

Resettlement Policy Framework for the Turkey Geothermal Development Project

**COMPONENT 2 – FINANCIAL
INTERMEDIARIES (TÜRKİYE
KALKINMA BANKASI)**

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1. PROJECT DESCRIPTION &BACKGROUND

The Loan Facility under the Geothermal Development Project will fund private sector investments in geothermal resource development and construction of power generation plants and other facilities using direct geothermal heat. The Project Development Objective is to scale up private sector investment in geothermal energy development in Turkey. This will be achieved by reducing the risks taken on by the private sector in the exploratory phases, and by providing access to long-term financing for resource development phases.

The proposed project envisages two components: (a) Component 1 will establish a Risk Sharing Mechanism for Resource Validation, to support the exploration and confirmation drilling stages. International experience shows that mechanisms that reduce the resource risk by using public support to help share the risk at these stages are the most cost effective way to ensure significant scaling up of investment, (b) Component 2 will set up a Loan Facility for Resource Development to provide financing to the resource development stage and to the power plant development phase. This Resettlement Policy Framework (RPF) concerns Component 2 of the project and is applicable to the Financial Intermediary that will be the PIU for this component, Türkiye Kalkınma Bankası (TKB). Component 1 will be implemented by a different PIU and a separate RPF has been prepared by this PIU.

TKB is responsible for due diligence to ensure that investments are sound and that borrowers comply with legal and financial requirements, including World Bank safeguards, particularly Operational Policy 4.12 (OP), Involuntary Resettlement. The OP aims to mitigate the impact on third parties who are affected by resettlement, the acquisition of private land for public use, and the loss of private assets due to investments funded by the Bank.

This RPF has been prepared by the borrower, as required by the OP, because specific investments are not known at the time of project appraisal. Had the investments been known in advance, a Resettlement Action Plan (RAP) would have been required for each investment prior to appraisal of the project. A RAP or Abbreviated Resettlement Action Plan (ARAP) depending on the magnitude of impacts, is required for any land acquisition and/or resettlement carried out by sponsor after the RPF has been approved. This is regardless of when the corresponding sub-loan agreement is signed. This RPF describes anticipated project impacts, the legal framework for land acquisition and resettlement, types of project-affected persons, entitlements and compensation, and the steps that the borrower (and sub-project borrowers) will take to ensure compliance with the Operational Policy. Further, this framework also applies retroactively to land acquisition that might have occurred before the sub-borrower applied to TKB for World Bank financing, if the land was acquired in anticipation of the project within a reasonably recent time period. In such circumstances, an ex-post social review (see appendix.2) will be used to assess conformity with framework principles and requirements and to preclude social risk, and mitigation measures will be

agreed upon between the Bank and TKB prior to financing eligibility. The RPF becomes part of the project loan agreement and informs the project Operations Manual, Section VI.2, which describes agreed procedures and reporting requirements that will be met during implementation of the project.

In this paper, the term “sponsor” refers to the investor in a sub-project who borrows funds from TKB made available through the World Bank Loan.

2. PRINCIPLES & OBJECTIVES

The World Bank OP 4.12 on Involuntary Resettlement includes safeguards to address and mitigate risks resulting from involuntary resettlement under development projects, and covers any involuntary land taking.

The overall objectives of the Bank's policy on involuntary resettlement are the following:

- (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
- (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- (c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

As part of its due diligence, TKB is responsible to ensure that any land expropriation or involuntary resettlement associated with a sub-project complies with the World Bank's Operational Policy 4.12 (OP 4.12), Involuntary Resettlement. The purpose of the policy is to avoid or mitigate adverse effects on third parties by development investments. The compliance requirement applies to every project to be financed by an FI with project funds for which either competent authority indicated by the Law issued or will issue a Public Benefit Decision for renewable energy facilities, which enables the investor/sponsor to carry out eminent domain for land acquisition for the sub-project, and/or for which an investor requests an Expropriation Decision. These decisions enable the investor to carry out eminent domain for land acquisition for the sub-project. The sponsors in most cases will initially try to agree with private owners on a sale of land in the private market, if they cannot agree on the sale, they apply for expropriation procedures to start. Due to this reason, the initial sale is not considered voluntary under World Bank Guidelines and OP 4.12 applies to these transactions as well. The WB policy requirements also apply when third parties (such as renters, squatters or other users of land) are affected, when Government land is transferred to the sponsor or when third parties are affected by negotiated acquisition of private land.

Prior to implementation of the resettlement/land acquisition activities, the sponsor will apply the following approaches and methodology of social assessment as required by OP4.12 requirements:

- Minimize resettlement and the acquisition of private land,

- Assess the potential economic and social impacts of land acquisition/resettlement on affected people (on livelihoods of them),
- Identify categories of affected persons and their respective entitlements,
- Promote the process of consultation/participation of PAPs in the land acquisition (and resettlement if any) preparation and planning, as well as information dissemination to the PAPs. Environmental and Social meetings can be held together where possible,
- Compensate for lost assets at full replacement cost,
- Compensate informal/illegal land users for lost assets and provide assistance in relocating, if needed,
- Compensate and obtain legal access to expropriated land before starting construction,
- Provide information and prepare special assistance programs for vulnerable groups including the persons without any immovable property,
- Provide and prepare the plans for grievance redress and monitoring in line with the WB policy guidelines.

3. PROCESS FOR PREPARING AND APPROVING RESETTLEMENT PLANS

Under the World Bank funded Geothermal Development Project, once a sponsor applied to TKB for available funding through the World Bank Loan, TKB, will screen sub-projects for financing and identify if there are land acquisition issues that will fall under OP 4.12.

After the screening, TKB will be responsible for ensuring that the sponsor prepares a RAP (that may also include a social audit of past land acquisition in anticipation of project) in accordance with this RPF and OP 4.12. TKB may need to build capacity and support the sponsor in preparation of the RAP. The draft RAP will be disclosed locally and consulted on with the participation of the locally affected persons and land owners. The RAP will be revised and finalized accordingly.

Required Information for the Acquisition of Private Land

With regard to a sub-project, the project sponsor will provide documentation regarding land acquisition needs (including the lands will be needed for the project in future) and recently completed land acquisition (as presented for a Public Benefit Document or Expropriation Decision) and current status as part of its application for a loan funded by the Geothermal Project. TKB will review the documentation and determine remedies if there are any circumstances which would jeopardize compliance with OP 4.12. If so, TKB will request additional information from the applicant and request the Bank to review the application to determine an appropriate course of action.

TKB shall provide the documentation of the Public Benefit Document which justifies the land acquisition as well as detailed information regarding landholdings and the anticipated costs of land acquisition. In addition to the standard documentation indicated above, TKB will request the sponsor to use the enclosed Resettlement Action Plan-- reporting formats (i.e., Abbreviated Resettlement Action Plan in Appendix.1 or the full Resettlement Action Plan in Appendix.3) to cover the following issues:

- Assessment of the temporary and permanent impact of land acquisition/expropriation and the categories of persons/households affected—number of Lands/plots affected; percentage of land/plot affected in any landholding, land use before and after acquisition, prior land use and number of owners.

- Document the socioeconomic situation of affected households such as how much land is affected, what are their main livelihoods, whether the land impacted is a significant source of their livelihoods. The aim of this documentation is to find out the adverse impacts on livelihoods of displaced persons and providing restoration measures for them to compensate income losses.
- Compensation standards applied for temporary and permanent—loss of land, loss of crops, loss of productive trees, loss of residences and businesses (documenting the equivalent of full replacement cost),
- The results of court decisions, if any.
- Provisions for replacement lands, if relevant
- Provide documents for vulnerable groups, grievance redress and monitoring

Required Information for the Acquisition of Public Land

In addition to acquiring private land, sub-project sponsors may benefit from the transfer of lands with title/rights to this land and/or any intangibles related to the land, from the government to the sub-project sponsor under applicable law relating to the transfer of public land for projects.

OP 4.12 applies in all cases in which Government land that is transferred to a sponsor is being leased to a third party or used informally by a third party prior to the transfer.

If a sub-project will use Government land transferred to the sponsor, the sponsor will provide a Social Impact Screening Form to TKB for submission to the World Bank. The form will be used to document the summary of the transactions, and screen for projects which may be identified to require more information on land acquisition. The documentation must include the following:

- Amount of land previously in use/not in use
- Number, name and the socioeconomic situation of affected households (tenants, informal users) such as; how much land is affected, what are their main livelihoods, whether the land impacted is a significant source of their livelihoods.

For each sub-project that requires land acquisition, after ensuring that above detailed RAP preparation process is completed, TKB will submit this RAP to the Bank for approval before implementation of land acquisition. RAPs will include detailed provision for the planning and implementation of resettlement, meeting the goals of OP 4.12. The scope and level of detail of the RAP varies with the magnitude and complexity of the land acquisition and compensation issues. The plan will indicate the number and ownerships of parcels to be acquired or subject to servitude agreements, the amount of each parcel affected, estimated cost of the land and other assets to be acquired or subject to the long term easement, responsibility for execution and schedule for acquisition. The World Bank will review and confirm documentation on the land acquisition process to ensure conformance with OP/BP 4.12. Once the RAP is cleared by the Bank, the final RAP will be disclosed locally at the project site and the Bank's Infoshop website.

TKB has the responsibility to ensure that the project implementation is fully consistent with the RAP and also to provide for adequate monitoring and reporting of the activities set out in the RAP. As part of RAP implementation, TKB will provide a summary report of land acquisition activities to the World Bank every six months, to be included in the overall project progress report, indicating the number and ownership of parcels affected and their current

status, the progress of negotiations and appeals, and the price offered and finally paid (reported as number of square meters of the original whole plot and the size of the specific area acquired, and amount per square meter). At the end of the project and as part of project completion report, TKB will provide the Bank with RAP completion report.

If necessary, the World Bank may contact interested/affected parties to confirm the validity and determine whether or not the process and outcomes comply with OP/BP 4.12. The World Bank will regularly supervise RAP implementation to determine compliance with OP 4.12.

4. ANTICIPATED IMPACTS AND AFFECTED PERSONS

The footprint of a geothermal power plant requires land acquisition for the power plant itself, multiple wells, the network of interconnecting pipe work, a transformer station, electricity transmission lines to connect to the grid, access roads and administrative offices. Land acquisition occurs gradually, starting with only a few well areas (about 0.5 hectares each) for the exploration drilling and ending with the full footprint described above for a plant in operation. When developers are having well areas expropriated, remaining land of the owner may be left with "holes" and not viable for livelihoods or farming. Similarly, the lattice of interconnecting pipes (about 2 meters wide, installed above ground) can have a more significant impact compared to just the base area for land acquisition due to dividing farmers' plots and cutting off access for people, animals and machinery. Potential impacts of piecemeal expropriation on the livelihoods of farmers should be assessed in the land acquisition plan. In these cases, expropriation of all of the owner's land or other mitigation measures may be necessary.

Geothermal power plants are usually constructed in rural farming areas. Affected persons will include land owners, absentee land owners, renters, sharecroppers, squatters and other users of land. Since siting allows for some flexibility, acquisition of houses and relocation is not foreseen, but if this takes place, affected persons can include structure owners, asset owners, home owners, and renters. If the affected persons are conducting business on acquired lands (such as roadside food stall to sell crops), these will also be considered as affected businesses, and anyone who works in these businesses that is not covered by the above affected categories will be taken into consideration.

5. CUT-OFF DATE &ELIGIBILITY CRITERIA FOR AFFECTED PERSONS

Any person who will suffer loss or damage to land, an asset, business, trade or loss of access to productive resources, as a result of the project will be considered eligible for compensation and/ or resettlement assistance.

The cut-off date for being eligible for compensation and/ or resettlement assistance is the last day during which the census/inventory of assets is completed. Sufficient public awareness of the cut-off date will be given to the community through the responsible agencies, community elders and leaders.

Cut-off date is essential as crops can be cultivated or users can increase assets. Individuals or groups who are not present at the time of registration but who have a legitimate claim to membership in the affected community can be accommodated.

In Turkey, for the large scale projects where land acquisition takes more than one year, “public benefit decision” is announced for 15 days in the office of village head. Following the end of this notification date costs of structures constructed after that date and the trees planted are not taken into account. On the other hand, Turkey is moving into the digital cadaster system in country wide. Also, population registry system depends on the current addresses of persons. So, fraudulent claims and population influx are prevented through this system. Further to that, the provincial governorships hinder those claims upon the application of project sponsor. Furthermore, Turkish resettlement framework includes specific cut off dates regarding application and eligibility to entitlement.

PROOF OF ELIGIBILITY

The sponsor will consider various forms of evidence as proof of eligibility as stated in the RPF, to cover the following:

- Project affected persons with formal legal rights, documented in the form of land title registration certificates, leasehold indentures, tenancy agreements, rent receipts, building and planning permits, business operating licenses, and utility bills among others: unprocessed/unregistered formal legal documents will be established in the RAP.
- Project affected persons with no formal or recognized legal rights-criteria for establishing non-formal, undocumented or unrecognized claims to eligibility shall be established through paying particular attention to each situation and its peculiarities.
- Alternative means of proof of eligibility will include: Affidavit signed by land owners and tenants; witnessing or evidence by recognized administrative authority.

Generally, only project affected persons enumerated during the census/inventory of assets shall be eligible for either the compensation or supplemental assistance. Any new structures or additions to existing structures carried out after the cut-off date will not be considered affected, and their owners or occupants will not be eligible for compensation or supplemental assistance (unless they can demonstrate the census/inventory of assets failed to identify them as affected).

ENTITLEMENT POLICY

The following Project Affected Person(s) would be entitled to compensation and rehabilitation measures/resettlement:

1. Project Affected Persons Losing Land or Structures (or losing access to those assets) and/or having to physically relocate due to loss of livelihood, or losing access to income sources or means of livelihood: Generally, all project affected persons with legal rights of land use. There will be compensation for land, structures and economic assets on land at full replacement value. Resettlement assistance in line with the World Bank policy requirements will be provided for them.
2. Project Affected Persons with loss of crops or economic trees: It is assumed that affected persons would be able to harvest any crops planted prior to the confiscation date. If land must be taken before crops are harvested, compensation will be paid for the estimated crop value. Full compensation will be paid for the replacement value of

the economic tree, based on cumulative value (calculated on specifically determined balance sheet by taking into bare land value) of the fruit crop for its productive life.

3. Project Affected Persons losing rental land: Renters will be assisted to find alternative land to rent. Transitional assistance may be necessary to ensure that renter livelihoods are not affected.
4. Project Affected People who are illegal Users Those who have no recognizable legal rights or claim to the land they are occupying. There will be no land compensation, but the structures and other assets (trees) on land will be compensated based on replacement value. Those using land unofficially for agricultural or grazing purposes will be assisted to find alternative areas available for use.
5. Project Affected Persons without any immovable property, losing their livelihoods due to land acquisition: Those are also entitled to Government Assisted Resettlement upon their request, if they are determined as eligible by the local resettlement commission.

6. TURKISH LEGAL FRAMEWORK FOR LAND ACQUISITION, RESETTLEMENT & GAP ANALYSIS

OVERALL TURKISH LEGAL FRAMEWORK

In the scope of Turkish legal framework, land acquisition/expropriation is based on the Expropriation Law No: 2942 (amended by Law No: 4650 in 2001). In addition, Article 46 of the Turkish Constitution explains that state and legal public entities, in cases of public benefit, are entitled to entirely or partially expropriate immovable properties in private possession, on condition that the real value of those immovable properties are paid in advance and in cash; and to establish easement rights on these immovable properties in compliance with the procedures and principles set by expropriation law. In other words; Turkish Constitution implies that any immovable property cannot be confiscated unless its expropriation compensation is paid to the owner/s in advance and in cash.

According to Article 8 of Expropriation Law (no: 2942), in all cases where the owners of immovable properties are identified, the first choice practice is to purchase the land through negotiation. For those owners with whom agreement cannot be reached by negotiation or for owners with unidentified addresses, absentee owners, or for immovable properties over which there are ownership disputes; a lawsuit is filed with the relevant court of first instance for valuation and registration, pursuant to Article 10 of the Expropriation Law, and the expropriation compensation set by the court in the course of the lawsuit is deposited into a bank account to be paid to the owner of the expropriated property. The expropriation compensation for immovable properties with unidentified owner is deposited into a time account with 3-month maturity terms. (A minimum two months is required for notification and negotiations before invoking of the Article 10 of the Expropriation Law. The actual time increases in proportion with the number of owners and land parcels.)

Expropriation compensations are set pursuant to the criteria set out in Article 11 of the Expropriation Law. Turkish legislation does not require the payment of compensation to tenants, sharecroppers and illegal users of properties who have made no improvements (building and/or tree). However, persons who have spent money and constructed/erected buildings or other structures on the lands of other persons are compensated at replacement

cost for trees and material costs for buildings.

Right to sue: The owner of the asset can apply to the administrative court for the cancellation of expropriation or to the judicial justice for corrections against mistakes of fact within 30 days after the notification date (Expropriation Law, Article 14).

On the other hand, if the owner is not satisfied with the amount of expropriation compensation determined by the court according to the article 10 of the law, can appeal at Supreme Court.

Apart from the Expropriation law, the damages that occur on the route or on the way to the route (out of the land acquisition area) will be paid by legal responsible agency to the affected persons following the necessary due diligence. These compensations may also cover the reinstatement of the property with regard to the contract between land owner and sponsor for usage of the land or for servitude. On the other hand, according to the Instructions of the Law Regarding Geothermal Resources and Mineral Waters, the license owner has to leave this area (easement or expropriated area) through reinstating the natural situation in conformity with environment.

Announcement: The government notifies the owners of the immovable property to be expropriated through an official registered letter indicating its desire to purchase the subject land through negotiation, and paying the price of the land or easement right for such land in cash. For immovable properties over which there is ownership dispute, and unidentified owners, relevant court publicizes the summary of expropriation documents in a local and national newspaper at least once.

Purchasing Upon Agreement / Payment of Compensation / Alienation: Negotiation commission is internally established by the agency responsible for land acquisition to negotiate with property owners. Each negotiation commission is comprised of at least three persons. Prior to negotiation stage, the aforesaid agency sends an official invitation letter to property owner without informing about the estimated value for the asset that had been previously estimated by the valuation commission. Then, negotiation session starts on determined date (Article 8 of Expropriation Law).

Agreement: If an agreement on expropriation value is reached, at first a written agreement (memorandum of agreement) is signed by both sides, then the property ownership transfer (alienation) and payment of expropriation compensation procedures are completed within 45 days. The property owner does not hold a right of objection after this negotiated settlement process.

Non-agreement: If an agreement is not reached during negotiations, a memorandum of non-agreement is signed by two sides and the agency/sponsor responsible for land acquisition applies to the Civil Court of First Instance with needed documents. The court assigns a day for a trial within 30 days following this application and calls the parties (agency and property owner) for conciliation on a value on the trial day. If the parties cannot reach an agreement upon a value at this first hearing, the judge assigns a date for land survey by a commission, which consists of independent experts, within 15 days, and a new trial date within 30 days. The evaluation process of the immovable property is undertaken by this independent expert commission with the participation of all parties and the village headman. Following the field visit regarding land survey, the expert commission submits its report to the court within 15 days. The report explicitly states the determined value for the property. Then, the court sends

this report to both parties. If the parties cannot reach an agreement on this value at the trial again, the judge can assign a new expert commission to finalize the same procedure within 15 days and determines the expropriation value at the next trial day. The Court takes the final decision about the compensation of immovable property in question and alienation/registration of the land in the name of government. Then, both sides still have the right to appeal to the “Supreme Court” about the valuation. Finally, the property ownership transfer (alienation) and payment of expropriation compensation are completed within 15 days in line with the decision of the court.

It should be noted that the costs of the court process are born by the responsible agency according to the Expropriation Law. Particularly, in case of the court process cannot be concluded within 4 months, legal interest rate is applied to determined compensation amount as from this deadline. This should also be noted that the expropriation files of deceased owners, absentee owners, persons claiming customary right are directly conveyed to local civil court of first instance by the agency responsible for land acquisition.

According to the Article 10 of Expropriation Law, The court of first instance shall summon the property owner by notifying the date of hearing, by attaching the action lawsuit petition of responsible organization and one copy from each document submitted by responsible organization, either through annotated invitation or to those owners whose addresses not reached at the end of investigation carried out by responsible organization through announcement (newspaper advertisement) as per the Law on Notifications. This means that absentee owners are informed through the several ways.

In case of owner cannot be determined, Article 10 of the Law reads that the needed measures shall be taken by the court for the aim of providing interest for the amount of expropriation compensation through depositing the amount into a time deposit account with a term of 3 months. In addition, if a land is partially expropriated and in case of the remaining part is not usable, this part shall also be expropriated upon the request of the owner within 30 days following receiving expropriation decision (article 12 of Expropriation Law).

Urgent Expropriation: Article 27 of the Expropriation Law authorizes the organization responsible for expropriation to confiscate the properties required by the project earlier than the time needed in normal expropriation procedure. This process does not prevent challenges of the property owners against the determined valuation.

Mainly, for the expropriation of needed immovable properties Article 27 of the Law prescribes that in cases of the necessity for national defense as for the implementation of the Law on Obligations for Natural Defense (No: 3634) or in cases of the urgency of land expropriation decided by the Cabinet or in cases of emergency, which are stipulated in special laws, any immovable asset can be confiscated by the organization responsible for expropriation. In this case, the sequence of operations (excluding evaluation of immovable properties) is completed later. Through the court (upon request of the responsible organization), the values of the immovable assets are evaluated by an expert commission according to the provisions of Article 10 and 15 of the Law within seven days. The confiscation can be carried out after the determined compensation is deposited in the bank (in the name of the owner) indicated in the invitation letter and an announcement in line with the Article 10 of the Expropriation Law, by the responsible organization.

According to the decision of 5th Civil/Legal Department of Supreme Court/High Court of Appeal in 2008 (No: E 2008/1494, K 2008/3602) the amount of compensation determined

according to the article 27 of Expropriation Law is not the final amount of compensation. If a land owner disagrees with the organization responsible for land acquisition on the compensation amount he can refuse to alienate his land. In this case, the Responsible organization has to take the matter to the court according to article 10 of the Expropriation Law. Under those circumstances the responsible organization has to invite all owners regardless they agreed and disagreed with the initial compensation to finalize the expropriation process.

TURKISH LEGAL FRAMEWORK FOR RESETTLEMENT

Resettlement activities are regulated by Resettlement Law no 5543. This Law deals with the families applying to related governmental agencies in the project region and requesting government assisted resettlement. Resettlement assistance of the government is provided for entitled families while expropriation compensation payments are paid to all individuals possessing immovable properties in the project area. According to the Article 3 of the Law, three types of resettlement can be applied as for that the choices and requests of affected families. Article 3 of the Law reads this point as follows;

“ARTICLE 3 – (1)

- a) Agricultural resettlement:*** *Agricultural resettlement is implemented through providing a family with the following; agricultural land at the amount of envisaged in special resettlement project prepared by Ministry of Environment and Urban Planning (MEUP), house, management building, animal, agricultural devices and tools, workbench and credits one or more.*
- b) Non – agricultural resettlement:*** *This type of resettlement is implemented through providing a family with the following: building plot at the amount provisioned in special resettlement project, house, devices, tools, workbench and loans one or more.*
- c) Physical settlement:*** *This type of resettlement is implemented through providing construction credit support to a family within the amount of loan determined by the Ministry (MEUP) for the aim of re-building (moving) of villages because of unsuitability of a village centers or consolidating of villages because of dispersed settlement or villages which are fragmented as a result of disasters; after selling land (house plot) from village development areas to people in need”.*

Article 12 of the Law refers to the resettlement of persons whose immovable assets are expropriated, and specifies eligibility criteria for government assisted resettlement as follows:

“(1) Due to the construction of a dam, an area adjacent to the dam, an area under protection, airport, highway, railway, plant and other facilities related to national economy and defense will be erected by public institutions and organizations; and due to the implementation of special laws and in order to protect historical and natural valuables;

- a) The families who have to leave their locations/places as a result of partial or full expropriation of their immovable properties,***
- b) The families who do not own any immovable property, but who reside in the expropriation area at least for three years before the beginning of the calendar year, in which the resettlement planning studies were commenced, will be resettled to the locations/places indicated by the Ministry (MEUP) according to the provisions of this Law, provided that they request.***

(2) *However, the families who own immovable properties to be expropriated but left their places before the commencement date of resettlement planning studies shall not be resettled. Within the last three years as of this date, the families who sold their immobile properties without any compulsory situation and did not purchase immovable property with the equal or higher value shall not be resettled even if they did not leave their places. The compulsory situations mentioned above shall be determined by the regulations.*

(3) *Among the families residing in the expropriation area, those who are affected from the expropriation implemented by the public institutions and organizations, can be resettled by the Ministry to a location indicated within their village boundaries upon their written application if they do not want to be resettled by the government in any other place, provided that the suggestion of relevant Governorate and the approval of the Ministry of Interior are obtained.*

(4) *Among the families included in the scope of this article, and requested to be resettled by the Government;*

- *The families who do not apply within the ninety day following the ending date of the announcement of resettlement¹, and*
- *the families who do not commit to deposit the amount determined by the Ministry (MEUP) from their expropriation compensation they received or will receive, or their full expropriation compensation and additional increase awarded by court in the case that the amount of expropriation compensation is lower than the amount (determined by the Ministry) into the account of the Central Account Unit of the Ministry, shall not be resettled. “*

This article states that the affected family (entitled to expropriation compensation) requesting government assisted resettlement has to commit to deposit a certain amount of this compensation to the Ministry of Environment and Urban Planning. The Regulations/Instructions for implementation of Resettlement Law defines this amount as 120 times of the gross monthly (30 days) minimum wage of any worker who is older than 16 years. If the affected household requesting government assisted resettlement is not entitled to expropriation compensation, then they are not required to pay down payment (as deposit) to the Ministry. Upon the completion of resettlement construction process the cost of resettlement shall be paid by the household to the Ministry within 15 years after a 5 year grace period and without interest. Naturally, the amount of down payment shall be taken into account (deducted). The amount of down payment is updated as of this netting date. Furthermore, according to regulations of the Law, if there are workers or persons with pension from any social security organization in the family, total annual amount of their wage/pension should be less than 18 time of monthly minimum gross wage.

Resettlement Assistance; Article 9 of Resettlement Law explains the resettlement assistance (which is similar to World Bank Standards) as follows:

- a) “At first, house and its’ house - plot (for building),

¹When the duration of 30 days for notification has been taken into account, the total application time corresponds to 120 days.

- b) For craftsmen, artisans and tradesmen: work place and its' building plot and operation credit to enable them providing for their livelihood,
- c) For farmers, land, necessary agricultural inputs, agricultural structures or plot of structure, and in kind and in cash operation and equipment credits as envisaged in agricultural resettlement project (specific),
- d) In case of the request of the right holder families (entitled to resettlement), resettlement credits can be given to the families collectively or individually, if the house, work place and agricultural land are found by themselves and their suggestions are approved by MEUP.”

Other assistances can be summarized as follows;

“Transportation (moving) of those entitled families to the resettlement areas (sites) shall be provided free of charge by the government according to the “Transportation (moving) Project” to be prepared (specifically) by the Ministry,”

In sum, landless families, renters of houses and/or work places, tenant users of the land, legal/illegal users of treasury or forest areas and artisans including itinerant peddlers without immovable property but living in that area can be entitled to government assisted resettlement for which they might be eligible.

Physical Settlement (Article 3.1.c)

According to the Resettlement Law the settlement of families within the boundaries of the same village is possible through providing a plot and a loan for the construction of a new house. This is generally implemented in the villages fragmented by development projects such as dams. So, residential area of the village is partially affected. Eligibility criteria for this option are different from the criteria of “agricultural” and “non-agricultural” full resettlement options aforementioned (mentioned in the Article 3.1.a and 3.1.b of the Law). Family should have been living there at least for one year. This activity does not include income restoration. For this reason, if income restoration is needed, related governorship requests supports of other provincial agencies such as provincial directorate of Food, Agriculture and Livestock (and other related agencies) for providing priorities to canalize the government-support programs to resettlement site.

Category of Family (Livelihood loss)	Entitlements			Remarks
Family loosing livelihood due to project expropriations (house and land, land, house)	Agricultural Resettlement	Non Agricultural Resettlement		
Family without any immovable property but losing livelihood due to	Agricultural Resettlement	Non Agricultural Resettlement		

Category of Family (Livelihood loss)	Entitlements		Remarks
expropriations			
Family losing only house (residential)		Physical Settlement	This option will be applied in the villages with partially affected residential area.

TURKISH LEGAL FRAMEWORK FOR GEOTHERMAL PROJECTS

Article 22 of Application Regulations of The Law on Geothermal Resources and Natural Mineral Waters explains the procedures and principles of land acquisition that will be carried out by sponsor/s.

Sub clause (1) of Article 22 explains that the sponsor with exploring license carries on his activities through getting permission of property owner. In case of the permission is not obtained, sponsor can request provincial governorship (Special Provincial Administration or Head of Coordination of Investment Monitoring in case that metropolitan municipality in the province) for easement right establishment. If the Administration finds this request convenient, takes “public interest decision”.

Sub Clause (2) states that the sponsor with operation license carries on his operational activities through obtaining the permission of private property owner. If the owner cannot provide the land for his operational facilities through agreement with the owner, he can apply governorship (above mentioned administrations) for easement right establishment or expropriation in line with the Law No 2942.

According to sub clause (3), compensations regarding easement right and expropriation, and related expenses are paid by sponsor (license owner).

The area requested to be expropriated is registered in the name of Administration following the expropriation decision and then allocated to sponsor (license owner) for the period of ongoing project activities (Sub clause 4).

In case of the need of expropriated properties is over and this situation is reported to Administration, and determined by the Administration, owner of property and license owner are notified that the property in question will be returned to its previous owner in line with the conditions of Expropriation Law. If owner does not want to purchase the property, it remains under the possession of Administration.

License owner cannot use the area (expropriated or easement is applied) out of the purpose. According to sub clause (7) of Article 22, License owner has to leave this area within the duration that indicated its project, through reinstating as environmentally sound.

GAP ANALYSIS

GAP	Turkish Legal Framework	World Bank Policy Requirements	Measures to bridge the GAPs
Lack of Information during urgent expropriation,	Article 27 of Expropriation Law permits urgent expropriation without informing right holders,	WB policy documents necessitate public information/consultation and participation regarding all activities of land acquisition and resettlement	If urgent expropriation is unavoidable, public information and consultation meetings will be added this process. Awareness of affected persons about their rights against expropriation procedure will be insured.
Replacement Cost Land	Valuation of agricultural lands depends on capitalization of annual net income which is calculated by taking into account the market prices.	Full replacement cost will be applied	As the capitalization takes into account the value of equal productive potential (such as; distance to location centers and access roads, irrigation status and easiness of irrigation, health conditions, shape and size of the land, pieces composition of the land, cadastre, location/position of the land) during valuation, and complementary parts on the land are separately valued and added on the land value, there is no gap at this point, but the cost of any registration and transfer taxes regarding new land will be added to reach full replacement cost.
Replacement cost House plots	Market value	Full replacement cost	Interaction cost regarding any registration and transfer taxes regarding new plot will be added to reach full replacement cost.
Replacement cost Buildings/structure	Construction cost approach is used and depreciation (for wear and tear) of the building/structure is deducted. Valuation methodology is the	Full replacement cost OP 4.12, Annex A, Involuntary Resettlement Sourcebook. (Compensation is	Depreciation will not be deducted Since the Expropriation Law entails deduction of depreciation, replacement cost will be sought to secure

GAP	Turkish Legal Framework	World Bank Policy Requirements	Measures to bridge the GAPs
	same both in rural and urban area.	<p>evaluated in net terms, and should allow the affected person to obtain replacement assets of equivalent value.</p> <p>In areas with functioning secondary markets, this does not imply compensation at the cost of new structures.</p> <p>Depreciation is not appropriate if it would result in under-compensation.</p> <p>In these cases, some combination of supplemental devices can be used to reach replacement value. Salvage material should be left the owner</p>	<p>replacement assets of equivalent value.</p> <p>Within the content of the RAP, a project specific mechanism will include supplemental devices that are mentioned in WB documents.</p> <p>Salvage material will be left the owner without charge</p>
Entitlement to Expropriation Compensation	Renters of houses and/or work places, tenant users of the land, legal/illegal users of forest areas and merchants without immovable property are not entitled to expropriation compensation.	<p>They should be compensated for immovable assets, in addition assisted in their efforts to restore (if possible improve) their livelihoods.</p> <p>In this respect, OP 4.12 states that lack of full legal title should not be a barrier to assistance.</p>	<p>Assistance by the RAP will be provided for them. It is essential that all persons adversely affected are identified, and that resettlement plans will provide a context-specific description of relevant issues relating to compensation and, if relevant, livelihoods restoration measures.</p> <p>For these assistances, project specific mechanisms e.g., alternative forms of assistance will also be provided.</p>
Entitlement to Expropriation compensation	Persons building structures or planting trees on the land titled in the name of other persons or ownerless,	Full replacement cost	Difference will be paid by project to reach full replacement cost

GAP	Turkish Legal Framework	World Bank Policy Requirements	Measures to bridge the GAPs
	and/or has not been acquired by its customary owner are entitled to receive expropriation compensation as the minimum material value and valued value of trees.		
Pasture land Compensation	Displaced persons benefiting from public properties area are not being compensated since the compensation is paid by the organization (or sponsor) to the Ministry of Food Agriculture and Livestock	They should be provided assistance within the content of RAP.	Local resettlement plans will provide Project specific mechanisms for those persons. Such as providing alternative pasture land.
Resettlement planning	There is no statutory arrangement for preparation of a Resettlement Plan covering all displaced persons and host families.	World Bank policy requires preparation of RAP.	Preparation of a RAP by the Responsible body/or sponsor. This will be a full or abbreviated RAP depending on the number of people affected and whether physical relocation involved. If land is acquired before financial assistance is sought, ex-post (retroactively) reporting procedures will be carried out. Also, for the projects that entail additional and acquisition in the future, proactive study and reporting will be carried out.
Institutional Status, Capacity and Coordination, Training	A number of different private and government institutions legally deal with one segment (e.g. cadastre/land registry, drillings, operations, power	World Bank Policy requests a coordinated organizational framework for resettlement implementation between all agencies	Responsible organizations and sponsors will provide such co-ordination under Project Implementation Unit Technical assistance, in the form of training and

GAP	Turkish Legal Framework	World Bank Policy Requirements	Measures to bridge the GAPs
	generation, land acquisition and resettlement; activities of various ministries, local governorates and private bodies) of the land acquisition and involuntary resettlement processes, with a lack of co-ordination between all agencies involved.	involved.	on-the-job support will be provided.
Public information, consultation, participation	There are inadequate provisions regarding public information, consultation and participation in the Expropriation procedure while Resettlement procedure includes more activities on public information, consultation and participation.	PAPs, their communities, and any host communities are to be provided with timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement.	This will be done by the Responsible organization/sponsor
Moving Allowance	A “moving allowance” is provided for the families who are entitled to government assisted resettlement	Assistances such as moving allowances should be provided for displaced persons during relocation	Assistance to cover actual costs will also be provided to self resettlers through a special RAP fund set up by the project sponsor.
Monitoring	There are no provisions for monitoring in the Turkish legal framework	Arrangements for monitoring, implementation of RAPs and an evaluation of its impacts should be developed in line with the World Bank policy requirements	Project specific monitoring and evaluation program will be established and included in RAP. Also, monitoring and grievance redress mechanism will include information on how grievances were addressed.
Grievance Redress Mechanism	The existing system does not match World Bank requirements	Appropriate and accessible grievance mechanisms are to	Mechanism will be established by responsible

GAP	Turkish Legal Framework	World Bank Policy Requirements	Measures to bridge the GAPs
		be established.	organization/sponsor. Also the RAP will include a detailed GRM.

7. METHODS FOR VALUATION OF ASSETS

Under the Turkish legal framework, a valuation committee consisting of a minimum of three persons internally appointed by the agency responsible for land acquisition determines the estimated value of the immovable property to be expropriated, having regard to the information and documents to be obtained from expert persons, institutions and authorities (such as Provincial Directorate for Food Agriculture and Livestock), the Ministry of Science, Industry and Technology where necessary, and from local real estate agencies as per Article 8 of the Expropriation Law. Number of commission can be more than one.

The valuation commission determines the estimated ceiling values of immovable properties in the expropriation area. During the valuation of immovable assets or resources, valuation commission (and the expert commission designated by the court) has to take into account the following valuation criteria, which are mentioned in Article 11 of the Expropriation Law:

- The nature of the immovable property or resource,
- The size of the immovable property or resource,
- All the characteristics and elements, which could affect the value of the immovable property or resource, including the individual value of each element,
- Tax declaration, if any
- Previous values of property determined by official bodies at the date of expropriation,
- For lands, the net income that could be derived from the immovable property or resource (without undertaking any changes, using the immovable property or resource in the same conditions as of the expropriation date),
- For house plots, the amount for which equal (similar) house plots have been sold without any special purpose, prior to the date of expropriation,
- For structures, official unit prices (annually issued by the Ministry of Environment and Urbanization) at the expropriation date, calculations of the cost of building, and depreciation for wear and tear, and
- Any other objective criteria that could affect the value of the property or resource

Value of compensation for easement right establishment corresponds to the decrease in the value of asset or resource stemming from this expropriation. The easement value (compensation) of the land includes income losses. This compensation is determined by expropriation experts of responsible organization.

In order to ensure that valuation of assets is in compliance with OP 4.12, in addition to the Turkish legal requirements listed above, TKB will follow the Entitlement Matrix in Section 10. which details the entitlements that will be necessary for each type of loss that can be suffered by project affected persons.

8. IMPLEMENTATION PROCESS

A model reporting format and specifics use of the Abbreviated Resettlement Action Plan/ Social Impact Screening Form to be prepared by sponsors has been provided (see *Appendices*) for cases with less than 200 persons that will be affected. The investor will ensure that this Abbreviated (or full) Resettlement Action Plan/ Social Impact Screening Form is submitted to the World Bank as soon as the final project design footprints have been determined for review and use as supporting documentation in project supervision.

Upon completion of payment of compensation for land acquisition to affected parties for whom compensation is sufficient to redress the impact of land acquisition, the investor/sponsor will prepare a land acquisition monitoring report as part of the supervision cycle, which will include the affected parties, lands taken, effects on livelihoods, the amounts and dates of compensation and completion date of land acquisition. Any unresolved compensation issues or expropriation cases taken to the courts will be noted in this report, which will be submitted to the World Bank in advance of commencement of civil works.

For sub-projects where land acquisition was completed (past land acquisition), in order to fulfil compliance with World Bank's OP 4.12, an ex-post social review would need to be undertaken (*See Ex-Post Social Review Form (in Appendix 2)*)

In cases where land acquisition will result in a significant negative impact on income streams, would necessitate physical resettlement of project-affected people, or in total would affect 200 or more individuals, these impacts will be mitigated using sub-project-specific resettlement action plans (RAPs) which follow the guidance and criteria given in the project's Resettlement Policy Framework RPF and the World Bank Documents as well. (*See Appendix 3 and below note*)

"A full RAP is required at appraisal whenever land acquisition in a project affects more than 200 people, takes more than 10 percent of any holding, and involves physical relocation of population (OP 4.12, Para. 25; Figure 2.1). An abbreviated RP is acceptable if fewer than 200 people are displaced. Even if more than 200 people are affected, if all land acquisition is minor (10 percent or less of all holdings is taken) and no physical relocation is involved, an abbreviated RP is acceptable. If fewer than 200 people are displaced but some physical relocation is involved, the abbreviated RP is expanded to include a rehabilitation program (OP 4.12, Annex A, endnote 6)."

TKB will forward the RAP along with all supporting documentation in appropriate format for sub-projects that trigger OP 4.12 to the World Bank for prior review and no objection. According to the OP 4.12, all RAPs will be disclosed in country, and submitted to the Bank for disclosure in the Bank's Info shop. Further, TKB will report semi-annually to the Bank on the land acquisition status of new and on-going investments. For sub-projects where land acquisition may have already been initiated without the prior knowledge of TKB or have been completed some time ago, TKB will forward the ex-post social review documents assessing past land acquisition and social impact to the Bank for approval. All social documents for sub-projects that trigger OP 4.12 to the Bank for prior review and no objection.

8.1.Implementation Process for Due Diligence of Past Land Acquisition

Due to the nature of the project, majority of the sponsors who apply to the loan might have acquired land before either through private transactions or expropriation. In such case, an ex-post social review needs to be undertaken for compliance of OP 4.12 and to address if there are any gaps to be found against the OP 4.12 requirements. The ex-post review would make sure all of the PAPs were compensated at their replacement cost, PAPs were aware of their rights and entitlements under the RPF, and had knowledge of and access to the grievance redress mechanism for any possible claims, and no vulnerable or severely impacted people were worsen off.

In order to apply this framework retroactively and assess that all individual compensation payments were made at replacement cost or under other specified standards, the following procedure will be applied:

An ex-post social review report will be prepared and shared with the WB for no-objection. The social review should include the following information:

- Project description and key components
- A census of project affected people listed in a Land Acquisition table with, parcel number, % of that parcel affected or acquired under the sub-project, land type (dry land, fig tree etc), any assets on land, compensation unit price and compensation amount etc. The land acquisition table (in excel format) will be an annex to the social review.
- Methodology of land valuation in order to indicate how the compensation prices were determined and demonstrate if the compensations are at replacement cost or not. According to World Bank OP 4.12, “replacement cost” would be calculated taking into account any taxes and fees that would be required for PAPs to purchase/register replacement land or assets.
- Impact categories according to Entitlement Matrix
- Socio-economic information should be collected on the project affected people regarding their main livelihoods, whether the land-based activity is a significant source of income for them and whether there are any adverse impacts on their livelihoods resulted from the related sub-project.
- Information at the household level that would enable to identify any specific individuals who fall into vulnerability categories and/or suffer livelihood impacts that are not fully compensated by receiving cash at the replacement value for land and assets. Vulnerable people could be; (but not limited to)
 - Households headed by women with no local extended family support
 - Households where the head of household is unemployed
 - Households living below the poverty line and thus eligible for social assistance payments
 - Households headed by a pensioner with no local extended family support
 - Households where the head of the household is chronically sick or disabled, and
 - Households owning/using land that may be removed, permanently or temporarily, from use so that individuals are

considered to be project-affected people (PAP) (severely impacted).

- If there were any gender specific measures, good practices taken by the investor
- In cases where the investor had conducted any consultations, description (i.e. dates, content, level of participation, concerns raised etc.) of consultations with PAPs, mukhtars and other stakeholders if any,
- Grievance Redress Mechanism, Management of Grievances, and if there were any grievances recorded

Also, there could be supplementary documentation to support the ex-post social review, including but not limited to:

- Land evaluation report by independent real estate valuation agency will indicate the average market prices for different types of land (i.e. unit prices for irrigated land, dry land etc) within the project zone and will serve as a baseline in comparing whether compensation paid was in fact equivalent to replacement value.
-

In case of any non-compliance/discrepancies to be found within the ex-post social review then mitigation measures will be taken and this will be part of an action plan attached to the ESMP/EMP of the sub-project.

There might be individual cases where negative or severe impacts are not addressed through providing full compensation at replacement cost. In such cases, additional assistance needs to be provided to PAPs that fall under the pre-defined categories. Categories eligible for additional assistance and content of the additional assistance are defined in the below table.

Consultation and Disclosure of Ex-post Social Review: The land acquisition table prepared by the sub-project's investor should be consulted with the PAPs individually and under their consent. Each individual PAP should be able to verify her/his impact defined in the table. After the ex-post social review report is shared with the World Bank for review and approval, the report will be disclosed both at Bank's Infoshop and in-country and in the affected community's headmen office.

Additional Impact Categories

Category of PAP	Compensation	Principle
Formal and informal users of land in both public and private lands	Structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.	Assist PAPs to ensure that livelihoods are restored
People who have lost less than 20% of their land	Replacement cost of the loss of land/assets; market value of crops and discounted net income of tree, plus total transaction cost (on behalf	Assist PAPs to ensure that livelihoods are restored

	of the seller to the authorities; apprx. 2.1 percent) plus next transaction cost (apprx. 2.1 percent), relocation costs (if applicable).	
Among those who have lost 20% or more of their land, people who demonstrate they have suffered negative livelihood impact	Replacement cost and an income restoration assistance package (such as equivalent of 6 months of minimum wage or depending on case, a job opportunity)	Assist PAPs to ensure that livelihoods are restored
Vulnerable groups (such as single women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance) who demonstrate they have suffered negative livelihood impact	Depending on case, livelihood restoration package such as equivalent of 6 months of minimum wage	Assist PAPs to ensure that livelihoods are restored

9. FUNDING

All project related land acquisition costs and supplemental RAP costs will be covered by the sponsors. Costs for technical support by the RSM consultant to sponsors and RAP supervision will be covered.

10. ENTITLEMENT MATRIX

The compensation measures for the land acquisition and resettlement related impacts which are addressed in this RPF is presented in below matrix.

Turkish legal framework on government assisted resettlement provides resettlement options to project affected families. Some provisions of Resettlement Law and its regulations exceed international standards, for example; each nuclear family within affected household are considered as a separate family/household and entitled to resettlement separately. That is the reason why, Turkish legal framework for resettlement is addressed in chapter 6. So, affected persons (excluding willing sellers) will be able to request this alternative, in case of they do not qualify for the GAR they will be able to revert to assistance provided for in below RPF entitlement matrix.

Entitlement Matrix: Geothermal Development Project

Type of Impact	Ownership Status	Entitlement	Compensation	Principles
Permanent loss of Vacant/non-Residential Land	Private	1. Owners of land and economic assets 2. Both formal and informal users of land	<u>Owners:</u> Land, and economic assets (including trees etc.) at full replacement cost, market value for lost crops, discounted net income of economic trees etc. <u>Users:</u> Formal and informal users will be compensated for standing crops at market value and economic trees at discounted net income.	Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition through national legislation with consideration of OP 4.12 (where there are gaps between requirements). PAPs will be provided with income restoration assistance if necessary.
	Public	1. Relevant state authority 2. Both formal and informal users of land	<u>State Authority:</u> Value agreed by state authority, or permission <u>Users:</u> Formal and informal users will be compensated for standing crops at market value and economic trees at discounted net income.	The relevant state authority shall provide a permit for the utilization of land or full compensation will be made to the authority. PAPs will be provided with income restoration assistance if necessary.
Permanent loss of land with houses (and other immovables)	Private	1. Owners of Land and other immovables 2. Both formal and informal users of immovables	<u>Owners:</u> Land and all above ground assets at full replacement cost, relocation allowance or assistance, market value for lost crops, discounted net income of economic trees etc. <u>Users:</u> Formal and informal users will be compensated for only structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.	Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition through national legislation with consideration of OP 4.12 (where there are gaps between requirements). PAPs will be assisted for relocation and relevant costs will be covered in addition to income restoration assistance if necessary.
	Public	Both formal	Formal and informal	The relevant state

Type of Impact	Ownership Status	Entitlement	Compensation	Principles
		and informal users of land	users will be compensated for only structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.	authority shall provide a permit for the utilization of land or full compensation will be made to the authority. PAPs will be assisted for relocation and relevant costs will be covered in addition to income restoration assistance if necessary.
Permanent loss of land with businesses	Private	Owners of Land and businesses	Land, businesses and all above ground assets at full replacement cost, temporary income loss, relocation allowance or assistance	Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition through national legislation with consideration of OP 4.12 (where there are gaps between requirements). Temporary income losses of business owners will be compensated whereas assistance for relocation of their businesses will be provided and relevant costs will be covered. If needed, income restoration assistance.
Permanent loss of community land	Private	Village Legal Entity	Land, and economic assets (including trees etc.) at full replacement cost	Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition through national legislation with consideration of OP 4.12 (where there are gaps between requirements).
Limited use of land due to easement	Private	1. Owners of land and economic assets	<u>Owners:</u> Land and economic assets at full replacement cost, market value for lost crops,	Acquisition of land through negotiations. Negotiated payment cannot be less than full

Type of Impact	Ownership Status	Entitlement	Compensation	Principles
		2. Both formal and informal users of land	<p>discounted net income of economic trees etc.</p> <p><u>Users:</u> Formal and informal users will be compensated for standing crops at market value and economic trees at discounted net income.</p> <p>Reinstatement of subject land after use</p>	<p>replacement cost. Here, permanent loss of assets such as structures will be compensated in full whereas a fair compensation for land that will be returned to owner shall be determined.</p> <p>Where negotiations fail, acquisition through national legislation with consideration of OP 4.12 (where there are gaps between requirements).</p> <p>PAPs will be provided with income restoration assistance if necessary.</p> <p>Return of land to owner with certain restrictions.</p>
Temporary loss of land (e.g rental agreements for temporary use of land)	Private	Owners of land	Cash compensation for specified duration and reinstatement of subject land after use	Negotiations will be made to determine the rental amount for the period land will be used. Landowners will be given back the land once it has been reinstated to its former conditions.
Permanent or temporary loss of income	Private	1. Owners of land 2. Formal and informal users of land	Livelihood assistance; such as 6 months equivalent of minimum wage, one time allowances equal to rental fee etc.	Assistance for the restoration of livelihoods of those PAPs who demonstrate they have suffered negative livelihood impact, and/or those who have lost 20% or more of their land, or vulnerable PAPs such as women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance will be provided with any additional assistance that is deemed necessary.

11. CONSULTATIONS, COMMUNICATIONS, AND MANAGEMENT OF GRIEVANCES

OP4.12 requires that the borrower must conduct prior consultations with project affected persons in Bank funded project (s). Therefore, the sponsor or the investor will conduct and document consultation with communities in the area of influence of the project in advance of civil works. This consultation will describe the project's configuration and key features, including any associated infrastructure, (such as roads or transmission lines, temporary worker camps, etc), inform stakeholders of the approximate project start date and duration; inform people of salient impacts (such as possible employment of local people and skills needed, land acquisition and compensation, resettlement (if any) and income restoration arrangements, and other project benefits). It will be essential to inform local stakeholders of the name, contact information, and times of availability of the designated project official(s) to contact in the event of questions or problems related to land acquisition or other construction-related impacts.

The public contact official will keep records of salient issues or questions raised in discussions and steps taken to facilitate their resolution. He/she will pro-actively advise affected communities of up-coming project developments of significance to the community.

Grievance Redress Mechanism: In order to ensure community co-operation and help preclude potentially problematic social issues, the investor will ensure that the project sponsor will establish of a contact point and designates a contact person who is easily accessible and can help with the resolution of project-related questions or issues not only limited to those related to land acquisition, incompliance with sub-project ESIA/ESMP, but also those related to environmental impacts or issues during construction. The investor/sponsor will provide toll-free telephone numbers and will keep a grievance redress logbook at the project site and document grievances and how these were resolved. Grievance redress mechanism will operate in line with WB policy requirements.

As mentioned above, investor/sponsor will employ or designate a land acquisition and resettlement liaison officer for receiving and logging incoming grievances and conveying them to relevant authorities for resolution if those cannot be redressed at first step.

Investor/sponsor will ensure that all types of grievances will be first responded within 7 days from the date of receipt of complaint. If resolution of grievance may take more than 15 days, liaison officer will inform the situation to applicant and will try to have solution from related higher level authorities within 1 month. Also, a database for all kind of received grievances will be logged and kept by the sponsor.

Grievances will be received either through toll free phone, written petition, in person or through e-mail. Besides keeping the logbook, two grievance forms will be used for grievance mechanism. First forms would be comprised as "grievance application form". When the grievance firstly received, a copy of filled grievance form will be given to complainant. Following corrective action and redressing the grievance "close out" for is filled by grievance officer. Sample Grievance Form is added in Appendix 4 for the Sponsor to use.

Determination of corrective action;

In case of the responsible body (regarding complaint) is sponsor or constructor, firstly they will respond to complainant within one week upon receiving grievance. But if the grievance is related to resettlement activities, in this case grievance will be responded utmost 10 days following the date it was received. Following the first respond to complainant, responsible party (or parties) will evaluate the grievance and determine the most appropriate “corrective actions” in consultation with complainant. Responsible party can request to send a commission for field (on site) investigations regarding the grievance. Following the redressing the grievance, sponsor will record a “close out form” indicating verification and sign off.

Grievance redress mechanism will operate in collaboration with monitoring system. Complaints/grievances of women will be logged separately and reported to project monitoring system to be fed into the project Results Framework Indicators. These will also be reported for the “Implementation Status Reports”.

12. MONITORING AND EVALUATION

Prior experience suggests that the sub-projects are unlikely to have significant negative impacts on affected persons that are not mitigated by compensation mechanisms. Nonetheless, there may be instances in which negative social impacts are foreseen. At the time of appraisal of a sub-project that involves land acquisition or resettlement, TKB will submit to the Bank a sub-project-specific monitoring plan to track impacts and, if warranted, help the sponsor develop a mitigation plan to deal with the impacts. TKB will develop a Land Acquisition Monitoring Plan and during implementation, will submit [six-monthly] a separate monitoring reports to the Bank, showing the status of land acquisition and resettlement, status of compensation paid, issues faced, and mitigation measures implemented, public meetings held, livelihood restoration plans and programs started if any, types of grievances registered in grievance documentation and percentage of grievances resolved etc.

There will be performance monitoring for each sub-project showing project activities (already done, done in this period, remaining to be done) and other related points. Sub-projects that impact more than 200 project affected people, will establish an external monitoring (by third party) mechanism showing the activities are in compliance with the World Bank policy requirements and the RAP as well. In case of the suggestion of the World Bank, “completion audit” or “panel of experts” will be provided by sponsor.

APPENDIX 1- REPORTING FORMAT FOR ABBREVIATED RESETTLEMENT ACTION PLAN

(For application to all new sub-project investments)

1. INTRODUCTION

This section should include (at minimum) the following information:

- *Name & location of Sub-project/Project*
- *Project Sponsor*
- *Project rationale and objective (the reason why the Project is realized)*
- *Brief information on Project and (if any) components, installed generation capacity (No. units X MW/unit), total amount and type (private/public) of land necessary for the Project etc.*
- *Reasons for this specific site to be selected.*

2. POTENTIAL IMPACTS AND AFFECTED PERSONS

2.1. PROJECT IMPACTS

What type of impacts will the Project and/or its component(s) have?

Are these impacts temporary or permanent?

What will be the types of acquisition for land; permanent, temporary, easement, rental etc.?

Are there any anticipated impacts on livelihood? Or just land?

2.2. PROJECT AFFECTED PERSONS

Who are the PAPs?

How and in which way are they affected?

Are there any vulnerable groups (women, elderly, youth etc.) among PAPs? If so, provide info on vulnerable groups.

2.3. ELIGIBILITY CRITERIA

Information on eligibility

3. LEGAL FRAMEWORK AND GAP ANALYSIS

3.1. NATIONAL LAWS AND PROCEDURES FOR LAND ACQUISITION

Brief information on national law (only relevant laws/regulations that apply to the Project)

3.2. WORLD BANK POLICIES AND REQUIRED MEASURES UNDER OP 4.12

Summary of Bank Policies and OP 4.12

3.3. GAP ANALYSIS

Presentation of over exceeding or inadequate regulations that govern the land acquisition process and remedies to overcome them.

4. IMPLEMENTATION, COMPENSATION AND OTHER ASSISTANCE

Summary of land acquisition process;

- *Who is responsible of the process?*
- *How will the land be acquired? (in line with the legislation and Project info –main investment and components if any- provided above)*

- When will the process be commenced, after what actions will it be completed?

Who will be compensated for what type of immovables? (State in Entitlement matrix)
 Will there be any additional measures to restore livelihoods? (State in Entitlement matrix)

Entitlement Matrix

Project Component	Project Impact	Category of Affected Person	Entitlement	Additional Provisions

5. CONSULTATION AND PARTICIPATION

Description of the consultation process to be followed;

- Purpose of consultations
- Party responsible of conducting consultations
- Channels or tools that will be used to inform PAPs and other stakeholders
- Frequency of consultations
- Measures for inclusion of vulnerable groups (if any)

6. GRIEVANCE REDRESS MECHANISM

Description of the grievance redress mechanism (GRM);

- Rationale for a GRM
- Party/person(s) responsible of managing the GRM
- Tools/methods to be used
- Provide sample grievance registry (logging) forms and close out forms

7. MONITORING IMPLEMENTATION & REPORTING

- Describe the monitoring and closure arrangements for the RAP.
- Describe the monitoring system in line with WB documents such as performance monitoring, external monitoring by third party (if needed).
- Describe the frequency of reporting and key elements of the monitoring plan.
- Describe content of reports including beneficiary feedback indicators.

8. TIMETABLE AND BUDGET

List the main issues of implementation and color the relevant boxes for their actualization.

Key Implementation Issues	20..				20..				20..				20..		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3

Provide the budget for the RAP, showing financial responsibility and authority with regard to all land acquisition and resettlement activities including contingencies. Add or remove budget items as applicable, please note that costs are anticipated lumpsum figures and are not binding.

Budget Item	Anticipated Cost
Costs of Permits/Licences	xxx
Compensation Payments	xxx
Costs for Additional Social Support and Resettlement Assistance	xxx
Cost for Monitoring	xxx
Contingency	xxx
TOTAL BUDGET	xxx

APPENDIX 2 – EX-POST SOCIAL REVIEW FORMAT

1. Information About Project	
Name & Location of Sub-project	
Project Sponsor	
Project Cost	
Installed Generation Capacity	
Key Dates of Implementation	
Project Components & Land Requirements	

2. Entitlement Matrix				
Project Component	Project Impact	Category of Affected Person	Entitlement	Additional Provisions

3. Inventory of Land & Assets Acquired from Private Owners (Completely Volunteer Purchased) (Provided in Excel Sheet)	
3.1. Inventory of Land & Assets Acquired from Private Owners (Expropriation)	
Name of Owners/land user	
Project Component: Area(s) / plots(s) acquired (ha)	
Owner's/user's total land holding (ha); % taken for project	
Land use: pasture, agriculture, residence, etc.	
Inventory of any structures or other fixed or productive assets (wells, fences, trees, field crops, etc) affected	
Indicate if land was rented or informally used by another party	
Indicate if non-owner users had assets, trees, crops, etc affected	
Indicate if land-based activity is significant source of income for owner or land user	
Compensation paid (add transaction fee)	
Dates delivered	
Impact on income of owner	

3.2 Inventory of Public, Community, or State Land Acquired	
Land parcels / plots acquired (ha)	
Land type / land use: Forest, commons for grazing, other	
Ownership: State, community, other. Structures or other fixed assets	
Compensation, land transfer, or other measures to mitigate impacts on land users. Specify measures and dates of delivery	

4. Consultations, Communications & Management of Grievances and Implementation Issues
<u>General Information About Project and Project Area:</u>
<u>Consultations, Communications & Management of Grievances:</u>
<u>Identification of Vulnerable PAPs:</u>

APPENDIX 3 - REPORTING FORMAT FOR FULL RESETTLEMENT ACTION PLAN

(To be used in all cases where land acquisition impacts significantly affect income, necessitate physical resettlement, or in aggregate affect 200 or more persons, in line with the scope and level of details of RAP indicated in WB documents on involuntary resettlement)

1. INTRODUCTION

- *Briefly describe the project.*
- *List project components including associated facilities (if any).*
- *Describe project components requiring land acquisition and resettlement; give overall estimates of land acquisition and resettlement.*
- *Attach project site plan or map from screening form, showing land acquisition impacts.*
- *Attach land ownership, land use map as Annex*

2. MINIMIZING RESETTLEMENT

Indicate any design changes made to minimize physical or economic displacement of people.

3. CENSUS, INVENTORY AND SOCIO-ECONOMIC SURVEYS

- *Provide additional socio-economic data, needed to develop appropriate remedies for impacts on income streams for affected persons / families or businesses*
- *Provide brief explanation of inventory or any fixed assets to be acquired for the Project, provide as Annex a complete list of subject inventory (if available).*
- *Identify any cases of vulnerable people, or people in need of special assistance.*

4. LEGAL FRAMEWORK

4.1. NATIONAL LAWS AND PROCEDURES FOR LAND ACQUISITION

Brief information on national law (only relevant laws/regulations that apply to the Project)

4.2. WORLD BANK POLICIES AND REQUIRED MEASURES UNDER OP 4.12

Summary of Bank Policies and OP 4.12

4.3. GAP ANALYSIS

Presentation of over exceeding or inadequate regulations that govern the land acquisition process and remedies to overcome them.

5. RESETTLEMENT SITES

If land-for-land is given, provide details of location, size, capacity of compensating the lost income derived from taken land and any salient features of replacement land. If not, remove heading.

6. ENTITLEMENTS AND INCOME RESTORATION

- *Using socio-economic data on affected party, describe income restoration remedies provided.*
- *Describe any additional economic rehabilitation measures; such as transition and moving allowances, temporary housing, or other measures.*
- *Describe any special assistance given to vulnerable people or households.*
- *Describe method of valuation used for affected structures, land, trees or other assets, (recall that OP 4.12 provides for replacement cost of lost assets).*
- *Summarize all types of impacts and entitlements provided in a matrix form; (as provided below)*

Entitlement Matrix

Project Component	Project Impact	Category of Affected Person	Entitlement	Additional Provisions

7. INSTITUTIONAL ARRANGEMENTS

Describe the institution(s) responsible and project level organizational arrangements to ensure preparation and implementation of the RAP.

8. PARTICIPATION AND CONSULTATION

- *Describe the stakeholders and the process of consultation and stakeholder participation in preparation and implementation of the RAP.*
- *Keep records and summarize consultations with affected parties: key issues, how addressed etc. Also report the feedback indicators.*
- *Describe arrangements (personnel, site offices, etc) to ensure open communications with local stakeholders.*

9. GRIEVANCE REDRESS

- *Describe the process of registering and addressing grievances related to land acquisition, resettlement or other project impacts on the local community.*
- *Ensure that this process is cost-free with a reasonable response in short time.*
- *Involve an independent mutually-respected third party in resolving grievances.*

- *Prepare sample grievance registry (logging) forms and close out forms.*
- *Keep records of all grievances or issues raised and how resolved or managed to minimize affected parties resorting to the law courts, also report beneficiary feedback indicators.*

10. MONITORING AND EVALUATION

- *Describe the monitoring and closure arrangements for the RAP.*
- *Describe the monitoring system in line with WB documents such as performance monitoring, external monitoring by third party.*
- *Describe the frequency of reporting and key elements of the monitoring plan.*
- *Describe content of reports including beneficiary feedback indicators.*

11. IMPLEMENTATION SCHEDULE AND BUDGET

List the chronological steps in implementation of the RAP; ensure that entitlements are given before civil works.

Provide the budget for the RAP, showing financial responsibility and authority with regard to all land acquisition and resettlement activities including contingencies. Add or remove budget items as applicable, please note that costs are anticipated lumpsum figures and are not binding.

Budget Item	Anticipated Cost
Costs of Permits/Licences	xxx
Compensation Payments	xxx
Costs for Additional Social Support and Resettlement Assistance	xxx
Cost for Monitoring	xxx
Contingency	xxx
TOTAL BUDGET	xxx

APPENDIX 4 - SAMPLE GRIEVANCE FORM

Page 1 part must be shared in the project site and village headmen's office in order to collect written complaints from the locals.

If the complaint is received via phone or verbally through meetings and visits to sponsor (either in its office or site) grievance form must be filled by the company responsible.

If the complaint is received via mail or email, grievance form can be filled by the company responsible, or the email print-out or mail can be attached to the close-out form.

GRIEVANCE FORM

Name of Person receiving grievance:		Date:
Title:		
INFORMATION ABOUT COMPLAINANT		Ways of Receiving Grievance
Name – Surname		Phone <input type="checkbox"/>
Phone number		Meetings <input type="checkbox"/>
Address		Application to Office <input type="checkbox"/>
Village		Mail/email <input type="checkbox"/>
Signature of Complainant (if possible)		Field visit <input type="checkbox"/>
DETAILS OF GRIEVANCE		

SAMPLE GRIEVANCE CLOSEOUT FORM

Close out form must be filled by the company responsible.

CLOSE-OUT FORM	
ASSESSMENT OF THE GRIEVANCE	Damages to households or livelihoods <input type="checkbox"/>
	Environmental and social <input type="checkbox"/>
	Expropriation <input type="checkbox"/>
	Employment <input type="checkbox"/>
	Other <input type="checkbox"/>

Compensation Required: <input type="checkbox"/> YES <input type="checkbox"/> NO
--

RESULT

CLOSE OUT	
This part will be filled in and signed by the complainant and the company responsible when he/she receives the compensation or file is closed-out. (Instead of taking the signature of the complainant, bank receipt can be documented with the form)	
Responsible	Complainant
Name-Surname	Name-Surname
Date and Signature	Date and Signature (If possible. Reasons of non-signing should be explained))