

Mersinli Wind Power Plant Project

Livelihood Restoration and Compensation Framework (LRCF)

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Quality information

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1. Introduction

Alcazar Energy, through the Project Company, as defined below, is planning to construct and operate the 58.7 MWm Mersinli Wind Power Plant Project (“Mersinli WPP Project”, “the Project”) in the İzmir province, within the administrative borders of Kemalpaşa, Torbalı and Bayındır districts, Çardaklı Tepe, Kartal Tepe, Mersinli, Karlık Tepe and Akçam Tepe localities. At the national tender application stage conducted for the wind power projects in 2007, the previous Project owner established a Project Company, namely Yander Elektrik Muh. Mus. Ins. Tur. ve Tic. A.S. (“Yander Elektrik” or the “Project Company”), for the development of the Project. In May 2017, Alcazar Energy, through a wholly owned subsidiary, acquired 100% of the shares of Yander Elektrik and is now the sole owner of the Project. The European Bank for Reconstruction and Development (EBRD) and Société de Promotion et de Participation pour la Coopération Economique S.A. (Proparco) are considering providing financing for the design, construction, and operation of the Project. Thus, the Project will be developed in compliance with EBRD Environmental and Social Policy (May 2014) and related Performance Requirements (PRs) and Equator Principles III (June 2013). It should be also note that the International Finance Corporation (IFC) became a shareholder of Alcazar in 2015 and therefore, each project of Alcazar is developed in full compliance with IFC Sustainability Framework and Performance Standards.

The Project Company retained AECOM Turkey Consultancy and Engineering Limited Company (“AECOM”) in April 2017 for the development of an Environmental and Social Impact Assessment Report (ESIA) for the Project in line with International Finance Institutions’ (IFIs) requirements to inform their decision making process on financing the Project. The entire Project related environmental and social impacts are addressed in a standalone ESIA Report.

This document is the Livelihood Restoration and Compensation Framework (LRCF) prepared for the Project in parallel to the ESIA studies. The LRCF describes the objectives, principles and planned approach to livelihood restoration and compensation for economic displacement. No physical displacement is anticipated as a result of the Project, and so it has not been covered in this Framework. The LRCF provides information about the activities and compensation strategies that will be implemented during the course of the Project by the Project Company.

The LRCF has been prepared to comply with Turkish laws and regulations, EBRD and IFC requirements/standards set out in the EBRD’s Environmental and Social Policy (2014) and IFC’s Performance Standards on Environmental and Social Sustainability (2012), more specifically EBRD’s Performance Requirement 5 on Land Acquisition, Involuntary Resettlement and Economic Displacement (PR 5) and IFC’s Performance Standard 5 on Land Acquisition and Involuntary Resettlement (PS 5). Both EBRD and IFC have identified the applicability of PR 5 and PS 5 to the Project. Based on this LRCF, a Livelihood Restoration and Compensation Plan (LRCP) will further be developed in line with EBRD PR5 prior to the start of construction activities, disclosed and implemented in the scope of the Project.

2. Project Description

2.1 Overview

The Project will consist of a total of 17 wind turbines each with 3.45 MWm capacity, making up a total installed capacity of 58.7 MWm. The Project's construction phase is planned to be completed in about 16 months, including: the earthworks, construction of access roads, preparation of crane pads and turbine foundations, other civil works and erection of turbines and commissioning of the power plant.

An Electricity Generation License ("License") for the Project was obtained from the Energy Market Regulatory Authority (EMRA) on behalf of Yander Elektrik on 5 July 2012 (licensing date). In accordance with the License, the Project is licensed to generate electricity for 49 years starting from the licensing date. The Project Company has applied to the EMRA for the amendment of existing license based on the current layout.

The socio-economic impact assessment area of the Project was determined based on turbines' distance to the nearest settlements, considering a 5 km radius. While determining the impact area, potential social impacts on local resources and receptors were considered. A map representing the Project Social Impact Assessment Study Area is given in Figure 2-1.

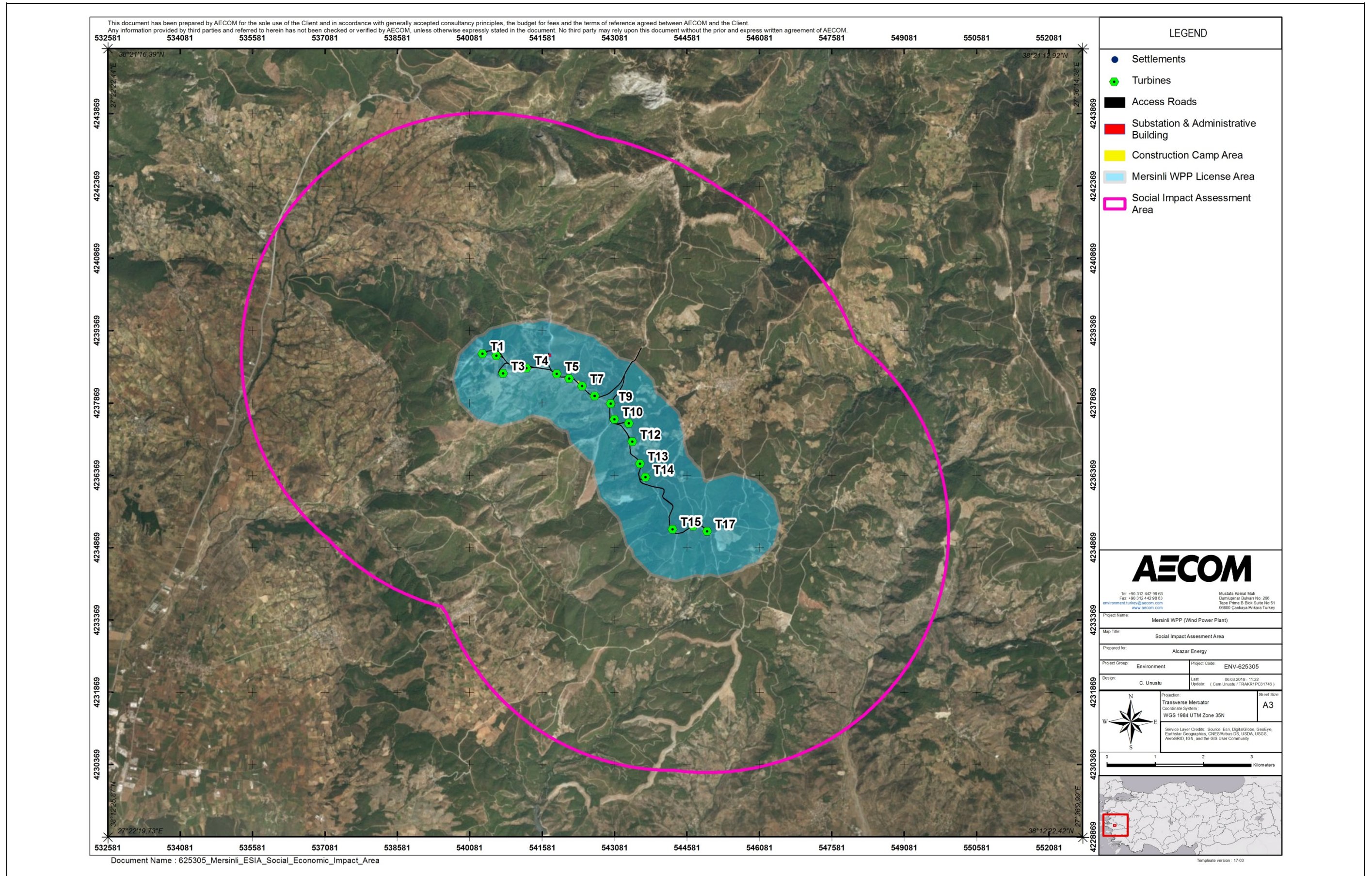


Figure 2-1. Social Impact Assessment Area for Mersinli WPP Project

2.2 Land Requirements

The Mersinli WPP License Area comprises of 1,620.5 ha of land that is mainly registered as forest land, The Project Units (footprint of turbine foundations, substation, access roads and the ETL) will cover a total of 31 ha of land, which represents 2% of the Mersinli WPP License Area. Although there is limited number of privately owned parcels within the License Area, these will not be directly impacted by Project activities. A Forestry Permit was obtained from the related authorities for the use of registered forest land that overlaps with the Project footprint.

The high voltage ETL (154 kV) of the existing Fuat WPP, which is operating in the north/north-east of the License Area, is crossing the License Area between Turbine-4 and Turbine-5. As a result of the optimised design, the Mersinli WPP Project will not include construction and operation of a new ETL, avoiding additional land requirements. The grid connection of the power plant will be provided by a 40-200 m line that will connect to the existing ETL of the Fuat WPP (pending on the TEIAS approval). To establish this connection, a new ETL pylon will be constructed by the Project Company at the western side of the substation.

2.3 Summary of Project Related Potential Impacts on Livelihoods

The Mersinli WPP License Area comprises 1,620.5 ha of land. It consists mainly of lands registered as forest and privately owned parcels (to a limited extent) used for agriculture. All of the Project units (including access roads and ETL connection) of the Mersinli WPP are located on registered forest lands covering a total area of around 31 ha. A Forestry Permit will be obtained from the Forestry authorities for the footprint areas of the turbines, access roads and other project units, which correspond entirely to registered forest lands. In the scope of this permit, the Project Company will be permitted to conduct activities only on the permitted forest areas. Registered forest lands located within the rest of the License Area will remain to be under the ownership and authority of the Ministry of Forestry and Water Affairs in line with the Forestry Law (Law No: 6831) and any activity to be conducted on these lands (e.g. logging) will be subject to the permit of the Ministry of Forestry and Water Affairs. The Project will not have any permit to interfere with the activities (e.g. agriculture) currently being conducted on the privately owned parcels located within the rest of the License Area (none of them are corresponding to the footprint of the Project components) in line with the applicable national laws and regulations. Activities (e.g. construction of buildings, business activities) to be conducted on the privately owned lands within the Licence Area will be subject to the permitting of related authorities (e.g. Ministry of Food, Livestock and Agriculture, Municipality) depending on the registry type of the land (e.g. agricultural, building plot).

The 31 ha of land that will be used for the Project units correspond to two registered forest parcels (277/1 and 277/2) at the foundation of Turbine 12. These parcels have been identified as being informally used for agriculture. The parcels are being used for cherry plantations and the Project could potentially have an impact on these activities.

There are also beekeeping activities within the Project License Area, which would also be potentially impacted by the Project activities. Consequently, this LRCF has been prepared to address all issues related to these two livelihood activities identified within the scope of the Project socio-economic studies.

These key socio-economic issues that have been identified based on the results of consultations with key informants, interviews with affected households and meetings with other stakeholders within the scope of ESIA studies of the Project are summarised as the following:

1. Cherry plantation activities of the informal users on the registered forest land, located at the footprint of Turbine-12;
2. Households conducting beekeeping activities within the Social Impact Assessment Study Area of the Project, which may be affected by dust generation during the land preparation and construction activities.

There are other activities conducted in and around the Mersinli WPP License Area, as identified in Chapter 13 of the ESIA Report, such as livestock activities, mushroom gathering, olive plantations. There would not be any livelihood impacts related to any of these activities. Potential Project-related impacts are also addressed in Chapter 13 of the ESIA Report, with impact-specific mitigation measures, when appropriately implemented would result in no residual impacts on these socio-economic activities. Therefore, activities other than those regarding cherry plantations and beekeeping within the Project License Area are not considered within the scope of this LRCF.

The project adopted a mitigation hierarchy approach (avoid, minimise, mitigate, offset/compensate) to address adverse environmental or social impacts and issues by careful design and planning. In this regard the following measures were applied:

- The layout of the Project has been designed to minimise the land use requirements. The Project was first planned with 22 turbines, each with an installed capacity of 2.5 MW. However, following further feasibility studies, the number of turbines was decreased to 17, while their installed capacity was increased to 3.45 MW. This resulted in a decrease of the Project's land use requirements for the turbine foundations, as well as their associated internal access roads.
- Additionally, the main access to the site will be provided by using Fuat WPP's existing access road; so that the construction of a new main access road will not be required for the Project. Similarly, the internal roads of the WPP have been designed to follow existing forest roads and fire breakers as much as possible.
- The design of the roads that will provide access to the revised turbine locations has also avoided use of private lands. As part of micro-siting studies, locations of Turbine-11 and Turbine-12, which were initially coinciding with private lands, were revised. As a result, Turbine-11 was moved from its optimum position to the northeast and Turbine-12 was moved from its optimum position to the north-northwest to avoid expropriation of registered private lands used for agricultural purposes. Consequently, the Project will not involve acquisition of private land, as there will be no Project-related impacts on these areas.

2.3.1 Cherry Plantation Activities of the Informal Users on Registered Forest Land

The total area of the two parcels that are used for cherry plantation and will be affected by the turbine construction is 2.06 ha but the affected land is only 1.12 ha. It is understood that 79% of the parcel numbered 277/1 and 39% of the parcel numbered 277/2 will be affected by the Project (see Table 2-1).

Consultations were held with the informal users of the Parcel 277/1 and 277/2 on October 3, 2017 and 20-22 December 2017 to obtain information about the affected lands and their actual users. According to these consultations, the land occupied by the 2 parcels (Approximately 2 ha) mentioned above (277/1 and 277/2) are intertwined in terms of usage. As a matter of fact, these lands were conceded by a previous user, a father, to his two sons Brother 1 and Brother 2, about 10 years ago. However, only some portion of the land (0.97 ha) is used by Brother 1 for cherry plantation activities. The rest of the land (0.62 ha) is not used by Brother 2 and is currently vacant (as of January 2018) as identified during consultations done and during site visits conducted. In the piece of land used by Brother 1, there are 520 cherry trees, from 5 to 14 years old, as estimated by Brother 1. Approximately 300 of these trees are projected to be lost due to the construction activities of the Project.

It should be noted that the Project units are located only on registered forest lands, enclosing a total of 31 ha approximately. The 31-ha-of-land, that represents 2% of the License Area, includes turbine foundations, substation, access roads and the ETL and the Project will not involve the acquisition of private lands. A Forestry Permit will need to be obtained from the related authorities for the use of registered forest lands in the scope of the Project.

Table 2–1. Forest Parcels (Used for Cherry Plantation Activities by Informal Users)that will be affected by the Project

Wind No	Turbine	Plot	Parcel	Title Deed Area (m ²)	Total Affected Area (m ²)	Remaining Area (m ²)	Percentage (%)
WTG 12		277	1	7,724.72	6,108.00	1,616.72	79.07
		277	2	12,895.84	4,146.00	7,849.84	39.13
Access Road for WTG 12					900.00		
Total				20,620.56	11,154.00	9,466.56	54.09

There is also a shed of 40 m² on Parcel 277/2 which will not be displaced due to Project activities. The shed is currently utilized by land users of Parcel 277/1, Parcel 277/2, as well as the owner of Parcel 277/3 (Brother 3). The shed is used when working at the plantation sites leisurely, and is not considered as a household as neither of these family members live there. The shed is mostly used as a storage area.

Apart from these, there are no additional assets (e.g. irrigation system, well, etc.) at the Project License Area. Figure 2–2 presents the parcels where the cherry plantations are located and the shed.

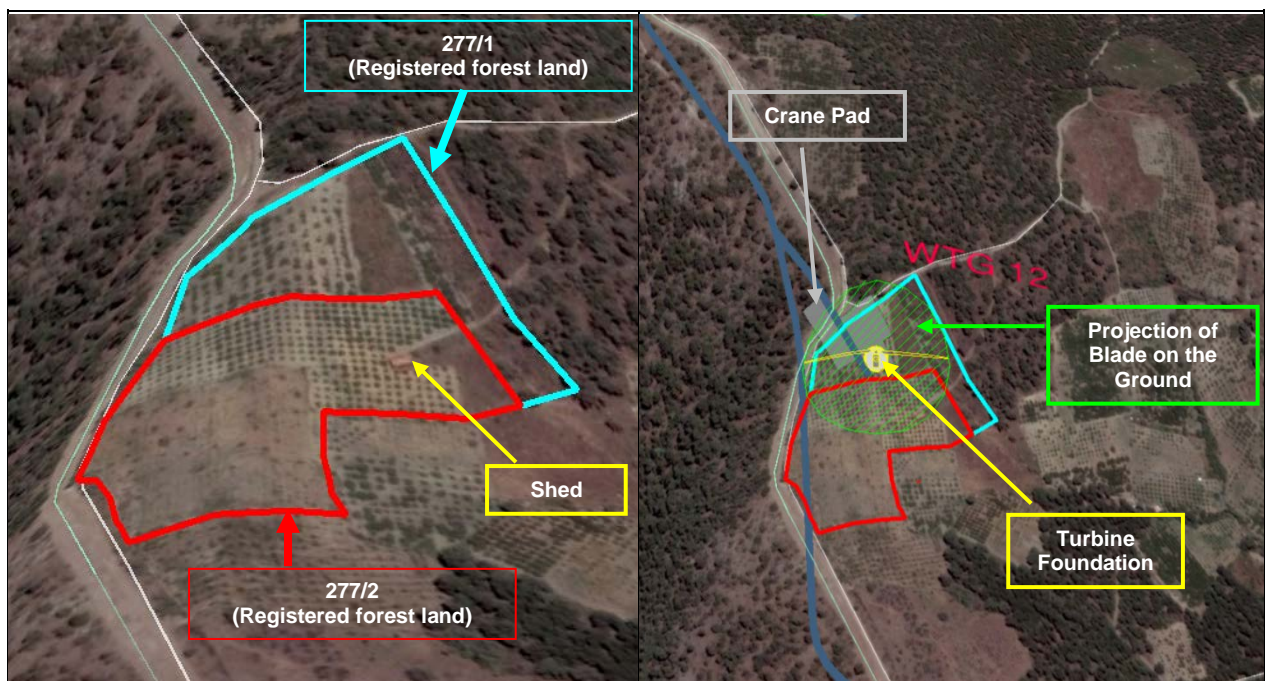


Figure 2–2. Cherry Plantations and the Shed

2.3.2 Beekeeping Activities

As a result of the interviews conducted within the scope of ESIA studies, it has been noted that beekeeping activities hold significant importance for some settlements within the social study area. Dereköy, Gökyaka and Dagtekke are the main neighbourhoods among these settlements. However, within these settlements, beekeeping activities are most essential as a source of income for Dereköy neighbourhood. Interviews indicate that about 30 households in Dereköy neighbourhood are engaged in beekeeping activities. In settlements other than Dereköy, these activities are conducted as livelihood support, where the main source of income is olive cultivation.

During the construction phase of the Project, beehives situated along the main access road near the Dereköy, Gökyaka and Çınardibi neighbourhood may be affected temporarily due to dust generation. According to the information given by the headmen of the neighbourhoods (within the Project social study area), there are at least 150 households who have beehives. However, according to the District Directorates of Agriculture (Bayındır, Kemalpaşa and Torbalı districts) the official number of beekeepers within the social study area in 2017 was only 64 (interviews held with the directorates in January 2018). Most of the beekeepers within the Project area prefer to place their beehives for Wintering, which starts in October/ November of each year and may continue until March-April, depending on the conditions. Beekeepers who are about to place their beehives around March-April at the end of the wintering season have to inform the District Directorate of Food, Agriculture and Livestock about the locations of the hives.

In line with the Turkish legislation, all beekeepers shall be registered at the District Directorate of Food, Agriculture and Livestock in Bayındır, Kemalpaşa or Torbalı districts. Each season, mobile beekeepers apply to the Directorate for that season's locations of their beehives or if they are new comers for their registration. The Directorate provides the beekeepers with available/appropriate locations for that season. Therefore, these locations may vary from one season to another. There is also the possibility that beekeeping activities are being conducted on private land within the Project License Area. Information on beekeepers apart from the mobile keepers will be further researched within the scope of livelihood restoration and compensation studies proceeding to the preparation of the Livelihood Restoration and Compensation Plan (LRCP).

According to the criteria defined by the Article 5 of the Ministry of Food, Agriculture and Livestock in the Apiculture Regulation, beehives must be located 200 meters from the main roads and 30 meters from the stabilised roads where the traffic is not busy. In order to ensure that the beekeepers are not affected by the construction activities of the Project, the Project Company will inform the District Directorate of Food, Agriculture and Livestock on the upcoming construction schedule. Locations of this winter's beehive locations identified through consultation with stakeholders, as well as on-site observations, are presented in Figure 2–3. which are not necessarily where the beehives will be located in spring of 2018. All identified beekeepers will be informed about the state of ongoing Project activities before they seek for new locations for the upcoming season. The District Directorate will be notified as well, so that when the beekeepers make their request for new locations, they could be notified directly by the Directorate as well, in addition to communicating the available information through the future LRCP activities.

2.3.3 Livestock Breeding Activities

As part of the social surveys conducted in the scope of the ESIA, livestock breeding activities were identified to be conducted in Çınardibi, Gökyaka, Yeşilköy and Helvacı neighbourhoods, which are all located in the surroundings of the License Area (see Figure 2–1 for the locations of the settlements). According to the interviews conducted with the headmen of these settlements, approximately 20 households are engaged in livestock breeding activities and these activities are mainly for household subsistence. Only one of these households (in Yeşilköy that is a neighbourhood located approximately 1.9 km north of the closest turbine, namely Turbine-1) was identified to conduct grazing activities within the Project's License Area. Headman of this household (herder) attended the ESIA Scoping Meeting held in Cumalı neighbourhood on 4 October 2017 and the social expert of the ESIA team consulted with him regarding the livestock breeding activities and potential risks and impacts that could be posed by the Project on grazing animals (e.g. construction traffic, electrocution by transformers during the operation) and appropriate mitigations are developed accordingly.

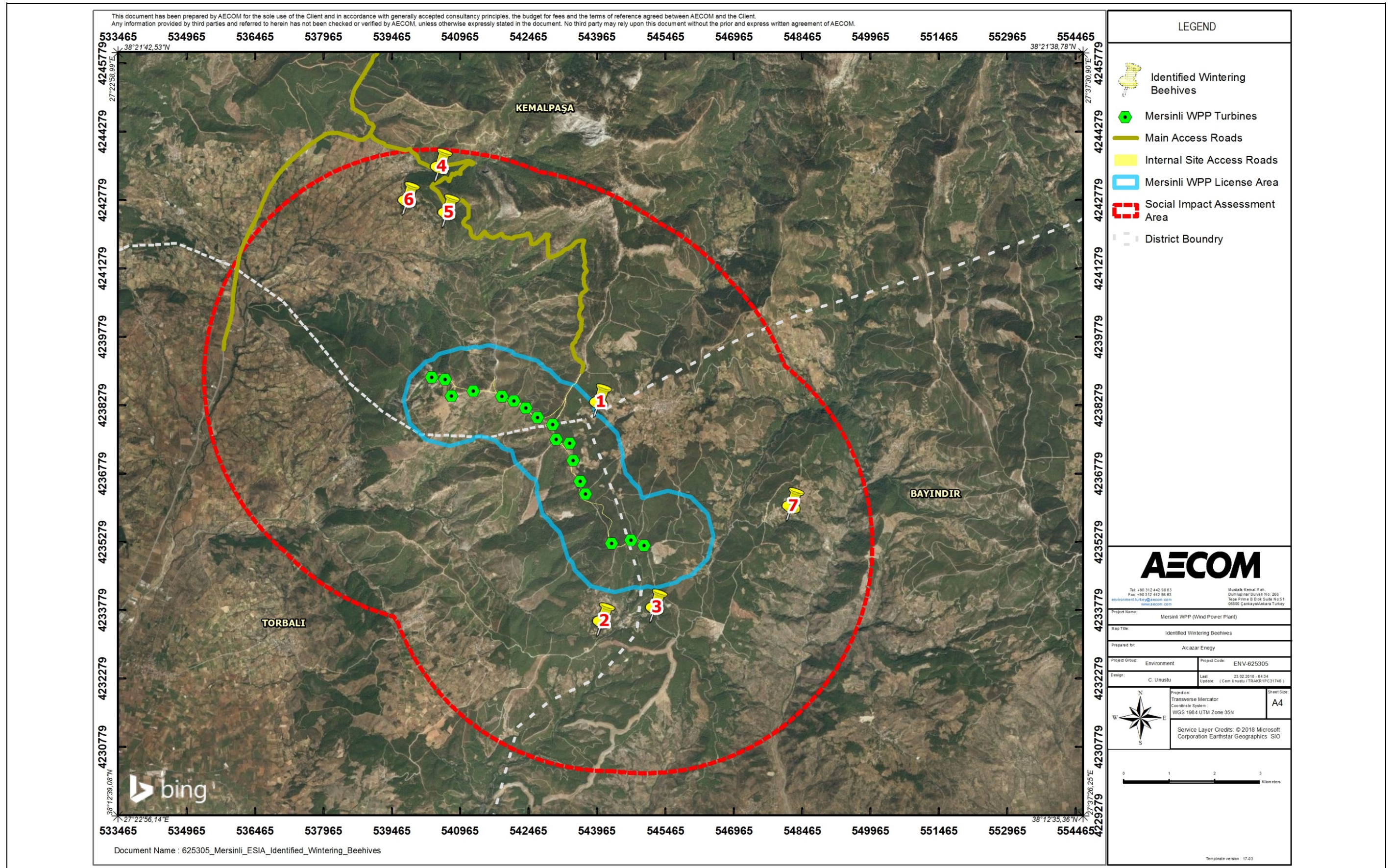


Figure 2-3. Locations of the Wintering Beehives that were Identified during the Social Field Study dated December, 2017

The access restrictions within the License Area may cause limited temporary impacts on the livestock breeding activities during the construction phase and associated impacts would be removed upon completion of construction activities. In addition, elevations of the turbine foundations range between 730 m and 925 m and the grazing activities can be conducted at alternative areas located at lower elevations within the 1,620 ha License Area. It should be also noted that the footprint of the Project components (including turbine foundations, crane pads, access roads, substation, etc.) will cover 31 ha, which corresponds to only 2% of the License Area. Therefore the temporary access restrictions that would be applied during construction phase are not anticipated to cause any significant impact on the livestock breeding activities. In furtherance, temporary access restrictions during the construction phase was not raised as a concern by the local people during the Scoping Meeting or during additional consultations done with the neighbourhood headmen or local people. During the operation phase, the Project components (including turbines) except the substation will not be fenced off, thus access restrictions within the License Area will not be a concern for the operation period.

To avoid risks on animals due to construction traffic, which will follow the main access road located in the north of the License Area, the Project Company will design the paths wide enough to let grazers pass and as per the Traffic and Transport Management Plan. This will be done prior to the start of mobilisation in consultation with the herders in Yeşilköy neighbourhood.

In addition, the Project will use the existing access road of Fuat WPP. As no new access road will be constructed, potential risks and impacts associated with road construction will be minimised and limited to the on-site access roads within the License Area. These on-site access roads will also follow the existing forest roads and breakers to the extent possible, thus potential impacts associated with road construction will be minimised. The Project Company will also develop a Traffic and Transport Management Plan prior to start of construction and implement this plan during the construction phase of the Project. With the effective implementation of these measures, the Project is not anticipated to cause a significant risk on the livestock breeding activities being conducted in and around the License Area (further information and assessment on livestock activities is provided in Chapter 13 "Socio-economy" of the ESIA Report). On the other hand, the Project Company will compensate any unexpected impact/damage it or contractors would cause on the livestock breeding activities of the local people, once such impact/damage is identified/confirmed by the investigations done by the Project Company and related authorities.

Regarding the electrocution risk, because of the technology selected, the transformers will be inside the turbines and there will be no risk of electrocution for the grazing animals (in case the animals reach to the elevations where the turbines will be erected). Since the electrocution risk by turbines has been avoided by design, turbines will not be fenced off (only substation will be fenced off).

3. LRCF Background

As the Project Company is committed to communicating on all topics under its Environmental and Social Sustainability Policy openly and actively with communities as well as governmental and non-governmental organisations, the Project Company started conducting stakeholder engagement activities, in line with its corporate standards in the period following the Project's acquisition in May 2017.

In order to comply with the Lender's requirements, Environmental and Social Impact Assessment (ESIA) studies were started in October 2017. As part of the ESIA studies, a Public Participation Meeting (PPM) was held in the Cumali neighbourhood on the 4th of October 2017 and together with the PPM, consultation activities with affected communities were also started. During the socio-economic studies, mitigation measures for the potential social impacts of the Project were identified including the need for this Livelihood Restoration and Compensation Framework (LRCF).

The Project Company commissioned the independent ESIA consultant AECOM (the "ESIA Consultant"), to prepare this LRCF that offers alternative socio-economic activities to minimise the potential impacts on Project Affected Persons (PAPs) livelihoods.

The Project Company will develop a Community Development Programme (CDP) based on the needs assessment (currently on-going) in order to maximise the benefits of the Project on the affected communities. However, it is important to note the distinction between the CDP activities and activities that this LRCF recommends. This document is a response to Lenders' requirements and therefore, forms part of the commitments under the loan agreement; while the CDP activities are supplementary and are not a Lenders' requirement. The LRCF only contains livelihood restoration measures for people whose lands (informal users of registered forest land) will be affected and compensation measures for those people whose livelihoods may be affected from construction activities of the Project. Nonetheless, where there is an overlap to integrate LRCF and CDP activities the document emphasizes the opportunities.

4. Legal Framework for Livelihood Restoration and Compensation

4.1 National Legislation

The Mersinli WPP Project License Area is located on lands registered as “forest” and “privately owned parcels” (to a limited extent), the latter of which is mostly utilized for agricultural purposes. All of the Project units; including the turbines, access roads and the ETL connection, are located on registered forest lands covering a total of 31 ha and there will be no direct impacts on privately owned lands. Therefore, as per the national legislation, the Project is subject to the provisions of the Forestry Law (Law No. 6831), and with no impact on privately owned land, the Project is exempt from the Expropriation Law (Law No. 2942).

Accordingly, a Forestry Permit will be obtained from the Forestry authorities for the footprint areas of the turbines, access roads and other project units, which correspond entirely to registered forest lands. In the scope of this permit, the Project Company will be permitted to conduct activities only on the permitted forest areas. Registered forest lands located within the rest of the License Area will remain to be under the ownership and authority of the Ministry of Forestry and Water Affairs in line with the Forestry Law (Law No: 6831) and any activity to be conducted on these lands (e.g. logging) will be subject to the permit of the Ministry of Forestry and Water Affairs. The Project will not have any permit to interfere with the activities (e.g. agriculture) currently being conducted on the privately owned parcels located within the rest of the License Area (none of them are corresponding to the footprint of the Project components) in line with the applicable national laws and regulations.

The Forestry Law in its Article 27B identifies areas that are excluded from the forest boundaries as “those, which are among the areas that had lost their forest quality prior to 31 December 1981 on scientific grounds; agricultural areas like cultivated land, vineyards, gardens, orchards, olive, hazelnut, pistachio, and pine nut groves, or land that are identified to be beneficial in animal husbandry such as grazing areas, wintering, and summer pastures, as well as settlement areas where city, town and village structures are found collectively”. Accordingly, if these areas are State-owned, they are excluded under the name of the Treasury, and if they are owned by public entities possessing the legal rights to the land, then they are excluded under the name of their owners. When the implementation of the Article 2/B is finalized, the land registry cadastre procedure is conducted in line with the Regulation on Forest Cadastre and Implementation of 2/B (as published in in the Official Gazette, dated 20 November 2012, and numbered 28473). The Article 2/B of the Forestry Law also states that, except for the above-listed areas, forest boundaries under no condition can be reduced.

Informal users of the registered forest land within the Mersinli WPP License Area, are neither private owners of the land, nor are they subject to provisions of the Article 2/B of the Turkish Law on Forestry. Therefore, cherry producers who are the informal users of parcels 277/1 and 277/2 both of which are registered as forest land, are not entitled to livelihood restoration or compensation according to the national legislation.

This LRCF, however, has been prepared in compliance with EBRD PR 5, as well as IFC PS 5, both of which identify informal users of the registered forest land to be entitled for livelihood restoration and compensation, and subject to preparation of a Livelihood Restoration and Compensation Plan (LRCP).

4.2 International Requirements/Standards

4.2.1 EBRD Requirements

EBRD PR 5 requirements pertaining to economic displacement, relevant for this Project can be summarised as follows:

- To minimise or avoid project induced economic displacement, whenever feasible, by exploring alternative project designs. If displacement is unavoidable, an appropriate livelihood restoration action plan should be developed.
- To mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to land, physical assets or natural resources by ensuring that livelihood restoration activities are planned and implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- To improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of displaced persons, including those who have no legally recognisable rights or claims to the land (present in the project affected area at the time of the cut off date), to pre-project levels and support them during the transition period.
- To make special provisions for assisting disadvantaged or vulnerable individuals or groups (present in the project affected area at the time of the cut off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood assistance and related development benefits.
- To establish a grievance mechanism to receive and address in a timely fashion specific concerns about displacement and livelihood restoration that are raised by displaced persons.

The above list is only a summary of the EBRD PR 5 requirements and is qualified by reference to the full text of the applicable policy (EBRD, 2014).

4.2.2 IFC Standards and Guidelines

For social aspects of the Project, Project Company took into consideration specific documents of the International Finance Corporation (IFC) Policies and Guidelines. These documents are as follows:

- The Performance Standard 5: Land Acquisition and Involuntary Resettlement updated in January 2012,
- The Guidance Note 5: Land Acquisition and Involuntary Resettlement which is updated in January 2012,
- IFC's Handbook on Preparing a Resettlement Action Plan utilized in the preparation of LRCP.

IFC Performance Standard (PS) 5 recognises that the acquisition of project-related land and restrictions on land use can have adverse impacts on communities and persons that use this land. Involuntary resettlement refers both to physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) as a result of project-related land acquisition and/or restrictions on land use¹.

Only if the project were to involve economic displacement, the client should develop a Livelihood Restoration Plan to compensate affected persons and/or communities and offer other assistance that meets the objectives of the IFC's PS 5.

¹ https://www.ifc.org/wps/wcm/connect/4b976700498008d3a417f6336b93d75f/Updated_GN5-2012.pdf?MOD=AJPERES

The LRCP to be developed shall cover the following minimum elements:

- A census survey of displaced persons and valuation of assets;
- Description of compensation and other assistance to be provided;
- Consultations with economically displaced people about acceptable alternatives;
- Institutional responsibility for implementation and procedures for grievance redress;
- Arrangements for monitoring and implementation; and
- A timetable and budget.

4.3 Gap Analysis

An analysis of the main gaps between Turkish legislation and EBRD performance requirements (PR5) and IFC performance standards (PS5) are summarised in Table 4-1.

Table 4–1. Gaps between Turkish Legislation and EBRD Policies and IFC Standards on Livelihood Restoration and Compensation

Issue	EBRD PR5	IFC PS5	Turkish Legislation
Avoid or minimise displacement /Project Design	The client will consider feasible alternative project designs to avoid or at least minimise physical and/or economic displacement, while balancing environmental, social, and economic costs and benefits.	The client will consider feasible alternative project designs to avoid or minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.	There is no legal requirement regarding the avoidance or minimisation of displacement by considering alternative project designs in Turkish legislation or preparation of a livelihood restoration framework/plan.
Consultation / Community Engagement	<p>Affected persons shall be given the opportunity to participate in the eligibility requirements, negotiation of the compensation packages, resettlement assistance, suitability of proposed resettlement sites and proposed timing.</p> <p>Consultation activities will continue during the implementation, monitoring and evaluation of compensation payment and resettlement.</p> <p>The client should consult the affected people on land acquisition; resettlement and livelihood related issues and disclose relevant documents at various stages of the project. Consultations should be meaningful and inclusive allowing for the participation of all groups and segments of affected people.</p>	<p>The client will engage with affected communities, including host communities, through the process of stakeholder engagement described in PS 1</p> <p>Decision-making processes related to resettlement and livelihood restoration should include options and alternatives, where applicable.</p> <p>Disclosure of relevant information and participation of Affected Communities and persons will continue during the planning, implementation, monitoring, and evaluation of compensation payments, livelihood restoration activities, and resettlement to achieve outcomes that are consistent with the objectives of PS 5.</p>	No social studies, surveys and consultations are required prior to land acquisition. Only consultations for negotiated purchase of immovable assets are required by Article 10 of Expropriation Law which is not required for the proposed Project. Turkish Law does not require on-going consultation with the PAPs.
Resettlement and/or Livelihood Restoration Framework	A Resettlement and/or Livelihood Restoration Framework will be developed where the exact nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown due to the project development stage. This framework will outline the general principles, procedures and entitlement framework consistent with this PR. Once the individual project components are defined and the required information becomes available, the framework will serve as a basis for the development of a detailed LRP nor a RAP	For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority	No legal provisions to prepare social impact assessment and/or resettlement action or Livelihood Restoration Plan.
Compensation for displaced persons	<p>The client will offer all displaced persons and communities compensation for loss of assets at full replacement cost and other assistance.</p> <p>The Client will compensate the economically displaced persons who have formal legal rights to the land or without legally recognisable claims to land for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost.</p> <p>The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date.</p>	When displacement cannot be avoided, the client will offer displaced communities and persons compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods,	Turkish Law does not require compensation payments to be provided to PAPs using forest lands, pasture lands, etc. There are no legal provisions to ascertain that the compensation value shall reflect the full replacement cost.

Issue	EBRD PR5	IFC PS5	Turkish Legislation
Grievance Mechanism	<p>The client will establish an effective grievance mechanism as early as possible in the process. It will be consistent with this PR and with the objectives and principles of PR 10 in order to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons and/or members of host communities. It will include a recourse mechanism designed to resolve disputes in an impartial manner.</p>	<p>The client will establish a grievance mechanism consistent with Performance Standard 1 as early as possible in the project development phase. This will allow the client to receive and address specific concerns about compensation and relocation raised by displaced persons or members of host communities in a timely fashion, including a recourse mechanism designed to resolve disputes in an impartial manner.</p>	<p>There is a “Right to Information Act” in Turkey. Complainants can apply with petitions below cited authorities;</p> <ul style="list-style-type: none"> • Regional directorate, • District, Province Governorship, • General Directorate, • Ministry, • Prime Ministry, • Petitions Committee of parliament, and Presidency, <p>Petitions are responded within 30 days.</p> <p>On the other hand, with regard to information, governmental organisations have information (knowledge acquisition) sections on their web pages. Those applications are responded in 15 days on internet.</p> <p>Apart from abovementioned channels, there is no legal requirement for establishment of a Project specific grievance mechanism.</p>
Vulnerable groups	<p>The client will take into account any individuals or groups that may be disadvantaged or vulnerable. In particular, the client will take necessary actions to ensure that vulnerable groups are not disadvantaged in the resettlement process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits. These groups should be identified through the process of environmental and social assessment (as outlined in PR 1).</p>	<p>Particular attention will be paid to the needs of the poor and the vulnerable groups.</p> <p>Particular attention will be paid to the needs of the poor and the vulnerable.</p>	<p>No legal requirement on identification of vulnerable groups as part of land acquisition and resettlement process.</p>

5. Objectives and Principles of the LRCF

5.1 Objectives

The aim of this document is to provide a plan to provide livelihood restoration options for the people affected by the Project. The objectives of this document are to:

- Provide background on livelihoods in the area;
- Report on the findings of consultation activities carried out with affected people;
- Analyse the Project impact on livelihoods;
- Identify feasible livelihood restoration options and alternative economic activities that can be facilitated by the Project Company; and
- Specify an implementation schedule for activities and programmes.

This document provides recommendations for implementation and identifies the roles and responsibilities of participating actors.

5.2 LRCF Principles

The key principles guiding livelihood restoration for the Project are as follows:

- The Project Company will avoid physical resettlement (The Project has already avoided physical resettlement as part of its design thus no physical resettlement will take place in the scope of the Project).
- The Project Company has minimised the area of land required for permanent features and will minimise the time that construction activities disrupt or interfere with land users access to public land. (Fuat WPP's existing access road will be used for about 13 km until the border of the License Area, where the main entrance of the Project will be located).
- The Project Company will follow Turkish legal processes to obtain necessary land use rights from the related authorities (i.e. Forestry Permit) and the temporary or permanent access to land for construction purposes. Acquisition of privately owned parcels through expropriation is not in the scope of the Project.
- In addition to Turkish legal requirements, the Project Company recognises the need for livelihood restoration for those households that are economically displaced from access to lands and natural resources as a result of the Project in line with IFC PS 5 and EBRD PR 5. The Project Company will properly compensate the informal users of registered forest lands (limited to the location of Turbine-12 only) corresponding to the Project footprint.
- Livelihoods will be restored to the same or better level, based on evidence such as household census/inventory/qualitative data, and restoration may include support to continue the same livelihood, an alternative livelihood or a combination.
- Where restrictions on land access lead to impacts that can be identified and quantified at the level of individual households, impacted households need to have options to choose which approach to livelihood restoration best suits their situation.
- The Project Company will take into account any individuals or groups that may be disadvantaged or vulnerable. In particular, the Project Company will take necessary actions to ensure that vulnerable groups² are not disadvantaged in the livelihood restoration process, are fully informed, aware of their rights, and are able to benefit equally from the Project benefits.

² For the purpose of EBRD's Environmental and Social Policy (2014), vulnerable groups refers to people who, by virtue of gender identity, sexual orientation, religion, ethnicity, indigenous status, age, disability, economic disadvantage or social status may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits. Vulnerable individuals and/or groups may also include, but not be limited to, people living below the poverty line, the landless, the elderly, women and children-headed households, refugees, internally displaced people, ethnic minorities, natural resource dependent communities or other displaced persons who may not be protected through national legislation and/or international law.

6. Consultation Activities for preparation of the LRCF

A list of participation/consultation meetings conducted as part of ESIA studies is provided in Table 6–1, while details of the consultations are provided in the following sections.

Table 6–1. List of Participation/Consultation Meetings (as of January 2018)

Type of Meeting	Company/Participants	Date of Meeting
Meeting with Local Communities	Marmariç Permaculture Village Community	13 July 2017
	Project Company	28 July 2017
	AECOM	3 October 2017
Consultation with Affected Persons	Cherry producer (Brother 2) Project Company AECOM	3 October 2017
Public Consultation Meeting	Local Community Members (32 people) Project Company AECOM	4 October 2017
Consultation with Key Informants	Neighbourhood headmen of the Cumalı, Çınardibi, Dağtekke, Dernekli, Dereköy, Gökyaka, Helvacı, Karakızlar, Karaot, Ormanköy, and Yesilköy	October 2017
Consultation with Bee Expert	Ankara University Biology Department (an academician)	24 October 2017
Consultation with Key Informants	Neighbourhood headmen of the Çınardibi and Dağtekke Project Company AECOM	20 December 2017
Consultation with Affected Persons	Cheery producers (Brothers 1 and 2) Project Company AECOM	21 December 2017
Consultation with District Directories of Agriculture	Bayındır District Deputy Director of Agriculture Kemalpaşa District Director of Agriculture Project Company AECOM	20-21 December 2017
Consultation with Izmir Beekeepers Association	Head of Food Department - Project Company AECOM	22 December 2017
Consultation with Affected Persons	Cherry producers (Brothers 1 and 2) Project Company	16 January 2018
Consultation with District Directories of Agriculture	Bayındır District Director of Agriculture Kemalpaşa District Director of Agriculture Torbalı District Director of Agriculture Project Company	30-31 January 2018

6.1 Public Consultation Meeting in Cumalı Neighbourhood

As part of the Environmental and Social Impact Assessment (ESIA) studies conducted by the ESIA Consultant, a Public Consultation Meeting (PCMs or Scoping Meetings) was conducted in Cumalı neighbourhood on 4 October 2017.

The Scoping Meeting was held with the participation of representatives of the Project Company (representatives from Dubai and Turkey offices including technical and environmental project managers) and the Independent ESIA Consultant (AECOM).

The number of people attending the meeting was around 30. Even though the announcements were posted at public places that could be seen by all community members participants were only from the Cumalı and Yeşilköy neighbourhoods. The headman of the Cumalı neighbourhood also attended.

The questions, issues, concerns and suggestions raised by the participants during the meeting, were focused on the following main subjects:

- Benefits of the Project to the local people
- Locations of the turbines and access roads
- Potential environmental impacts (i.e. noise, dust)
- Impacts due to traffic
- Access restrictions

6.2 Key Informant Meetings

In October 2017, key informant meetings were conducted by the social expert of the ESIA Consultant with the neighbourhood headmen of the Çınardibi, Dernekli, Cumalı, Dereköy, Gökyaka, Yeşilköy, Dağtekk, Helvacı, Karakızlar, Karaot and Ormanköy, which are the settlements located within a 5 km radius around the Project Area. The main aim of these consultations was to collect information on the local socio-economic conditions of the settlements, to have some insight about the perception and expectations of the settlements consulted to outline future stakeholder engagement activities and community development strategies.

6.3 Consultation with Project Affected Persons (PAPs)

6.3.1 PAPs Conducting Cherry Plantation Activities on Registered Forest Parcels at the Location of Turbine-12

The License Area is mainly composed of registered forest lands, while there are also privately owned lands located within the License Area. However, the Project will not involve acquisition of any privately owned land, as the footprint of the Project components correspond entirely to registered forest lands. On the other hand, at the location of Turbine-12, cherry plantation activities have been conducted on 2 registered forest parcels (lot/parcel numbers are 277/1 and 277/2). As described in Section 2.3.1 in details, there are two brothers who informally use/occupy the registered forest parcels. One of them is the owner of the existing cherry plantations located on both parcels (on an areas of approximately 0.97 ha), and the other brother occupies the vacant part (approximately 0.6 ha) of Parcel 277/2. Several consultations have been conducted with the informal users/occupiers of the registered forest parcels by the Project Company as well as ESIA Consultant to understand the ownership status of the corresponding parcels, identify affected persons (land users) and their socio-economic conditions, significance of impacts to be caused by land acquisition and the potential mitigation alternatives that may be developed for the restoration of livelihoods. As part of the ESIA, the first meeting was conducted with the PAP occupying the vacant part of Parcel 277/2 on 3 October 2017 at the Çınardibi teahouse. An additional meeting was held by the ESIA consultant on 20-22 December 2017. In this meeting, all PAP's, including the actual owner of the cherry plantations, were interviewed and actual borders of the plots (depending on the informal ownership) were identified. Information obtained on the as part of these consultations was provided in details in Section 2.3.1. Further consultation will be conducted with these PAPs in line with the SEP to obtain further information required for the development of the LRCP

6.3.2 PAPs Conducting Beekeeping Activities

As per beekeepers conducting activities in the vicinity of the License Area, information was initially gathered by means of consultations conducted with the neighbourhood headmen. Findings of the additional consultations done with the District Directorates of Agriculture and the Izmir Beekeepers Association to obtain further information on the beekeeper PAPs are separately provided below in Section 6.4 and Section 6.5.

Information obtained on the local beekeeping activities through the headmen interviews is provided in Section 2.3.2. Among the headmen interviewed, the headman of Gökyaka neighbourhood is a beekeeper himself, who has extensive knowledge about the beekeeping activities conducted in the area.

It should also be noted that, in order to consult Dereköy beekeepers, the ESIA Consultant had to wait until the Project Company to reach a certain understanding with the neighbourhood residents. Since, regarding issues had not been resolved prior to the preparation of this LRCF, it was not possible interview beekeepers in the neighbourhood. Consultations with the beekeepers residing in Dereköy neighbourhood will be done as part of the implementation of the Project's SEP.

6.4 Consultations with the District Governmental Offices

In order to understand the current agricultural activities that being carried out by the PAPs within the Project Area, additional meetings were planned and held with the District Directorate of Food, Agriculture and Livestock of Kemalpaşa and Bayındır districts on 20-22 December 2017. During the meetings, baseline information on agriculture and livestock activities that have been carried out in the region was obtained. On the other hand, governmental officials were also informed about the potential environmental and social impacts of the proposed Project. A large-scale map (in A3 format), showing the Mersinli WPP's license area and the turbine locations, was presented during the meeting and potential environmental and social risks were discussed with the officials. Concerns and comments of the governmental officials that addressed during the meetings are summarised in Table 6-2.

Table 6-2. Concerns and Comments Raised by Governmental Officials (District Directorate of Food, Agriculture and Livestock of Kemalpaşa and Bayındır) during the Meetings

Main Environmental Concern/Comments and Social Subject	
Livelihood Impact	Beekeeping activity is one of the important livelihoods for some households in the region. Impact of potential dust generation during the construction phase could affect these livelihoods. Relevant mitigation measures should be taken during the construction phase of the Project
	It should be noted that, previous WPP Projects within the region did not have observable adverse impacts on beekeeping so far according to the publicly available sources.
Restriction of Access	Grazing activities within the region should be also taken into account during the establishment of Project specific mitigation measures.
Stakeholder Notification	Beekeepers have to apply to the District Directorate of Food, Agriculture and Livestock while deciding to situate their beehives. So, Directorate should be informed on locations of the upcoming Project construction activities in order to notify the beekeepers.
Community Development	In order to increase Project benefits, the following community development projects were requested by the state officials: -Provide training for beekeepers; -Encouraging people living in the project affected settlements to establish organizations such as agriculture and livestock cooperatives; and -Employment opportunities should be available during the construction phase of the Project.

Additional meetings were held with the Izmir General Directorate of National Estate. During the meeting, possible livelihood restoration and compensation strategies that can be developed during the construction phase of the Project were discussed. Outcomes of the meetings were assessed during the preparation of the Livelihood Restoration and Compensation Framework (LRCF).

6.5 Consultations with İzmir Beekeepers Association

Apart from above mentioned meetings, an additional interview was held with the board member of İzmir Beekeepers Association. Potential impacts of the Project on beekeeping activities and possible community development activities were discussed with the board member of İzmir Beekeepers Association. Following issues were emphasized by the board member during the meeting:

- Relevant mitigation measures should be taken during the construction activities such as dust suppression;
- Beekeepers should be informed in a timely manner on the location of the upcoming Project construction activities;
- Queen bees can be provided to the beekeepers by the Project Company at the beginning of the season (March and April); and
- Specific flowers (such as lavender) can be planted at certain areas where beekeepers situate their hives.

7. Livelihood Restoration and Compensation

7.1 Eligibility for Livelihood Restoration and Compensation

Under IFC Standards and EBRD Requirements, unregistered owners and users are also eligible for compensation for income losses in addition to those who are registered. Provided that the owner and user can prove through testimonies from neighbours and local officials (headmen of the neighbourhoods in this case), they would be considered eligible for compensation and livelihood restoration measures only for the affected structures, trees and crops, except the land which is owned by Ministry Forestry. However, compensation for directly affected people may vary depending on the livelihood impacts they are subject to.

In the scope of the Mersinli WPP Project, Project Affected Persons (PAPs) whose livelihoods will be affected are eligible for LRCF activities and entitlement measures under this LRCF. Eligibility was verified by the census studies conducted on 20-22 December 2017 data on all PAPs were collected for the LRCF. As a result of the census study, 4 individuals comprising 1 household, have been identified as eligible to livelihood restoration. The head of the household (Brother 1), is the current user of the affected parcels (277/1 and 277/2 at the footprint of Turbine-12) and the owner of the existing cherry plantations

Beekeepers are also sensitive receptors, they are considered to be eligible for compensation along with the cherry planters.

Apart from these, no Project-related impacts are expected on other agricultural activities in the area. Therefore, there will be no significant livelihood impacts on olive producers, other cherry plantations or seasonal workers who work in the region in October and November. As these are not subject to Livelihood Restoration and Compensation, potential Project-related impacts on these activities are addressed within the scope of Chapter 13 of the ESIA Report, where mitigation measures in response to each potential impact is also proposed following a mitigation hierarchy.

7.1.1 Cut-off Date for Eligibility

In line with the EBRD PR 5, a census study was completed on 22 December 2017. The cut-off date for eligibility will be the date when the census records will be communicated to and consulted with the PAPs (prior to land entry) as part of the LRCP that is to be developed and implemented based on this LRCF.

7.2 Entitlements for LRCF

A principle of this LRCF is that affected livelihoods will be restored to pre-project standards and if possible improved. Entitlement will be based on type of loss and in some cases PAPs' characteristics. A PAP may suffer various losses and be eligible for various allowances. Documentation of livelihood restoration and compensation arrangements will be issued in the names of either both spouses or the person who is the head of the household. Entitlements that will be provided to PAPs are presented in Table 7-1.

All the relevant measures (e.g. training of construction workforce on the borders of work sites) will be undertaken in accordance with the ESIA Report in order to avoid or minimise unexpected damage to properties and/or livelihood activities that may be caused by the Project construction activities. However, in the event that there is an unexpected damage or loss to any livelihoods (livestock, tress, crops, structures, irrigation infrastructure, etc.), land or infrastructure, the affected households will be eligible and all the damage/loss will be compensated on condition that it is identified/verified by an independent expert/authority that the damage/loss is caused by the Project activities.

Table 7–1. Entitlements Provided to PAPs

Type of Loss	Definition of PAPs	Number of Households (HH) identified as PAPs	EBRD PR5 and IFC PS5 Requirements/Standards	Entitlement Measures under LRCF / Comments
Entitlement for Livelihood Restoration and Compensation				
Permanent Loss of Cherry Plantations (Parcel no: 277/1 and 277/2, where only Brother 1 is a user)	Informal user of the affected forest parcels 277/1 and 277/2 for cherry plantation activities.	1 HH (totally 4 PAPs)	Compensation for lost assets (such as crops, trees, irrigation infrastructure and other improvements made to the land) other than land, at replacement cost. Livelihood restoration and alternative income earning opportunities.	<ul style="list-style-type: none"> Option 1: Provide the eligible PAP (owner of the existing cherry plantations) with replacement land and trees (see Section 7.3.1 for the specifics of Option 1). Option 2: Provide cash compensation for lost assets (i.e. trees, crops) other than land, at full replacement cost (Approximately 300 trees will be affected and there is no irrigation infrastructure or other assets present on the land). (see Section 7.3.1 for the specifics of Option 2).
Livelihood restoration assistance	Informal users of the affected forest parcels 277/1 and 277/2 (including the owner of the cherry plantations and occupier of the vacant land).	2 HH	The client will offer all displaced persons and communities other assistance such as skills training, access to credit, etc.	<ul style="list-style-type: none"> Provide the PAPs with assistance to improve livelihoods through access markets, have trainings associated with their livelihood activities, etc.
Entitlement for Compensation				
Loss of products and income generated by beekeeping	Beekeepers within the Project Area	N/A	Compensation at replacement value in case of an income loss or damage to hives Support to beekeeping activities or Alternative income earning opportunities.	<ul style="list-style-type: none"> Identify all the potentially affected beekeeper PAPs as part of the LRCF and maintain direct communication (through the CLO) and consultation with the beekeepers within the License Area to inform them about the planned activities and their schedule; Inform the related District Directorate of Food, Agriculture and Livestock regarding the construction schedule and cooperate with the directorates to inform the beekeepers about the state of the ongoing Project activities before they seek for locations for the upcoming season In case of valid complaints/income losses, provide compensation at replacement value (in cash) for the products that would be lost despite of the information and consultation activities; Cooperate with the independent experts in the region in assessment of income losses (e.g. representatives of District Directorate of Food, Agriculture and Livestock, or agricultural experts of a reputable university). Implement community development programmes and alternative income earning opportunities (e.g. distribution of queen bees and beehives for the beekeepers; provision of related trainings).
Loss of or damage on crops, trees, structures, irrigation infra structure, etc. due to the Project construction activities	All PAPs regardless of legal status	N/A	Compensation of loss or damages	<ul style="list-style-type: none"> Provide appropriate compensation (e.g. cash compensation at replacement value on the basis of type, age market price of product and the productive life of the trees)

Type of Loss	Definition of PAPs	Number of Households (HH) identified as PAPs	EBRD PR5 and IFC PS5 Requirements/Standards	Entitlement Measures under LRCF / Comments
Loss of or damage on livestock (i.e. breeding) due to the Project construction activities	All PAPs regardless of legal status	N/A	Compensation of damages	<ul style="list-style-type: none"> Provide appropriate compensation

7.3 Planned LRCF Activities

7.3.1 Cherry Plantation Activities of the Informal Users on Registered Forest Land

During the consultation with the PAPs, it is understood that the informal users are siblings and the land was made available to them by their father at least 10 years ago. During the consultation for livelihood restoration measures, both brothers claimed rights on the land. However, it is understood that only Brother 1 is entitled to claim rights and this information is also confirmed by the headmen of Çınardibi neighbourhood, where the two brothers reside in. The following options have been discussed with the eligible PAP:

- Option 1: In this option, the Project Company will provide the eligible PAP (owner of the existing cherry plantations; approximately 300 cherry trees are anticipated to be lost due to the Project) with a cherry plantation where he can be the tenant (without any payment) of the land during the lifespan of the Project. For this purpose, a land plot³ has been identified by the Project Company in a region nearby Çınardibi neighbourhood (but other with similar location and characteristics could be considered). The PAP has been informed of this alternative. Further consultations will be conducted to inform the PAPs regarding the specifics and identify the suitability of this option for the PAPs. The results of the consultations will be documented in the LRP. If this option is agreed between the PAP and the Project Company; the land will be purchased by the Project Company, leased to the eligible PAP without any payment the lifetime of the Project for at least 20 years. As this option provides compensation for 200 of the cherry trees, the Project Company will implement one of the following additional options to ensure full replacement of the loss:
 - Provide cash compensation for the remaining 100 cherry trees
 - or
 - Rent an additional replacement land with 100 cherry trees (if there are no trees existing, the Project Company will provide cherry seedlings)
- Option 2: In this option, the Project Company will provide cash compensation to the eligible PAP (owner of the trees) for the existing 300 trees⁴. The valuation of trees will be identified by a competent experts based on the market prices to be obtained from the related agricultural directorate and in consideration of their ages, numbers and productivity. Further consultations will be done to identify the suitability of this option for the PAPs and the results will be documented in the LRCP. In case of cash compensation, monitoring will be done and technical assistance will be provided to PAPs to confirm that the objectives of the LRCF (LRCP once it replaces LRCF) are achieved.

³ The land has an area of 0.61 ha and is located in Dernekli neighbourhood Olcak Locality, on plot 150, parcel no. 1. The land has 200 cherry trees which are 10 years old (the most productive age for the cherries). There is also an irrigation system and a shed on the land.

⁴ For valuation of fruit or fruitless trees, the age of each tree is considered in calculating the present value of income to be generated from it based on market values of produce (including timber) expected from the trees for the rest of their lives if they were not cut as a result of the Project.

7.3.2 Beekeeping Activities

According to the consultations with the present key informants, 150 households are engaged in beekeeping activities within the Project's social study area in 2017. However, according to the information obtained from District Directorate of Food, Agriculture and Livestock, this number is only 64 for the same year. The number of beekeepers in the region varies each year. As a matter of fact, the beekeeping activities are carried out not only by the resident households in the region, but also by mobile beekeepers.

In the case of affecting the livelihood of the people conducting beekeeping activities within the social study area, any damage caused as a result of Project activities will be compensated. In order to keep the impact of the construction activities of the Project on the beekeeping activities within the region at a minimum level, cooperation with the District Directorate of Food, Agriculture and Livestock will be continued. For this purpose, the locations where the construction activities will be carried out extensively will be determined before April, and the District Directorate of Food, Agriculture and Livestock will be informed about these locations. Thus, the beekeepers will not be able to place their beehives in regions near these locations. However, if there are individuals who suffer loss due to unpredictable factors caused by the Project, they will be compensated for the damages based on an independent expert review. Cooperation with the authorities' expert on the region and activities (e.g. representatives of District Directorate of Food, Agriculture and Livestock, representatives of District Cooperatives of Agriculture or headmen of the neighbourhoods etc.) will be carried out while determining these damages.

The compensation methods mentioned above will also apply to these mobile beekeepers. All the registered and unregistered beekeepers that could potentially be affected by the Project will be identified as part of the LRCP and direct communication (through the CLO) and consultation will be conducted with them regarding the Project activities and the measures to be taken against potential impacts.

8. Implementation of the LRCF

8.1 Responsibilities, Institutional Framework

To implement the LRCF a variety of stakeholders from the government, NGOs (such as Izmir Beekeepers Association) and private sector (such as agricultural business) will be involved.

The Project Company appointed a Community Liaison Officer (CLO) in November 2017. The Project Company put great emphasis on its appointed CLO to inform people locally about the Project and the livelihood restoration and compensation activities. This means of communication is efficient and through personal contacts and meetings with local communities, the Project Company would receive instant feedback on plans and activities. In addition, the Project Company encourage affected communities to call its CLO directly (mobile phone number of the CLO has been distributed throughout the Project area). Through these communication methods, the Project Company already consulted with following stakeholders:

- Headmen of the neighbourhoods
- Project Affected Persons (PAPs)
- District Directorates of Agriculture
- NGOs (including Marmariç Permaculture Community members)
- Business owners

The Project Company has overall responsibility for the Project including for the preparation, implementation and financing of LRCF tasks. The CLO will continue to work in the field to consult and coordinate with PAPs and stakeholders from different level. His main tasks include carrying out the field surveys, compiling and negotiating entitlement packages, and helping PAPs wishing to use the grievance redress mechanism (see Section 8.2).

8.2 Grievance Mechanism

The Project Company aims to engage with PAPs during livelihood and restoration process in a manner that is conciliatory, fair and transparent. Through careful livelihood restoration and compensation design and implementation, by ensuring full participation and consultation with the PAPs, and by establishing extensive communication and coordination among the various stakeholders, the Project Company will try to prevent grievances. A grievance can be defined as an actual or perceived problem that might give grounds for complaint. Nonetheless, PAPs may find disagreeable a decision, practice or activity related to livelihood restoration and compensation. This section summarizes the LRCF redress mechanism for the Project.

Information regarding the procedure and channels (e.g. phone, e-mail address, and website) that can be used to lodge grievances will be provided in all nearby settlements within the Project Area and on the Company website. Within this scope a standalone Stakeholder Engagement Plan was prepared by the Project Company. A Public Grievance Form, which will be used to receive a grievance, is provided in the SEP.

The CLO will also be responsible for the management of potential grievances and for the Grievance Procedure. Each complaint whether from an individual, entity or a community will be considered. A response to each specific complaint will be communicated to the party that raised it (complainant). A formal procedure will be used to log the key information provided by a complainant and to record any related incoming communications. A record of actions taken and resolutions agreed as a result of the grievance investigation will also be documented. Once the grievance will be resolved in agreement with the complainant, a grievance close-out form will be filled by the CLO. Monitoring of the necessary actions that need to be taken will be carried out by the responsible party.

The Project Company aims to establish a formalised procedure, ensuring that it is responsive to any concerns and complaints from PAPs and communities. Where training is necessary for the staff involved in the management of the grievance mechanism, The Project Company will ensure that such training is provided in a timely manner.

The implementation of the grievance procedure by the Project Company for the Project will be under the day to day responsibility of the formally designated CLO. Grievance boxes will be placed by the Project Company (main entrance), at the neighbourhood headmen's offices in selected settlements to facilitate collection of grievances. Local and reputable third part experts will be consulted in review of the complaints and how these complaints will be addressed and responded effectively and in a timely manner.

If the complainant is not satisfied with the solutions proposed and implemented by the Project Company to address the raised comment or grievance, the complainant is free to seek other mediation or legal remedies in accordance with Turkish laws and regulations.

8.3 Monitoring and Evaluation

Monitoring, evaluation, and reporting are key components of the LRCF. The tasks mentioned in this LRCF will be subjected to both internal and external monitoring during the course of the Project construction phase. Internal monitoring will be conducted by the Project Company, assisted as necessary by the project supervision consultant, as well as by PAPs when necessary. External monitoring will be assigned to an independent organization with expertise in livelihood restoration and compensation issues. This section presents the process for on-going monitoring and evaluation. Consultation with other related parties will also be conducted whenever necessary in order to put forward effective monitoring strategies throughout the course of the Project livelihood restoration and compensation activities. In this context, community based participatory/involvement (i.e. voluntary agricultural expert from district office and/or from university, representative from the beekeepers association, and neighbourhood representatives) will be ensured as part of the SEP to ensure effective implementation of the LRCF (LRCP once it replaces LRCF). The CLO will be responsible from the day to day implementation of the LRCF (LRCP once it replaces LRCF) and also conduct internal monitoring activities to ensure effective implementation of the livelihood restoration and compensation activities.

The Project specific monitoring measures are included to ensure that income and living standards of affected people are restored to at least pre-project levels or improved. The Project related key indicators (input and output indicators) and frequencies of monitoring required are presented in Table 8–1.

On-going monitoring, evaluation and periodic reporting of LRCF implementation (including the indicators provided above) will be undertaken by the Project Company in line with the requirements of the Lenders. All relevant activities will involve the participation of key stakeholders such as affected community members, as appropriate. A completion audit will be done by independent experts to evaluate the success of activities under the LRCF.

The Project Company will also organise a completion audit to be carried out by an external auditor/or Lender's E&S advisor. The overall goal of the completion audit is to verify that the Framework implemented has been effective in restoring the project affected peoples' standards of living and livelihoods. Accordingly, the completion audit has the following objectives:

- Assess the effectiveness of measures to avoid and minimise displacement impacts;
- Verify that all entitlements and commitments described in the LRCF have been delivered;
- Determine whether LRCF measures have been effective in restoring or enhancing affected peoples' living standards and livelihood;
- Check on any systemic grievances that may have been left outstanding; and
- Identify any correction activities necessary to achieve completion of LRCF commitments.

Table 8–1. Project Related Monitoring Activities

Key Indicators	Source of Information	Frequency	Responsible Party
Input Indicators			
Total spending for livelihood restoration activities	Financial records	Annual	The Project Company
Distribution of spending by: Cash compensation Rehabilitation – livelihood restoration Consultation and engagement Vulnerable people General implementation services and overhead	Financial records	Quarterly	The Project Company
Number of affected people by category	Census and grievance management	Quarterly	The Project Company and Consultant
Output Indicators			
Number of compensation agreements signed	Data management system	Monthly	The Project Company
Number of people received compensation	Data management system	Monthly	The Project Company
Livelihood restoration activities provided	Data management system	Monthly	The Project Company
Grievance mechanism	Grievance log	Monthly	The Project Company
Number of CDP activities	Data management system	Monthly	The Project Company

8.4 Budget for Implementation

A detailed budget will be prepared as part of the LRCP. This will include compensation for cherry plantation owner (s), budget for identification and compensation of potential damages to beekeeping and or other agricultural activities, budget item for implementation and monitoring of livelihood restoration and compensation measures as well as budget item for LRP completion audit, The Project Company will also allocate a contingency budget for the compensation of unexpected damages/losses (crops, trees, structures, irrigation infrastructure, livestock, etc.) due to the Project construction activities that may be caused during construction.

Apart from the budget to be allocated to livelihood restoration and compensation activities, the Project Company will allocate a budget for community investment projects that will be realized as part of its community development programme (CDP). To develop and improve the CDP the Project Company is conducting a needs assessment and will continue consultations with the government bodies, NGOs to remain in close contact to ensure that ideas and decisions are pertinent with the needs of the communities in line with the SEP. The CDP activities will be in place both during construction and operation phases of the Project and continue to develop new programmes beyond the mitigation measures to be taken in the ESIA and compensation measures developed to be implemented in line with this LRCP (LRCP once it replaces LRCP). Once the needs assessment is completed, the Project Company will identify the priority areas for CDP activities and allocate the necessary budget for the implementation of activities. Upon finalisation, the LRCP and CDP will be disclosed to public at the web-site of the Project Company.

The Project Company CLO is currently conducting a needs assessment for the development of the Community Development Program (CDP). In this assessment, the needs of the local communities (within the social study area) in the following areas will be explored to be considered in the CDP:

- Education support for university students (covering both female and male students),
- Provision of materials, equipment, training, etc. for improving beekeeping,
- Technical assistance/support for households conducting livestock activities,
- Provision of skills trainings,
- Collaboration with related labour institutions to provide access to jobs.

8.5 Timetable for Proposed Activities

The lifespan of the LRCF implementation is 3 years starting with the financial close. Table 8–2 is an indicative timetable summarising the activities to be undertaken as part of the LRCF. These activities will be harmonised with CDP activities that will be conducted throughout the life of the project and in parallel to the timetable of LRCF (LRCP once it replaces LRCF) activities.

Table 8–2. Timetable for Proposed Livelihood Compensation and Restoration Measures Activities

Sector	Activities	Schedule
Compensation and livelihood restoration for the loss of cherry plantations	Provision of replacement land (Option 1) or cash compensation (Option 2) at full replacement	Starts after financial close, to be agreed prior to land entry (at the location of Turbine-12)
Livelihood restoration assistance to the owner of cherry plantations	Provide livelihood restoration assistance e.g. access to markets, trainings) to the owner of cherry plantations (on Parcels 277/1 and 277/2)	For two years (starting with construction)
Compensation for loss of products and income generated by beekeeping	Provide appropriate compensation (e.g. cash compensation) after the income loss is verified through an independent expert	Throughout the construction phase (starting with mobilisation)
Compensation for loss of or damage on livestock (i.e. breeding) due to the Project construction activities	Provide appropriate compensation after the income loss is verified through an independent expert	Throughout the construction phase (starting with mobilisation)
Monitoring of LCRF (LRCP once it replaces LRCF) activities	Starting from land acquisition phase until 24 months after implementation of the LRCP (LRCP once it replaces LRCF).	Until LRCP completion audit (24 months after completion of the LRCP activities)

8.6 Database of Implemented Activities

A database will be set up by the Project Company for each neighbourhood, in order to record all CDP and LRCF activities in the affected settlements. Recording details of activities will help the Project Company to monitoring and budget planning.

The database will enhance transparency and will enable the Project Company to monitor their activities in the different neighbourhoods. Information recorded in the database will make required reporting easier as well. There are seasonal limitations to certain CDP activities (e.g. distribution of beehives and queen bees) and the database will help prioritise and manage risks and costs.

