

**Ministry of Agriculture and Uzbekistan Agroindustry and Food Security  
Agency (UZAIFSA)**

**Uzbekistan Agriculture Modernization Project**

**RESETTLEMENT POLICY FRAMEWORK (RPF)**

**Tashkent, Uzbekistan  
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## ABBREVIATIONS

<b>AIIB</b>	Asian Infrastructure Investment Bank
<b>ARAP</b>	Abbreviated Resettlement Action Plan
<b>AD</b>	Agricultural Department
<b>CB</b>	Central Bank of Uzbekistan
<b>CBO</b>	Community-based organization (mahalla)
<b>CC</b>	Consulting Company
<b>CM</b>	Cabinet of Ministers of the Republic of Uzbekistan
<b>CE</b>	Citizen Engagement
<b>DCM</b>	Decision of Cabinet of Ministers
<b>DMS</b>	Detail Measurement Survey
<b>EA</b>	Executive Agency
<b>EM</b>	Entitlement Matrix
<b>ESMF</b>	Environmental and Social Management Framework
<b>ESS</b>	Environmental and Social Standards
<b>FP</b>	Facilitating Partner
<b>GRC</b>	Grievance Redress Committee
<b>GRM</b>	Grievance Redress Mechanism
<b>HH</b>	Household
<b>IDA</b>	International Development Association
<b>IFI</b>	International Financial Institution
<b>IPF</b>	Investment Project Financing
<b>LAA</b>	Land Acquisition Act
<b>LAR</b>	Land Acquisition and Resettlement
<b>LARC</b>	Land Acquisition and Resettlement Commission
<b>LRSCD</b>	Land Resources and State Cadaster Department
<b>MC</b>	Mahalla committee
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MIS</b>	Management Information systems
<b>NGO</b>	Non-Governmental Organization
<b>PAP</b>	Project Affected Persons
<b>PIU</b>	Project Implementation Unit
<b>R&amp;R</b>	Resettlement and Rehabilitation
<b>RAP</b>	Resettlement Action Plan
<b>RPCU</b>	Regional Project Coordination Unit
<b>RCM</b>	Resolution of the Cabinet of Ministers of Uzbekistan
<b>RPF</b>	Resettlement Policy Framework
<b>SES</b>	Sanitary Epidemiological Service
<b>SS</b>	Safeguard Specialist
<b>TOR</b>	Terms of Reference
<b>UAMP</b>	Uzbekistan Agriculture Modernization Project
<b>USD (US\$)</b>	United States dollar
<b>UZS</b>	Uzbek Sum
<b>UZAIFSA</b>	Agency for Implementation of Projects in the Field of Agroindustry and Food
<b>WB</b>	World Bank

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## GLOSSARY

<b>Displaced Person (DP)</b>	Any individual(s) or part of the Displaced Household's living, cultivating land or carrying on business, trade or any other occupation within the Corridor of Impact (CoI) who gets displaced by the project is a Displaced Person (DP). Includes households, business units including their workers and owners of assets like land and buildings affected by PVP. It may include; non-resident landowners (including farmers and horticulturist); non-resident lessees; resident landlord (including farmers and horticulturists); resident lessee; resident lessees, tenants or sub-tenants of buildings; squatters (non-resident structure owners, resident structure owners, tenants) and encroachers, with and/ or without title. Displacement means only 'temporary'. Activities resulting in permanent displacement will not be financed under the project.
<b>Compensation</b>	Payment in cash or in kind to which the Project Affected Persons are entitled in order to replace land or other assets taken for project use.
<b>Census</b>	A field survey carried out to identify and determine the number of Project Affected Persons (PAP), their assets, and potential impacts; in accordance with the procedures, satisfactory to the relevant government authorities, and the World Bank Safeguard Policies
<b>Cut-off-date</b>	The date after which people WILL NOT BE considered eligible for compensation, i.e., they are not included in the list of PAPs as defined by the census.
<b>Entitlement</b>	Entitlement means the range of measures comprising compensation in cash or in kind, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and business restoration, which are due to PAPs, depending on the type, degree, and nature of their losses, to restore their social and economic base.
<b>Environmental and Social Management Framework (ESMF)</b>	A safeguard instrument (document) which establishes a mechanism to determine and assess future potential environmental and social impacts of the project funded activities in the PVP construction program and other activities associated with this project regardless of the funding agency.
<b>Hokim</b>	Head of public authority in places (Governor)
<b>Hokimiyat</b>	A public authority in places, carrying out the interaction between local communities and the government at regional and national levels. Possesses the highest administrative and legal authority over the local population living in the territory within the jurisdiction.
<b>Income restoration</b>	Income Restoration means re-establishing productivity and livelihoods of PAPs.
<b>Involuntary Resettlement</b>	For the purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice
<b>Land acquisition</b>	Land Acquisition means the process whereby a person is compelled by a public agency to alienate all or part of the land she/he owns or possesses, to the ownership and possession of that agency, for public purposes in return for fair compensation.
<b>Low-income family</b>	Low-income family is the family whose monthly average income per person is less than 1.5 times of minimum wage which equals US\$1.17. This line is the subject to the provision of social support from the Government. In Uzbekistan, the minimum salary per person shall not be below the 2.5 times of minimum wage which equals US\$1.95. This number amount is equal to the World Bank's global poverty line to US\$1.90. Therefore, in this document, this number will be taken as a reference to identify low-income families.
<b>Vulnerable people</b>	Women headed household, low-income household, a household headed by elderly <sup>1</sup> with no support and household headed physically challenged people

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

<b>Owner</b>	The person who own, use and dispose of appurtenant property (resources, enterprises, things, including buildings, apartments, structures, equipment, raw materials and production, money, equities, and other property, as well as objects of intellectual property) at his/her discretion and in his/her interests.
<b>Ownership</b>	Ownership or property right represents the right of the person to own, use and dispose of appurtenant property at his/her discretion and in his/her interests, and also requires the elimination of any violations of his/her property right of whoever they are originated. The property right is perpetual.
<b>Project Affected Persons</b>	Persons who as a result of Project activities, for reasons of the involuntary taking or voluntary contribution of their land and other assets, results in direct economic and or social adverse impacts, regardless of whether or not PAPs are required to physically relocate
<b>Replacement cost (assets)</b>	For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the value of an affected asset.
<b>Replacement cost (land)</b>	Replacement cost for land is the pre-project or pre-displacement, whichever is higher, the market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
<b>Rehabilitation</b>	Assistance provided to the affected persons to supplement their income losses in order to improve, or at least achieve full restoration of their pre-project living standards and quality of life.
<b>Mahalla</b>	Community-based organization at the local level, officially recognized in Uzbekistan, serving as an interface between the government and the community and responsible for provision by the means of social support and cultural interaction of its members. Chairmen of the Mahalla are elected by local gatherings.

**\* The rate of the Central bank (CB) of the Republic of Uzbekistan  
(As of August 19, 2019)**

US\$ 1 = 9455.24 Uzbek Sums (UZS)

## EXECUTIVE SUMMARY

1. **The Government of Uzbekistan (GOU) is launching the proposed Agriculture Modernization Project (AMP).** The development objective of the project is to enable transition to market-oriented and inclusive agriculture sector in Uzbekistan. The project supports an ambitious agricultural reform strategy of the Government of to successfully transition to a market-oriented and inclusive agriculture sector. Agricultural reforms are a critical part of the overall reform package organized under two pillars necessary to this transition: (i) increasing the role of markets and the private sector in the economy; and (ii) enhancing inclusion. The proposed project is central to the World Bank Group (WBG)'s overall engagement with Uzbekistan, as described in the revised 2016-2020 Country Partnership Framework (CPF). The project is consistent with the GoU's Development Strategy for 2017-2021. The main economic reform priorities under the Development Strategy focus on achieving high and sustained rates of inclusive economic growth and job creation and improving public service quality and efficiency.

2. **The project is expected to have primarily positive social and environmental outcomes; however, it also defines measures to be taken in the event of unanticipated negative impacts on the property, assets, or livelihoods of affected persons.** Such measures are elaborated in the present Resettlement Policy Framework (RPF) and in the Environmental and Social Management Framework (ESMF) of the project. The Project will support investments in public agriculture support services, such as research institutes, state quarantine and phytosanitary inspection services. Agriculture extension centers, agri-logistics centers, among others. It will also support a credit line for farms and agricultural enterprises, as well as provide support to strengthening of farmers' cooperatives. Civil works to be undertaken for the above purposes will be conducted on public lands that have been designated for this purpose and on the premises of existing public institutions. As such, they are not expected to lead to involuntary land acquisition or resettlement. Nevertheless, some impacts on land and restrictions on land use are possible. All site-specific investments under the project will be screened for adverse land or resettlement impact and, where such impacts are identified, will follow the compensation and mitigation procedures described in this RPF.

3. **This RPF is prepared in order to appropriately identify, address and mitigate adverse socioeconomic impacts that may occur in relation to land acquisition, restrictions to land use, or resettlement.** As a first measure, the project will attempt to avoid to the extent possible adverse impacts on private or privately-used land and property, and will clearly document all efforts made to avoid land restriction and resettlement impacts. Where such impacts are unavoidable, they will be minimized to the extent possible, and the project will follow the procedures laid out in the RPF to ensure that adequate compensation and rehabilitation measures have been provided to the project affected people. The RPF defines the procedures for: (i) acquiring land (after all technical alternatives have been exhausted), (ii) dealing with any residual impacts from land acquisition (i.e. identifying, establishing the valuation of, and compensating people that suffer economic losses or loss of private property, (iii) monitoring and verification that policies and procedures are followed, and (iv) grievance redress mechanisms.

4. **This RPF is based on relevant National laws and Decrees as well as the World Bank Environmental and Social Standard (ESS) 5 on Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement.** The provisions of the RPF apply to all the investments financed by the Agriculture Modernization Project. The RPF applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of such vulnerable groups like women-headed households, low-income households, households headed by the elderly with no support, and households headed by physically challenged people. [Add sentence on RPF consultation and disclosure once it has been conducted]

5. **The RPF serves the following specific purposes:** (i) Reviews the existing national legal framework, compares it with the ESS 5 for gaps, if any, and indicates gap-filling measures; (ii) Describes the approach to the securing private land, assets and other common property resources; (iii) Specifies the scope of the project with a well-defined exclusion list; (iv) Defines the valuation process of impacted assets; (v) Defines the process for preparing Social Impact Assessment and RAPs and their review; (vi) Defines of the cutoff date for Title and Non-Title holders; (vii) Identifies the consultation mechanisms/approaches to be adopted while preparing and implementing RAPs including public disclosures; (viii) Defines the monitoring and evaluation arrangements including Grievance Redress Mechanisms (GRM); and (ix) Defines the institutional and implementation arrangements --role/responsibilities of different stakeholders.

6. **Subproject-specific RAPs will be prepared in accordance with the RPF.** The corresponding safeguards document for other social and economic impacts not associated with land acquisition and restrictions is the Environmental and Social Management Framework.

7. **There are some differences between the ESS5 and Uzbekistan's legislation in the sphere of involuntary resettlement.** The main discrepancies include: (i) providing detailed explanations of entitlements to project affected households, (ii) provision of just compensation instead of full replacement cost, (iii) defining the cut-off date, and (iv) carrying out socioeconomic surveys. The RPF has been prepared by harmonizing to the extent possible the two policies. The gap filling measures provided in this RPF will prevail where differences exist in substance and/ or in the interpretation between WB and Uzbekistan legislation.

8. **Each subproject needs to be screened for social impacts based on the given designs for the proposed improvements to determine if there are any impacts that require the preparation of the RAP that entitles the Project Affected Persons (PAP) to resettlement assistance.** Based on the harmonization efforts and the impacts likely to occur, an Entitlement Matrix (EM) has been developed, that summarizes the types of losses and the corresponding nature and scope of entitlements. Compensation and rehabilitation assistance for various categories of losses based on the tenure and magnitude of impact has been provided. Additional assistance to vulnerable, reimbursement of transaction costs in relation to those who receive land for land compensation, purchasing land/property with the compensation and assistance in the name of women, cash assistance for housing to physically displaced squatters, are some of the provisions contained in the EM.

9. **In order to ensure that ineligible persons do not take the opportunity to claim eligibility, a cut-off date will be established.** The cut-off date will be the last date of the census. It is a date after which people who are not included in the list of Project affected persons (PAPs)<sup>2</sup> as defined by the census will not be considered eligible for compensation. The replacement value of houses, buildings and other immovable properties will be determined on the basis of market value as on date without depreciation. Compensation for trees will be based on their market value and compensation for the loss of crops, fruit-bearing trees will be decided by the Agricultural Department at respective districts. Prior to taking possession of the land or properties, the compensation will be fully paid and PAPs will have the opportunity to harvest crops/trees within 30 days from the date of payment of compensation.

10. **The involvement of PAPs in planning prior to the move is critical.** The UZAIFFSA, with the support of its community liaison officers (CLOs), will be responsible for organizing and conducting public consultations with community groups affected by each subproject prior to completion of the site-specific RAP. Public consultations will be conducted as a meeting in each subproject. Any legitimate issue raised through the public consultation should be included in the RAP. The concerns of PAPs will be taken into account and reflected in subproject implementation.

11. **Land acquisition and resettlement related documents will be disclosed to the public.** Such documents include at minimum RPF, ARAP/RAP (in case there will be any type of Involuntary resettlement) and due diligence reports on the above. Public disclosure will be conducted through multiple channels easily accessible to the public such as social media, websites, posters in Mahalla and Hokimiyats. The documents that will be made available in the public domain include: Entitlement Matrix, Grievances Redresses Mechanism, institutional arrangements and the categories of eligible PAPs for various resettlement and rehabilitation (R&R) benefits.

12. **The project will establish a Grievance Redress Mechanism (GRM) which would function at local and project levels.** The GRM will be well-fit to receive, evaluate and facilitate the resolution of displaced person's concerns, complaints and grievances, as well as deliver responses to the project affected people on the status and/or resolution of their concerns. GRM has been developed based on the existing complaint handling mechanism as well as the latest decree of the GOU (August 05, 2019) which specifies in detail the resettlement management including implementation arrangement and the review processes.

13. **In order to implement the Resettlement related measures, budgetary provisions will be made in the Project budget.** Budgetary estimates for subproject where resettlement implementation is necessary, including resettlement management will be incorporated into sub-project cost estimates. Accordingly, land acquisition and resettlement expenses for consultation and participation, grievance redress, the cost of relocation, income restoration, transitional allowance, livelihood program, monitoring and evaluation,

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<sup>2</sup> Persons who as a result of Project activities, for reasons of the involuntary taking or voluntary contribution of their land and other assets, and with/ without title, results in direct economic and or social adverse impacts, regardless of whether or not PAPs are required to physically relocate.

administration, contingencies etc. will be included as cost estimates for social management. The GoU via UZAIFSA will provide an adequate budget for all land acquisition compensation and R&R assistance from the counterpart funding (local budget or by centralized Fund under Cabinet of Ministers). The budget estimates and its sources will be reflected in RAPs.

14. **UZAIFSA will be responsible for concurrent Monitoring and Evaluation (M&E) of RPF and RAP implementation.** Regular M&E reports to be submitted to the World Bank and to national authorities, where applicable, will include monitoring and verification of processes and activities in RAP implementation. Based on such implementation reports any identified mid course corrections, as appropriate, will be made.

15. **This Resettlement Policy Framework forms a core part of the Environmental and Social Commitment Plan and Legal Agreement signed by the GoU and the World Bank for the Agriculture Modernization Project.** It can be updated by mutual agreement by the Government of Uzbekistan and the World Bank. Such updates may be necessary, for example, if changes or amendments to the applicable laws and policies are made, based on implementation experience and lessons learned, or based on relevant amendments to the Project Environmental and Social Commitment Plan.

# 1. INTRODUCTION

## 1.1 Project potential social impacts

The Agriculture Modernization Project aims to enhance productivity-supporting agricultural services and promote market-led, high-value horticulture value chains. Four components to achieve the development objective are as follows:

- **Component 1: Enhancing Productivity-Supporting Agricultural Services.** The objective of this component is to enhance the knowledge and human capital – to underpin the productive transformation of agriculture - by both funding directly public agricultural R&D and creating conditions to attract more private investment into agricultural R&D, in order to more effectively serve the farmers. The component will focus on: (i) agricultural research and development; (ii) seed/seedling production; (iii) land productivity enhancement; and (iv) farmer adoption support. The project will support practical mechanisms that bring research, extension, and private sector together in order to better align research and innovation priorities with local constraints faced by farmers and agribusinesses in order to develop a more productive, climate-resilient, diversified and market-led agricultural sector.
- **Component 2: Supporting Investments in High-Value Horticulture Value Chains.** The objectives of this component are to support investments in high-value horticulture value chains, facilitate farmers’ participation in investment opportunities created by economic liberalization and agricultural diversification, and enable productive partnerships/clusters between farm groups and agribusinesses. These objectives will be achieved through a mix of technical support provided under component 1 and two credit windows that would offer long-term financing tailored to the needs of farmers and agribusinesses.
- **Component 3: Facilitating Trade and Marketing.** The objective of this component is to improve access of Uzbekistan’s horticulture products on both internal and external markets through improvements in: (i) agro-logistics; (ii) plant protection and phytosanitary measures; and (iii) market information collection and dissemination.
- **Component 4: Supporting Project Management.** This component will support project management, coordination, monitoring and evaluation, and implementation of environmental and social measures under the World Bank Environmental and Social Framework.

1. Brief details of each component are given in table 1 below:

**Table 1: Type of project components**

No	COMPONENT NAME	ACTIVITIES	ACTIVITIES WITH POSSIBLE LAND IMPACTS
1	Enhancing Productivity-Supporting Agricultural Services	<ul style="list-style-type: none"> <li>▪ Applied agricultural R&amp;D;</li> <li>▪ Seed/seedling production;</li> <li>▪ Natural resource management;</li> <li>▪ Farmer adoption support including agricultural extension services and capacity-building for farmer cooperatives;</li> </ul>	Civil works for construction or rehabilitation of public buildings (research institutes, extension centers, etc.)
2	Supporting Investments in High-Value Horticulture Value Chains	<ul style="list-style-type: none"> <li>▪ Credit window for farm cooperatives</li> <li>▪ Credit window for productive partnerships</li> </ul>	Farming or construction activities (e.g., greenhouses, processing facilities, administrative buildings) conducted by credit beneficiaries.

No	COMPONENT NAME	ACTIVITIES	ACTIVITIES WITH POSSIBLE LAND IMPACTS
3	Facilitating trade and marketing	<ul style="list-style-type: none"> <li>▪ Establishing Agro-Logistical Centers</li> <li>▪ Strengthening phytosanitary capacity</li> <li>▪ Strengthening market information system</li> </ul>	Construction of two agro-logistical centers in regions and locations to be determined during project implementation.
4	Supporting project management	Strengthening UZAIFSA's capacity for project management, including on environment, social, procurement, financial management, monitoring and evaluation.	None

2. The socio-economic impacts of these activities will be mainly positive and related to the improvement of the quality and standard of agriculture development in Uzbekistan. The largest-scale construction activities are expected under Component 3: Facilitating Trade, and especially 3.1: Establishing Agro Logistical Centers. As this component would most likely entail construction of new facilities they would require lands for buildings, access, and machinery. The allocation by central or local governments for any project-related activities will follow the principles outlines in this RPF, namely, avoidance to the extent possible of impacts on privately used lands, private assets and livelihoods, minimizing such impacts, and where impacts are unavoidable applying compensation and rehabilitation measures.

3. While the broad category of activities/ impacts is foreseen, exact magnitudes can become known only after detailed designing of the subprojects are made. Hence, towards preparing a RAP, project preparation has developed a Resettlement Policy Framework (RPF). The key objective of the Resettlement Policy Framework is to provide a framework to appropriately identify, address and mitigate adverse socioeconomic impacts that may occur due to the implementation of subprojects that involve the involuntary acquisition of land, impacts on business and livelihood activities, and/or - albeit unlikely - the resettlement of affected families.

4. The RPF also serves the following specific purposes:

- Reviews the existing national legal framework, compares it with the World Bank ESS 5 Land Acquisition, Restriction on Land and Involuntary Resettlement for gaps, if any, and indicates gap-filling measures;
- Describes the approach to the securing private land, assets and other common property resources;
- Specifies the scope of the project with a well-defined exclusion list;
- Defines the valuation process of impacted assets;
- Defines the process for preparing SIAs and RAPs and their review;
- Defines of the cutoff date for Title and Non-Title holders;
- Identifies the consultation mechanisms/approaches to be adopted while preparing and implementing RAPs including public disclosures;
- Defines the monitoring and evaluation arrangements including Grievance Redress Mechanisms (GRM); and Defines the institutional and implementation arrangements-role/responsibilities of different stakeholders. Subproject-specific RAPs will be prepared in accordance with this RPF. The corresponding safeguards document for other social and economic impacts not associated with land acquisition and restrictions is an Environmental and Social Management Framework (ESMF).

5. This RPF is based on relevant National laws and Decrees as well as the World Bank ESS 5: Land Acquisition, Restriction on Land and Involuntary Resettlement. The guidelines of the RPF apply to all the investments financed by UAMP. The policy framework applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of vulnerable groups among those women headed household, low-income household, a household headed by elderly with no support and household headed physically challenged people.

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

## **2. LEGAL FRAMEWORK**

### **2.1 Applicable national laws and policies**

7. **Constitution.** The Constitution of the Republic of Uzbekistan (December 8, 1992) provides that: Everyone shall have the right to own property (Article 36). The economy of Uzbekistan, evolving towards market relations, is based on various forms of ownership. The state shall guarantee freedom of economic activity, entrepreneurship and labor with due regard for the priority of consumers' rights, equality and legal protection of all forms of ownership (Article 53); An owner, at his discretion, shall possess, use and dispose of his property. The use of any property must not be harmful to the ecological environment nor shall it infringe on the rights and legally protected interests of citizens, juridical entities and the state (Article 54); The land, its minerals, waters, fauna and flora, other natural resources shall constitute the national wealth and shall be rationally used and protected by the state (Article 55).

8. **Land Code (LC).** The LC defines the terms of rights of termination on land plot, seizure and land acquisition of land plot for state and public needs, and terms of seizure of land plot in violation of land legislation. The LC also regulates the allocation, transfer, and sale of land plots, defines ownership and rights on the land. It describes the responsibilities of different state authorities in land management; rights and obligations of the land possessor, user, tenant, and owner; land category types, resolution of land disputes and land protection.

9. In Uzbekistan, withdrawal of the land or part thereof for state and public needs is made by agreement with land user and tenant by decision respectively hokim of district, city, region or by decision of the Cabinet of Ministers (LC, Article 37, Clause 1). In case of disagreement the land user or tenant of the land with a decision of district (city, region) hokim, or the decision of the Cabinet of Ministers to withdraw the land, this decision may be appealed in court (LC, Article 37, Clause 2);

10. Losses caused by violation of the rights of land users, tenants and land owners (including lost profits), shall be reimbursed in full (Article 41, Clause 3); The withdrawal of the land for state or public needs may be produced after allocated to land user or tenant an equivalent land plot and the compensation all losses including lost profits (Article 41, Clause 4). The LC (Article 36, Clause 1) specifies instances when the right to the land can be terminated. Termination of the right of possession and the right of permanent or temporary use of land is made by decisions, respectively, of hokims of districts, cities, regions or by the decision of the Cabinet of Ministers on the proposal of the bodies exercising state control over the use and protection of land, on the basis of supporting documents justifying the termination of the rights. In case of disagreement with the decisions of the Cabinet of Ministers and the officials of the termination of the right of possession, the right of permanent or temporary land use natural and legal persons may appeal to the court (Article 36, Clause 4). According to Article 39, Clause 1 land user, tenant and land owner have besides others the right for reimbursement of losses (including lost profits), in case of withdrawal of land or compensation costs for voluntary renunciation of land (Article 39, Clause 1, sub-Clause 7).

11. The LC (Article 86, Clause 1) specifies the cases where losses of land users must be compensated in full including lost profits:

- seizure, redemption or temporary occupation of land;
- the restriction of their rights in connection with the establishment of water protection zones, coastal strips, sanitary protection zones of water bodies, zones of formation of surface and underground water, zones of resort areas, public areas of biosphere reserves, protected zones around national parks, game

reserves, national nature monuments, sites of cultural heritage, discharges, roads, pipelines, communication and power lines.

12. According to the Article 87, Clause 1 losses of agricultural and forestry production, caused by the withdrawal of agricultural and forest land, including agricultural land, owned and used by individuals to use them for purposes not related to agriculture and forestry, restrictions on the rights of land users and tenants or deterioration land due to the impact caused by the activity of enterprises, institutions and organizations, shall be reimbursed in addition to the indemnity provided for in Article 86.

13. The mechanism of payment of compensation in detail is given in other legal documents such as Presidential resolution № 97 mainly on urban (residential) land and structures. The resolution of the Cabinet of Ministers № 146 mainly on agricultural land, crops, and trees. Recent presidential decrees and resolution adopted in 2018 year gives an opportunity to carry out public consultations before any LAR activities and follow the LAR policies of international donor institutions in the investment projects in Uzbekistan.

14. **Resolution of Cabinet of Ministers № 97 (29 May 2006).** This resolution regulates compensation for losses to individuals and legal entities due to seizure of land plots for state and public needs. This regulation is mainly dealing with land plots, houses, building and structures of individuals and legal entities. The resolution determines the procedure for seizure of land or part thereof, as well as the procedure for calculating the amount of compensation to individuals and legal entities for the demolished residential, industrial and other buildings, structures and plantings in due to seizure of land for state and public needs. The Resolution details:

- procedure for calculating the amount of compensation to individuals and legal entities for the demolishing houses (s, buildings, structures and plantings) due to seizure of land plots for state and public needs;
- procedure and conditions for providing residential premises for owners of demolishing houses;
- procedure and conditions for providing land plots to individuals for individual housing construction instead of the demolishing residential house ();
- procedure of losses compensation to legal entities due to seizure of land plots for state and public needs;
- procedure and calculation terms for transfer and reinstatement at the new place of dwelling houses, buildings and structures to be demolished;
- Procedure and calculation terms of in case of construction in a new place of dwelling houses, buildings for individuals and legal entities, houses (s) of which are to be demolished. Hokimiyats of respective districts (cities) are required to notify in writing the owners of residential, industrial and other buildings, structures and trees about the decision, not later than six months before the demolition, with the annex to the notice copies of the relevant decisions of the hokims of regions and cities on seizure of land, demolition of residential, industrial and other buildings, structures and trees located on the land plot.

15. Clause 8 specifies the types of compensation to be provided for withdrawal of land plots. Clause 11 relates to evaluation of residential houses (s), buildings, structures, and determination of plantings costs, located at acquired land plots.

16. **Resolution of Cabinet of Ministers № 146 (25 May 2011).** This Resolution is aimed to improve the procedure of granting land plots, protect the rights of legal entities and individuals on land, improve the architecture of settlements and the efficient use of their land for construction in accordance with the Land Code and the Town Planning Code.

17. In Summary, Uzbekistan’s national resettlement policy framework provisions are summarized in the table below.

**Table 2: Legal instruments applicable to resettlement**

Legal Framework	Functional Relationship to Resettlement
<b>The Land Code (LC) dated on 30 of April 1998</b>	Describes condition for permanent land expropriation and temporary land acquisition

Legal Framework	Functional Relationship to Resettlement
<b>The resolution “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs” dated on 29 May 2006 #97</b>	Regulates resettlement compensations for affected buildings, structures, and plantings in the settlements.
<b>The resolution “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes” dated on 25 of May 2011 #146</b>	Regulates resettlement compensations for affected agricultural lands and trees. Also regulates the provision of land to land compensation principles.
<b>The resolution “On Approval of the order of the appointment and payment of social allowances and material (financial) assistance to low-income families” dated on 15 of February 2013 #44.</b>	Regulates the mechanism to the determination of vulnerable groups and their entitlements
<b>Presidential resolution “On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations” dated on 16 of July 2018 #3857</b>	Confirms that the resettlement costs are paid based on assessment documents prepared by IFI in accordance with their own methodology.
<b>Presidential Decree “On measures on major improvement of investment climate in the Republic of Uzbekistan” dated on 1 of August 2018 #5495</b>	Defines that land expropriation can be implemented only after meaningful consultation with PAPs.
<b>Presidential Decree “On measures to improve the system of protection of rights and legal interests of subjects of entrepreneurship” dated 27 July 2018 # 5490</b>	Defines the source of Resettlement budget in the investment projects.
<b>Presidential Decree of August 5, 2019</b>	Specifies rules of the resettlement explicitly.

18. Thus, Uzbekistan has adequate safeguards to protect the general citizen from being affected adversely due to involuntary resettlement as depicted in the following:

- a) Withdrawal (or acquisition) of a land plot for public needs shall be carried out with landowner’s consent or upon agreement with the land-user/tenant, by a resolution of the Hokim of a particular jurisdiction (district, region), or by the resolution of the Cabinet of Ministers of the Republic of Uzbekistan.
- b) If the landowner, land-user, or landholder disagrees with the resolution of the Hokim of the relevant jurisdiction or the Cabinet of Ministers on withdrawal of a land plot, then the resolution may be appealed in a court;
- c) A resolution on the withdrawal of a land plot and demolition of residential, manufacturing, or other assets (that is, buildings, facilities, and plantings) shall be made in accordance with the general layouts, as well as the detailed plans for the development of residential areas and neighborhoods in settlements;
- d) Unjustified demolition of residential, manufacturing, or other buildings, facilities, or plantings shall be prevented;
- e) Based on a resolution of the Cabinet of Ministers, the Hokims of the respective districts shall adopt their own resolutions on withdrawing a land plot and demolishing residential, manufacturing, and other buildings, facilities, and plantings;
- f) The Hokimiyats of the respective districts shall notify the owners of relevant residential, manufacturing and other buildings, facilities, and plantings in writing and against a receipt about the resolution at least six months before the targeted demolition date. The notification shall be supported by copies of the respective resolutions on withdrawal of the land plot and demolition of residential, manufacturing, and other buildings, facilities, and plantings located on the land plot;

- g) Landowners may appeal the Resolution of the respective District Hokim on the demolition and approval of the value of residential, manufacturing, and other-purpose buildings, facilities, and plantings subject to demolition in the Hokimiyats of the Regions as well as in the court system;
- h) The value of residential, manufacturing, or other-purpose buildings and facilities built without proper authority shall not be reimbursed;
- i) If the withdrawn lands are allocated to enterprises, institutions, or agencies, those entities will be responsible for the payment of compensation, provision of houses and temporary housing, as well as the reimbursement of all relocation costs based on the decision of the respective District Hokim.

19. **Latest Decree (No 5491) dates to August 3, 2019.** This has emanated following huge outcry and protests from various sections of the society and including national and international social media. This outlines very stringent (additional) **measures to provide guarantees of citizens and entrepreneurs property rights:**

- Land acquisition for state and public purposes can be executed **ONLY after consultation** with affected citizen/entrepreneur and **costs (income/expenses) estimation.**
- **Permission for land acquisition will be given ONLY after compensating** the citizen/entrepreneur cost of property based on market prices and loss/damage associated with land acquisition.
- Losses/damage occurred due to illegal registration of documents by state body (official) will be compensated at the expense of the state from any funds except national budget, and/or reimbursing by official who made this illegal act.

20. From August 5, 2019, land acquisition and demolition of citizen's/entrepreneur's property for state and public purposes, as well as for other purposes will be executed as follows:

- 1<sup>st</sup> stage: information on plans for demolition will be submitted by regional Hokims to Cabinet of Ministers
- 2<sup>nd</sup> stage: First deputy prime minister (urban planning requirements) and deputy prime minister (financial calculations) will provide their conclusion
- 3<sup>rd</sup> stage: conclusion will be reviewed by Prime Minister who will take a decision

21. Regional, district and city Khokims during land acquisition should strictly follow legislation, specifically:

- **Informing affected citizens and entrepreneurs in due time** on Decision taken with regard to land acquisition, demolition of buildings at this land and moving trees.
- **Prohibition of demolition and land acquisition unless full compensation of loss in advance and in full amount** to citizen/entrepreneur as per market prices.
- **Own personal liability up to two years** with regard to provision of housing and fulfilling other requirements during land development provided as compensation to affected person.
- Ministry of construction along with regional hokimiyats should take into account **to minimize (lowest possible level) land acquisition and property demolition during integrated regional and urban development planning in the future.**
- Regional coordination working groups will be set up in regions **to make inventory** of land acquired and related to it losses occurred
- Road map is approved to provide inventory of losses related to land acquisition and compensate these losses

22. Cabinet of Ministers within ONE month should develop GoU's Resolution on land acquisition for state/public purposes, investment projects, state programs and order for compensation to affected people.

- Improvement of housing conditions, development of infrastructure, construction of social-economic facilities foreseen in state programs, **large investment projects should be conducted after receiving feedback from majority of population;**
- Selection of land should be among: **first of all, land with old and requiring emergency maintenance housing ONLY** after open consultations with property owner and secondly, and **land with not-used buildings** (except cultural heritage buildings);
- To make decision on land acquisition **for large investment projects**, state programs, and integrated regional development plans **written agreement should be made among property owner, related agency and local administration stating consent of property owner, order of loss compensation, types, amount and timeframe for compensations, rights and liabilities of all parties.**

## **2.2 Principles of Resettlement Policy Framework for comparison of the government statutes and World Bank ESS5**

23. The World Bank recognizes that involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. The Bank's ESS 5: Land Acquisition, Restriction on Land and Involuntary Resettlement includes safeguards to address and mitigate the economic, social, and environmental risks arising from involuntary resettlement. The objectives of the WB's ESS5 are the following:

- i. To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives.
- ii. To avoid forced eviction.
- iii. To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost<sup>3</sup>; and (b) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.
- iv. To improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.<sup>4</sup>
- v. To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant.
- vi. To ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

## **2.3 Principles of the Resettlement Policy Framework**

24. The following resettlement principles will be adopted for this project:

- i. Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a census and socio-economic survey of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks. Measures to avoid and minimize involuntary resettlement impacts include the following: (i) explore alternative alignments which are less impacting, (ii) ensure the appropriate technology is used to reduce land requirements, (iii) modify the designs, cross sections, and geometrics of components to ease out and ensure involuntary resettlement is avoided or minimized.
- ii. Prepare a Social Impact Assessment (SIA) and Resettlement Action Plan (RAP) elaborating on the entitlements of displaced persons, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- iii. Carry out meaningful consultations with displaced persons and concerned government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the

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<sup>3</sup> Replacement cost<sup>3</sup> is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.

<sup>4</sup> "Security of tenure" means that resettled individuals or communities are resettled to a site that they can legally occupy, where they are protected from the risk of eviction and where the tenure rights provided to them are socially and culturally appropriate. In no event will resettled persons be provided tenure rights that are in effect weaker than the rights they had to the land or assets from which they have been displaced.

elderly, women and children, and indigenous peoples, and those without legal title to land, and ensure their participation in consultations

- iv. Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders.
- v. Pay compensation and provide all resettlement entitlements before physical or economic displacement and before commencement of civil works in that stretch of the road-project. Implement the resettlement plan under close supervision throughout project implementation.
- vi. Establish a grievance redress mechanism to receive and facilitate resolution of the concerns of displaced persons.
- vii. Monitor and assess resettlement outcomes, their impacts on the standard of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

25. The involuntary taking of land may result in relocation or loss of shelter; loss of assets or access to assets or loss of income sources or means of livelihood, whether or not the PAPs must move to another location or not. Therefore, meaningful consultations with the PAPs (directly and through representatives), local authorities and communal leadership are needed to allow for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. ESS 5 stipulates the following three criteria for eligibility:

- (a) those who have formal legal rights to land or assets;
- (b) those who do not have formal legal rights to land or assets at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the national and local laws of Uzbekistan or become recognized through a process identified in the resettlement plan;
- (c) those who have no recognizable legal right or claim to the land they are occupying, using or getting their livelihood from, but are recognized under the World Bank's ESS 5.

26. Those covered under (a) and (b) above are to be provided compensation for the land they lose, and other assistance in accordance with this RPF. Persons covered under c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this RPF, if they occupy the project area prior to a cut-off date established by the Hokimiats in close consultation with the potential PAPs, local community leaders and the respective local LRSCD, LARC and acceptable to the World Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

27. All persons included in (a), (b) or (c) above are to be provided with compensation for loss of assets other than land. Therefore, it is clear that all PAPs irrespective of their status or whether they have formal titles, legal rights or not, squatters or otherwise encroaching illegally on land, are eligible for some kind of assistance if they occupied the land before the entitlement cut-off date. Persons who encroach the area after the socio-economic study (census and valuation) are not eligible for compensation or any form of resettlement assistance. All persons included in (a), (b), or (c) above are entitled to reasonable and sufficient advance notice on project activities, accurate information on expected impacts and on their entitlements in order to minimize to the extent possible negative impacts (e.g., collect harvest prior to impacts occurring on agricultural land), and enable project affected persons to make informed decisions.

28. In Uzbekistan, involuntary acquisitions leading to demolition of structures and physical displacements have been occurring on a significant scale. A number of grievances have surfaced in the recent times as common people have been impacted adversely. Concerns have been raised on local authorities not following due processes and not providing resettlement and rehabilitation assistance adequately and appropriately and in a reasonable time frame. To prevent such risk and ensure that all project activities will adhere to the principles outlined in this RPF, the UZAIFSA, with support from the World Bank, will conduct awareness raising and training for local authorities at regional and mahalla level, participating financial institutions (PFIs), and agricultural enterprises in all regions where project investments will be realized. All key policies and principles of this RPF, in particular measures to bridge the gap between the provisions of the ESS5 and national laws, regulations and prevailing practice, will be presented to local authorities including regional and district hokims.

## **2.4 Comparison of national legislation and WB ESS 5 Land Acquisition, Restriction on Land and Involuntary Resettlement**

29. Analysis of previous resettlement documentation including resettlement plans, frameworks shows that there are some divergences between World Bank Policy and Uzbekistan's legislation in the sphere of compensation for involuntary resettlement took place in the investment projects. The main discrepancies are in: public consultation before resettlement activities, detail explanation of entitlements to project affected HH, and provision of just compensation instead of full replacement cost, carry out socioeconomic surveys among PAPs. Uzbek Laws only provide compensation for land that is legally owned by PAPs and no compensation to encroachers for the same. The World Bank ESS5 provides for compensation for land to both legal owners and encroachers. ESS5 states that where there is a conflict between the Bank and government frameworks, those of the Bank shall take precedence. According to the Presidential Decree № 3857 (16.07.2018) "Payment of compensation for the seizure of land, demolition of houses, other buildings, structures or plantings in the framework of projects with the participation of the IFI / IFFO, if provided for by the project agreements, is carried out by authorized bodies in accordance with the requirements of the IFI / IFFO" (Clause 1).

30. It is important to note that because of State ownership of lands in Uzbekistan, land use is only possible with the permission of local authorities on the basis of a lease or on other terms. Accordingly, land use issues are fully covered by land legislation and are not governed by provisions of customary law, traditional practices, or neighborhood relationships, etc. According to Uzbek laws, those who use or occupy land without a lease or other type of official permission will not be entitled to legal compensation. The State will have the right to seize the land from those "illegal land users". Persons who take up their residence on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

31. ESS 5 highlights that particular attention should be paid to the needs of the most vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, and also other categories of displaced persons whose interests may not be protected by national legislation with regard to the compensations for the land plots subject to withdrawal.

32. The Bank Policy ESS 5 will prevail in cases of discrepancies between WB and Uzbekistan legislation, not just simply in relation to compensation issues but to all issues.

33. A further comparison between the Uzbek Legislations and the World Bank ESS 5 a harmonization measures (i.e. gap filling measures) are contained in Table below.<sup>5</sup>

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<sup>5</sup> It may be noted that: The latest decree of Uzbekistan on resettlement is issued early August 2019; Categorization of projects (ESS 5) is based on the nature and extent of impacts and are more for operational purposes as it would decide on the type of the instruments to be used.

**Table 3: Comparison of Uzbek Legislation and WB’s ESS 5**

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	GAPS
<b>SOCIAL SAFEGUARDS REQUIREMENTS</b>			
<b>Involuntary Resettlement</b>	World Bank Group Environmental and Social Standards 5: Land Acquisition, Restriction on Land Use and Involuntary Resettlement	<p>(i) Land Code (30.04.1998)</p> <p>(ii) Resolution of the Cabinet of Ministers dated 29.05.2006, #97 “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs”</p> <p>(iii) Resolution of the Cabinet of Ministers dated 25.05.2011, #146 “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes”;</p> <p>(iv) Resolution of the President of the Republic of Uzbekistan dated 16.07.2018 #3857 “On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations”</p> <p>(v) Decree of the President of the Republic of Uzbekistan dated on 01.08.2018 #5495 “On measures on cardinal improvement of investment climate in the republic of Uzbekistan”</p>	The legislative degrees and other relevant laws and experiences will be taken into account. The World Bank policy ESS 5 will prevail in case of discrepancies.
<b>Screening and Categorization</b>	WB carry out project screening and categorization at the earliest stage of project preparation when sufficient information is available for this purpose.	According to legislation there are no categorization in Resettlement documents.	Categorization will be made based on the nature/ severity of impacts so as to decide on the instruments.
<b>Compensation entitlements</b>	A. PAPs with formal title have to be compensated for lost land/other assets.	A. PAPs with formal title are compensated for lost land/other assets.	A. Same in principle/application.

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	GAPS
	<p>B. PAPs with legalizable title have right to be compensated for lost land and assets after the EAs helps them in legalizing their assets.</p> <p>C. PAPs with no legal title are compensated for lost non-land assets.</p>	<p>B and C. PAPs with legalizable or no legal title. Legalizable are not distinguished and considered non-legal as legalization is a burden of the PAPs. Non-legal PAPs have no right to be compensated for land and non-land assets.</p>	<p>B and C. WB policies will apply.</p>
<b>Compensation</b>	<p>A. Permanent loss of land. Replacement land as preferred option or cash compensation at full market rate for legal/legalizable PAPs.</p> <p>B. Replacement of leased land. Based on replacement of lost income through cash compensation of gross income x the remaining lease years or through a replacement land lease.</p> <p>C. Loss of structures/buildings. Cash compensation at replacement cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>D. Loss of indirectly affected items. Non-affected parts of an asset no longer usable after impact will have to be compensated as well.</p> <p>E. Business losses. Reimbursement of actual losses plus business re-establishment costs. For application based on tax declared income for period of business stoppage. In absence of tax declaration based on maximum non-taxable salary or above.</p>	<p>A. Permanent loss of land. Replacement land for legal PAPs.</p> <p>B. Replacement of leased land. Based on lease replacement and compensation in cash all losses including lost profit.</p> <p>C. Loss of structures/buildings. Cash compensation at market cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>D. Loss of indirectly affected assets. Law requires that all losses including lost profits is to be compensated to all legal PAPs.</p> <p>E. Loss of business. Cash compensation at market value for all damages/opportunity costs incurred. Burden of proving opportunity costs rest on the PAP based on recognized documented evidence but no clear methodology.</p>	<p>A. Same in principle/application for legal PAPs. Provisions in Entitlement Matrix to bridge the gaps.</p> <p>B. Same in principle. Provisions of the Entitlement Matrix in this RPF will be followed, consistent with national law.</p> <p>C. Filling this gap through a protocol for compensation of structures/building at replacement cost; when salvaged materials remain with the developer or landowner, full reimbursement to the user-owners.</p> <p>D. Same.</p> <p>E. Valuation methodology will include actual business losses and opportunity costs to re-establish new business including time.</p> <p>F. Same in principle, different in application. Valuation standards need to comply with ESS 5 requirements.</p> <p>G. In policy application the project will ensure that crops are compensated at the moment close as much as</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	GAPS
	<p>F. Loss of trees:</p> <p>i) Unproductive. Irrespective of legal land occupancy status compensation at market rate. Application based on tree type/ wood volume or other methods ensuring PAP rehabilitation.</p> <p>ii) Productive. Compensation at replacement cost based for application on various methods: tree reproduction cost, income lost (x tree type x market value of 1-year income x full production years lost).</p> <p>G. Loss of crops. Compensation of crop in cash at market price.</p>	<p>F. Loss of unproductive and productive trees. Unproductive as well as productive trees affected by a public project are to be compensated.</p> <p>G. Loss of crops. Loss of crops to be compensated. There are two forms of compensation of loss of crops: i) compensation of uncompleted agriculture production and ii) compensation of lost profit by multiplying four (years) average income for the last three years.</p>	<p>possible to the date of calculation lost profit.</p>
<p><b>Involuntary Resettlement Planning, assessment and valuation of impacts</b></p>	<p>Resettlement Action Plan (RAP). RAP preparation includes: a) impacts assessment/PAP census; b) definition of entitlements, income/livelihood restoration strategy, compliance &amp; grievance mechanisms, institutional arrangements; c) consultation results; d) monitoring schemes; e) budget and implementation schedule. RAP requires the following surveys:</p> <p>i. Measurement survey. Measures all affected items.</p> <p>ii. PAP Census. Identifies all PAPs and establishes legitimate beneficiaries based on legal status.</p> <p>iii. Socio-economic survey. Provides background information</p>	<p>Resettlement Plan. There are no requirements to prepare integrated and stand-alone RAPs. LAR planning entails similar but less extensive/simpler assessment/survey efforts than WB Policy, as detailed below:</p> <p>i. Measurement survey. Land and buildings impacts measured. Other impacts identified but not measured;</p> <p>ii. PAPs Identification. Identifies only legal PAPs;</p> <p>iii. Socio-economic survey. No comparable requirements exist;</p> <p>iv. Valuation survey;</p> <p>a) Land: valued at market rate based on a transactions survey. Valuation includes transaction costs/third party liabilities;</p>	<p>Preparation of stand-along RAP(s) and the measurement of all impacts and the counting of all PAP through:</p> <p>i. Detailed Measurement Surveys to be mainstreamed for all impacts;</p> <p>ii. Detailed count of individuals to be mainstreamed;</p> <p>iii. The execution of the survey is to be mainstreamed;</p> <p>iv. Valuation survey: See section “Compensation” for details. Valuation methodology to consider compensation at replacement cost as defined in ESS5 and in this RPF.</p>

ASPECT	WORLD BANK	NATIONAL UZBEK REGULATIONS	GAPS
	<p>on PAP' socio-economic features.</p> <p>iv. Valuation survey</p> <p>a) Land: If land market exists based on a survey of recent transactions; without land market based on land productivity/income;</p> <p>b) Buildings and structures. Replacement cost of materials, labor and transport and special features of building/structure without discounting depreciation, salvaged materials and transaction costs;</p> <p>c) Trees/crops. Based on the methodology detailed in section Compensation.</p>	<p>b) Buildings and structures. Replacement cost but the salvaged materials remain with the developer or landowner provides full reimbursement to the owner;</p> <p>c) Trees/crops. If compensated is provided based on the methodology detailed in section "Compensation" section F. and G. or based on an agreed lump sum.</p>	
<b>Procedural mechanisms</b>	<p>A. Information disclosure. Resettlement-related documents to be timely disclosed in the PAP language.</p> <p>B. Public consultation. Meaningful public consultations are to be held with the PAPs. PAPs should be informed about their entitlements and options, as well as resettlement alternatives.</p> <p>C. Grievance procedure. A Grievance Redress Mechanism (GRM) is to be established for each project. Information on GRM to be communicated to the PAPs.</p> <p>D. Asset acquisition conditions. Property can be acquired only after full</p>	<p>A. Information disclosure. No disclosure requirement exists.</p> <p>B. Public consultation. Matters of local importance to be publicly discussed with local authorities. But no requirement to consult directly the PAPs.</p> <p>C. Grievance Procedures. Each state agency/ministry must follow to detail instructions (approved by government) on registering and reviewing the concerns and claims from citizens.</p> <p>D. Asset acquisition conditions. Property can be acquired only after full compensation is paid to PAPs.</p>	<p>Systematic and direct consultations and grievance redress as provided in this RPF.</p>

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

34. An Entitlement Matrix has been developed with the consideration of above-mentioned comparisons in compliance with the National Law and World Bank ESS 5. The type of compensation/assistance to be provided to PAPs is described in detail in the next section.

### **3. ELIGIBILITY AND ENTITLEMENT MATRIX**

35. Any person, household, or community who is affected by loss of land, shelter, business, incomes, sources of livelihood because of the Project impact is eligible for receiving compensation and or R&R assistance to offset such loss enabling restoration of living conditions to a state better or equal to the pre-project situation. During preparation of the RAP, the eligibility will be determined on the basis of anticipated impacts. Whereas the eligibility list provided in the RAP will remain the basis for providing entitlements to the non-titleholder PAPs, in case of the titleholders eligibility will be determined through scrutiny of title deeds, lease, or other legal documents admissible and recognized under law as valid documents indicating ownership or user rights.

#### **3.1 Cut-Off Date**

36. Cut-off dates are essential in the process of drawing up lists to ensure that ineligible persons do not take the opportunity to claim eligibility. The establishment of a cut-off date is required to prevent opportunistic invasions/rush migration into the chosen land, thereby posing a major risk to the subproject. The cut-off date will be the last date of the census. It is a date, after which people who are not included in the list of PAPs as defined by the census will not be considered eligible for compensation. The census will be carried out to collect data on the affected HH. The specific date will be included in the RAP and clearly communicated to affected communities. Thereafter, no new cases of affected people will be considered. Unfinished structures would be identified and secured, and unused materials for individuals' constructions will be gathered at the site so that the cut-off survey can estimate PAPs' investment which should be compensated for in lieu of expenses (including labor) incurred until the cut-off date. During the time period between the cut-off date and the time that actual productive investments (civil works, etc.) would start, special attention needs to be taken to secure the sites from the rush and opportunistic invasion.

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

38. This process must be in full compliance with the grievance redressal mechanisms in this RPF and this date must be communicated effectively to the potential PAPs and surrounding local communities.

#### **3.2 Definition of Project Affected People (PAPs)**

39. By definition of the World Bank, the RPF considers PAP as those who stand to lose, as a consequence of the project, communities, productive lands, resources such as irrigated lands, forests, rangelands, or important cultural sites, commercial properties, tenancy, income-earning opportunities, and social and cultural networks and activities. In this RPF PAP are people directly affected by the Project through the loss (permanently or temporarily) of land:

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

40. The provisions of the RPF apply to investments by the UAMP. The RPF applies to all economically and/or physically displaced persons regardless of the total number affected by the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of vulnerable groups among those economically and/or physically displaced, including women headed households, low income households, households headed by elderly, by a single parent or by a person with disabilities with no

other breadwinner, or other economically and/or physically displaced persons who are not eligible for compensation as of Uzbekistan's land compensation legislation.

### 3.3 Entitlement Matrix

41. All involuntary land acquisitions will be compensated at replacement cost as per the ESS 5 and the PAPs will be assisted to re-establish their living standards (affected shelter and incomes) to a level equal to or better than their living condition prior to the project. According to Presidential Decree № 5495 (01.08.2018), a replacement cost, including compensation on market value and losses shall be paid to PAPs. The provisions of this decree along with those of ESS5 (whichever is stricter) will be followed in the project. The valuation of affected structures will be valued by independent valuation entity without deducting any tax or depreciation. Land-based compensation will be provided by district Hokimiyats on the basis of land acquisition acts at respective mahalla/qishloq.

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

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

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

44. An Entitlement Matrix (Table 4) summarizes the types of losses and the corresponding nature and scope of entitlements and is in compliance with National Laws and World Bank ESS 5. The entitlement matrix presents the entitlements corresponding to the tenure of the DPs in the following order:

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

**Table 4: Entitlement matrix**

Type of Loss	Description	PAP status	Compensation Packages
Land			
Permanent loss of land	PAPs permanently losing land regardless of impact severity	Title holder	<ul style="list-style-type: none"> <li>- Land used for residential, commercial, or other non-agricultural purposes<sup>6</sup>: Land for land compensation with a plot of equal value. Compensation on “land-for-land” principle will be provided to all PAPs in case of loss of their lands by selecting land plots of equal value/productivity, of comparable location, access and connectivity to key services. Transaction costs including tax, valuation fee, stamp duty, and registration charges will be borne by the project.</li> <li>- Land used for agricultural purposes: Land-for-land compensation with a plot of equal value (see description above). OR Compensation to ensure ability to acquire/lease land to the pre-project condition.</li> <li>- One-time subsistence allowance equivalent to three months minimum wage income for severely affected PAPs, i.e., PAPs who lose more than 10% of productive lands.</li> <li>- All other applicable entitlements (for Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Renter/Lessee	<ul style="list-style-type: none"> <li>- Offer of land for lease in comparable location.</li> <li>- One-time subsistence allowance equivalent to three months minimum wage income for severely affected PAPs, i.e., PAPs who lose more than 10% of productive lands.</li> <li>- All other applicable entitlements (for Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Non-title holder	<ul style="list-style-type: none"> <li>- Not eligible for land compensation.</li> <li>- One-time subsistence allowance equivalent to three months minimum wage income for severely affected PAPs, i.e., PAPs who lose more than 10% of productive lands.</li> <li>- All other applicable entitlements (for Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
Temporary loss of land	Land needed on temporary basis for project purposes (access,	All PAPs	<ul style="list-style-type: none"> <li>- Leases and payments to be made between land user and land title holder (where applicable)</li> <li>- UZAIFSA will not be party to such agreements unless UZAIFSA is the direct user of land</li> </ul>

<sup>6</sup> If land is not being used according to its registration (such as for an occupied house on agricultural land), compensation will be for the actual use, not the registered use

Type of Loss	Description	PAP status	Compensation Packages
	storage, work camps, etc.)		<ul style="list-style-type: none"> <li>- Leases to be negotiated freely with registered and legalizable owners with right of refusal by owners and at agreed-upon rates. Lease rates must be equal or greater than current market rates for losses and/or land rental, plus compensation for any loss of crops or tress at gross value of two year's harvest of crops on the affected lands.</li> <li>- Maximum period for lease and temporary use to be two years, with renegotiation if needed longer</li> <li>- Land to be fully restored to former use, or better use if agreed in lease agreement</li> <li>- For losses of Building and Structures, Income and Livelihoods, as a result of temporary land use, the relevant sections of this Entitlement Matrix apply.</li> </ul>
<b>Buildings and Structures</b>			
Residences	All PAPs losing inhabited structures	Title holder	<ul style="list-style-type: none"> <li>- In addition to compensation for loss of land described above, cash compensation at full replacement value for the house OR provision of alternative house of equal value in adjacent territories, with equivalent access to services and security of tenure.</li> <li>- Rental allowance up to 24 months for affected households who receive cash compensation for affected residential structure. Rental allowance for one month for affected households who receive an alternative house. The rental allowance will be calculated during the census survey based on the average market rental value in the respective project area. Information from Real Estate Agencies or websites can be taken as reference.</li> <li>- In case the alternative house's market value is lower than the affected house, cash compensation for the different will be provided.</li> <li>- Calculation of compensations will be carried out by the independent Valuation Service on the basis of local market values in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project.</li> <li>- For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is non-viable.</li> <li>- A six-month notice in advance of vacating the structure. No forced evictions will be allowed.<sup>7</sup></li> <li>- Right to salvage affected materials. There will be no deduction for depreciation or for retention of salvaged materials in the calculation of compensation.</li> <li>- One-time subsistence allowance equivalent to three-months minimum wage income for the project affected households who are required to relocate due to the project, provided for livelihood restoration purposes.</li> </ul>

<sup>7</sup> "Forced eviction" is defined as the permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, and follow of due process under national law and World Bank ESS5.

Type of Loss	Description	PAP status	Compensation Packages
			<ul style="list-style-type: none"> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- All additional applicable entitlements (for Lands, Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Renter/Lessee	<ul style="list-style-type: none"> <li>- One month notice to vacate the rental premises</li> <li>- Rental allowance for one month. Monthly allowance will be calculated during the census survey based on average market rental value in the respective project area. Information from Real Estate Agencies or websites can be taken as reference.</li> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- All additional applicable entitlements (for Lands, Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Non-title holder	<ul style="list-style-type: none"> <li>- Cash compensation at full replacement value for the structure OR provision of comparable alternative structure.</li> <li>- Right to salvage the affected materials. There will be no deduction for depreciation or for retention of salvaged materials in the calculation of compensation.</li> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- Assistance in the legalization of title. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project.</li> <li>- Additional assistance to ensure that adequate housing with security of tenure and access to services is provided.</li> </ul>
Commercial structures		Title holder	<ul style="list-style-type: none"> <li>- In addition to compensation for loss of land described above, cash compensation at full replacement value for the house OR provision of alternative commercial structure of equal value in adjacent territories, with equivalent access to services and security of tenure.</li> <li>- In case the alternative structure's market value is lower than the affected house, cash compensation for the different will be provided.</li> </ul>

Type of Loss	Description	PAP status	Compensation Packages
			<ul style="list-style-type: none"> <li>- Calculation of compensations will be carried out by the independent Valuation Service on the basis of local market values in adjacent territories for the actual moment of compensation payment, taking into account inflation and market fluctuation in prices in the real estate sphere. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project.</li> <li>- For partly affected structures, the PAPs will have the option of claiming compensation for the entire structure, if the remaining portion is non-viable.</li> <li>- A six-month notice in advance of vacating the structure. No forced evictions will be allowed.<sup>8</sup></li> <li>- Right to salvage affected materials. There will be no deduction for depreciation or for retention of salvaged materials in the calculation of compensation.</li> <li>- One-time subsistence allowance equivalent to three-months minimum wage income for the owners of affected commercial structures who are required to relocate due to the project.</li> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- One-time rental allowance up to 3 months for lost income during the interruption. The rental allowance will be calculated during the census survey based on the average market rental value in the respective project area. Information from Real Estate Agencies or websites can be taken as reference.</li> <li>- One-time grant equal to one year of wages for loss of trade / self-employment for the business owner. Provision of compensation will be based on tax declaration or official minimum salary whichever is greater.</li> <li>- Provision of rehabilitation assistance, if required, such as assistance with job placement and skills training.</li> <li>- All additional applicable entitlements (for Lands, Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Renter/Lessee	<ul style="list-style-type: none"> <li>- One month notice to vacate the rental premises</li> <li>- Rental allowance for one month. Monthly allowance will be calculated during the census survey based on average market rental value in the respective project area. Information from Real Estate Agencies or websites can be taken as reference.</li> </ul>

<sup>8</sup> “Forced eviction” is defined as the permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of legal and other protection, and follow of due process under national law and World Bank ESS5.

Type of Loss	Description	PAP status	Compensation Packages
			<ul style="list-style-type: none"> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- One time allowance for loss of trade / self-employment in lieu of owner. Provision of compensation will be based on tax declaration or official minimum salary whichever is greater.</li> <li>- Provision of rehabilitation assistance, if required, such as assistance with job placement and skills training.</li> <li>- All additional applicable entitlements (for Lands, Buildings and Structures, Income and Livelihoods, Allowances, etc. apply as per this Entitlements Matrix)</li> </ul>
		Non-title holder	<ul style="list-style-type: none"> <li>- Cash compensation at full replacement value for the structure OR provision of comparable alternative structure.</li> <li>- Right to salvage the affected materials. There will be no deduction for depreciation or for retention of salvaged materials in the calculation of compensation.</li> <li>- One-time subsistence allowance equivalent to three-months minimum wage income for the owners of affected commercial structures who are required to relocate due to the project.</li> <li>- One time allowance for moving costs to cover costs associated with relocation to a new house (packing, transporting, unpacking, labor, etc.). The one time allowance will be calculated during the census survey based on the actual market value in the respective project area.</li> <li>- Provision of rehabilitation assistance, if required, such as assistance with job placement and skills training.</li> <li>- Assistance in the legalization of title. Transaction costs, including, valuation fee, stamp duty, and registration charges will be borne by the project.</li> </ul>
Other structures / Immovable Assets	Barns, sheds, fences, tents, etc.	All PAPs	<ul style="list-style-type: none"> <li>- Compensation for full replacement value for affected structures and fixed/immovable assets free of depreciation and transaction cost.</li> <li>- Right to salvage affected materials. There will be no deduction for depreciation or for retention of salvaged materials in the calculation of compensation.</li> </ul>
<b>Community Infrastructure/Common Property Resources</b>			
Common property and/or resources	Damage or destruction of buildings or other community/public assets	Community/Government	<ul style="list-style-type: none"> <li>- Consultations with community/government authorities to agree on restoration/compensation</li> <li>- Reconstruction or compensation for lost buildings or assets</li> </ul>

Type of Loss	Description	PAP status	Compensation Packages
			– Restoration of agricultural or other lands, or compensation for damages
<b>Income and Livelihood</b>			
Annual crops	All affected annual crops (regardless of owner's legal status/title)	All PAPs	– Advance notice to harvest crops OR Compensation for lost crops at market value for one-year yield. Compensation will be based on 1 year of production costs (inputs) plus an allowance equivalent to one-year average net income over the past three years determined by the Agricultural Department (AD) of the respective districts of the project area.
Perennial crops / trees	All affected perennial crops / trees (regardless of owner's legal status/title)	All PAPs	<ul style="list-style-type: none"> <li>– Standing crops: Three months (90 days) advance notification for the harvesting of standing crops OR A lump sum equal to the market value of the yield of the standing crop lost. Compensation will be based on 1 year of production costs (inputs) plus an allowance equivalent to one-year average net income over the past three years determined by the Agricultural Department (AD) of the respective districts of the project area.</li> <li>– Fruit and productive trees: Compensation at replacement value based on: average annual income from the past three years, multiplied by four years, plus input cost for trees to reflect the duration from planting to reach productive stage.</li> <li>– Timber trees: Compensation at replacement value based on market value of the dry wood volume determined by the AD. Felled trees will be kept by affected households.</li> </ul>
Business/Employment	Business/employment loss (regardless of owner's legal status/title)	Business owners	– See above under Buildings and Structures, Loss of commercial structures
		Workers/employees	<ul style="list-style-type: none"> <li>– Compensation in case for lost wages equal to three months of previous income or minimum subsistence income. Part-time employees will be compensated at pro-rated rate.</li> <li>– Provision of rehabilitation assistance, if required, such as assistance with job placement and skills training.</li> </ul>
<b>Allowances</b>			
Significant Impact	PAPs losing >10% loss of productive land PAPs losing >10% loss of income (regardless of owner's legal status/title)	All PAPs	– One time subsistence allowance equivalent to three months minimum wage income.
Vulnerability allowance	Vulnerable people and households	<ul style="list-style-type: none"> <li>– Female-headed households</li> <li>– Low-income households</li> </ul>	<ul style="list-style-type: none"> <li>– Inclusion in existing safety net programs to ensure the continuation or increase of previous income.</li> <li>– One-time subsistence allowance equivalent to three months minimum wage income.</li> </ul>

Type of Loss	Description	PAP status	Compensation Packages
		<ul style="list-style-type: none"> <li>Households headed by elderly, by disabled person, or single parent with no other breadwinner</li> </ul>	<ul style="list-style-type: none"> <li>Priority for employment in project-related jobs, training opportunities, self-employment, and wage employment assistance.</li> <li>At minimum one adult member of displaced household will be entitled to skill development. The census team will identify the number of eligible vulnerable displaced persons, based on the 100% census of the displaced persons, and will conduct training need assessment in consultations with the displaced persons so as to develop appropriate training programs suitable to their interest and skills demanded in the region.</li> </ul>
Construction impacts not related to land acquisition			
Damage to houses, buildings and other property	<ul style="list-style-type: none"> <li>Accidental damage to houses and property</li> <li>Damage or destruction of crops or trees</li> <li>Injuries or death to livestock</li> </ul>	All PAPs regardless of legal status	<ul style="list-style-type: none"> <li>Damages to be fully restored by the contractor;</li> <li>If restoration of damages is not possible, or by mutual agreement between the contractor and PAP, cash compensation will be provided at full cost of repair or mitigation, free of deductions for depreciation, transaction costs, or salvaged materials</li> <li>This requirement to be included in contracts with construction contractors, as well as in the site-specific Environmental and Social Management Plans (ESMP) or ESMP Checklist (see project Environmental and Social Management Framework for details.)</li> </ul>

### 3.4 Valuation and Compensation of Lost and Affected Assets

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

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

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

### 3.5 Valuation of assets

47. The valuation of the assets, including real estate property, business etc., is carried out on the basis of the Law “On Valuation Activity”, decrees and resolutions of the President and the government state standards, departmental regulations and other provisions of national legislation. Among the legal acts related to the evaluation of real estate and used in determining compensation for alienated land, demolition and resettlement should be highlighted:

- Resolution of the Cabinet of Ministers dated 29.05.2006, №97 “On Approval of the procedure of damages to citizens and legal persons in connection with the withdrawal of land plots for state and public needs”;
- Resolution of the Cabinet of Ministers dated 25.05.2011, №146 “On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes”;
- National property valuation standards of Uzbekistan (IF) N 10 "Valuation of real estate" (registered by the Ministry of Justice of 18.11.2009, N 2044);
- Resolution of the Board of the Central Bank of the Republic of Uzbekistan “On Approval of the Procedure of valuation the right to lease the land plot” (Registered 8.04.2004 by Ministry of Justice, reg. №1336);
- Sequencing of legal acts and their contents characterize the state and public understanding of the theory and practice of market valuation. This confirms by a number of definitions and norms declared in the Law “On valuation activity”. For example:
- “Valuation activities are the activities of appraisal organization, aimed at determining the value of the assessment”<sup>9</sup>
- "Appraisal organization - a legal entity licensed to carry out valuation activities. Appraisal organization in its activity is independent. No interference consumer services (hereinafter -Customer), or other interested parties in the evaluation activities of the organization. Creation of the appraisal organization and realization of valuation activities by public authorities and administrations are prohibited unless otherwise provided by law”<sup>10</sup>

48. While the evaluation activities carried out by independent organizations (private companies having certified evaluators), the state plays an important role in the regulation of evaluation activities. The State

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<sup>9</sup> Law “On Valuation Activity”, Article 3, Clause 1, dated 19 August 1999, last amended 14 May 2014

<sup>10</sup> Law “On Valuation Activity”, Article 4-1, Clause 1,2,5, dated 19 August 1999, last amended 14 May 2014

Committee for State Property Management and Development of Competition (Goskomkonkurentsii) is responsible for:

- i. developing and approving regulations, including standards for the valuation of the property;
- ii. licensing of valuation activity;
- iii. certification of experts-appraisers, as well as organize their training and professional development.

49. The NGO Society of Appraisers of Uzbekistan is a helpful media to protect the rights of appraisers, increase their capacity, provides an independent expert opinion, when requested, to validate findings of the valuation report, etc.

50. The land valuation is still based on old approach which focused on land use in agriculture. LRSCD evaluates land from the perspective of soil types (bonitet), climate, rainfall and other criteria relevant to agriculture production and without consideration of its market value.

### **3.6 Use of standard valuation**

51. In case of anticipated subproject interventions result in any type of temporary or permanent impact to land, structures or trees, then a Valuation Company will be hired. It is therefore proposed that an evaluation expert is contracted by the Implementing Agency at the project outset to develop a standardized procedure for asset valuation, which can then be applied by PIU and local level Hokimiyats. This standardized procedure would include a series of 'look-up' tables for estimating asset value by type according to the approximate size and condition of the existing assets. The valuation methods are expected to comply with WB.OP.4.12 requirements and the provisions of the entitlement matrix.

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

#### **3.6.1 Objective and scope of work**

53. The main objective of this company will be: To carry out valuations of affected assets, as well as the calculation of applicable allowances under the finalized RAP/RPF to comply with Uzbekistan's legislation and policies and WB's ESS 5 referring to the prepared draft RAP's provisions. Particularly, the valuator shall ensure that all valuation is done based on "Replacement cost" as it is defined by WB's ESS 5, namely:

54. **Replacement cost:** Replacement cost is the principle to be complied with in compensating for lost assets. Calculation of which should include: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any.

55. Where market conditions are absent or in a formative stage, PAPs and host populations will be consulted to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information.

56. If necessary, the baseline data on housing, house types, and construction materials will also be collected. Qualified and experienced experts will undertake the valuation of acquired assets. In applying this method of valuation, depreciation of structures and assets should not be taken into account.

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

- 1) To carry out an inventory of affected assets (building, crops, trees, other improvements to be affected by the project) in the presence of PAPs, and if it is impossible to ensure their presence, the works shall be implemented with the participation of the local hokimiyat's representative. The inventory shall be carried out in a way to ensure that all details are available required by RAP provisions (types of crops,

- types, and age of trees, materials of buildings and other improvements etc.). The inventory shall be carried out also for temporary impacts.
- 2) The inventory data shall be included accurately in the forms agreed with the Client beforehand and shall be analyzed by comparing the information provided by cadaster data and property rights certificate/technical document where available.
  - 3) All data shall be entered into the consolidated database. The format of the database shall be agreed with the Client.
  - 4) The Valuator shall prepare Valuation Report for each unit (property) with clear separation of each asset/property and losses with final summary particularly:
    - Valuation of affected properties/assets (building, crops, trees and other improvements)
    - Calculation of compensation for business and affected employees
    - Calculation of transportation costs for movable assets.
    - Calculation of allowances defined by RAP (allowance for relocation, severe impact, vulnerability etc.). The list of AHs entitled for allowances will be provided by the Client.
  - 5) The calculation for the applicable allowances (if any) can be included in the Valuation Report or separate Calculation Report can be prepared to be agreed with the Client.

### 3.6.2 Compensation for land

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

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

60. In cases wherein all or parts of the lease holding become unviable, unaffected portions of a plot will also be compensated. Given that all land in Uzbekistan is state-owned, loss of land is not compensated in cash. Enterprises or businesses that are expropriated will be compensated by a new plot of land and building, thus allowing affected people to pursue their activities.

### 3.6.3 Compensation for crops

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

**Table 5: Sample calculation method to compensate for crops**

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

### 3.7 Compensation for Buildings and Structures (if any).

62. Following compensations will be given to affected building and structures:

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

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

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

### 3.8 Rebuilding and/ or restoration of community (if any)

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

### 3.9 Compensation for Timber and Fruit Trees (if any)

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

**Table 7: Sample calculation method to compensate Timber Trees**

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

**Table 8: Sample calculation method to compensate Fruit Trees**

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

65. Assessment of the affected crops and trees according to the market value and the principles of WB's OP.4.12 and regulations Resolution №146 of CoM.

### 3.10 Compensation for Vulnerable Groups (if any)

66. Vulnerable HH, including women headed HHs, Low-Income HHs, a HH by elderly with no support and HH headed physically challenged people will be provided with a one-time additional allowance equivalent to 3 months minimum wage income in accordance with proof provided by Makhalla. In addition, members of vulnerable HHs are to be prioritized<sup>16</sup> in project related employment. The Makhallas and district government have a record of all HHs in the communities and will be tapped in identifying and certifying vulnerable HH. Encroachers who are found to be vulnerable group will be provided compensation in the form of replacement cost for affected building and structures.

### 3.11 Methods of Compensation (if any)

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

**Table 9: Forms of Compensation**

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

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

### 3.12 Procedures for Payment of Compensation (if any)

73. Compensation payments will be made before any project use of land, loss of assets or physical resettlement takes place unless those payments are staggered to enable affected people to begin preparation of new sites. The overall responsibility for payments on expropriation claims for the Project is under the Cabinet of

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

#### **4. PROCESS FOR SCREENING, PREPARING AND APPROVING RAPS AND REPUTATIONAL RISKS**

##### **4.1. Negative / Exclusion List**

It has been agreed that no activities which could result in permanent physical displacement (consequent to acquisition of lands/ structures) will be financed under the project. Thus, this forms the first level of screening. Further, once, it is established that no physical displacement will occur, the project will proceed further to decide on the likely impacts and the relevant instruments to be adopted.

##### **4.2. Screening for Involuntary Resettlement**

69. Screening is a Mandatory Procedure for the identification of possible involuntary resettlement. The purpose of screening is to determine the appropriate extent and type of the involuntary resettlement to be conducted. Each subproject will be screened for social impacts based on the given designs for the proposed improvements envisaged. Farmers lands and built-up sections will be identified during social screening conducted for all sub-projects as per the ESMF. The screening should consider suitable modifications to the design/alignment cross section/detours should be proposed to minimize social impacts. Further the screening exercise should identify all aspects that could lead to adverse environmental and social impacts and involuntary resettlement, regardless of the source of financing; from all activities that are necessary to achieve project objectives as set forth in the project documents; and are carried out, or planned to be carried out, contemporaneously with the project. The social screening serves to ensure that the process for screening remains simple and concise. Specific questions based on each activity of the UAMP might be added as seen relevant by external consultants and the UZAIFSA Social Safeguard Specialist (SSS). The list of project activities that have potential resettlement issues will then be subjected to a comprehensive sensitization and consultation process with the potentially impacted communities and the outcome of this process would be documented for each subproject. The list and the outcome of the consultative process for each site/project activity on the list would then be sent to the respective implementing agencies in the jurisdiction mandated to confirm, approve, disapprove, refer for further consultation and/or take a final decision on each proposed site/project activities. Carrying out the screening process in this way is designed to give it the integrity and transparency it needs to allow all stakeholders to have confidence in the process.

70. For project activities that do not have land acquisition, land use restriction, or resettlement impacts social screening and mitigation provisions of the project's Environmental and Social Management Framework (ESMF) continue to apply as for all other sub-projects (with or without land and resettlement impacts). The screening and categorization of impact on involuntary resettlement in subprojects will be initiated by UZAIFSA either with its own social safeguard specialist and other relevant staff or, if there are no such skills, with the help of external consultants. In the case of credit line recipients, the screening process will be conducted by the designated staff of the Participating Financial Institution (PFI) and monitored by UZAIFSA via regular reports.

71. Subproject screening is used to identify the types and nature of potential impacts related to the activities proposed under the Project and to provide adequate measures to address the impacts. Screening for

resettlement issues shall be part of the environmental and social screening, as is detailed in the ESMF. Measures to address resettlement ensure that PAPs are:

- Informed about their options and rights pertaining to resettlement;
- Included in the consultation process and given the opportunity to participate in the selection of technically and economically feasible alternatives;
- Provided prompt and effective compensation at full replacement cost for;
- Losses of assets and access attributable to the subproject(s).

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

### 4.3 Screening Checklist

73. The screening checklist form will be incorporated into the Project's Implementation Manual. The screening checklist will be completed by an SSS at PIU/RPCU or external consultants and submitted to PIU for a decision. Based on screening results an appropriate social safeguards instrument will be developed.

- **Due Diligence Report (DDR)** explaining the procedures adopted to minimize negative impacts and measures taken to mitigate construction induced impacts will be prepared for subprojects which will result in minor impacts affecting access to residences, improvement of existing properties.
- **Resettlement Action Plan (RAP)**. If 200 people or more are affected.
- **Abbreviated Resettlement Action Plan (ARAP)** is prepared for investments of subprojects of the UAMP which will result in affecting less than 200 people, but not physically displaced and/or less than 10% of their productive assets are lost. Detail outline of ARAP is given in Annex 2 attached to this RPF.

74. The **ESMF** serves as an environmental and **social safeguards instrument** to address those issues not related to 'lands' but others such as those affecting inclusion, equity, transparency, accountability, labor, quality control, and construction delays.

### 4.4 Baseline and socio-economic data

75. Socio Economic Survey: The purpose of the baseline socioeconomic sample survey of impacted persons is to establish monitoring and evaluation parameters. It will be used as a benchmark for monitoring the socio-economic status of displaced persons. The survey shall cover all major impacted DPs and the survey shall also collect gender-disaggregated data to address gender issues in resettlement.

76. The socio-economic survey shall be carried out using a structured questionnaire, that would capture details of standard of living, inventory of assets, sources of income, level of indebtedness, profile of household members, health and sanitation, access to services and facilities, perceived benefits and impacts of the project and resettlement preferences of all major impacted households likely to be displaced. This information along with the census survey data would facilitate the preparation of a resettlement plan to mitigate adverse impact.

77. As part of socio-economic survey, wide range of consultations with different impacted groups as well as other stakeholders will be conducted to ascertain their views and preferences. Based on the outcome of these consultations the designs changes, if required, and mitigation measures will be incorporated. Consultations will include women and their concerns and reactions to the project will be addressed through appropriate mitigation plan.

78. Resettlement Plan: The resettlement plan will be prepared based on the findings of the census and socio-economic survey and consultations. It will include the findings of the census of displaced persons, and their entitlements to restore losses, socio economic characteristics of the displaced persons, institutional mechanisms and implementation schedules, budgets, assessment of feasible income restoration mechanisms, development of resettlement sites and relocation, grievance redress mechanism, coordination of implementation in conjunction with civil works procurement and construction schedules and internal and external monitoring mechanisms. The resettlement plan should be structured as per the outline in Appendix-V and will be detailed as needed depending upon the magnitude and nature of impacts. The impacts and

mitigation measures will be presented village/activity wise so to coordinate with the procurement and construction schedules of the activity.

79. The PAPs, thus, will be determined according to an appropriate socio-economic and census baseline Data. This is the source of information to identify the persons who will be displaced by the individual subproject, to determine who will be eligible for compensation and assistance, and to discourage inflow of people who are ineligible for these benefits. Based on the census, the following decisions can be made:

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

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

#### **4.5 Preparation of a Subproject RAP/aRAP**

81. A full-scale RAP is prepared if the resettlement impacts are categorized as Significant (Category 1) when about 200 or more people may experience major impacts, that is, or losing 10% or more of their productive (income-generating) assets in permanent impacted land.

82. Abbreviated RAP is prepared if the resettlement impacts are categorized as Relatively Significant (Category 2) when fewer than 200 people will be impacted or lose less than 10% of their productive (income-generating) assets in permanent impacted land. ARAP/RAP will be prepared by PIU's SSS, preferably with the support of consulting service providers or mobile extension teams, for subprojects that have been determined to result in potential involuntary resettlement and/or land acquisition. When an ARAP/RAP is required, the PIU submits completed studies along with their RAP's subproject application to the Resettlement Commission for appraisal, and subsequently to the World Bank.

83. After clearance from the LARC, the compensation, resettlement and rehabilitation activities of the RAP will be satisfactorily completed and verified by the communities before funds can be disbursed for civil works under the subproject. The RAPs will comply with the principles outlined in this RPF adopted for the project. The SIA and RAP for each subproject will be reviewed by UZAIFSA and by the World Bank to ensure that they are produced in line with the World Bank ESS 5. RAP must be approved by UZAIFSA and disclosed on UZAIFSA's and the World Bank's portals prior, to the invitation of bids for civil works. Disbursement of compensation payments and entitlements will be made prior to displacement and prior to handing over of the land parcels to civil work contractors.

### **5. IMPLEMENTATION ARRANGEMENTS**

#### **5.1 Institutional Arrangements – Role and responsibility matrix, preparation and review of subproject plans**

##### **5.1.1 Project coordination**

84. The Agency for Implementation of Projects in the Field of Agroindustry and Food Security (UZAIFSA) is responsible for control and approval of feasibility studies under the project. Project Implementation Unit (PIU) will be established at the UZAIFSA at the national level to coordinate and implement the project.

##### **5.1.2 Project Implementation Unit**

85. Responsibilities of PIU will include issues related to the preparation of the project, including the development of the **ESMF**, the procurement strategy and plan, and other work widgets. The PIU will be led by a

Project Director with relevant staff. The PIU will be responsible for conduction of social screening, preparation of RAP when it is required and oversee overall coordination of RAP implementation, reporting to UZAIFSA, and to the WB regarding safeguards issues, as well as of integrating safeguards requirements into bidding and contracting documents. It is the responsibility of PIU for interacting with the environmental authorities, ensuring an efficient implementation of safeguards documents and PIU will undertake, randomly, field visits and environmental supervision and monitoring, assessing environmental and social compliance at worksites, advising project Regional Project Implementation Units (RPIUs) on environmental and social safeguards issues. The PIU will be, also, responsible for identifying EA training needs of all parties involved in RAP implementation. The PIU will cooperate with all local institutions to provide a successful implementation of the Resettlement Procedure (RAP/ARAP).

### **5.1.3 Regional Project Coordinating Units**

86. It is assumed that the project would be implemented at the local level through RPCUs which will be working closely with the respective district and region Hokimiyats. At this stage the issues related to the establishment of RPCUs is under discussion between UZAIFSA and WB.

87. For the RPIUs to be effective and consistent, a Regional Level Working Committee representing 13 districts hokimiyats will be established for coordination, along with an inter-agency working group at the region and district hokimiyats level. The RPCU specialists will ensure that the project activities are implemented in compliance with the WB safeguards ESSs and national EA rules and procedures. Among major responsibilities of the RPCU will be the following:

- a) ensuring that contractors comply with all ESMPs requirements;
- b) conduction of social screening and identify necessity of RAP development;
- c) coordinating of all environmental and social related issues at the province level;
- d) conducting ESMP and RAP (when necessary) supervision and monitoring and assessing environmental and social impacts and efficiency of mitigation measures, as well as identifying noncompliance issues or adverse trends in results, and putting in place programs to correct any identified problems;
- e) when in need, providing advises and consulting contractors in RAP implementation; and
- f) reporting to the PIU with regard to implementation of the Resettlement Procedure.

88. PIU/ RPCU/ SSS will draw upon the services of Facilitating Partners (FP) (NGOs/ CSOs) in reaching out to the communities.

### **5.1.4 Participating Financial Institutions**

89. The objectives of Component 2 are to facilitate farmers' participation in the new growth and investment opportunities created by economic liberalization and agricultural diversification, support collective actions among farmers, and enable productive partnerships/clusters between farm groups and agribusinesses. This objective will be achieved through a mix of technical support provided under Sub-component 1.4 and piloting of two credit windows that would offer long-term financing tailored to the needs of farmers and agribusinesses. The credit line will be implemented through participating financial institutions (PFIs), building on the satisfactory experience on using credit lines under HDP and Livestock Sector Development Project (LSDP). The credit line would be implemented according to a project specific operational document, "Credit Line Guidelines" that will be agreed with the MOF and compliant with the WB Guidance for Financial Intermediary Financing. Terms and conditions of the credit line will be established in the Credit Line Guidelines and will be a condition for any disbursement of credit line funds. PFIs will sign subsidiary loan agreements (SLAs) with the MOF based on terms agreed in the Credit Line Guidelines.

90. In order to participate in the Project, PFIs will be required to develop and adopt satisfactory Environmental and Social Management System, approved by UZAIFSA and the World Bank, consistent with World Bank ESS9. Some financial institutions in Uzbekistan have already adopted ESMS, in which case their ESMS policy will be reviewed, and upgraded if needed, prior to approving their participation in the project. In line with ESS9, PFIs will be required to designate a high management focal point as well as sufficient and

competent technical staff to monitor compliance with ESMS, conduct screening, monitoring, and reporting.

91. The PFIs will be involved in the process of project implementation from the very beginning, at the project's appraisal stage. The PFIs will be responsible for conducting of first-stage Environmental and Social screening including information on land ownership and need for land acquisition or resettlement impacts. They will evaluate project proposals to attribute them to the WB risk category and determine the type of environmental and social instruments to be developed for the sub-project. Any activities requiring high resettlement risks and full-scale RAP will be deemed ineligible for financing under the credit line.

92. PFIs will submit required package including environmental and social documentations for each sub-project to UZAIFFSA for their approval. All Environmental and Social documents pertaining to the activities of approved credit beneficiaries will also be reviewed by UZAIFFSA's Environmental and Social experts. The World Bank will conduct prior review of the first three sub-projects approved by each PFI. Monitoring of environmental and social implementation during the construction phase will be undertaken by the PFIs and by UZAIFFSA and Regional Specialists on a regular basis as part of their contract supervisory duties. The PFIs will also play the major role in monitoring of implementation of ESMF provisions and will be required to ensure that sub-borrowers conduct an appropriate ESIA and where necessary prepare an ESMP, for each sub-project. UZAIFFSA Environmental and Social staff will provide hands-on guidance and support in the preparation and monitoring of all environmental and social management plans pertaining to the activities of credit line beneficiaries. If resettlement impacts are identified in the course of sub-project implementation the procedures of this RPF will be followed to provide assistance and compensation to project affected persons.

93. UZAIFFSA and PFIs' environmental and social staff will conduct regular monitoring to ensure that credit beneficiaries adhere to all ESSs relevant to the project. This includes initial screening of activities (identifying and managing any type of resettlement, environmental management, community health and safety, labor and working conditions, and biodiversity), preparation of environmental and social management plans in line with the project's ESMF, and their supervision, monitoring and reporting. UZAIFFSA staff should have access at any time to the sites where credit beneficiary activities are being implemented. Reporting on the environmental and social performance of credit line activities will be included in quarterly reports submitted by PFIs to UZAIFFSA, and bi-annual reports submitted by UZAIFFSA to the World Bank.

94. UZAIFFSA will implement comprehensive awareness raising and training for PFI management and staff, as well as credit beneficiaries to ensure their understanding of key environmental and social principles of the project, including on involuntary land acquisition, land use restrictions and resettlement in line with ESS5 and this RPF.

95. Selected sub-borrowers shall act in full compliance with national environmental and social legislation, and the requirements for environmental and social assessment indicated in this RPF, as well as in the Project's ESMF and LMP. This requirement will be stated explicitly in the Credit Line Guidelines, Application requirements and the Sub-loan Agreement to be signed by the sub-borrowers. The sub-borrowers will be responsible for preparing and implementing RAPs, where applicable, with technical support from the PFI staff and UZAIFFSA. Sub-borrowers will also be asked to appoint a person responsible for environmental, social, health and safety issues, including land acquisition and resettlement issues.

#### **5.1.5 Land Resources and State Cadaster Department (LRSCD)**

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

#### **5.1.6 The Local Hokimiyats**

97. District Hokimiyats and local communities (makhallas) are also one of the beneficiaries of the project implementation; it is required continuous assistance and presence during all the progress of the project. They will be responsible for the coordination of the implementing procedures and execution of the compensation together with UZAIFFSA/PIU.

### 5.1.7 Independent Valuation Firms

94. Independent Valuation Firm is comprised of licensed private firm with valid license for valuation activities was engaged. These firm could be involved for evaluation of affected trees (if any) for this project.

**Table 10: Institutional Arrangements for Implementation of the Resettlement and/or Land Acquisition Procedure**

Steps	Institutions	Description of responsibilities	Remarks
Step 1	RPIU Representative or PFIs' ESMF coordinators	Social screening Public information,	Information on project effects needs on RAP, evaluation,
Step 2	PIU Safeguards Unit (or SSS/ FP) on behalf of PIU Safeguards Unit)	Identification of PAPs, PAP Consultation	Verification of PAPs. Explanation on assets to be affected, identification of the best way for compensation, explanation of time of compensation, main actors on the implementation process, procedures to be undertaken and the rights for Grievances
Step 3	PIU Safeguards Unit (or SSS/ FP) on behalf of PIU Safeguards Unit)	Preparation of RAP Report	Preparation of RAP Report considering comments of WB and UZAIFSA
Step 4	PIU Safeguards Unit. WB, UZAIFSA	Submit RAPs to WB Task Team for review and no objection before implementing. Approval of the final report	No objection from World Bank experts for the RAP. Formalizing the RAP report and including at project implementation ToR
Step 5	PIU Safeguards Unit (or SSS/ FP) on behalf of PIU Safeguards Unit)	Grievance Committee Creation	The Grievance Committee needs to be formalized and specific contacts need to be given to the PAPs.
Step 6	PIU Safeguards Unit UZAIFSA	Request for expropriation for public interest	Fulfill of criteria provided by law, especially the necessary documents that prove the expropriation needs
Step 7	UZAIFSA	Agreement with PAP's about expropriation.	Important: the fair evaluation of the properties
		Publication of the notice for the expropriation – Declamation	The procedure must be followed carefully and respecting the right of the third persons to prevent the complaint to the Court
		Examine the suggestions and the complaints of persons affected by the process	The expropriation will be done for the persons who will accept to be compensated with the conditions published
		Prepare the draft decision for the Provincial Khokim	Preparation of Khokim's Resolution on PAP compensation
Step 8	PIU Safeguards Unit, Grievance Committee	Ensure that the Expropriation Commission decisions are based in GoU Legislation and WB guidelines and considers PAPs requests	Evaluation of compliance between interested part requests
Step 9	Provincial Khokim	Approve the decision of the expropriation for the public interest;	Khokim's Resolution shall be implemented 1 month after declaiming on official newspaper

Steps	Institutions	Description of responsibilities	Remarks
<b>Step 10</b>	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Hiring evaluation company for assessment of losses	
<b>Step 11</b>	PAPs	Opening a Bank Account and reporting it at the UZAIIFSA.	Institutional support of the compensation process
<b>Step 12</b>	Provincial Khokim	Pay the compensation to persons affected by the project	Should be implemented before started civil works and after RAP completion report
<b>Step 13</b>	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit) /Grievance Committee	Assistance on the relationship between PAPs and Local and/ Governmental authorities, verifications, and supervision of RAP implementation	Verification of compatibility of the agreement between interested parties.
<b>Step 14</b>	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit) /Grievance Committee	If needed, the assistance of PAPs on grievance procedures for administrative bodies, RAP procedures, compensation values etc and support PAPs grievances on the Court	If PAPs have grievances
<b>Step 15</b>	PIU Safeguards Unit (or Consultant on behalf of PIU Safeguards Unit)	Ensure that the process implementation has considered all pretend by both interested parties	Ensure that compensation is done in respect (amount and time) of agreements signed by interested parties
<b>Step 16</b>	PIU Safeguards Unit	Prepare the final report on RAP implementation	Considering that compensations will be finished before starting the project implementation.
<b>Step 17</b>	PIU, PAP, PIU Safeguards Unit	Assignment of the disclosure process according to the interested parties demands and in respect of Khokim's Resolution	Ensure a signed document that shows the RAP is finished and the compensation is done. This document also will verify that in the future the expropriate lands are ownership of PIU

98. Depending on the technical design if the RAR to be undertaken the specifications must be updated by the PIU Safeguards Unit in accordance with the project activities developments. The preliminary linkage of project activities and resettlement is in **ANNEX 1**.

99. It is crucial that the PAPs are informed about their rights and options, at which point they may discuss matters that need clarification. All information regarding cash compensation amount and size of land offered for compensation must be presented to each eligible PAP for consideration and endorsement before cash payment or land compensation can be affected. A committee of peers will be set up for grievance redress.

## 5.2 Consultations

100. The public consultations are the important part of the RAP implementation. PIU/UZAIIFSA is responsible for organizing and conducting public consultations with different target groups (title and non-title holders, HH with low income, women headed HH etc) affected by each subproject prior to the move and

involvement of PAPs in planning prior to completion of the site-specific RAP. The purpose of the public consultation is to inform affected community groups about the subproject. It is important for success of the project and its sustainability to offer PAPs the opportunity to express their opinion of any adverse environmental and social issues they feel may develop during subproject implementation. Any legitimate issue raised through the public consultation should be taken into account, included in the RAP and reflected in subproject implementation.

101. The best practice of previous WB projects demonstrates the efficiency of “a *two-way flow of information*” approach at the meetings in the subproject sites when PIU describe their activities to local communities, and local communities ask questions or raise their concerns in return. The requirement is documenting public consultations results and including them in RAPs.

102. To achieve the main of RAP’s goals, to obtain cooperation, participation, and feedback and make process transparent PAPs must be systematically informed and consulted during preparation of the resettlement plan about their options and rights, their ability to choose from a number of acceptable resettlement alternatives. Particular attention must be given to vulnerable groups to ensure that they are represented adequately in such arrangements.

103. Successful resettlement requires a timely transfer of responsibility from settlement agencies to the displaced persons themselves. Otherwise, a dependency relationship may arise, and agency resources may become tied up in a limited number of continually supervised schemes. Local leadership must be encouraged to assume responsibility for environmental management and infrastructure maintenance. All public consultations with **Public Participation of the PAPs** may be classified as follows:

1. At the planning stages when the technical designs are being developed and at the land selection / screening stage would initiate the compensation process.
2. The Resettlement committees together with community leaders and representatives are responsible to notify their members about the established cut-off date and its significance. The PAPs will be informed through both a formal notification in writing.
3. A compensation dossier containing necessary personal information on, the affected party and those that s/he claims as household members, total land holdings, inventory of assets affected, and information for monitoring their future situation is compiled by The Land Acquisition and Resettlement Commission (LARC) which arranges meetings with affected individuals to discuss the compensation process. This Documentation of Holdings and Assets information is confirmed and witnessed by representatives of Makhalla and members of LARC. These Dossiers are used for monitoring PAPs over time. All claims and assets will be documented in writing.
4. All types of compensation are to be clearly explained to the individual and HH involved. An Agreement on Compensation and Preparation of Contracts process includes the drawing up by the respective Resettlement Committees a contract listing all property and land being surrendered, and the types of compensation (cash and/or in-kind) selected. A person selecting in-kind compensation has an order form which is signed and witnessed. The compensation contract and the grievance redress mechanisms are read aloud in the presence of the affected party and the members of LARC and representative from makhalla
5. At the stage of Compensation Payments all handing over of property such as land and buildings and compensation payments will be made in the presence of the affected party, the Chairman or members of LARC and representative from Makhalla.

### **5.3 Updating of Resettlement Policy Framework**

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

### **5.4 Monitoring and Evaluation**

105. Monitoring Indicators on the Social Impacts among others the general project acceptance by community; success/acceptability of the compensation/ resettlement process; restoration of areas temporarily disrupted by construction.

106. The responsibilities for monitoring and evaluation are shared between the PIU Safeguards Unit and the UZAIFSA. The PIU Safeguards Unit is responsible for record-keeping, management and internal monitoring of the GRM. The ois responsible for coordinating external monitoring and evaluation of the project implementation. It's worthy to get opinion of PAPs representatives of the impacts and the effects of the project through a household survey to be undertaken as a monitoring and evaluation exercise.

#### **5.4.1 Internal and external monitoring**

107. At this stage it is not yet decided if any Consulting company (CC) would be contracted to undertake concurrent M&E of RAP implementation. As usual the project must involve a Cadastral and civil engineer who can assess the provided land and in case provision of suitable houses, quality of houses built and the common properties that are being rebuilt/relocated.

108. In a case if the M&E CC to be hired this undertakes monitoring and verification of processes and activities in RAP implementation and would submit quarterly reports. The CC would also undertake an end-term evaluation post RAP implementation to ascertain if the RAP objectives have been achieved. It is the responsibility of the CC to identify gaps based on desk reviews and field visits and provide timely inputs for course-correction to UZAIFSA to improve implementation and outcomes, to recommend measures necessary to build capacity and provide requisite training to implementation staff and other stakeholders such as civil works contractor. Some of the key activities would include monitoring and verification of:

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

#### **5.4.2 Impact Evaluation**

109. Impact evaluation of the project must be taken up twice – during the project's midterm and again as an end term at the end of UPVP. End term impact evaluation exercise to be carried out within two months of completion of RAP implementation. This includes evaluation the RAP implementation – activities, processes, and outcomes; assertion if there are any pending issues and making recommendations towards the improvement of outcomes, if any. The key socio-economic indicators developed during SIA and as presented in the RAP must be used for impact evaluation. It is recommended prior to commencing the evaluation exercise, these indicators will be further refined and improved upon by the agency in consultation with UZAIFSA/PIU.

#### **5.4.2 Coordination with Civil Works**

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

## **6. GRIEVANCE REDRESS MECHANISM**

### **6.1 Existing complaint handling mechanism in Uzbekistan**

111. Any citizen in Uzbekistan has several channels to air his/ her complaints.

➤ **On village (mahalla) level:**

- Physical visit to Mahalla Citizens' Assembly Office to meet with Chair;
- Call to President's Virtual reception (tel number is 1000 or 0-800-210-00-00) or send message to President's Virtual reception online ([www.pm.gov.uz](http://www.pm.gov.uz));
- Call to hotlines established at each district or regional Khokimiyat;
- Send written complaint (letter) to district/regional Khokim/ line Ministry/President;
- Attend meetings with district/regional Heads of Sectors on integrated socio-economic development of regions (4 sectors established in each district);
- Attend meetings with leadership of line ministries and agencies that have to regularly meet with citizens in rural areas.

*If a citizen is not satisfied with reply provided by Mahalla Chair, or s/he has received incomplete response, the citizen can apply to upper level, specifically to District Khokimiyat.*

➤ **District level:**

- Physical visit to Khokimiyat on citizens reception days to meet with district Khokim or deputy Khokims
- Call to hotlines established in each Khokimiyat
- Physical visit to Public reception offices under President's Virtual reception and established in each district nationwide
- Call to President's Virtual reception (tel number is 1000 or 0-800-210-00-00) or send message to President's Virtual reception online ([www.pm.gov.uz](http://www.pm.gov.uz))
- Send written complaint (letter) to district Khokim/ line Ministry/President
- Attend meetings with district/regional Heads of Sectors on integrated socio-economic development of regions (4 sectors established in each district)
- Attend meetings with leadership of line ministries and agencies that have to regularly meet with citizens in rural areas

*If a citizen is not satisfied with reply provided on district level, or he has received incomplete response, citizen can apply to upper level, specifically to Regional Khokimiyat.*

➤ **Regional level:**

- Physical visit to Khokimiyat on citizens reception days to meet with regional Khokim or deputy Khokims
- Call to hotlines established in each Khokimiyat
- Physical visit to Public reception offices under President's Virtual reception and established in each regional center nationwide
- Call to President's Virtual reception (tel number is 1000 or 0-800-210-00-00) or send message to President's Virtual reception online ([www.pm.gov.uz](http://www.pm.gov.uz))
- Send written complaint (letter) to regional Khokim/ line Ministry/President
- Attend meetings with regional Heads of Sectors on integrated socio-economic development of regions (4 sectors established in each district)
- Attend meetings with leadership of line ministries and agencies that have to regularly meet with citizens in rural areas

### **6.2 Objectives**

112. In accordance with Environmental and Social Standards 5: Land Acquisition, Restriction on Land Use and Involuntary Resettlement (2016), a project Grievance Redress Mechanism (GRM) is established prior to project effectiveness. The main goals of GRM are to ensure the receipt and timely redress of grievances and concerns submitted by the aggrieved project affected persons, to resolve complaints at the project level and prevent escalation to the national courts or WB Accountability Mechanism. A grievance mechanism will be established to allow affected persons appealing any disagreeable decision, practice or activity arising from land or other assets compensation, or any other issue related to the project. APs will be fully informed of their

rights and of the procedures for addressing complaints whether verbally or in writing during consultation, survey, training and time of compensation. The grievance mechanism shall not impede access to the country's judicial or administrative remedies. Affected persons can approach a court of law at any time and independent of the project level grievance redress process. Along with the WB requirements on development and approval of grievance redress mechanism by implementation of investment projects, grievance redress procedure in Uzbekistan is also regulated by the national legislation of Republic of Uzbekistan, in particular by the law "On Citizens' Applications" and the "Law on the order of submission of appeals of physical and legal entities" (#378, 03 December 2014). Moreover, the UZAIFSA provides an internal grievance mechanism for physical and legal entities to raise reasonable workplace concerns. The Grievance mechanism procedure is described in the HR Regulations approved by the Agency (Decree #39/AO issued on 7.12.2018). According to the "Law on the order of submission of appeals of physical and legal entities" and Decree #39/AO, the application or complaint shall be considered within fifteen days from the date of receipt in the state authority, which is obliged to resolve the issue on the merits, as well as require additional study and (or) check, a request for additional documents - up to one month. The submission procedure for grievances and citizens' applications has been discussed during the public consultations in the project districts.

### **6.3 Grievance Redress Mechanism**

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

114. The APs will have the right to file complaints and queries on any aspect of land acquisition compensation and resettlement. PIU UZAIFSA will be responsible for establishment of GRM during the project affectivity and act as the GRM secretary to make sure that the GRM is operational to effectively handle environmental and social concerns of project affected persons. The proposing GRM was discussed PIU's manager and safeguard. PIU will ensure that grievances and complaints on any aspect of the land acquisition, compensation, and resettlement are addressed in a timely and satisfactory manner. All possible avenues are made available to the APs to resolve their grievances at the project level. Under the proposed project level grievance mechanism, affected households may appeal any decision, practice or activity connected with the assessment or valuation of land or other assets, acquisition and compensation, as well as any other project-related grievance. UZAIFSA will maintain comprehensive project-level grievance redress log and report on the number and status of complaints in progress reports to the World Bank.

**Table 11: Grievance Redress Mechanism and Levels**

Level/Steps	Process
<p><b>Level 1- RPIU representatives at regions, local makhalla committee, working office of Contractor project district khokimiyat</b></p>	<p>The aggrieved person applies directly to local makhalla committee or working office of Contractor. RPIU representative will be in charge for receiving and registration complaints and RPIU representative will collect and record information about received complaints from makhalla committee and working Contractor offices on weekly base. PFI’s ESMF coordinators in the PFIs’ branches (for Component 2 sub-projects) will have the same duties to collect complaints and to register them. PFIs’ ESMF coordinators will be responsible for reporting about received complaints RPIU representative and its resolving.</p> <p>The alternative entry point for complaints will be also khokimiyats due to their obligations defined by national legislation: (i) khokimiyats of the respective districts (cities) are obliged to notify owners of residential, production and other buildings, constructions and plantings on the made decision in writing for signature not later than six months prior to demolition, (ii) there is a 1st deputy of khokim responsible for industry, capital construction communications and utilities, who is usually responsible for any issues/complaints regarding the construction and land allocation; After registration of received complaints, RPIU representative or PFIs’ ESMF coordinator will review nature/specificity of the complaint and will forward it to relevant party for resolving. In parallel, RPIU representative will inform PIU in Tashkent about received complaint and further actions undertaken for its solution. Depending on nature of complaint it may go to Contractor, Land Cadaster, Makhalla or district branch of Nature Protection Committee. For example, complaints related to resettlement issues may be forwarded to Land Cadaster, hokimiyat and makhallas. In case of environmental issue, complaint will be forwarded to Contractor or District State Committee on Ecology and Environment Protection. RPIU representative will be assisted by PIU’s Environmental and Social (E&amp;S) Specialist in GRM implementation. At this level complaint should be resolved during 2 weeks. RPIU will be responsible for maintaining an up-to-date grievance log and following with the relevant parties (complainant, abovementioned institutions) to ensure that resolution to the complaint is proactively sought, and if the complaint cannot be resolved at the regional level, that it is forwarded to the appropriate national authorities (Level 2 below). RPIU E&amp;S Specialist will also ensure that aggrieved person will be kept fully informed of the status of resolution of the complaint.</p>
<p><b>Level 2 – PIU UZAIFSA in Tashkent</b></p>	<p>In case the grievance was not redressed on the first stage or applicant is not satisfied with the decision made/solution, s/he can submit the grievance directly to secretariat PIU UZAIFSA in Tashkent. In accordance with established procedure, the secretariat of PIU UZAIFSA will review the compliant and will forward complaints to respective department to made decision on its redress. In case the grievance is not related directly to the project, the further instance will be recommended to the applicant where s/he should apply for the decision making.</p> <p>In case, if the compliant is required more time and resources for resolution, the PIU UZAIFSA may establish complaint handling team with following members such as representatives from secretariat PIU UZAIFSA, district kokimiyat: cadastral department and makhalla or village assembly of Citizens or/and farmer’s councils, or/and women association. All complaints will be resolved in 15 days, and in case additional details are required, a maximum of 30 days will be used to resolve and close the complaint with prior notification of complainant. UZAIFSA designated GRM focal point will be responsible for maintaining comprehensive project grievance redress log, including grievances received and resolved at Level 1 and those forwarded to Level 2 of the GRM.</p>

Level/Steps	Process
<b>Level 3- Economic Court</b>	If the issue was not solved or the applicant is dissatisfied with the decision/resolution, the aggrieved person may submit grievance to Economic Court (Court of Law) where decision will be made in accordance with relevant national legislation. However, APs can approach the court of law at time during the grievance redressed process independent of GRM and the grievance mechanism should not impede access to the country's judicial or administrative remedies.

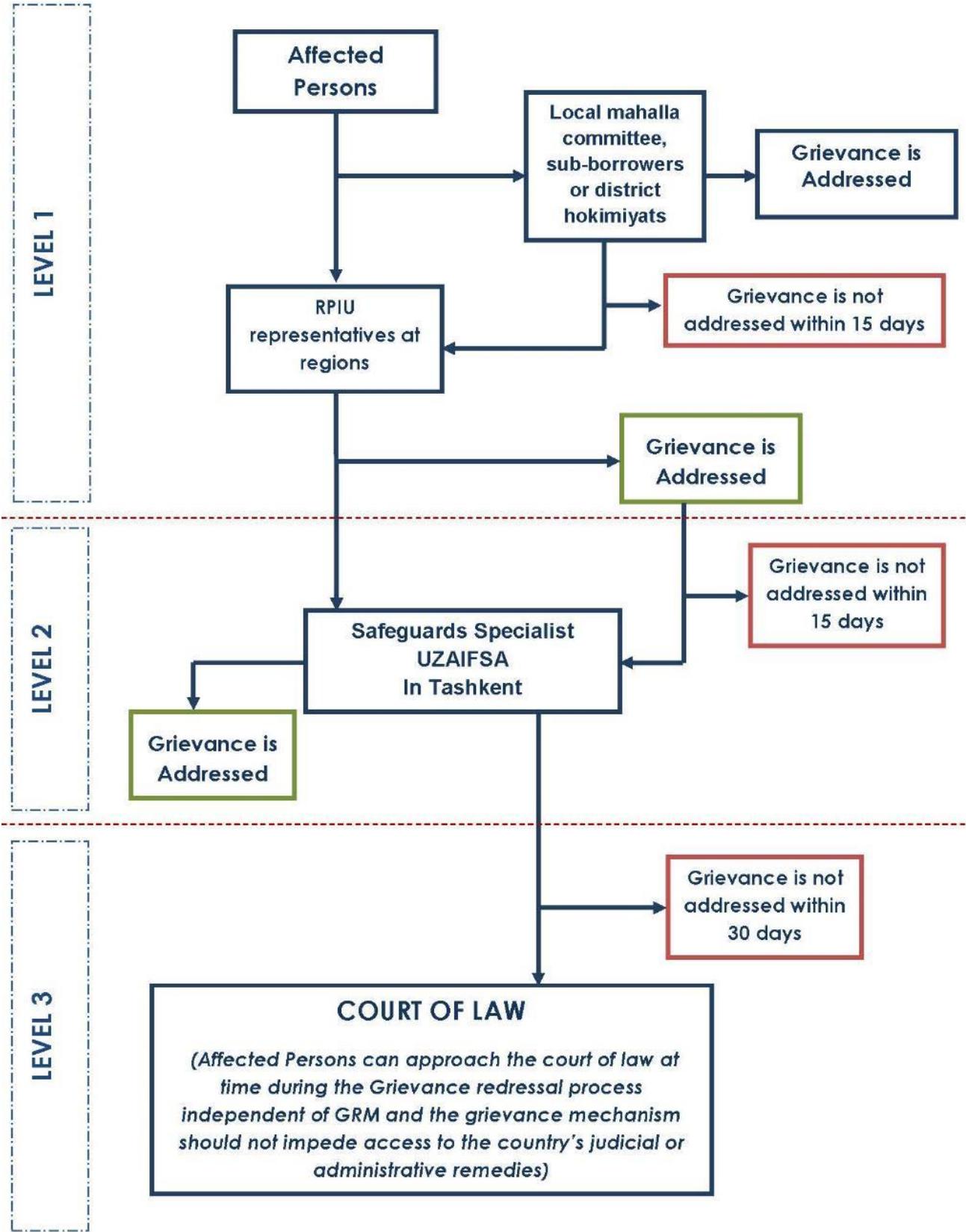
#### 6.4 Records and Documentation

115. Most of grievances on land acquisition and resettlement issues are redressed at 1-2 levels. All grievances received from the population will be registered in a logbook<sup>11</sup> which should be available at all levels: at the site office of Contractor, makhalla committee of project area district. Besides, there are also logbooks in project district khokimiyat where the grievances from the population are usually registered. Even so, the information on received by Contractor grievances and applications from the aggregated persons, and undertook measures should be submitted to the representatives of PIU on the project site for the accounting all grievances. Thereafter the information on all received grievances will be collected at the PIU UZAIFSA.

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<sup>11</sup> The logbook should sequentially numbered and pages have been bound securely.

Figure 1: Grievance Redress Mechanism



## 7. ANNEXES

### ANNEX 1. OUTLINE OF THE RESETTLEMENT ACTION PLAN AND ABBREVIATED RESETTLEMENT ACTION PLAN

#### Table of content Resettlement Action Plan (RAP)

The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about:

- (a) the proposed resettlement and its impacts on the displaced persons and other adversely affected groups,
- (b) the legal issues involved in resettlement.

The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

1. **Description of the project.** General description of the project and identification of the project area.

2. **Potential impacts.** Identification of

- (a) the project component or activities that give rise to resettlement;
- (b) the zone of impact of such component or activities;
- (c) the alternatives considered to avoid or minimize resettlement; and
- (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

3. **Objectives.** The main objectives of the resettlement program.

4. **Socioeconomic studies.** The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including

**(a) the results of a census survey covering:**

- i. current occupants of the affected area to establish a basis for the design of the resettlement
- ii. program and to exclude subsequent inflows of people from eligibility for compensation and
- iii. resettlement assistance;
- iv. standard characteristics of impacted households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
- v. the magnitude of the expected loss--total or partial--of assets, and the extent of displacement-economic;
- vi. information on vulnerable groups or persons as provided for whom special provisions may have to be made; and
- vii. provisions to update information on the impacted people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

**(b) Other studies describing the following:**

- i. land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;
- ii. (ii) the patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;
- iii. (iii) public infrastructure and social services that will be affected; and
- iv. (iv) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

5. **Legal framework.** The findings of an analysis of the legal framework, covering

- (a) the scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
- (b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;
- (c) relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
- (d) laws and regulations relating to the agencies responsible for implementing resettlement activities;
- (e) gaps, if any, between local laws covering eminent domain and resettlement and the Bank's resettlement policy, and the mechanisms to bridge such gaps; and
- (f) any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land--including claims that derive from customary law and traditional usage.

**6. *Institutional Framework.*** The findings of an analysis of the institutional framework covering

- (a) the identification of agencies responsible for resettlement activities and NGOs that may have a role in
- (b) project implementation;
- (c) an assessment of the institutional capacity of such agencies and NGOs; and
- (d) any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for
- (e) resettlement implementation.

**7. *Eligibility.*** Definition of DPs and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

**8. *Valuation of and compensation for losses.*** The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.

**9. *Resettlement measures.*** A description of the packages of compensation and other resettlement measures that will assist each category of eligible DPs to achieve the objectives of the policy. In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

**10. *Site selection, site preparation.*** Alternative relocation sites considered and explanation of those selected, covering:

- (a) institutional and technical arrangements for identifying and preparing relocation sites, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
- (b) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
- (c) procedures for physical relocation under the project, including timetables for site preparation and transfer; and
- (d) legal arrangements for regularizing tenure and transferring titles to resettlers.

**13. *Community participation.*** Involvement of resettlers and host communities,

- (a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of the resettlement activities;
- (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
- (c) a review of the resettlement alternatives presented and the choices made by DPs regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individuals families or as parts of preexisting communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries); and

- (d) institutionalized arrangements by which DPs can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

**15. *Grievance procedures.*** Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

**16. *Organizational responsibilities.*** The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

**17. *Implementation schedule.*** An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

**18. *Costs and budget.*** Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

**19. *Monitoring and evaluation.*** Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the DPs in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

## **Table of Content for Abbreviated RAP**

An abbreviated plan covers the following minimum elements:

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

## **ANNEX 2. OUTLINE OF A RESETTLEMENT PLAN (RP)**

The Resettlement Plan document for the project must include the following components.

- 1) Description of the project
- 2) Potential impacts
- 3) Socioeconomic studies
- 4) Legal framework
- 5) Consultation and community participation
- 6) Institutional Framework
- 7) Eligibility and entitlement
- 8) Valuation of and compensation for losses
- 9) Resettlement measures
- 10) Site selection, site preparation, and relocation
- 11) Community participation
- 12) Integration with host populations
- 13) Grievance procedures
- 14) Organizational responsibilities
- 15) Implementation schedule
- 16) Costs and budget
- 17) Monitoring and evaluation

**Note:** For detail documentation requirement, refer World Bank ESS 5

## ANNEX 3. PUBLIC CONSULTATION

**Venue:** UZAIFSA's PIU office in Tashkent

**Date:** November 18, 2019

### Uzbekistan Agriculture Modernization Project

#### **PUBLIC CONSULTATION: Environmental and Social Aspects within AMP**

**Prepared by:** NBT Environmental Safeguards specialists: Madina Khalmirzaeva, Darya Chuprinina

**Presented by:** Madina Khalmirzaeva

**Target audience:** Representatives from regional and local authorities involved in environmental and social performance within the project (specialists from Land resources and state cadaster department, committee of ecology and environment protection, regional architectures departments, ministries, khokimiyat representatives, civil construction department, etc.). List of participants is attached.

The verbal presentation was done in local language (Uzbek).

#### **Discussed main topics on the PC:**

Project description and its components; potential planning project activities, national environmental, social legislation and relevant WB requirements; identified social and environmental impacts and mitigation measures; safeguards documents needed to be developed under the AMP for each sub-project, the context of RPF, LMP and SEP; Grievance Redress Mechanism and project contact information for affected people and organizations; further stages of the Project implementation.

After discussion, the Consultant shared with presentation with participants and provided PIU's phone number. In case of any questions and needed clarification participants of public consultations may contact consultant directly or through PIU.

#### **Participants raised the following questions:**

#	Questions	Answers
1	Will there be an opportunity to translate documents into Uzbek at least selection criteria - in two versions: Cyrillic or Latin	I am not sure about Latin, but selection criteria and required environmental documents will be translated in Uzbek
2	At what stage of proposal submission draft EIA should be prepared?	National EIA should be submitted together with proposing project documents. But please pay attention for which projects national EIA has to be submitted for which – not required
3	Which banks can participate in this project? Are there any special selection criteria?	Each bank can participate in the project. However, there are some requirements which participating bank has to meet. We will inform about that criteria later. From safeguards point view each bank has to adopt Environmental and Social Management Policy which we discussed during our presentation
4	Can you describe in more details the IT platform that will be developed as part of this project?	Representative of UZAIFSA informed that IT is still under development, however at this stage we know that the platform will help to better connect producers and suppliers

5	Can our research institute (under the Agency for Viniculture and Winemaking) participate in the project if they use the project money for scientific purposes?	We will discuss this question with WB staff since you request funds to finance research work to improve of vine selection.
6	Is it necessary to go through the environmental expertise for each type of works?	List of activities for which EIA has to be conducted is defined in Attachment 1 #949. We have provided this reference in our presentation. If your activities will not lead to increasing of wastes and usage of water and resources – you have not conduct environmental expertise
7	Can the money allocated for the overhaul of research institutes be used to purchase laboratory equipment?	As we know, yes, the money could be allocated for purchase of equipment
8	Is it necessary to conduct an EIA for the research institutes' laboratories?	List of activities for which EIA has to be conducted is defined in Attachment 1 #949. We have provided this reference in our presentation. If you have any doubts it will be better to send official letter to State Committee on Ecology and Environmental protection and request the clarification.
9	If we want to build new laboratory on the territory of our institute – should we also prepare RAP?	No, if your construction will be implemented on the territory belonged to your organization no needs to develop RAP.
10	You mentioned about land acquisitions process. Will it be done in accordance with national requirements or international? Will national companies be involved in the process?	As explained during presentation, developed RPF covers and harmonizes both – national and WB requirements. However, in few points there are some inconsistencies between policies on payment for illegal constructions. In that case WB requirements will be apply  For development of RAP, PIU will coordinate works with national Committee on Land Cadastre to prepare land allocation documents as it is required by national legislation and will develop RAP in accordance with RAP



#	Организация/Tashkilot	Ф.И.О./ To'liq ismi sharifi	Занимая должность/Lavozim	Номер Телефона/ Telefon raqami	Подпись/Imzo
21	Центр по развитию сельского хозяйства	Ибрагимов Мафизилан Эрашматов	Директор	(99) 910 46-22	
22	—  —	Абдулатиф Дилмурод Махсумов	ведущий специалист	(99) 622-41-49	
23	НИИ селекционной работы сельского хозяйства	Хурованто Бойер Вохиодович	Директор	(90) 124-80-63	
24	Центр по сертификации и испытанию ОХТ технологии	Толибаев Алисбай Ержанбаевич	1-й зам. директора	(97) 6048300	
25	Народный банк	Имбобоев Аслидучи Аслидучи угли	Начальник отдела	(90) 327-05-02	
26	АКБ "Книша Куримчи Банк"	Ахмедов Ахмед Чирчиев	Начальник отдела	(90) 178-41-19	
27	Минсельхоз	Аврамов Шахмурод Нисомович	главный специалист	(90) 319-00-79	
28	Минсельхоз	Усманов Умар Умарович	зам. нач. управления	71 2630152	
29	НИОБКИК	Низамов Вусатил Ахромович	Директор	(90) 932-41-16	
30	НИОБКИК	Ганиев Фарход Каюмович	руководитель лабораторий	(93) 384-74-11	
31	ИССС АУКУДУДИ	Азизов Кабулжан Каюмович	Директор	(99) 192-38-70	
32	ЦСИС К	Муртазаев Муртазаевич	Зам. директора	(71) 261 43 26	

#	Организация/Tashkilot	Ф.И.О./ To'liq ismi sharifi	Занимая должность/Lavozim	Номер Телефона/ Telefon raqami	Подпись/Imzo
33	Минфин	Куртов Д.К	Экономист	875104783	
34	Минфин	Шахмуродов	каб. ат. усл	912300756	
35	НИССВАХ	Курбанов А.	руководитель проекта	97-711-34-00	
36	Центр по сертификации сельхозпродукции	У. Болтаев	нач. отдел	94-643-60-46	
37	UZAFISA	В. Рахмонов	толок	99-89890-99	
38	ИЧЗПРОТЕХСАХВАТ холдинг (КТИСМ)	А. Аралов	Зам. ген. директор	97-727-22-07	
39	Агентство	А. Турдиев	Коор. тр. инж	90-353-06-60	
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