

Municipal Development Fund of Georgia

Regional Development Project II

Integrated Revitalization of Cultural Heritage Site in Gelati Monastery

ABBREVIATED RESETTLEMENT ACTION PLAN

RAP

October 2014

CURRENCY EQUIVALENTS

(as of 08 August 2014)

Currency Unit	–	lari (GEL)
\$1.00	=	GEL1.74

ABBREVIATIONS

ACS	–	Acquisition and compensation Scheme
AB	–	Affected Business
AH	–	Affected Household
AP	–	Affected Person
CBO	–	Community Based Organization
CSC	–	Construction Supervision Consultant
DMS	–	Detailed Measurement Survey
EPARD	–	Environment Protection Analysis and Resettlement Division
GoG	–	Government of Georgia
GRC	–	Grievance Redress Committee
IA	–	Implementing Agency
IP	–	Indigenous Peoples
EMA	–	External Monitoring Agency
LARC	–	land acquisition and resettlement committee
RAP	–	Resettlement Action Plan
MDF	–	Municipal Development Fund
RPF	–	Resettlement Policy Framework
M&E	–	Monitoring and Evaluation
MFF	–	Multitranches Financing Facility
MOF	–	Ministry of Finance
MPR	–	Monthly Progress Report

- MRDI – Ministry of Regional Development and Infrastructure
- NAPR – National Agency of Public Registry
- NGO – Non-Governmental Organization
- R&R – Resettlement and Rehabilitation
- SES – Socioeconomic Survey

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Definitions

Beneficiary Community: All persons and households situated within the government-owned or acquired properties who voluntarily seek to avail and be part of the Project and represented by a community association that is duly recognized by the community residents, accredited by the local government, and legally registered with the appropriate institutions.

Compensation: Payment in cash of the replacement cost of the acquired assets.

Entitlement: Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to Affected People, depending on the nature of their losses, to restore their economic and social base.

Improvements: Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.

Affected People (AP): Individuals affected by Project-related impacts.

Affected Household (AH): All members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project. It may consist of a single nuclear family or an extended family group.

Affected Business (AB): Businesses affected by Project-related impacts.

Relocation: The physical temporary relocation of a AP/AH/AB from her/his pre-Project place of residence.

Relocation Cost: The value determined to be fair compensation for land based on its productive potential and location. The replacement cost of houses and structures (current fair market price of building materials and labor without depreciation or deductions for salvaged building material), and the market value of residential land, crops, trees, and other commodities.

Mitigation Measures: All measures taken to mitigate any and all adverse impacts of the Project on AP's property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.

Sakrebulo: Representative body of local self-government. The representative and executive branches of self-government are represented accordingly by Local Council (Sakrebulo) and the Gamgebeli of municipal level. The exclusive responsibilities of self-government include land-use and territorial planning, zoning, construction permits and supervision, housing, and communal infrastructure development.

Vulnerability/Vulnerable individuals: **Vulnerable individuals including those that are disabled, live under the poverty line, or are female heads of household**

EXECUTIVE SUMMARY

The main objective of implementation of the RAP is to improve or at least restore the social and livelihood resources of the APs at their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable time with allocated resources. Therefore, monitoring of the process of RAP implementation and delivery of institutional and financial assistance to the APs has been designed as an integral part of the overall functioning and management of the Project.

The Government of Georgia has asked the World Bank to support regional development in Imereti by applying a vertical programmatic approach. The proposed program of interventions will emphasize tourism as key pillars and drivers of economic growth. The proposed initial project will focus on support for the tourism sector and enabling the environment for the private sector to invest in Imereti.

A sub-project for Construction of the visitor's center and rehabilitation of the water supply and waste water system for the Gelati Monastery complex is a part of the RDP II and shall be prepared, reviewed, approved, and implemented in agreement with the requirements of the Georgian legislation and the World Bank policies applicable to the RDP II'.

Affected Households

The Gelati sub-project does not affect private houses and privately owned land plots, therefore there is no impact on households anticipated as a result of project implementation.

Business Impacts and Loss of Income

There are 39 individual businesses located within or in the vicinity of the project area of Gelati Monastery, these businesses are engaged in the following activities:

1. Shopping stalls (souvenirs and items of religious worship) – 29 units (2 souvenir traders own one booth);
2. Fast food sites – 1 unit
3. Shooting gallery – 1 unit
4. Ice cream and mineral water stalls – 6 units
5. Cafe - 1 unit

Compensation for Business Interruption and Loss of Income

As a result of project implementation 39 persons will be affected directly and indirectly, from which 30 souvenirs traders, 1 café bar owner and 1 cold drinks trader are permanently losing their job. 29 souvenirs booths (2 souvenir traders own one booth) and 1 cold drinks booth have to be demolished within the project zone. As for the café bar business owner, this person does not own the building. The building where the above-mentioned person is starting business (has obtained a grant for equipping the café bar) is owned by the Ministry of Economy and it has been transferred into temporary possession to the Ministry of Culture and Monument Protection. Actually, the Gelati Monastery is using the mentioned building for its own purposes. The Gelati Monastery representatives have transferred the mentioned space free of charge, for temporary use to the owner of the café-bar.

All the above-listed business owners will receive compensation amount that will be equivalent to their one-year income. Since it is impossible to determine official income of the mentioned individuals each of them will receive amount equivalent to the subsistence minimum of a family

of five persons determined by Geostat based on the Georgian Legislation.¹ As of August, 2014 the mentioned monthly amount is GEL 300.1²

As for 7 APs that will not lose job as a result of project implementation but whose income will fall over the course of rehabilitation works will receive compensation in the amount of 50% of current incomes. 6 street traders from above mentioned 7 APs are not registered as legal entities, 1 shooting gallery owner is a registered individual entrepreneur and their incomes are not registered, in the mentioned case each of them will receive half of the amount equivalent to the subsistence minimum of a family of five persons determined by Geostat pursuant to Georgian Legislation over the course of rehabilitation works, during 6 months.

Allowances for Vulnerable People

As a result of the Project implementation, 39 APs come under direct and indirect impacts. Out of this number, 16 APs belong to the vulnerable category, including:

1. 5 AP below the poverty line.
2. 10 APs having a disabled family member.
3. 1 AP is a single mother bringing up an underage child³

All of above mansion AP's are eligible for an additional one time allowance equal to a monthly minimum subsistence income for a family of five (300.1 GEL) for three months. From mentioned 16 APs 12 AP are Individual enterprisers, 3 APs are street traders, and one AP is owner of the Café.

Summary LAR Cost and Flow of Funds

The **Table 1** below summarizes the types and amounts of compensation and allowances to be awarded to the project affected business owners. In order to allow business owners restore their source of income – lump sum compensation will be provided, as requested by affected individuals.

Table 1: Compensation Entitlement Matrix

Affected Businesses (ABs): Owners of businesses operating in the village		
Number of Affected Businesses	Compensation Measure	Total Compensation Amount
31 APs will receive 1 year compensation equivalent to the subsistence minimum of a family of five persons determined by Geostat pursuant to Georgian Legislation over the course of rehabilitation works and compensation for the booth.	Minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 31 Individual enterpriser. In addition to this they receive compensation for booths owned by them - 12 303.00 GEL. This is expected to be enough funds for APs to restore their livelihoods. APs have agreed with this measure.	123940.20 Gel

³ This AP is a grandmother of a girl, whose parents are dead.

1 AP will receive compensation for the café bar equipment won under a grant and 1 year compensation for business stoppage in amount equivalent to the subsistence level of a family of five persons determined by Geostat based on the Georgia Legislation.	compensation for the café bar equipment won under a grant – GEL 4952.00 and minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 1 Individual. This is expected to help this person achieve the income he/she would have gotten if he/she would have used the donated bar equipment.	8553.20 GEL
7 APs that will not lose job as a result of project implementation but whose income will fall over the course of rehabilitation works will receive compensation in the amount of 50% of current incomes for 6 months.	Half of the monthly minimum subsistence income for a family of five (150.05. Gel) during 6 month. 150.05 Gel X 6 month X 7 Individual enterpriser. This will compensate the APs for their temporary loss of income.	6302.10.40 GEL
Allowances for Vulnerable People for 16 AP	Minimum subsistence monthly income for a family of five (300.1 Gel) during 3 months. This is expected to provide additional support allowing these vulnerable APs to restore their level of income.	14404.80 GEL
Total		153 200.00GEL
If the audit carried out after 6 months reveals that the 8 APs going to lose 100% of their income as a result of the Project implementation do not restore their source of income, each of them will be given extra 1000 Gel within the scope of the Project.	8 AP X 1000 GEL = 8000 GEL	8000.00 GEL
Subtotal		161 200.00 GEL

During consultations, APs have been given the chance to determine the support they would get to restore livelihoods and they have stated that they would like cash compensation and will decide later on how they will use the funds to restore livelihoods. Other options were rejected by the APs.

1. INTRODUCTION

1.1. Project Background

Following four years of rapid growth, backed by far-reaching reforms and strong financial investment inflows, Georgia experienced a sharp economic downturn resulting from the August 2008 conflict and the global financial crisis. Economic recovery is underway, with growth of an estimated 6.3 percent in 2010. The authorities responded to the downturn with a countercyclical fiscal stimulus coupled with a marked reallocation of public expenditures toward social and infrastructure investments. As economic recovery takes hold, driven by higher exports and private investment, the authorities are winding down the stimulus and implementing fiscal adjustment to safeguard sustainability. There is, however, uncertainty regarding the pace of economic recovery. Georgia will need to refinance a public debt amortization spike in 2013. The authorities are addressing these vulnerabilities through well designed fiscal, monetary and debt management policies. Infrastructure projects are considered by the Government as part of the physical stimulus package.

The Government refocused efforts in the past six years by launching several initiatives to attract private investors in selected regions (Tbilisi, Adjara, and Imereti) on various sectors. Georgia, however, has not yet fully tapped its potential to promote sustainable tourism in promising regions, such as Kakheti, or transform the rural economy through investment in agriculture supply chains for both export and import substitution. There is also a need for skills development in order to provide the skilled labor needed for a growing economy and increased productivity.

The Government of Georgia has asked the World Bank to support regional development in Imereti by applying a vertical programmatic approach. The proposed program of interventions will emphasize tourism as key pillars and drivers of economic growth. The proposed initial project will focus on support for the tourism sector and enabling the environment for the private sector to invest in Imereti.

A sub-project for the construction of the visitor's center and rehabilitation of the water supply system for Gelati Monastery complex is a part of the RDP and shall be prepared, reviewed, approved, and implemented in agreement with the requirements of the Georgian legislation and the World Bank policies applicable to the RDP.

1.2. Gelati Subproject

The subproject will finance construction of the visitor's center and rehabilitation of the water supply system for Gelati Monastery complex. The visitor's center is located at 30 meter distance from the monastery entrance, along the access road. The area of the structural addition makes up 431.11 sq. m. It represents a one-stored building which includes the following structures information space, room for guides, cash desk, exhibition space, souvenir shop, café and other necessary infrastructure for tourists. Intake of the water source - "Dokhora Source" of $q=1.5-3$ l/sec capacity is within 2500 meter from the Gelati Monastery Complex. Intake of the water source needs thorough rehabilitation, cleaning and concrete works. Under the project it is also planned to connect sewage pipe that is coming from the Gelati Center of Visitors with the Village Gelati central sewage pipe via a treatment plant. Water supply and sewerage pipes are not coming into contact with the sections located on private property. The design drawing of the Gelati Visitor's Center is provided on **Figure 1**.

Figure 1: Design of Gelati Center of Visitors



The following activities will be undertaken for the construction of Visitors Center of Gelati monastery:

1. Visitors Center is a one storey building and roof is decorated with greenery.
2. There is a natural quadrangle stone and quarry stone facing on façade of the building (Analogue to Gelati Monastery and fence). Columns illustrated on façade will decoratively plastered and painted with high quality paint (dark gray);
3. Building facades will be illuminated with halogens with sharp angle extension placed in concrete lining.
4. Adjacent territory will be faced with granite masonry. (Blind area will be of granite (300X600) with quadrangle slabs and pavement will be covered with granite slabs with thickness of 100X200X100 and external lightening poles with height of (0,5m) will be arranged. Parking will be illuminated with external lightening poles with height of 9m with metal halogen bulbs.
5. Concrete roofing (roof) and columns should be arranged with high quality, because concrete texture should be maintained on interior and exterior. For the concrete calibre high quality laminated wooden shields should be used.
6. There is historical underground tunnel on the territory, its location must be considered during construction process in order not to be damaged.

1.3 Avoid Land Acquisition and Resettlement

The review of the alternative options of placing the Visitors' Center has not been performed under the sub-project. Due to the local landscape and the arrangement of the land plots privately owned located adjacent to the Gelati Monastery rehabilitation of the existing Center for Visitor's was considered as the optimal option.

As for the route of placing water supply and sewerage pipes, several alternative options were considered. At the review stage the resettlement issues were used as key criteria.

Involuntary resettlement was avoided and minimized exploring of all viable alternatives including best engineering solution for the Gelati Monastery rehabilitation project. Following are the specific measures adopted for the selection of the project area: The project sections required improvement of geometric characteristics and involved some minor realignment. Realignment for these sections has been well tuned on site to avoid settled areas.

Hence, for the installation of water supply and sewerage pipes the location that was not optimal in terms of cost but did not come into contact with any private land plot has been selected.

1.4 Expected Impacts and Applicable Resettlement Instrument

Currently the following infrastructure units are located within the Gelati Visitors' Center project territory:

1. 29 small trading booths that have 30 owners (one booth has two owners);
2. 1 booth for trading cold drinks (has one owner);
3. Two one-storey stone buildings owned by the Ministry of Economy that have been transferred to the Ministry of Culture and Monuments Protection into temporary possession. Gelati Church complex uses the above-mentioned two buildings for their own purposes. One of the mentioned buildings has been transferred to Beka Bukhaidze, one of the representatives of the Gelati parish, into temporary use. The mentioned person prepared a business proposal and submitted it to the Czech non-commercial organization People in Need announced grant competition for Start-up businesses. The goal of the mentioned competition is to support employment of the graduates of state vocational colleges active in West Georgia and improving the capacity for income generation for them. The project is implemented based on a mutual agreement memorandum signed with the Ministry of Education and Sciences of Georgia. Beka Bukhaidze has successfully passed through several selection stages under the grant competition and the selection committee regarded his application as one of the best. The winning applicant of the grant project will receive supplies and appliances with value GEL 4,952 for running his/her business;
4. A shooting gallery is located adjacent to the project territory, the gallery has one owner. The project does not come into contact with the mentioned building, but in the process of construction works the project will have impact on the income of the mentioned person (income will fall over the rehabilitation works);
5. 6 street traders have been recorded on the project adjacent territory; they are moving on the territory adjacent to the Church and are trading with food products (Khachapuri, Lobiani, Ice-cream, Beer, Lemonade, etc.);

Respectively, as a result of project implementation 39 persons will be affected directly and indirectly. 32 APs will lose job, and 7 AP's income will be reduced temporarily in the course of rehabilitation works.

Over this period, 34 APs could be surveyed face-to-face (87.2%), while the remaining 5 APs

(12.8%) were contacted via telephone.

According to the WB OP/BP 4.12 and the RPF approved for the RDP II preparation of Abbreviated RAP is required. An abbreviated resettlement action plan covers the following elements:

- (a) A census survey of affected persons, assets, and their anticipated loss of income;
- (b) Description of compensation and other resettlement assistance to be provided;
- (c) Consultations with business representatives about acceptable alternatives;
- (d) Institutional responsibility for implementation and procedures for grievance redress;
- (e) Arrangements for monitoring and implementation; and
- (f) A timetable and budget.

1.5 Preparation of Abbreviated RAP

This RAP has been prepared as a condition to contract award signing. The document complies with relevant Georgian laws and provisions of the **WB OP 4.12 on Involuntary Resettlement**, as well as the updated version of the Resettlement Policy Framework developed by MDF. Preparation entailed survey and consultations: (i) a detailed census of affected commercial entities (ii) description of project related impacts, valuation of losses and temporary losses and estimation of required compensations and rehabilitation allowances and measures (iii) Intensive consultations with all affected businesses were conducted during the process. The survey and consultation activities have been carried out in August 2014 and further consultations were carried out in November 2014.

1.6 Conditions for Project Implementation

Based on the WB policy/practice, the approval of project implementation will be based on the following RAP-related conditions:

- (i) **Signing of Contract Award:** Conditional to the approval of the RAP by the WB and Government.
- (ii) **Notice to Proceed to Contractors:** Conditional to the implementation of RAP for all affected businesses could be started upon the approval of the present Abbreviated RAP.

2. CENSUS AND IMPACT ASSESSMENT

2.1 Introduction

The project implementation will not have impact on dwelling apartments.

Based on the project information and with assistance of Tkibuli municipality a census of the APs was undertaken. The census survey was conducted between 14 - 24 August, 2014. The start date of the census survey is considered as the compensation eligibility cut-off date for the project which is therefore 14 August 2014. Results of census survey see table 2.

Over this period, 34 APs could be surveyed face-to-face (87.2%), while the remaining 5 APs (12.8%) were contacted via telephone.

Table 2: Results of census survey

Name and surname	Gender	Age	Household size	Level of Education	Property ownership	Debt	Vulnerability (Disability, female-headed household, displacement, etc.)
AP #1	Male	29	4	Secondary	Counter - for souvenirs sale	Bank loan	Disabled
AP #2	Female	31	6	Secondary	Counter - for souvenirs sale	No	No
AP #3	Female	62	3	Secondary	Counter - for souvenirs sale	No	Growth grandchildren whose parents died.
AP#4	Female	74	1	Secondary	Counter - for souvenirs sale	No	No
AP #5	Female	84	1	Secondary	Counter - for souvenirs sale	No	No
AP #6	Female	45	3	Secondary	Counter - for souvenirs sale	No	No
AP#7	Female	48	1	Secondary	Counter - for souvenirs sale	Bank loan	No
AP#8	Male	47	1	Secondary	Counter - for souvenirs sale	Bank loan	No
AP#9	Female	46	2	Secondary	Counter - for	No	Under Poverty

					souvenirs sale		Line
AP#10	Female	56	3	Secondary	Counter - for souvenirs sale	No	Disabled
AP#11	Female	73	2	Secondary	Counter - for souvenirs sale	No	Disabled
AP#12	Female	67	2	Secondary	Counter - for souvenirs sale	No	Disabled
AP# 13	Male	42	4	Secondary	Counter - for souvenirs sale	No	No
AP#14	Female	47	3	Secondary	Counter - for souvenirs sale	No	No
AP#15	Female	58	4	Secondary	Counter - for souvenirs sale	Bank loan	No
AP#16	Female	48	3	Secondary	Counter - for souvenirs sale	Bank loan	No
AP#17	Female	32	5	Secondary	Counter - for souvenirs sale	No	No
AP#18	Female	58	4	Higher	Counter - for souvenirs sale	Bank loan	Disabled
AP#19	Female	54	2	Secondary	Counter - for souvenirs sale	No	No
AP#20	Female	66	2	Secondary	Counter - for souvenirs sale	No	Disabled
AP#21	Female	44	3	Secondary	Counter - for souvenirs sale	No	No
AP#22	Male	70	6	Higher	Counter - for souvenirs sale	No	Disabled
AP23 #	Female	53	5	Higher	Counter - for souvenirs sale	Bank loan	Under poverty line
AP#4	Male	50	5	Secondary	Counter - for souvenirs sale	Bank loan	No
AP#25	Female	48	2	Higher	Counter - for souvenirs sale	Bank loan	No
AP#26	Female	61	2	Secondary	Counter - for souvenirs sale	No	Disabled
AP#27	Female	80	3	Secondary vocational	Counter - for souvenirs sale	No	No

AP#28	Female	39	3	Secondary	Counter - for souvenirs sale	No	No
AP#29	Female	37	4	Higher	Counter - for souvenirs sale	No	No
AP#30	Female	30	6	Higher	Counter - for souvenirs sale	Bank loan	No
AP#31	Male	47	6	Higher	Trading Cold Drinks	Bank loan	Disabled
AP#32	Male		5	Higher			Under poverty Line
AP#3	Female	56	5	Higher	Shooting Gallery	No	No
AP#34	Male	54	5	Secondary	Street Traders		No
AP#35	Female	47	2	Secondary	Street Traders	No	Under Poverty Line
AP#36	Female	29	4	Secondary	Street Traders	No	No
AP#37	Female	33	3	Secondary	Street Traders	No	Under Poverty Line
AP#38	Female	53	3	Secondary	Street Traders	No	Disabled
AP#39	Male	54	3	Secondary	Street Traders	No	No

The present and expected incomes of each project-affected person are given in Table 3 below.

Table 3: Expected Incomes of Each Project-Affected Person

Person	Current Personal Income Source - Activity affected by the Project	Amount of Income - Activity affected by the Project	Months Active (GEL)	Current Personal Income Source - Other Activities (GEL)	Amount of Income - Activity not affected by the Project (GEL)	Current Personal Income Amount - Total (GEL)	Current Household Income and Additional Sources (GEL)	Anticipated Personal Income After the Project without Livelihoods Restoration Measures (GEL)	Notes
AP # 1	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	1000	1000	2000	3000	2000	He is a builder. From October till May he works at construction site. His wife has seasonal business in Kobuleti (sale of souvenirs).
AP # 2	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	2800	1800	There is a one pensioner in the family.
AP #3	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	1800	1800	2800	4000	3000	Receives pension and also monthly allowance in amount of 100 GEL for raising of orphan children.

AP #4	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1800	1800	2800	2800	1800	Receives pension in amount of 150 GEL.
AP #5	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1800	1800	2800	2800	1800	Receives pension in amount of 150 GEL.
AP #6	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	4600	3600	2 people receive pension in amount of 150 GEL each.
AP #7	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	1000	0	A single person with a bank loan; pays all the income as a bank loan percent, and has no time to breed the cattle; is going to use a part of the compensation to pay off the bank loan and to use another portion of it to buy cattle.
AP #8	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	1000		A single person with a bank loan; pays all the income as a bank loan percent, and has no time to breed the cattle; is going to use a part of the compensation to pay off the bank loan and to use another

									portion of it to buy cattle.
AP #9	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1200	1200	2200	3400	2400	Receives 200 GEL for disability.
AP #10	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	840	840	1840	2840	1840	Receives 70 GEL for disability.
AP#11	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1800	1800	2800	2800	1800	Receives pension.
AP #12	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1800	1800	2800	4600	3600	2 persons receive pension.
AP #13	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	1000	0	Is going to buy cattle and run appropriate business with the received money and is sure that will receive the income exceeding the present income by several times.
AP #14	Booth -	1000 GEL	150-200	0	0	1000	1000	0	Will improve her living conditions

	for souvenirs sale	(Seasonal work 5 months May-October)							(her house is damaged and she is going to make relevant repairs); is going to restore her income at the expense of agricultural activities.
AP #15	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	1000	0	Has a bank loan and pays all the income she receives to cover the bank loan percent; has no time to breed the cattle; is going to use a part of the compensation to pay off the bank loan and to use another portion of it to buy cattle.
AP #16	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	5800	4800	
AP #17	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	4000	3000	One person receives pension. They sell cattle.
AP #18	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	2200	1200	
AP #19	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	1000	0	Is going to buy cattle and run appropriate business with the

	sale	months May-October)							received money and is sure that will receive the income exceeding the present income by several times.
AP #20	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	3000	3000	4000	5800	4800	2 persons receive pension and 1 receives allowance for disability.
AP #21	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	4600	3600	2 persons receive pension.
AP #22	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	1800	1800	2800	7480	6480	2 persons receive pension. One person works at the school.
AP #23	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	1980	1980	2980	5440	4440	Family lives below the poverty line. She works as a teacher.
AP #24	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	4000	3000	His wife has private business.

AP #25	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	2800	1800	One person receives pension.
AP #26	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1200	1200	2200	4000	3000	One person receives pension.
AP #27	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	1800	1800	2800	4600	3600	Two persons receive pension.
AP #28	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	1000	0	Is going to buy cattle and run appropriate business with the received money.
AP #29	Booth - for souvenirs sale	1000 GEL (Seasonal work 5 months May- October)	150-200	0	0	1000	1000	0	Is going to buy cattle and run appropriate business with the received money.
AP #30	Booth - for souvenirs sale	1500 GEL (Seasonal work 5 months May-	150-200	0	0	1000	10600	9600	Spouse has temporary income. 2 persons receive pension.

		October)							
AP #31	Trading Cold Drinks	1500 GEL (Seasonal work 5 months May-October)	200	0	0	1500	8700	7200	Spouse has his own business. Her child has temporary income. One person receives allowance for disability.
AP #32	Café (Grant)	Not Start yet	0	0	0	0	5440	4440	One person from the family is a souvenir seller and after project implementation loses income in amount of 1000 GEL.
AP #33	Shooting Gallery	1500 GEL (Seasonal work 5 months May-October)	200	0	0	1500	6900	5400	
AP #34	Street Traders	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	6000	6000	
AP #35	Street Traders	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	4000	4000	
AP #36	Street Traders	1000 GEL (Seasonal work 5 months May-	150-200	0	0	1000	2800	2800	

		October)							
AP #37	Street Traders	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	1000	1000	
AP #38	Street Traders	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	3400	3400	
AP #39	Street Traders	1000 GEL (Seasonal work 5 months May-October)	150-200	0	0	1000	2200	2200	

2.2 Impact Assessment

2.2.1 Affected Households

The project does not affect private houses and privately owned land plots, therefore there is no impact on households anticipated as a result of project implementation.

2.2.2 Business Impacts

There are 38 individual businesses located within the project area in the ownership of Gelati Monastery, these businesses are engaged in the following activities:

1. 29 small trading booths that have 30 owners (one booth has two owners);
2. 1 booth for trading cold drinks (has one owner);
3. 1 AP – Café (The owner of the cafe prepared a business proposal and submitted it to the Czech non-commercial organization People in Need announced grant competition for Start-up businesses. The goal of the mentioned competition is to support employment of the graduates of state vocational colleges active in West Georgia and improving the capacity for income generation for them. The project is implemented based on a mutual agreement memorandum signed with the Ministry of Education and Sciences of Georgia. Café owner has successfully passed through several selection stages under the grant competition and the selection committee regarded his application as one of the best.)

The income of 7 APs will decrease temporarily, of those:

1. 1 is the owner of shooting gallery located on the adjacent territory
2. 6 – street traders

2.3 Demography and Ethnicity

39 APs will be affected as a result of project implementation; of those, 32 APs will lose their job, and 7 APs will have their incomes fall temporarily during the process of rehabilitation works.

In terms of ethnicity, all APs are Georgians. 33 AP families (as we have mentioned, 33 APs underwent an in-depth social research) are comprised of 114 members, which is on average 3.45 members per family. Out of business owners 6 (18.5%) are males, and 27 (81.5%) are women.

In terms of age, the distribution of business owners is as follows:

Under 25 years – 1 AP (3%) person who has won the grant – under the Employment of the graduates of state vocational colleges and income generation opportunities for these graduates.

25-35 years – 6 APs (18%); 35-60 – 19 APs (58%); and above 60 – 7 APs (21%)

As can be seen from the provided information there are mainly middle aged and elderly representatives that are involved in business, which is quite common for retailer businesses.

2.4 Education

Out of 33 APs 4 APs (12%) have higher education, 10APs (30%) have secondary vocational education, and 19APs (58%) have secondary education.

2.5 Income and private property

For 42% (14 APs) of the surveyed individuals the current business is the sole source of income for their families. Remaining AP families have two or several sources of income which in the majority of cases is state pension - 150 GEL. From the surveyed 33 AP families 29 (87%) persons receive pension, of these, in 7 families (21%) 2 persons receive pension in a family, and in 12 families (42%) – none of the members receive pension.

Average monthly income of a family is GEL 393. Minimum income is GEL 150, maximum – GEL 750. Large amount of the mentioned incomes is spent on food. A family with the income of up to 300 Gel spends all the income (100%) to pay for the municipal services and buy food. Families with the income of over 300 Gel spend 75-85% of their income (i.e. most of it) for municipal services and food.

16 APs (48%) have taken loans. 12 of them have withdrawn loan from banks, and 4 ones -- from individuals.

5 APs (15%) live below the poverty line.

27 APs (81.5%) own on average 3,500 m² land. The minimum size of land plot (without house) is 600 m², and maximum – 9,000m².

4 APs (12%) live in an apartment block type of apartment, 8 APs (24%) own a one-stored houses, and 21 (64%) have two-stored houses.

Only 7 APs (21%) own cattle (of them, one family has two heads of cattle). 3 APs (9%) families have pigs, and 7 ones (21%) – hens.

The statistical data evidence that the intensity to breed the cattle in the project zone is much less than it is typical to Imereti region and rural environment in general. As APs have mentioned , their cattle and poultry perished because of prevalent plague in the region.

2.6 Impact on land, Crops and Trees

The project is not associated with losses of residential or agricultural land plots, trees or crops. Accordingly no compensations for the land, trees or crops are included in current RAP.

2.7 Impact on Buildings

As we have mentioned, 32 booths are located in the project zone. Of these, 20 booths are located on the right side of the Gelati Monastery access road (Figure 1), 12 booths are located opposite the mentioned booths (Figure 2).

Figures 1 and 2: Booths of souvenirs located within the project zone



Moreover, one booth is located on the territory that trades cold drinks (**Figure 3**) and a shooting gallery that is located adjacent to the project line (**Figure 4**).

Figure 3: Booth for cold drinks

Figure 4: shooting gallery



One-stored two stone buildings are also located on the territory. These buildings belong to the Ministry of Economy and have been transferred to the Ministry of Culture and Monument Protection into temporary use (**Figures 5 and 6**).

Figures 5 and 6: Buildings belonging to the Ministry of Economy



Gelati Monastery representatives have transferred one of these two buildings (Figure 5) into temporary use to Beka Bukhaidze, a member of church parish, who, as we have mentioned, prepared a business plan and won the grant of setting up a café bar in the mentioned building. The won grant envisages repair of the building and purchasing café bar equipment. The total amount of grant is GEL 4,552.

2.8 Project Affected Vulnerable Persons

As a result of the Project implementation, 39 APs come under direct and indirect impacts. Out of this number, 16 APs belong to the vulnerable category, including:

1. 5 AP below the poverty line.
2. 10 APs having a disabled family member.
3. 1 AP is a single mother bringing up an underage child⁴

All of above mansion AP's are eligible for an additional one time allowance equal to a monthly minimum subsistence income for a family of five (300.1 GEL) for three months. From mentioned 16 APs 12 AP are Individual enterprisers, 3 APs are street traders, and one AP is owner of the Café.

2.9 Impact on Common Property Resources

The subproject will finance rehabilitation of water supply system for Gelati Monastery complex. The "Dokhora Source" of q=1.5-3 l/sec capacity is within 2500 meter from the Gelati Monastery Complex. Intake of the source needs thorough rehabilitation, cleaning and concrete works.

3. LEGAL AND POLICY FRAMEWORK

3.1 General

The legal and policy framework of the Project is based on national laws and legislations related to Land Acquisition and Resettlement (LAR) in Georgia and the World Bank Involuntary Resettlement Policy (OP/BP 4.12). Based on the analysis of applicable laws and policies and

⁴ This AP is a grandmother of a girl, whose parents are dead.

Policy requirements of the mentioned IFIs, project related LAR principles have been adopted.

3.2 Legal Framework

3.2.1 Georgia's Laws and Regulations on Land Acquisition and Resettlement

In Georgia, the legislative acts given below regulate the issues of obtaining State ownership rights to privately owned land parcels based on the necessary public needs caused due to constructions activities:

- (i) The Constitution of Georgia, August 24, 1995
- (ii) The Civil Code of Georgia, June 26, 1997
- (iii) The Law of Georgia on Protection of Cultural Heritage, 2007
- (iv) The Law of Georgia on Notary Actions, December 4 2009;
- (v) The Law of Georgia on Privatization of State-owned Agricultural Land, July 8, 2005
- (vi) The Law of Georgia on Ownership Rights to Agricultural Land, March 22, 1996
- (vii) The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities; 2007
- (viii) The Law of Georgia on Public Register (No820 –IIs; December 19 of 2008;
- (ix) The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, July 23, 1999
- (x) The Civil Procedural Code of Georgia, November 14, 1997

The existing Laws provide that compensation for lost assets, including land, structures, trees and standing crops, should be based on the current market price without depreciation. Overall the above laws/regulations provide that the principle of replacement cost compensating at market value is reasonable and legally acceptable. The laws also identify the types of damages eligible to compensation and indicate that compensation is to be given both for loss of physical assets and for the loss of incomes. Finally, these laws place strong emphasis on consultation and notification to ensure that the APs participate in the process. Income loss due to loss of harvest and business closure will be compensated to cover net loss. The above-listed laws and regulations give the possibility of applying the following mechanisms for legal application of the property rights:

- (i) Obtaining the right of way (servitude) without expropriation through the payment of due compensation (on the basis of a contract of agreement or a court decision) prior to commencement of the activities.
- (ii) Expropriation which gives the possibility of obtaining permanent right to land and/or other real estate property on the basis of Eminent Domain Law or a court decision through the payment of due compensation.

Land will be acquired through eminent domain, first on the basis of negotiated settlement with individual affected entities. Should the contract fail, the expropriation process under the eminent domain will start. Under the existing Law in Georgia, the president will issue an order for expropriation based on the request from relevant state agencies. Relevant regional court will assess the presidential order and determine the case of public needs, and grant the expropriation entity rights to obtain land. The court will also appoint a third party to assess the market value of lost assets and determine the compensation payable to relevant land owners accordingly to the value of assets thus found.

3.2.2 WB's Policy on Involuntary Resettlement

All projects funded by the WB must comply with the WB social and environmental safeguards.

The WB financed projects, in their turn, require compliance with the WB safeguards and guidelines. WB BP/OP 4.12 Involuntary Resettlement is one of the most important safeguards guiding land acquisition and related resettlement/compensation issues during project implementation. In line with the principles of host-country responsibility, Georgia is committed to implement the WB financed projects in compliance with the requirements of WB BP/OP 4.12.

Generally, the Georgian legislation is compatible with the major provisions of the WB Resettlement Policy but a few important differences are to be noted. The WB resettlement policy is directed at improving (or at least restoring) incomes and living standards, rather than merely compensating people for their expropriated assets. This improvement of incomes and living standards broadens the objective of the policy to include the restoration of income streams and retraining of people unable to continue their old income-generating activities after displacement. The emphasis on incomes and living standards, in contrast to the conventional emphasis on expropriated property, expands the range and number of people recognized as adversely affected. Recognition of this broader range of adverse impacts leads to a greater appreciation of the issues to be considered in resettlement and consequently requires careful delineation of responsibilities, elaborate risk management and explicit and distinct resettlement planning.

The WB policy complements the Georgian legislation/regulation with certain additional requirements, which are mandatory for the WB financed projects. In particular, appropriate planning/management instruments must be developed prior to project appraisal, like **Resettlement Policy Framework (RPF)** and **Resettlement Action Plan (RAP)**, as appropriate.

Resettlement Policy Framework (RPF). A policy framework needs to be prepared if the extent and location of resettlement cannot be known at appraisal because the project has multiple components, as typically happens in projects with financial intermediaries or multiple subprojects. The policy framework establishes resettlement objectives and principles, organizational arrangements, and funding mechanisms for any resettlement operation that may be necessary during project implementation. The framework also assesses the institutional capability to design, implement, and oversee resettlement operations.

Resettlement Action Plan (RAP). All projects that entail involuntary resettlement require a **RAP**. "The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement" (OP 4.12, Annex A, para. 2). RAP is location-specific and comprehensive action plan including preliminary studies (socio-economic assessment, sociological survey, census, valuation of impacts, and consultation with affected persons), a set of compensation/mitigation measures for each affected person/household, and detailed implementation plan with indication of responsible parties and schedule.

The WB Policy on Involuntary Resettlement, as defined in the OP/BP 4.12, is based on the following principles:

- Involuntary resettlement is to be avoided or at least minimized.
- Compensation/Rehabilitation provisions provide affected persons with opportunity to improve, or at least restore, pre-project incomes and living standards.
- Affected Persons should be fully informed and consulted on Land Acquisition and Resettlement compensation options.
- Affected Persons' socio-cultural institutions should be supported/used as much as possible.

- Compensation will be paid at replacement cost to affected persons, without deduction for depreciation or any other purpose.
- Lack of legal title should not be a bar to compensation or alternative forms of assistance as needed to achieve policy objectives.
- Particular attention should be paid to households headed by women and other vulnerable groups.
- Land Acquisition and Resettlement should be conceived and executed as a part of the project, and the full costs of compensation should be included in project costs and benefits.
- Compensation and resettlement subsidies will be fully provided prior to clearance of right of way/ground leveling and demolition.

3.2.3 Comparison of Georgian Legislation on RAP and WB Resettlement Policy

Generally the Georgian legislation is compatible with major provisions of the WB Resettlement Policy but a few differences are to be noted. The most significant of these differences is that under Georgian legislation/regulation, emphasis is put on the definition of formal property rights and on how the acquisition of properties for public purposes is to be implemented and compensated while in the case of WB policy emphasis is put both on the compensation of rightfully owned affected assets and on the general rehabilitation of the livelihood of the Project Affected People (PAP) and Households (AH). Also, in addition, the legislation of Georgia does not require any specific planning/implementation instrument like RPF or RAP based on extensive public consultations. The differences between the legislation of Georgia and WB policy are outlined in Table 4 below.

Table 4: Comparison of Georgia Laws/Regulations on RAP and WB Resettlement Policy

Georgia Laws and Regulations	WB Involuntary Resettlement Policy
Land compensation only for titled landowners	Lack of title should not be a bar to compensation or alternative forms of assistance. Non-titled landowners may receive alternative forms of assistance in lieu of formal compensation payments.
Only registered houses/buildings are compensated for damages/demolition caused by a project	All affected houses/buildings are compensated for the damages/demolition caused by a project
Crop losses compensation provided only to registered landowners.	Crop losses compensation provided to landowners and sharecrop/lease tenants whether registered or not
Land valuation based on replacement cost: (i) current market value where active land markets exist; (ii) Reproduction cost of an identical plot where no active land markets exist.	Land valuation based on replacement cost.
PAP the grievance should lodge the complaints at the court.	Adequate grievance redress mechanism, which consists of both formal and informal venues, should be developed and made

	accessible to all PAP
No formal requirements to organize public consultation to inform the PAP of the nature of the project and expected impact	Information on quantification, affected items value assets, entitlements, and compensation/financial assistance amounts is to be disclosed to the APs prior to appraisal.
No provision for income/livelihood rehabilitation, allowances for severely affected or vulnerable APs, or resettlement expenses.	Income loss, disturbance allowance, and expenses incurred by the PAPs during the relocation process, should be compensated.

3.2.4 Resettlement Policy Commitments for the Project

Considering the above-mentioned differences, WB policy complements the Georgian legislation/regulation with additional requirements related to (i) the economic rehabilitation of all AP/AF (including those who do not have legal/formal rights on assets acquired by a project); (ii) the provision of indemnities for loss of business and income, (iii) and the provision of special allowances covering PAP expenses during the resettlement process or covering the special needs of severely affected or vulnerable PAPs. Therefore, during implementation of the Regional Development Project II the MDF is committed to ensure that:

1. For each subproject that involves acquisition of private land, temporary or permanent income loss, or other impact that triggers the OP 4.12, a Resettlement Action Plan (RAP) will be developed in compliance with policies and procedures set out in this RPF, the WB OP 4.12 and Georgian legislation.
2. National Agency for Cultural Heritage that propose subprojects to the MDF will be responsible for developing the relevant RAP, and the MDF will provide technical support.
3. No civil work can start at the section where impacts that trigger OP 4.12 occur before a RAP is deemed acceptable by the Bank.
4. No structural demolition that would cause physical relocation of households is allowed under the Project.
5. 30 self-made booths are planned to demolish within the scope of the Project. The value of the said booths will be given to their owners as a compensation. Besides, the owners of the booths will be given the materials of the booths (wood, metal) for personal use;
6. The private sector investments to be supported under this project will not involve involuntary resettlement or restriction of access to land or other natural resources, including informal usage.
7. PAP will receive compensation or support of various kinds, without regard to the status of land registration and ownership, in accordance with the entitlement matrix included in this RAP and in compliance with the active legislation of Georgia and the World Bank safeguard policy on resettlement (OP 4.12).
8. PAPs will be informed about their rights and existing alternatives;
9. PAPs will be consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.
10. PAPs will be offered effective compensation at full replacement cost for losses of assets;
11. PAPs will be offered additional support in case impact is considered to be severe, to support their livelihood during the transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;
12. PAPs will be provided with development assistance in addition to compensation measures described, such as land preparation, credit facilities, training, or job opportunities;

13. Special attention will be paid to the needs of the most vulnerable groups of the population – children, women, the elderly, those below the poverty line, disabled, refugees, etc.;
14. A fair and accessible grievance redress mechanism will be applied as described in this RAP;
15. Compensation measures are completed prior to initiation of the particular construction activities that trigger OP 4.12.

3.2.5 Compensation Eligibility and Entitlements Eligibility

Affected households and businesses entitled for compensation under the project are the 39 owners of the businesses located in the project area. Detailed Compensation Eligibility is presented in Table 5.

Table 5: Compensation Eligibility Entitlement matrix

Type of Loss	Elegible PAP	Solution Alternatives / Entitlements
Permanent loss of vending Kiosk	Registered Counter Kiosk	0
	Kiosk vendor eligible for registration	0
	Kiosk vendor non-eligible for registration	31 (2 APs own 1 trading kiosk)
Expected loss of income from café.	Registered Balding for cafe	0
	Balding for cafe eligible for registration	0
	Balding for cafe non-eligible for registration	1
Temporary restriction of access to site for street vending	Register street vender	0
	Street vender eligible for registration	0
	Vendor not eligible for registration	6
Temporary restriction for Shooting gallery	Registered Shooting gallery	1

6 street vendors and an owner of the shooting range do not lose their incomes. Their incomes are only expected to reduce in the project implementation phase.

Compensation eligibility will be limited by a cut-off date, which was August 24, 2014 for this subproject. Persons who have settled in the affected areas after this locally publicized cut-off date will not be considered project-affected, and persons initiating improvements to land or structures after a locally publicized cut-off date will not be eligible for additional compensation. They, however, will be given sufficient advance notice prior to project implementation.

3.2.6 Assessment of Compensation Unit Values for Affected Households

There are no dwelling houses or structures located within the project area. Accordingly, in the current RAP no compensations are envisaged for affected households.

.3.2.7 Business Impacts and loss of incomes

38 AP businesses will be impacted by project implementation, of those, 32 APs will have to stop their business operations and they will lose income, and 6 APs will have their income fall at the stage of project implementation. Although, following the completion of rehabilitation works they will continue their regular work.

Out of the mentioned 32 APs:

- 30 APs are trading with souvenirs and all own trading booths, from 30 APs 2 APs own 1 trading booth;
- 1 AP trades with cold drinks and owns a booth;
- 1 AP has won a grant for equipping the café bar, although this building has been transferred to this person free of charge from Church representatives into temporary use and it is not his property. The mentioned building belongs to the Ministry of Economy.

All of those who own a trading booth will receive compensation for the booth. The price of booth will be calculated based on market value.

All of those will lose job and all of them are eligible for compensation amount, equal to their one year income. According to the conducted surveys (100% of AP-s took part in these surveys), businesses owned by the AP-s in the project area are periodic, and depend on climatic conditions and touristic seasons. The above-mentioned business is effective from the end of May till the end of October, which totals to maximum 5-6 months annually. All business entities operating in the project area are illegal, therefore official information on the profits received by the AP-s from their business activities is unavailable. As a result of inquiry conducted with the AP-s, an average monthly per person income was determined, which on average amounts to GEL 150-200. Therefore, an average annual income from business activities in the project area amounts to GEL 1000-1200. Based on the fact that an exact monthly income was not determined, the following decision was made: each of them will receive the amount equivalent to subsistence minimum level of a family of five members determined by the Geostat according to Georgian legislation.⁵ As of August, 2014 the mentioned monthly amount is GEL 300.1. Compensation determined for each AP, 3-3,5 times exceeds their actual annual income. APs agreed to this arrangement (and most requested this arrangement) in lieu of specific measures to replace their livelihoods.

As for 7 APs who will not lose jobs as a result of project implementation but whose income will fall in the course of rehabilitation works, will receive 50% of current incomes as compensation (The percentage was taken from the results of the implemented projects in scope of RDP). Street traders are not registered as legal entities altogether, a shooting gallery owner is registered as an individual entrepreneur and their incomes are not registered, respectively, each of them will receive half of the amount equivalent to minimum subsistence level of a family of five persons. According to the indicator of July, 2014 the mentioned monthly amount is GEL 150.05 Since according to the plan project duration is 6 months, each of them will receive as

compensation 150.05 GEL X 6 months = GEL 900.30.

All of the individual entrepreneurs are operating for themselves and have no hired staff.

The composition of the affected businesses is summarized in the **Table 6** below:

Table 6: Composition of the affected businesses

Affected Businesses (ABs): Owners of businesses operating in the village		
Number of Affected Businesses	Compensation Measure	Total Compensation Amount
31 APs will receive 1 year compensation equivalent to the subsistence minimum of a family of five persons determined by Geostat pursuant to Georgian Legislation over the course of rehabilitation works and compensation for the booth.	Minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 31 Individual enterpriser. In addition to this they receive compensation for booths owned by them - 12 303.00 GEL. This is expected to be enough funds for APs to restore their livelihoods. APs have agreed with this measure.	123940.20 Gel
1 AP will receive compensation for the café bar equipment won under a grant and 1 year compensation for business stoppage in amount equivalent to the subsistence level of a family of five persons determined by Geostat based on the Georgia Legislation.	compensation for the café bar equipment won under a grant – GEL 4952.00 and minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 1 Individual. This is expected to help this person achieve the income he/she would have gotten if he/she would have used the donated bar equipment.	8553.20 GEL
7 APs that will not lose job as a result of project implementation but whose income will fall over the course of rehabilitation works will receive compensation in the amount of 50% of current incomes for 6 months.	Half of the monthly minimum subsistence income for a family of five (150.05. Gel) during 6 month. 150.05 Gel X 6 month X 7 Individual enterpriser. This will compensate the APs for their temporary loss of income.	6302.10.40 GEL
Allowances for Vulnerable People for 16 AP	Minimum subsistence monthly income for a family of five (300.1 Gel) during 3 months. This is expected to provide additional support allowing these	14404.80 GEL

	vulnerable APs to restore their level of income.	
Total		153 200.00GEL
If the audit carried out after 6 months reveals that the 8 APs going to lose 100% of their income as a result of the Project implementation do not restore their source of income, each of them will be given extra 1000 Gel within the scope of the Project.	8 AP X 1000 GEL = 8000 GEL	8000.00 GEL
Subtotal		161 200.00 GEL

During consultations, APs have been given the chance to determine the support they would get to restore livelihoods and they have stated that they would like cash compensation and will decide later on how they will use the funds to restore livelihoods. Other options were rejected by the APs.

3.2.8 Allowances for Vulnerable People

As a result of the Project implementation, 39 APs come under direct and indirect impacts. Out of this number, 16 APs belong to the vulnerable category, including:

1. 5 AP below the poverty line.
2. 10 APs having a disabled family member.
3. 1 AP is a single mother bringing up an underage child⁶

All of above mansion AP’s are eligible for an additional one time allowance equal to a monthly minimum subsistence income for a family of five (300.1 GEL) for three months. From mentioned 16 APs 12 AP are Individual enterprisers, 3 APs are street traders, and one AP is owner of the Café.

3.2.9. Assistance program for the APs losing their incomes

The business the APs run in the Project area needs much time, from 9.00 am to 6.00pm. The monthly income gained from this kind of business as compared to the time spent for it is little. The income of each AP for 5 months is approximately 1000 Gel. The annual income the APs receive from this business is twice is less as the living minimum fixed for one single-member family by the government of Georgia. As the APs state, the income received from cattle-breeding with the same labor is several times higher. The only reason they do not wish to abandon this business is they do not have initial capital for cattle-breeding. In proof of the above-mentioned, we can consider the results of the social

⁶ This AP is a grandmother of a girl, whose parents are dead.

poll carried out in the Project zone 2012 and 2014.

In particular, the survey of 2012 registered 39 souvenir trading stores, while this number was only 30 by 2014. In fact, the number of the traders reduced by 21%, without any replacement. Similarly, by 2014, we found one café closed out of the two ones functioning in 2012.

It should also be noted that when preparing the Resettlement Action Plan, several trips to the project zone were organized by the project implementing unit. The trip aimed at measuring the property of the APs and holding social surveys and public consultation meetings. During these visits, it was fixed that 8 to 10 stores out of 30 (i.e. 25-30% of the stores) were permanently empty.

Souvenir trade in the Project zone needs no special permit. As this business is illegal, APs are not charge with any taxes for doing it. Similarly, there is no limitation to the number of booths. As it became clear when talking to one of the APs, this kind of business needs no initial capital, as the souvenir manufacturers allow the product (souvenirs) to them free and are paid only after their products are sold. Following the above-mentioned, in the region with unemployment as one of its major problems, the local residents of village Gelati do not consider the profit gained from the souvenir trade as the principal source of income of the families.

It should also be noted that the said business is seasonal and depends on the climatic conditions on the one hand, and tourist season, on the other hand. Following these two factors, the business run by the local residents on the territory of the Gelati Monastery, lasts for 4 to 5 months a year. According to the APs under impact due to the Project implementation, their annual income from this business is 600-900 Gel (maximum 1000 GEL). So, the compensation they receive equals to their income for 4 year (every AP losing his/her income due to the business loss, is to receive a compensation of 3601.20 Gel).

The said amount will enable the Project-affected people start some new business or strengthen some existing business. During the personal meetings, as well as public consultations, all APs agreed to leave the business on the territory of the Gelati Monastery in lieu of the offered compensation. The APs' consent to leave the locations occupied by them for the proposed compensation was drafted in writing, too (Attachment 2). The APs considered the compensation enough for them to restore their income, although they did not want to commit to an action plan for livelihood restoration and did not want assistance, such as training or small business support, as part of the project's livelihood restoration support.

Despite the written consents of 32 APs stating their agreement to leave the area occupied by them illegally for certain compensation, the social survey gathered the information about the plans of the APs after receiving the compensation (See Table 7).

Table 7: The Social Survey about the Plans of the APs

Person	The information provided by the APs about the ways to manage the compensations
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AP #1	He is a builder and has periodic annual income following his profession. In addition, his wife has a store in Kobuleti trading with souvenirs during a tourist season. As a result of the project implementation, the family loses 30% of their income. The AP is going to use the compensation received for losing his business in the project zone to make repairs in his house. As he is a builder, he will need to buy only building materials.
AP #2	Will lose 40% of her income as a result of the project implementation. She is not going to spend the compensation until the project is finished. After the project is finished, she will use take part in the tender declared by the owner of the area and if she wins, she will hire a booth. If she cannot win the tender, she will start some other business, but she has not decided on the kind of business yet.
AP #3	Will lose 40% of her income as a result of the project implementation. She does not have any specific plans for the future yet.
AP #4	Will lose 40% of her income as a result of the project implementation. She does not have any specific plans for the future yet.
AP #5	Will lose 40% of his income as a result of the project implementation. He does not have any specific plans for the future yet.
AP #6	Will lose 15% of her income as a result of the project implementation. She has not made any specific decisions. She may repair her house.
AP #7	Will lose 100% of her income as a result of the project implementation. She will use the compensation to cover the bank loan and will not have to pay the loan percent.
AP #8	Will lose 100% of his income as a result of the project implementation. He will use the compensation to cover the bank loan and will not have to pay the loan percent.
AP #9	Will lose 25% of her income as a result of the project implementation. She has not made any specific decisions yet. She will spend part of the compensation to buy medications.
AP #10	Will lose 50% of his income as a result of the project implementation. He has not made any specific decisions yet. She will spend part of the compensation to buy medications.
AP #11	Will lose 50% of her income as a result of the project implementation. Her house was burnt down in an accident some time ago, and she will use a part of the compensation to restore her house. After the project is complete, she will try to hire a booth or find a job as an employee.
AP #12	Will lose 30% of her income as a result of the project implementation. She wants to use the compensation to refurbish her bathroom and buy a washing machine.
AP #13	Will lose 100% of his income as a result of the project implementation. He has not decided it yet, but he wants to buy cattle and make business with it (supplying stores with milk).
AP #14	Will lose 100% of her income as a result of the project implementation. Her house is damaged (the roof is leaking), and she will repair the house roof. If she has some money remained after that, she will buy cattle.
AP #15	Will lose 100% of her income as a result of the project implementation. She owes 2000 Gel to a private person. She will pay the loan and buy cattle.
AP #16	Will lose 20% of her income as a result of the project implementation. She will cover the bank loan (will not pay loan percent), and use the rest of the funds to repair her house.
AP #17	Will lose 20% of her income as a result of the project implementation. She will cover the bank loan and will not pay loan percent (she pays 200 Gel a month as a percent). She has one cow and has some income from it. She will use the rest of the money to buy another cow.
AP #18	Will lose 50% of her income as a result of the project implementation. She will cover 3000 Gel of bank loan, but has not decided yet what to do with the rest of money.
AP #19	Will lose 100% of her income as a result of the project implementation. She has not decided it yet. She may buy cattle. She may continue selling

	souvenirs after the project is complete.
AP #20	Will lose 20% of her income as a result of the project implementation. She needs some money for treatment. She is going to buy cattle (a cow or a pig) with the remained money.
AP #21	Will lose 30% of her income as a result of the project implementation. She will cover the bank loan. She has not decided yet what she will do with the rest of the money.
AP #22	Will lose 15% of his income as a result of the project implementation. He has no specific plans. He may buy cattle or trade with souvenirs after the project is complete.
AP #23	Bukhaidze Nino and Bukhaidze Beka (receiving the compensation of 9453 Gel within the scope of the same project) are one family. As a result of the project implementation, the family loses 20% of their income. The family has a loan of 7000 Gel. First of all, they will cover it and will not have to monthly percent. They will make repairs and pay for their child's education.
AP #24	Will lose 30% of his income as a result of the project implementation. They will cover the bank loan of 5000 Gel and will not have to pay monthly percent.
AP #25	Will lose 50% of her income as a result of the project implementation. She has a pig farm for 80 pigs in her homestead. She had pigs in the past, but they died of plague. Now, she is going to buy pigs.
AP #26	Will lose 25% of her income as a result of the project implementation. She has to have an operation of 2300 Gel. She wants to buy cattle with the remained money.
AP #27	Will lose 30% of her income as a result of the project implementation. She will cover the bank loan; she will use some money to buy medications and will buy cattle with the rest of the money. She doubts if she has ample money after that, but if she does, she will buy a washing machine.
AP #28	Will lose 100% of her income as a result of the project implementation. She has not decided it yet.
AP #29	Will lose 100% of her income as a result of the project implementation. She has a bank loan of 1500 Gel, which she will cover. She will use part of the compensation to make some cosmetic repairs in her house and will use the rest of the money to buy cattle.
AP #30	Will lose 10% of her income as a result of the project implementation. She has a bank loan of 7000 Gel. She will use the compensation to cover a part of the loan.
AP #31	Will lose 15% of her income as a result of the project implementation. She will cover the bank loan of 1500 Gel. Then, she will wait for the completion of the project and will try to win the tender to hire a booth. If she fails, she will make some refurbishment in her house and make a family hotel.
AP #32	Bukhaidze Nino and Bukhaidze Beka (receiving the compensation of 9453 Gel within the scope of the same project) are one family. As a result of the project implementation, the family loses 20% of their income. The family has a loan of 7000 Gel. First of all, they will cover it and will not have to monthly percent. They will make repairs and pay for their child's education.
AP #33	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.
AP #34	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.
AP #35	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.
AP #36	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.

AP #37	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation
AP #38	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.
AP # 39	Is not losing any income as a result of the project implementation, but her income is expected to reduce in the project implementation phase. She has not decided yet on the way she will use the compensation.

As a result of project implementation 32 AP-s will lose their businesses and respectively their incomes. Out of the above-mentioned 32 AP-s, for 8 households (25% of the total number of AP-s) the aforesaid income constitutes 100% of the total income of their households for 10 households (31%) – the percentage is 30-50%, while for 14 households (44%) it constitutes 30% and less of the total income of their households.

The inquiry has revealed that all of the AP-s who have made loans from the Banks or private persons will in the first place repay the existing loans with compensation amounts received (48% of AP-s). The commercial banks and private companies operating in Georgia charge quite high percents to the consumer and hypothetic loans (2-4% monthly). Therefore, an AP having a 2000-Gel loan pays 40 to 80 Gel a month equaling to the income he/she received from the souvenir business in the Project zone per month. In fact, the people with loans of 2000 Gel or more, work now and perhaps, in the future to cover the bank loan percents only. In consequence of the above-mentioned, living conditions will improve for all of them since they will no longer have to pay the monthly interest accrued to the banks.

Majority of AP-s have not yet decided how to use the compensation amounts received. Though in most cases, they intend to buy livestock and restore their lost incomes by means of livestock farming. Only 5 AP-s have expressed a wish to continue souvenir sale after project completion. For this purpose, they are determined to lease new kiosks constructed in the project area.

According to the Resettlement Plan, following 6 months of project completion a consulting company or an individual consultant hired by the MDF will conduct an audit, which will be aimed at determining whether or not the social conditions of affected persons have improved. Those AP-s, who do not enjoy improved or restored social conditions, will have their problems once again addressed through provision of Technical Assistance, which consists of the following:

1. After project completion, the MDF will provide technical assistance to the AP-s in preparation of quality bids for participation in the bidding on management of shopping kiosks constructed in the project area;
2. After project completion, the MDF will provide technical assistance to the AP-s in employment at infrastructural facilities opened in the project area.

For the 8 individuals losing 100% of their livelihoods because of this project, the MDF will resurvey their income 6 and 12 months after project completion. If income has not been restored, the MDF will provide these individuals skills training and potentially small grants (less than 1000GEL) to further support livelihoods restoration.

3.2.10 Compensation Entitlement Matrix

Tasks under the Project will be implemented according to a compensation eligibility and entitlement framework in line with both Georgian laws and regulation, WB OP 4.12. A summary entitlement matrix is included in **Table 8** below.

Table 8: Compensation Entitlement Matrix

Affected Businesses (ABs): Owners of businesses operating in the village		
Number of Affected Businesses	Compensation Measure	Total Compensation Amount
31 APs will receive 1 year compensation equivalent to the subsistence minimum of a family of five persons determined by Geostat pursuant to Georgian Legislation over the course of rehabilitation works and compensation for the booth.	Minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 31 Individual enterpriser. In addition to this they receive compensation for booths owned by them - 12 303.00 GEL. This is expected to be enough funds for APs to restore their livelihoods. APs have agreed with this measure.	123940.20 Gel
1 AP will receive compensation for the café bar equipment won under a grant and 1 year compensation for business stoppage in amount equivalent to the subsistence level of a family of five persons determined by Geostat based on the Georgia Legislation.	compensation for the café bar equipment won under a grant – GEL 4952.00 and minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 1 Individual. This is expected to help this person achieve the income he/she would have gotten if he/she would have used the donated bar equipment.	8553.20 GEL
7 APs that will not lose job as a result of project implementation but whose income will fall over the course of rehabilitation works will receive compensation in the amount of 50% of current incomes for 6 months.	Half of the monthly minimum subsistence income for a family of five (150.05. Gel) during 6 month. 150.05 Gel X 6 month X 7 Individual enterpriser. This will compensate the APs for their temporary loss of income.	6302.10.40 GEL
Allowances for Vulnerable People for 16 AP	Minimum subsistence monthly income for a family of five (300.1 Gel) during 3 months. This is expected to provide additional support allowing these vulnerable APs to restore their level of income.	14404.80 GEL
Total		153 200.00GEL

<p>If the audit carried out after 6 months reveals that the 8 APs going to lose 100% of their income as a result of the Project implementation do not restore their source of income, each of them will be given extra 1000 Gel within the scope of the Project.</p>	<p>8 AP X 1000 GEL = 8000 GEL</p>	<p>8000.00 GEL</p>
<p>Subtotal</p>		<p>161 200.00 GEL</p>

4. INSTITUTIONAL ARRANGEMENTS

4.1 Introduction

The Municipal Development Fund of Georgia (MDF) is the executing agency (EA) of the Project on behalf of the Government of Georgia. The World Bank (WB) will be financing the Project for civil works construction and construction supervision. MDF is responsible for construction as well as resettlement compensation of the PAPs. MDF has the lead responsibility for rehabilitation works, as well as implementation of Abbreviated RAP with assistance from hired consultants.

MDF is assisted by a number of other government departments and private agencies in the design, construction and operation of the Project.

4.1.1 Gelati Village

Gelati village has a major role in supporting MDF in RAP implementation and will participate in a special Committee (RAP Implementation Unit) consisting of village officials, heads of other relevant services of villages, the Environment Protection Analysis and Resettlement specialist, monitoring division specialist of MDF and the lawyer of MDF etc. On a basis of agreement with MDF management and the Committee, if necessary the structure of the committee can be expanded on the account of the invitation of professionals of different spheres in view of the specification of the concrete project.

Compensation/rehabilitation measures will be implemented as the civil works progress but prior to the start of the construction on a particular section.

4.1.2 Municipality Registration Office

NAPR is in charge of the registration of property ownership and is helping MDF in identification of the residents and owners of the affected buildings.

4.1.3 Other Organizations and Agencies

Civil Works Contractor

A Civil Works Contractor to be contracted by the MDF to undertake the construction will be responsible for mitigating impacts resulting from the construction activities. The construction activities shall be monitored closely by the MDF to ensure compliance to the temporary mitigating measures.

Court of Georgia

The Court of Georgia shall be the last resort for issues and concerns regarding the implementation of the RAP. In case there is no agreement between the MDF and the APs concerning the implementation of RAP, the court will grant the MDF with the mandate for execution of works based on Georgian legislation.

Ministry of Finance

The budgets for the implementation of RAP will be provided to MDF by the Ministry of Finance following its official approval.

Ministry of Justice

The Ministry of Justice is responsible for legal matters regarding land ownership, and National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of land ownership and its transfer through purchase agreement from landowners to the MDF.

The World Bank

Besides supervising of the Project periodically, the WB will provide clearance to contract awards signing and initiation of civil works for construction/rehabilitation.

5. CONSULTATION AND PARTICIPATION DURING IMERETI RDP PROJECT

5.1 Introduction

Consultation and participation is a process through which stakeholders influence and share control over development initiatives, and the decisions and resources that affect them. It is a two way process where the executing agencies, policy makers, beneficiaries and APs discuss and share their concerns in a project process. Consultation and participation has been a major principle in the planning and preparation of the detailed design of the Project. WB OP 4.12 gives high priority on public consultation and participation to enhance the community voice and assure incorporation of community views in the design and implementation of a socially and environmentally compliant project. The Georgian laws also place strong emphasis on consultation and notification to ensure that the APs participate in the process.

5.2 Summary of Consultations

The Project Development Objective is to improve infrastructure services and institutional capacity to support the development of tourism-based economy and cultural heritage circuits in the Imereti region.

Preparation of Tourism Development Strategy in Imereti region is financed by the World Bank. In parallel, the World Bank finances investment package comprising of 2 components:

1. Infrastructure investments (32.28 ml.)
 - 1.1 Integrated rehabilitation of Tskaltubo city
 - 1.2 Tourism circuit development: Integrated approach to cultural heritage site upgrading and improved management in the most attractive 4 cultural and natural heritage sites located along the main tourism circuit/route in Imereti.
2. Tourism Institutional System Development (3.72 ml.)

Project is implemented by the Municipal Development Fund of Georgia.

Patriarchy of Georgia and Other Governmental entities also actively participate in the Project elaboration and implementation process, in particular: Local Municipalities and Imereti regional office. Agency for Cultural Heritage Preservation (ACHP); Protected Areas Agency (PAA); United Water Company (UWC); etc.

Under the investment package the following activities are planned:

1. Integrated rehabilitation of Tskaltubo city
2. Rehabilitation of Vani museum
3. Construction and organization of public services and amenities in the vicinity of Gelati Monastery

4. Rehabilitation of Katskhi church and construction of infrastructure in the vicinity of Katskhi church; Rehabilitation of Katskhi monastery column and construction of infrastructure in the vicinity of Katskhi monastery column.
5. Rehabilitation of Monastery of Ubisa and construction of infrastructure in the vicinity of the Monastery.

Consultation meetings with the APs during RAP Preparation and Disclosure of Draft Abbreviated RAP in Tkibuli:

Public Consultation Meeting - June 5 of 2012 in City Tkibuli, Administration (Gangeoba) of the Municipality

Public Consultation Meeting

June 6 of 2012 in the City Tkibuli, Administration (Gangeoba) of the Municipality.

The meeting was attended by 84 residents **(the minutes of the meeting with the signatures is available as attachment).**

Date and time of event: June 6, 2012, 11:00 a.m.

Following representatives of local government were presented:

Levan Dokhnadze – Governor (Gangebeli) of Tkibuli Municipality

Municipal Fund of Georgia was presented by:

Nino Patarashvili – Environmental and Social Specialist, MDF

Consultant: T. Kepuladze

The Matters Discussed			
No	Question/Comment	Name	Response
1	When will the project implementation commence?	Zaza Idadze	N. Patarashvili Presumably the project implementation will commence from September, 2012.
2	Will the village be able to use the project sewerage?	Zaza Idadze	T. Kepuladze The project does not imply connecting of the village to the project sewerage.
3	The problem is water supply both for the monastery and the village population. Dokhora spring supplies several districts and due to the low debit of the source the schedule of	Levan Dokhnadze Governor (Gangebeli)	T. Kepuladze The presentation material shows that the source will be rehabilitated along with captation. The loss will be

	water supply is in place. The use of water from this source will leave the population without water.	Irakli Apridonidze Kursebi Trustee	reduced. Proceeding from the above, Dokhora spring should facilitate the water supply of the information center, which should not cause any problems to local water users. The issue is important and we will inform the designers about the problem.
4	Will the population be connected to the water supply system?	Giorgi Kezevadze Gelati resident	T. Kepuladze The project does not include connecting of the local population to the system.
5	License quarries are located above Gelati. The abstracted stone is transported via the existing road, which passes in front of the monastery. Will the accomplishment of the project units cause problems to the entrepreneurs?	Irakli Apridonidze Kursebi Trustee	T. Kepuladze Upon the accomplishment of the project units no additional problems should be created. In our opinion, alternatives should be considered.



Another public consultation meeting was held on August 10, 2014 in the area adjacent to the Gelati Monastery. The meeting was attended by the representatives of both, the companies engaged in developing the Resettlement Action Plan and local authorities.

The meeting was also attended by 23 people subject to either direct or indirect impact of the Project.

Mr. I. Kaviladze, the consultant invited by the Municipal Development Fund of Georgia within the scope of the Project informed the meeting participants about the goals and objectives of the Project, as well as means to implement the Project and methods to be used by the PIU to develop the Resettlement Action Plan.

This was followed by a Q&A (Questions and Answers) session:

No.	Question	Answer
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1.	The Project envisages the drinking water-supply of the Gelati Monastery Complex. Will the population be allowed to use this drinking water?	The Project envisages drinking water supply only of the Gelati Monastery Complex and Visitor Center. The question of the drinking water supply for the local population is not covered by the present Project. The question of improving the water drainage system for the local population is not considered within the scope of the present Project, either.
2.	9 souvenir booths are planned to build in the area after the Project is complete. What principle will be used to distribute the booths among the people?	The infrastructure developed in the design area after the Project is implemented, including the 9 booths you have mentioned, will be handed over to the National Agency to protect cultural heritage of Georgia. The Agency will decide on its own to whom to hand over the booths for further use or ownership.
3.	After the Project is complete, will we be able to place our booths at their present locations?	As already mentioned, the said area and infrastructure will be handed over to the National Agency to protect cultural heritage of Georgia to its ownership. Consequently, any issue including the question of further placement of additional objects in the area shall be decided by the Agency.
4.	As the drawings show, the car road leading to the Monastery will be closed after the Project is complete. The designers must necessarily consider that the said road is the only road to reach the privately-owned carriers located adjacent to the road, past the Monastery.	No ultimate closure of the said car road is planned. The Project envisages limiting the travel of private and touristic buses across the Visitor Center. However, we will necessarily inform the Project implementing engineering unit about this problem for further consideration.
5.	At present, there are several buildings and premises in the area, which are handed over to the Patriarchate of Georgia for temporal use by the Agency to protect cultural heritage of Georgia, in particular, to the Gelati Monastery Complex. At present, the locals use these buildings and premises for different purposes. What are the plans regarding these buildings and premises?	The Project envisages a full demolition of the two buildings existing in the area. The people using or planning to use the said buildings will be compensated accordingly.
6	If the new Project owner does not allow us to place our booths at their present locations, will be we able to place them along the car road, adjacent to the Visitor Center?	The said area is the property of the local municipality and it is up to the municipality whether to issue such a permit or not.

On November 12 of 2014, another public consultation was organized on the territory of the Gelati Monastery museum.

The meeting was attended by:

1. David Tabidze - Municipal Development Fund of Georgia, Head of Environmental and Resettlement Unit;
2. Nino Metreveli – World Bank. Social Development Specialist;
3. Irakli kavidadze - Resettlement Consultant

The meeting was also attended by the following project-affected people:

1. Oboladze Amiran
2. Kezevadze Lali
3. Shubititze Svetlana
4. Bakuradze Nanuli
5. Kenchadze Natalia
6. Jangavadze Elene
7. Dogonadze Valentina
8. Machavariani Natela
9. Jangavadze Daviti
10. Gogitashvili Mzia
11. Berekashvili Darejani
12. Kenchadze Manana
- 13 Sapanadze Sopo
14. Tugunidze Dodo
15. Oboladze Luiza
16. Jangavadze Tamari
17. Vakhtangdze Irina
18. \Gabelashvili Giorgi
19. Sanodze Mzia
20. Dadunashvili Vera
21. Kenchadze leila
22. Kenchadze Maka
23. Sagiladze Tamila
24. Kokosadze Natia
25. Abroladze Mariami
26. Bukhaidze Beka
27. Dogonadze Rusudan
28. Jangavadze Teimurazi
29. Dikhaminjia Manana
30. Gabadadze Khatuna
31. Dadunashvili Lile
32. Bakuradze Marine
33. Kokosadze Severiani

During the meeting, I. Kaviladze and D. Tabidze introduced the project to the meeting participants once again and explained that all the people having trade store in the project zone were going to lose their businesses and incomes from such businesses. Therefore, under the financing of the Municipal Development Fund, in line with the World Bank requirements, every person to lose his/her income fully or partially, was entitled to the compensation notwithstanding whether the his/her business was initiated in a legal, or illegal way. The participants were also explained that under the planned project, 9 new trade booths and a café were planned to build. After finishing the construction, the owner of the territory would declare a tender for managing the said facilities, and any participant could bid for renting them. As for the persons, not wishing to continue the same business (trading with souvenirs) and preferring some business to get income, would receive the technical assistance from the MDF. The technical assistance would include holding trainings and acquire relevant skills, as well as assisting in developing the projects and business plans, if necessary.

This was followed by a Q&A (Questions and Answers) session:

#	Question	Answer
1	After the project is complete, how much will the rent for booth be?	The municipal development Fund is engaged in the preparation and implementation phases of the project. The rent of the infrastructure on the territory after the project is complete will be decided by the owner of the territory. We do not know even any approximate amount.
2	Will it be possible to move our own booths to the territory adjacent to the project area?	Surely, this will be possible, but this will need the permit of the owner of the territory.
3	I have a shooting range, which is not located on my own land. Can I run my business after the project is complete and will I receive the compensation?	Any of you can run his/her business his/her own land after the proper registration. As for the compensation, you will not receive the compensation for losing business, but you will receive the compensation for the suspended business at the stage of the project implementation.
4	The Project envisages the drinking water-supply of the Gelati Monastery Complex. Will the population be allowed to use this drinking water?	The Project envisages drinking water supply only of the Gelati Monastery Complex and Visitor Center. The question of the drinking water supply for the local population is not covered by the present Project. The question of improving the water drainage system for the local population is not considered within the scope of the present Project, either.

APs attending the meeting stated that they preferred cash compensation over any other livelihood restoration activities. While several statements were made saying that booths would be put back in place illegally, participants were told that this would not be possible considering the management of the site as a UNESCO World Heritage Site. All APs, including those stating that they want to operate booths illegally once again, have agreed to proposed compensation measures and have signed documents indicating this agreement.

6. GRIEVANCE REDRESS MECHANISM

6.1 Objectives

In practice, grievances are dealt with either statutorily through courts or administratively using the Government or traditional institutions. However, experience has taught us that using the courts to resolve grievances related to compensation and resettlement is not advantageous and at times it can be counterproductive. Notably, it is known to be very involving for all involved. Additionally, it is costly and lengthy. To avoid this pitfall, an alternative method (that does not limit ones right to seek redress in a court of law) is set up to serve as a grievance resolution mechanism.

In order to mitigate possible disputes and conflicts during RAP implementation, Grievance Redress Committees (GRC) will be established APs will be fully informed of their rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, and time of compensation. GRC shall include the following seven members:

- Three representative of MDFG (secretary of the Committee, preferably with a legal background);
- Two representative of interested municipal offices;
- Two representatives of affected persons;

6.2 Formation of GRC

A Grievance Redress Committee (GRC) will be established at the Municipal Development Fund of Georgia level and will include (see Table 9):

Table 9: List of representatives of Grievance Redress Committee (GRC)

Head of the Grievance Redress Committee (GRC)	Iliia Darchaishvili - First Deputy of the Municipal Development Fund of Georgia
Deputy of the Grievance Redress Committee	Nikoloz Papunidi - Adviser of the Head of MDF of Georgia
Member of the Grievance Redress Committee	Davit Tabidze – Head of Project Appraisal and Safeguards Unit
Member of the Grievance Redress Committee	Shalva Jishkariani - Deputy Head of Gamgebeli
Member of the Grievance Redress Committee	Zaza Zosiashvili – Head of Infrastructure Development Unit of Gamgeoba.

Member of the Grievance Redress Committee	Shubititze Svetlana -
Member of the Grievance Redress Committee	Bukhaidze Nino -

MDFG will ensure that the GRCs obtain some initial training to understand the basics of the RAP, of relevant Georgian law, of ADB policy, and of the Project. A one day training seminar will be organised at inception of the GRCs in this purpose.

6.3 Grievance Resolution Process

The Grievance mechanism will receive inputs from three main sources:

- Directly from PAPs residents or other members of community and not necessarily PAPs.
- From implementation teams executing the resettlement.
- From Monitoring and Evaluation Officer who will forward concerns identified in project affected areas;

PAPs, which are dissatisfied with compensation or other resettlement assistance at any stage of the process can complain directly to Head of Project Appraisal and Safeguards Unit – Davit Tabidze (Phone: 5 91 414205) Deputy Head of Gamgebeli – Mr Shalva Jishkariani on a local phone number – 497 22 20 20. In order to resolve grievances within maximum 3 days. Email address, postal address, and SMS service will be available on street posts on the site for this purpose. .

- If the PAP is not satisfied with the solution provided by the Head of Project Appraisal and Safeguards Unit, then the grievance committee (Secretary: Baka Alavidze – 599 638998) can be called together, to hear the case of the PAP. The committee should have its findings completed within seven days of the complaint being lodged.
- At any point an independent valuation or assessment of the value of the asset to be acquired can be conducted in order to support the grievance redress process.
- At any point, the PAP is entitled to go to court in order to resolve the grievance.
- PAPs will be made aware of their rights under the grievance redress mechanism and Georgian law as soon as it is clear that they will be affected.
- If the resident of the category II building before the project commencement says that he/she does not want the temporal relocation but then changes his/her mind and requires temporal relocation, she/he should appeal in written to the Grievance Committee (form of the grievance and the contact information of respective committee will be distributed among the population before the project commencement, information will be available as well on information boards at Gamgeoba building and on construction sites).
- The Committee should review the grievance within three days and in and the requirements of the claimant will be met within seven working days.

If during the process of rehabilitation residing at the building is impossible due to unforeseen incident (demolishing or cracking of the wall) or risk of such, the Committee should immediately provide the resident with the relevant compensation specified by RAP.

7. IMPLEMENTATION SCHEDULE

In December 2014 and January 2015 all impacted individuals will receive the compensations stipulated under the Resettlement Action Plan.

In case if the MDF fails to issue compensations stipulated under the present RAP within the set terms, based on the AP request (national currency inflation, increase of a monthly minimum subsistence income for a family of five, etc.) the compensation amount may be subjected to revision.

8. COSTS AND FINANCING

8.1 Compensation for Business Interruption

Compensation for expected losses due to decline of business activities for 39 businesses constitutes **153 200.00GEL**

8.2 Allowances for Vulnerable People

14 belong to the group of vulnerable people they are eligible for an additional allowance equal to a monthly minimum subsistence income for a family of five (300.1 GEL) for three month.

8.3 Summary RAP Cost and Flow of Funds

The government agreed as presented in this RAP to provide lump-sum compensation to affected households and businesses and allowances for vulnerable people.

Table 10: Compensation Entitlement Matrix

Affected Businesses (ABs): Owners of businesses operating in the village		
Number of Affected Businesses	Compensation Measure	Total Compensation Amount
31 APs will receive 1 year compensation equivalent to the subsistence minimum of a family of five persons determined by Geostat pursuant to Georgian Legislation over the course of rehabilitation works and compensation for the booth.	Minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 31 Individual enterpriser. In addition to this they receive compensation for booths owned by them - 12 303.00 GEL. This is expected to be enough funds for APs to restore their livelihoods. APs have agreed with this measure.	123940.20 Gel
1 AP will receive compensation for the café bar equipment won under a grant and 1 year compensation for business stoppage in amount equivalent to the subsistence level of a family of five persons determined by Geostat based on the	compensation for the café bar equipment won under a grant – GEL 4952.00 and minimum subsistence income for a family of five (300.1 Gel) during 12 months. 300.1 Gel X 12 month X 1 Individual. This is expected to help this person achieve the income he/she would have gotten if he/she would have used the donated bar equipment.	8553.20 GEL

Georgia Legislation.		
7 APs that will not lose job as a result of project implementation but whose income will fall over the course of rehabilitation works will receive compensation in the amount of 50% of current incomes for 6 months.	Half of the monthly minimum subsistence income for a family of five (150.05. Gel) during 6 month. 150.05 Gel X 6 month X 7 Individual enterpriser. This will compensate the APs for their temporary loss of income.	6302.10.40 GEL
Allowances for Vulnerable People for 16 AP	Minimum subsistence monthly income for a family of five (300.1 Gel) during 3 months. This is expected to provide additional support allowing these vulnerable APs to restore their level of income.	14404.80 GEL
Total		153 200.00GEL
If the audit carried out after 6 months reveals that the 8 APs going to lose 100% of their income as a result of the Project implementation do not restore their source of income, each of them will be given extra 1000 Gel within the scope of the Project.	8 AP X 1000 GEL = 8000 GEL	8000.00 GEL
Subtotal		161 200.00 GEL

9. MONITORING AND REPORTING

9.1 Introduction

The main objective of implementation of RAP is to improve or at least restore the social and livelihood resources of the APs at their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable time with allocated resources. Therefore, monitoring of the process of RAP implementation and delivery of institutional and financial assistance to the APs has been designed as an integral part of the overall functioning and management of the Project.

9.2 Monitoring and Evaluation Indicators

Compliance of the RAP policy and targets in the implementation process will be monitored against set indicators. These indicators and benchmarks will be judged for implementation process, outcomes and impacts.

As a result of the Project implementation, 32 APs trading with souvenirs will lose the

source of income, while other 7 open-air traders will have their incomes reduced temporarily, during the rehabilitation. In addition, the owners of the shooting gallery will have their incomes reduced during the rehabilitation. One AP planning to open a café with the won grant and start his own business, also loses the source of potential income.

Abbreviated Resettlement Action Plan's tasks will be subjected to both internal and external monitoring:

- Internal monitoring will be conducted by MDFG,
- External monitoring will be assigned to an Independent Monitoring Consultant (IMC) to be hired by MDFG with WB's approval. The IMC may be selected among independent experts with relevant experience of resettlement in the context of Government sponsored projects in Georgia. WB will advise MDFG on the IMC's terms of reference once Project implementation has begun.

Independent monitoring is carried out during RAP implementation and is focussed on the compliance of RAP implementation with commitments contained in the RAP. Results of independent monitoring are communicated to MDFG and WB through monitoring reports. Independent monitoring is carried out by an Independent Monitoring Consultant selected according to procedures acceptable to the WB and the choice of which is submitted to WB for approval.

Compliance of LARP Implementation

This is carried out by the Independent Monitoring Consultant (IMC) in parallel with the implementation of the RAP and is concluded after the RAP implementation is complete by the preparation of a Compliance Report. A conclusive Compliance Report is a condition to start the implementation of physical civil works for the project.

MDFG and the Government of Georgia will authorise the IMC to access any relevant information, including compensation records and AP databases.

Tasks of the IMC include the following:

- Review of all compensation payment documentation, and verification that compensation paid complies with entitlements as envisaged in this RAP;
- Verification that vulnerable people were served the specific entitlements envisaged in this RAP;
- Implementation of an AP satisfaction survey targeting a 100% sample of affected Persons,
- Review of implementation arrangements, including consultation and participation, information disclosure, monitoring and evaluation and grievance management, and resources allocated to implementation by MDFG, and verification that they comply with provisions in this RAP;
- Review complaints and grievances, with particular focus on outstanding grievances, and assess the legal risk to MDFG and WB arising from outstanding grievances.
- The IMC will prepare the Compliance Report immediately after the completion of RAP implementation. The Compliance Report will provide a conclusion as to the general compliance of RAP implementation and a

recommendation to WB regarding the provision of No Objection Letter to start the civil works.

The next stage of monitoring will be held in May of 2015. The major goal of the monitoring will be to inquire:

- if the people having decided on the way they will use the compensations have accomplished their plans or not;
- if the people not having decided on the way they will use the compensations have made decisions.

The major goal of the monitoring will be to determine the expedience of the audit after the project is finished. In fact, all 39 APs agree to leave the territory owned by the Agency for Monument Protection for the fixed compensation (the street vendors will continue their activities on the adjacent territory). Consequently, the project implementer has not legal liability for employing those people in the future.

If the audit of May of 2015 reveals the people wishing to participate in the tender organized by the owner of the territory and rent the trade objects in the project zone, or get some job with the future owners, the MDF will render recommendations or other possible technical assistance to them. In such a case, the hiring consultant will develop the schedule of the audit to be accomplished at the stage following the accomplishment of the project works and criteria to assess the results of the audit.

Additional monitoring will take place in October 2015, at which time the MDF will focus on understanding whether the incomes of the 8 individuals who lost 100% of their livelihoods have been restored. If this has not been the case, the MDF will link these individuals with skills training or small grants.

Այդ ցետարե Լճերնայնո ամբողջութեան
 միջոց թիւթմաւորութիւնը իջնալու եւ Լճերնայնո շաբաթընդ
 երթ տանելու շահու թիւթմայնո Լճերնայնո շաբաթընդ
 Լճերնայնո տանելու ըս ըստնայնո Այլ թիւթմայնո
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14. ԹՃՊՆԻ ԿՆՏՆԱՆԵՐ - Վ. ԹՃՊՆԻ
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33. ԿՆՏՆԱՆԻ ԿՆՏՆԱՆ Ե. ԿՆՏՆԱՆԻ

Translation

We, the street vendors at the Gelati Monastic Complex, do not object to leaving the area occupied by us in lieu of the due compensation, in witness where of we set our signatures.