Minutes will be kept for all consultations.

## **Preparation of RAP**

RAP will be prepared after the social and economic census and the identification of project affected parties.

The RAP will be drafted in consultation with the project affected parties. In particular, consultations will be held on compensation entitlement, as well as on emerging obstacles to economic and livelihood activities, on assessment methods, compensation, possible assistance, PAPs' inputs, as well as on the timeline for implementation. The final version of the RAP will incorporate PAP's remarks/comments. The key RAP elements indicated in OP 4.12 are listed below with a full list of a RAP table of contents in annex. More detailed guidance on RAP preparation is available on the World Bank website or in the World Bank's Involuntary Resettlement Sourcebook<sup>31</sup>.

The Project impact on the displaced population is assumed to be minor (i.e., the PAPs are not likely to be physically displaced or lose their operational assets), with less than 200 people to be negatively affected. Therefore, preparation of abbreviated RAPs is allowed..

The RAP will also include a section on project description, legal and institutional frameworks that apply to project, compensation entitlement matrix, census of individuals and households affected, as well as a list of their assets (a list of losses, costs and budgets for compensation and resettlement, social and economic data, etc.). The data on the project-affected households are considered as an important component of the RAP; however, due to respect for privacy, the information relating to particular individuals and households shall not be subject to public disclosure. The data census collected during RAP preparation will serve as a baseline by which to determine if a person/ household has been able to maintain, or improve, their standard of living to pre-project levels.

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<sup>31</sup> The sourcebook is available through the following link:

<http://documents.worldbank.org/curated/en/206671468782373680/pdf/301180v110PAPE1ettlement0sourcebook>

The RAP will include information on the baseline census carried out under social and economic survey, compensation entitlement matrix, compensation cost, entitlements associated with additional impacts identified in the census or surveys, description of resettlement sites, programs for improving or restoring income sources and living standards, as well as a schedule for implementation of resettlement activities, detailed cost estimates and grievance redress mechanisms.

If the total number of affected people is less than 200, an abbreviated RAP will be prepared which will include, at minimum: (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.

### **RAP disclosure and approval**

The following steps should be followed after RAP preparation:

The draft RAP shall subject to discussion with PAPs; the latter will receive a copy of the RAP a week before the discussion. Public consultations shall be attended by PAPs, LSG representatives, ARIS representatives, and NGO representatives.

After the discussion, comments and proposals shall be reflected in the RAP.

The RAP shall include a section of the consultation process with the matrix of comments and the proposals for the implementation thereof.

The Safeguards Consultant shall submit the RAP to the Project Coordinator for approval.

After inclusion of the comments received as a result of disclosure of the RAP and after approval thereof by the Project Coordinator, the RAP shall be officially sent to the WB for review and confirmation on the compliance with OP 4.12 and other applicable policies/procedures.

Once the World Bank confirms the acceptability of the quality of the RAP, it shall be disclosed on the WB Info-shop website, published as a final RAP on the ARIS website and re-shared with all stakeholders. Private information about PAPs shall not be made publicly available.

### **3. Resettlement Action Schedule**

The activities entailing acquisition or loss of land, refusal or restriction of access to the land, impact on assets, or loss of income, shall include the payment of compensation, and other assistance for resettlement and preparation of the area to which PAPs will be resettled, providing the area with appropriate conditions, if necessary. Acquisition of land and respective assets shall be possible only after full payment of compensation, and, if applicable, providing the resettled persons with land and assistance in resettlement. In cases of physical resettlement, construction/provision of a new place of residence shall be carried out and completed prior to PAP experiencing negative impacts from project activities.

Measures to ensure compliance with this RPF, and World Bank Involuntary Resettlement policy, will be included in RAPs to be drawn up under the projects triggering resettlement. The RAP will include a schedule for implementation of resettlement activities, including all stages: starting from preparation to completion of works, indicating the specific deadlines for achieving the intended benefits for both the PAP and the local population, and termination of various forms of assistance. The final RAP identifies all agencies responsible for each RAP step as well as budgeting and payments. The parties to the project (local administration, contractors and PAPs) will also agree on how these activities are related to the implementation of the project as a whole. The final RAP will be published on the ARIS website, published on the World Bank InfoShop website, and distributed to local areas that are easily accessible to PAPs.

The planning of these measures will ensure that no person or family is resettled (economically or physically) or impacted as a result of reconstruction/construction until the compensation is paid and the resettling area is ready and provided with the appropriate conditions for resettlement of PAPs. Asset acquisition and compensation shall be paid to PAPs after their written consent.

## IX. GRIEVANCE REDRESS MECHANISM

### 1. GRM structure

Grievance Redress Mechanism (GRM) is a process of receiving prompt, objective information, evaluation and consideration of appeals (claims, suggestions, complaints, requests, positive feedback) related to ARIS projects. The government is currently preparing a Beneficiary Feedback Mechanism (BFM) to be used by all projects, and will include a GRM component. Once the BFM has been finalized by the government, and with World Bank No Objection, the BFM will be adopted by the CSP project.

In accordance with the Law of the KR “On the procedure of citizen’s appeals” and internal regulations of ARIS work with the appeals, citizens/beneficiaries may send any appeals on the issues related to the implementation of ARIS projects at all implementation stages, including the Resettlement Program issues (to identify resettlement needs); follow the procedures of involuntary resettlement in accordance with the laws and regulations of the Kyrgyz Republic and WB OP policy 4.12 on Involuntary Resettlement. The appeals may be sent to ARIS via the following channels of Grievance Redress Mechanism:

Methods for logging grievance	Grievance procedures
<ol style="list-style-type: none"><li>1. Hotline (calls are received 24-hours; conversations will be recorded);</li><li>2. WhatsApp (a system of immediate text messaging for mobile devices with voice and video connections);</li><li>3. Social media (Facebook, Odnoklassniki);</li><li>4. ARIS web-site: <a href="http://www.aris.kg">www.aris.kg</a>;</li><li>5. verbal or written appeal received during the on-site working meetings;</li><li>6. Incoming correspondence via ARIS reception;</li><li>7. Incoming correspondence via e-mail.</li></ol>	<ol style="list-style-type: none"><li>1. The appeal are fixed in the log of GRM incoming correspondence and considered, provided that the following data is given:<ul style="list-style-type: none"><li>• name and surname;</li><li>• registration and residential address or telephone number;</li><li>• contents of the request;</li><li>• other background information.</li></ul></li><li>2. The appeal are entered into GRM configuration in 1C program to analyze and monitor.</li><li>3. The appeals may be submitted anonymously. The privacy shall be ensured in all cases including the case when the identity of a person submitting the request is known to avoid a conflict between the interested parties.  ARIS, on behalf of Project Implementation Unit, will immediately contact person(s) lodging grievance to determine nature  ARIS, along with local self government representatives, will work with person(s) to resolve grievance.  If grievance cannot be resolved by ARIS and local self-government, the complaint can be filled through government systems and legal court system</li></ol>

Grievance Redress Mechanism shall ensure flexibility and availability of using above-mentioned channels to the citizens/beneficiaries, anyone wishing to submit an appeal. The work with citizen’s/beneficiaries’ appeals is carried out by ARIS specialists responsible for the implementation of Grievance Redress Mechanism. If the complainant is not satisfied with measures proposed by project implementers, then the complaint can be taken to the local and national legal system.

## **2. Public Awareness-Raising on GRM**

Information on Grievance Redress Mechanism will be disseminated to all beneficiaries and people having been influenced by ARIS projects via regular information channels (for instance, TV and radio companies, printed media, radio stations, news agencies, social media) including organization of meetings, roundtables, public hearings (including on resettlement or compensation), working meetings at all stages of ARIS projects implementation; and through ARIS GRM training module and other awareness sources.

ARIS will provide information on the scope of Grievance Redress Mechanism, eligibility criteria for submission of the appeals, procedure of appeal submission (where, when and how), deadlines of response, as well as the privacy principle and the right to submit anonymous appeals.

## **3. Consideration Process of ARIS GRM**

When receiving grievance, the following is defined:

- Type of grievance
- Category of grievance
- People responsible for the study and execution of the grievance redress.
- Deadline of resolving the grievance.
- Agreed action plan

After defining the type of grievance, GRM specialist registers the details related to the grievance in the log of incoming correspondence and then in the GRM configuration in 1C program.

A person sending the appeal will receive a notification in which GRM specialist will inform the following via telephone or other GRM channels:

Name and surname of the executor (project specialist) to which the grievance was forwarded

Deadlines for the execution (maximum 60 days since the day it was registered)

Deadlines and actions are determined in accordance with the ARIS GRM instructions on the work with the grievance.

Notification will be registered in the log of incoming correspondence. GRM specialist will help an appealing person at all stages of consideration and warrant that grievance is considered in due manner.

In case if the citizen/beneficiary is not satisfied with the resolve received after the consideration he/she has a right to appeal. The appeal is considered by the ARIS special Review Committee. Executive director of ARIS will form the Review Committee from project managers and head of departments that will conduct appeal hearings. The Review Committee will consist of [people from GRM as well as people independent from project implementation unit and the Government of the KR, such as representative NGOs.

After review of the appeal the citizen/beneficiary unsatisfied with the solution received has a right to appeal against the decision in court.

## **4. Publication of the Appeals**

After the Appeal (applications, suggestions, complaints, requests, positive feedback) is resolved measures taken to resolve the appeal will be published in mass media at the local level as a way to encourage other to utilize the GRM. Upon request the identity of person(s) who submitted grievance will be kept in secret.

## **5. Reporting on GRM progress**

Quarter and annual reports of ARIS projects shall include Section related to Grievance Redress Mechanism which provides updated information on the following:

- Status of GRM formation (procedures, training, population awareness campaigns, budgeting etc.);
- Qualitative data on number of received grievances \ (applications, suggestions, complaints, requests, positive feedback), highlighting those grievances related to the WB policy OP 4.12 on Involuntary Resettlement and number of resolved grievances;
- Quantitative data on the type of grievances and responses, issues provided and grievances that remain unresolved;
- Level of satisfaction by the measures (response) taken;



- Any correction measures taken.

## **X. FINANCING ARRANGEMENTS AND BUDGET**

### **Financing Arrangements**

Involuntary resettlement costs include several key articles: compensation for land plots/real estate assets withdrawn for state/municipal needs; costs associated with the implementation of assistance measures for affected persons in the process of resettlement; costs associated with the implementation of supportive measures for affected persons during the period of settlement at a new place of residence/business (if necessary); costs related to supervision over the implementation of the Project RAPs. The cost of resettlement required to achieve the project objectives shall be financed from the project budget. Estimation of the total cost of resettlement activities is determined on the basis of a census of the affected population, an inventory of the affected real estate assets, assessment of its market value, determining the total amount of compensation for withdrawn real estate property, taking into account the individual cases of the resettlement affected right-holders and persons having no formal rights, defining the cost of additional associated measures of social support. If there is a need for involuntary resettlement, these costs should be financed from the project budget.

To appraise the value of the PAPs' assets, a local Appraisal Consultant will be involved. The costs of employment of the Appraisal Consultant will be financed from the Project budget. The Safeguards Specialist will assist in preparation of the ToR for the Appraisal Consultant. After approval by the WB, the RAP will be forwarded to the local self-government bodies, after which ARIS will arrange for compensation measure to be implemented, including the transfer of funds to the PAPs account. Local self-government bodies will assist in final confirmation that all compensation has been received and no further claims will be submitted.

In case of the implementation of the RAPs not associated with the need for monetary compensation for PAPs, local self-government bodies, with assistance and guidance from ARIS, will arrange the RAP implementation activities (e.g., the allocation of a land plot, resettlement assistance, etc.). Costs of land registration, taxes, etc. are financed from the project budget.

Contingencies associated with implementation of RAP will also be paid from the Project budget.

### **Resettlement Budget**

At this stage, it is impossible to estimate the precise number of people who may be affected by the Project, since communities have not decided on the sub-projects to be implemented, detailed design documents have not yet been developed, and it has not been known, whether the project design requires temporary or irreversible land acquisition. Therefore, it is impossible to estimate the budget of the total cost of resettlement, which might be related to implementation of the CSP.

A detailed and accurate budget will be drawn up in the RAP, which will be financed from project budget according to the rules and guidelines on finance administration and management, like any other event eligible for payment.

The budget will include the following costs:

- compensation, according to the RAP;
- payment for the services of a social consultant;
- costs for the information campaign, including communication costs, organizing and conducting consultations (rent of premises, printout of information materials and other expenses);
- expenses for information disclosure;
- costs of monitoring;
- costs of implementation of the Grievance Redress Mechanism;
- an additional 10% of compensation amount for contingencies.
- the cost of public services or independent expert's appraisers

# **XI. MECHANISMS FOR CONSULTATIONS WITH AND PARTICIPATION OF IMPACTED PERSONS IN PLANNING, IMPLEMENTATION AND MONITORING**

## **1. Arrangements for consultations with PAPs**

As project activities will be based on community-driven decisions, local community members will meet at a local venue to discuss project priorities. Local government and project representatives will present project goals to initiate community discussion on project options, and assist communities in making decisions on for project proposals. The participants will be selected from representatives of ayil okmotu, deputies of local keneshes, representatives of architectural services, ecology, representatives of rayon sanitary epidemiological services, etc., as well as non-governmental organizations and local residents. The public hearings documents shall be posted in Appendix 6. During the implementation of the Project, the PAP will be consulted

During the Project implementation, the PAP will be consulted at all stages:

- prior to commencement of CSP implementation, consultations will be held to discuss the RPF with the stakeholders;
- after determining the construction sites, the CSP team will consult with the directly impacted PAP to inform them about the project, its scale, impacts and solicit feedback. The result can be a change in the project scale or design to minimize impacts. the need for resettlement;
- preparation of RAP census will begin after completing the inventory and asset assessment, the CSP Safeguard specialist / Consultant will discuss the details with the PAP, and affected household, to ensure that the inventory assessment is valid and acceptable to them;
- after completion of RAP and approval from the Bank, the PAP/ affected household will be provided with a copy of the RAP in the language and form available to them;
- prior to commencement of the sub-project implementation, with every PAP/ affected household, the proposed amount of compensation in cash or in kind, for consideration and approval will be discussed before the transfer of assets;

PAPs are entitled to the presence of a third party, of their choice, most likely the deputies of the ayil kenesh, before the final transfer of assets. At any time, the PAP can file a complaint following the above procedures.

The relevant materials shall be provided in time before the consultation, which in form and language will be understood by the residents with whom consultation is being conducted. Prior to implementation of resettlement measures, the population will be given enough time to review and discuss the information provided. Community feedback will be included in the design and implementation of the RAP, and, if necessary, the implementation of the project on a wider scale.

The consultations will be recorded in minutes with details of the consultation process: the participants, the issues under review, the nature of the information provided, the questions and answers raised. The consultation report should also include participants' demographic data (gender, age, interest groups, etc.).

## **2. Summary of consultation on draft RPF**

## **3. Monitoring and Evaluation Mechanism**

### **Overview**

The monitoring mechanisms will correspond to the overall monitoring plan for the whole Project to be implemented by ARIS. All RAPs will include the main objectives allowing for evaluation of RAPs' performance, including the following:

- (i) individuals, households and communities affected by the Project will be able to maintain and even improve their pre-project living standards;
- (ii) local communities support for the Project;
- (iii) the number of complaints and claims addressed.

In order to evaluate accomplishment of tasks, RAPs will specify the indicators to be monitored, the monitoring stages will be defined and the resources required for monitoring will be provided. All the collected data will be broken down, taking into account gender and any identified vulnerable person or household. The PIU specialist will introduce an administrative reporting system that will:

- provide timely information on all resettlement as a result of the project activities;
- Identify unresolved complaints;
- record timely fulfillment of project obligations responsibilities for resettlement and compensation issues;
- assess whether all the PAPs had received compensation in accordance with the requirements of RAP.

Indicators will be provided in the RAP. Information on these indicators will be collected by ARIS safeguards specialist on a regular basis (for example, quarterly or every half-year, as appropriate); progress will be measured.

### **Monitoring of RAP Implementation**

Safeguards Consultant responsible for RAP development:

I. Will be responsible for collecting baseline data on all physical or economic impacts arising from the project, including:

- a) the number of households and individuals impacted, resettled physically, or economically impacted, as a result of each activity, and the number of RAPs required;
- b) baseline data on standard-of-living which can include indicators such as access to health, education, water, electricity, and income opportunities, quality of home, food security,
- c) the duration of the period from finalizing the design to paying compensation to PAPs;
- d) the duration of the period from the payment of compensation to the commencement of construction work;
- e) the amount of compensation paid to each family (in monetary terms), or the nature of compensation (in-kind);
- f) the number of people who complained about the project;
- g) the number of resolved and unresolved complaints.

II. Monitor the timeliness of compensation payments to each PAP or household.

III. The consultant will maintain a complete database of resettlements, which will be updated at least once every 6 months, that will become a part of the official CSP documents.

A final report will be completed, which compares standard-of-living indicators to pre-project levels to ensure impacted persons have been able to improve, or at least maintain, their standard-of-living.

## ANNEX 1: SCREENING REPORT FORM OF EXPECTED SOCIAL IMPACTS

*(The report should be short)*

Sub-project \_\_\_\_\_

Sub-project implementation location \_\_\_\_\_

(Indicate location of implementation with the designation on the map-scheme with photos)

Kind of activity: \_\_\_\_\_

(new construction, reconstruction, rehabilitation, maintenance) Estimated cost \_\_\_\_\_

Estimated start date: \_\_\_\_\_

Technical drawings / specifications discussed: \_\_\_\_\_

Checklist:

№	Possible impact factor	Availability (Yes/ No)
1.	Does the sub-project fall into private land?	
2.	Is it necessary to physically or economically relocation of residents or businesses? Will there be involuntary acquisition of land? Will there be impact on assets?	
3.	Are social impacts potentially significant?	
4.	Is it required to determine the level of assessment of institutional resources necessary for protection measures?	
5.	Are there any third party assets at the project site?	
6.	Are there any disputed territories?	
7.	Will there be access roads and pedestrian paths to residential buildings and commercial structures during construction?	
8.	Will the construction lead to changes in social environment, will the incomes of commercial structures and the population decrease?	
9.	Will the planned construction affect the health of the population and harm somebody?	
10.	Will the sub-project cause protests and concerns among residents?	
11.	Will activities cause unfavorable impact on the living conditions of the population, its values, and way of life?	
12.	Will the sub-project cause inequality between population groups?	
14.	Is the degree of public interest in the sub-project high?	
15.	Are there any facts of the past impact of involuntary resettlement in a given territory, which require corrective actions for not mitigated past relocations?	

Based on the above checklist it will be determined if a RAP is required.

*8.Recommendations:*

Taking into account responses to monitoring questions, it will be determined whether further actions are required or not to apply procedures of OP 4.12 "Involuntary Resettlement" \_\_\_\_\_

*Consultant's full name:* \_\_\_\_\_

*Signature:* \_\_\_\_\_ *Date:* \_\_\_\_\_

## ANNEX 2: PAP CENSUS FORM AND INVENTORY OF THE LAND FUND

### Household interviews

	name	gender		age	Marital status and educational level	supporter		employment		family income level	Rented or own housing	Does the family receive social assistance?
		m	f			да	нет	да	нет			
1.												
2.												
3.												

Consultant's full name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## ANNEX 3: INVENTORY OF PAPS' LAND ASSET

Location \_\_\_\_\_ Date: \_\_\_\_\_

№ Of interview	Full name of household head	Number of households	Total land area owned by the family, incl. with the right of ownership, irrigated or bogharic	Land area to be seized m2 / ha	Total loss %	% Loss of assets, (m², m, pcs, etc.) (specify type and number of assets: structures, fences, wells, etc.)		Loss of housing stock, (m²)	Loss of harvest			Other losses, (specify type of loss: rented housing, building, etc.)
						Constant	Temporary		Fruit trees, species and quantity, (pcs.)	Loss of crops	Other (specify)	
1.												
2.												

INTERVIEWER NAME \_\_\_\_\_Signature\_\_\_\_\_ / Date\_\_\_\_\_ /

**ANNEX 4: PAP RIGHTS FOR COMPENSATION**

No Of interview	Full name of household head	Compensation for land			Compensation for construction			Compensation for crop and trees			Compensation for other assets and losses (wells, business, etc.)		
		amount (m <sup>2</sup> or hectares)	Unit price per (m <sup>2</sup> or ha)	Right	Number (m <sup>2</sup> or ha)	Unit price per (m <sup>2</sup> or ha)	Right	Number (m <sup>2</sup> or ha)	Unit price per (m <sup>2</sup> or ha)	Right	Number (m <sup>2</sup> or ha)	Unit price per (m <sup>2</sup> or ha)	Right

INTERVIEWER NAME \_\_\_\_\_Signature\_\_\_\_\_ /

Date \_\_\_\_\_ /

## ANNEX 5: INDICATIVE CONTENT OF THE RESETTLEMENT ACTION PLAN

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#### 1 GENERAL DESCRIPTION OF THE PROJECT

##### 1.1 Definition of the sub-project boundaries

#### 2 EXPECTED EFFECTS

#### 3 RATIONALE FOR THE BASIS OF RESETTLEMENT POLICY. TASKS AND PRINCIPLES

#### 4 LEGAL FRAMEWORK

#### 5 CATEGORY OF PERSONS WHO HAVE THE RIGHT TO COMPENSATION AT RESETTLEMENT

#### 6 CENSUS OF PROJECT AFFECTED PERSONS (PAP

##### 6.1 Assessment of compensation measures

#### 7 CONSULTATIONS AND INFORMATION OF PAP

#### 8 INSTITUTIONAL RESPONSIBILITY

##### 8.1 GRIEVANCE REDRESS MECHANISM AND SATISFACTION OF COMPLAINTS.

###### 8.1.1 Grievance Redress Mechanism is as follows

###### 8.1.2 Management of registered complaints

#### 9 RAP BUDGET AND IMPLEMENTATION MECHANISMS

##### 9.1 The budget of this RAP is

##### 9.2 Disclosure and approval of the RAP

##### 9.3 Monitoring of RAP implementation

ANNEX 1: Form of screening report

ANNEX 2: Map scheme with designation of PAP facility

ANNEX 3: Household interview, inventory of assets, right of PAPs to compensation

ANNEX 4: Mayor Decree No. \_\_\_\_ "On allocation of land for construction of tanks

ANNEX 5: AO DECISION № \_\_\_\_ dated \_\_\_\_ "On allocation of plot on the site \_\_\_\_ for construction of the WDU"

ANNEX 6: MINUTES of consultations with PAPs

ANNEX 7: Commission report on survey / identification of social impact

APPENDIX 8: MAYOR INSTRUCTION №\_\_ dated \_\_\_\_ "On reimbursement of monetary compensation for PAP

ANNEX 9: PAPs' LETTER agreeing on the amount of compensation

ANNEX 10: APPLICATION FORM for COMPLAINT

ANNEX 11: PHOTO 1. PAP facility, PHOTO 2-3. ANNOUNCEMENTS ABOUT THE DATE OF TERMINATION, PHOTO 4-7 CONSULTATIONS

ANNEX 6: REPORT ON CONSULTATIONS ON THE DRAFT RESETTLEMENT POLICY FRAMEWORK



## ANNEX 7: VOLUNTARY LAND DONATION

### PREPARING THE VOLUNTARY LAND CONTRIBUTION REPORT

For sub-projects with voluntary land contributions, the project implementing unit must prepare a voluntary land contribution report consisting of:

- ☐ Voluntary land contribution report (VLCR);
- ☐ Land Survey Map;
- ☐ Schedule of Land Acquisition, if applicable;
- ☐ List of Voluntary Contributions of Land and other assets;
- ☐ List of participants in Land Survey with gender equality; and
- ☐ Two meeting minutes: 1) Minutes of disclosure meeting about the right of land users, and 2) Minutes of the meeting to discuss and make agreement.

### VOLUNTARY LAND DONATION (VLD) FRAMEWORK

In accordance with community customary practices, communities may choose to voluntarily contribute land or assets without compensation. This can often be justified because the sub-project may provide a direct benefit to the affected people.

1. Scope of voluntary land donation. VLD is applied for beneficiary communities with no involuntary land acquisition and based on community-driven demand. VLD will be accepted when small areas of private land and assets where the affected users of the assets and land have agreed to give their land and other assets as a voluntary contribution to the sub-project. No individual or family will lose more than 10% of their land. Additionally, the land portion to be voluntarily donated shall be free of houses, structures or other fixed assets. A report will be prepared showing that the land users have been fully informed about the sub-project, and about their right to refuse to give their land and other assets without compensation. This report will be called the “Voluntary Land Donation Report.”

2. Voluntary contribution is an act of informed consent. Project implementation unit will assure that voluntary contributions are made with the prior knowledge that other options are available including compensation in replacement values, and are obtained without coercion or duress. PAPs have the right to refuse to donate assets and receive their entitlement and compensation for their land and assets lost. They will be fully informed of their rights and access to grievance mechanisms described in this RPF.

3. Due Diligence. The voluntary land donation due diligence will be documented in the subproject investment’s feasibility assessment report and will incorporate at a minimum the following:

- a) Verification and documentation that land required for the project is given voluntarily and the land to be donated is free from any dispute on ownership or any other encumbrances;
- b) Verification that no individual household will be impoverished by the land donation (i.e., no more than 10% of total land holding donated) will require that community development groups negotiate livelihood restitution measures such as reduction in operation and maintenance fees or sharing of cultivable land;
- c) Verification that land donation will not displace tenants or bonded labor, if any, from the land;
- d) Meaningful consultation has been conducted in good faith with all potential land donors. Documented verification that land donors are in agreement with the subproject and its benefits. Separate discussions to be held with women and community groups as required to facilitate meaningful participation;

4. Documentation. Sub-project staff will document the voluntary land donation due diligence report in each beneficiary community that requires donation of private land. They will ensure completion of the written consent form for land donation. The donation will be verified by two witnesses who are community leaders but not the direct beneficiaries of the investment activity, to ensure that the land was voluntarily donated without any form of duress. The voluntary land donation due diligence information will be verified during sub-project detailed design and updated as necessary.

5. Voluntary Land Donation Monitoring. The voluntary land donation issues will be monitored by sub-project staff and the World Bank periodically review the land donation agreement forms and randomly interviewing the donors. During review missions, WB will verify that land donation due diligence has been conducted in accordance with the above procedures.

6. Grievance Redress Mechanism. Anticipated grievances may relate to coercion for land donation or a donation of more than 10% of private land holding, leading to impoverishment. Any complaint will follow the grievance redress mechanism established for the subprojects.