



THE KYRGYZ REPUBLIC
COMMUNITY DEVELOPMENT AND INVESTMENT AGENCY

THIRD VILLAGE INVESTMENT PROJECT (COVID-19 RESPONSE)
ADDITIONAL FINANCING - KYRGYZ REPUBLIC

RESETTLEMENT POLICY FRAMEWORK
(RPF)

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CONTENTS

Executive summary.....	5
I. DESCRIPTION OF THE PROJECT AND COMPONENTS THAT TRIGGER A POLICY	8
1. PROJECT OBJECTIVES AND BENEFICIARIES	8
2. PROJECT COMPONENTS	8
II. PRINCIPLES AND OBJECTIVES GOVERNING PREPARATION AND IMPLEMENTATION.....	9
III. RAP PREPARATION AND APPROVAL PROCESS	11
1. CENSUS, SOCIO-ECONOMIC SURVEYS, INVENTORY OF LOSSES.....	11
2. PREPARATION OF RAP.....	12
3. RAP DISCLOSURE AND APPROVAL	12
4. IDENTIFICATION OF AFFECTED PERSONS AND PRESUMABLE CATEGORIES	13
5. METHOD FOR DETERMINING CUT-OFF DATE.....	13
IV. ELIGIBILITY CRITERIA AND PROCEDURES FOR VARIOUS CATEGORIES OF PROJECT AFFECTED PERSONS.....	13
1. ELIGIBILITY CRITERIA	13
2. IDENTIFICATION OF PAP AND ANALYSIS OF PROJECT AFFECTED ASSETS	14
V. ENTITLEMENT MATRIX	15
VI. LEGAL FRAMEWORK AND WORLD BANK POLICY REQUIREMENTS.....	18
1. LEGAL FRAMEWORK OF THE KYRGYZ REPUBLIC	18
2. THE WORLD BANK POLICY ON INVOLUNTARY RESETTLEMENT	20
3. MEASURES PROPOSED TO FILL POSSIBLE GAPS.....	21
4. COMPARISON OF OP 4.12 REQUIREMENTS WITH THE RESETTLEMENT REQUIREMENTS OF THE KYRGYZ REPUBLIC.....	21
VII. METHODS FOR THE VALUATION OF ASSETS.....	25
1. METHODS FOR VALUATION OF PROJECT AFFECTED ASSETS.....	25
2. METHODS FOR THE VALUATION OF ASSETS.....	25
3. COMPENSATION FOR VARIOUS ASSETS.....	26
VIII. INSTITUTIONAL ARRANGEMENTS	27
1. ROLES AND RESPONSIBILITIES	27
2. RPF AND RAP IMPLEMENTATION ARRANGEMENTS.....	28
3. RAP IMPLEMENTATION SCHEDULE.....	29
IX. GRIEVANCE REDRESS MECHANISM AND BENEFICIARY FEEDBACK MECHANISM	30
XI. MECHANISMS FOR CONSULTATIONS WITH PAPs AND PAPs' PARTICIPATION IN PLANNING, IMPLEMENTATION AND MONITORING	33
1. ARRANGEMENTS FOR CONSULTATIONS WITH PAPs	33
2. MONITORING AND EVALUATION ARRANGEMENTS.....	34
APPENDIX 1: FORM OF SCREENING REPORT OF THE EXPECTED SOCIAL IMPACTS.....	36
APPENDIX 2: PAP CENSUS FORM AND INVENTORY OF THE LAND FUND	38
APPENDIX 3: INVENTORY OF THE LAND FUND OF PAPs.....	39
APPENDIX 4: PAP RIGHTS FOR COMPENSATION	40
APPENDIX 5: VOLUNTARY LAND DONATION (VLD).....	41
APPENDIX 6: INDICATIVE CONTENT OF THE RESETTLEMENT ACTION PLAN.....	43

ABBREVIATIONS

AA	-	Ayil Aimak
AO	-	Ayil Okmotu
ARIS	-	Community Development and Investment Agency
DDE	-	Detailed Design Estimates
GRM	-	Grievance Redress Mechanism
LSGB	-	Local Self-Governing Bodies
NGO	-	Non-Governmental Organization
PAP	-	Project Affected Person
RAP	-	Resettlement Action Plan
RPF	-	Resettlement Policy Framework
VIP-3	-	Third Village Investment Project
WB	-	World Bank

GLOSSARY	
Assistance in resettlement	Measures to assist PAPs in case of physical resettlement, loss of access to collective property and natural resources, loss of livelihoods, restricted access to use of land, negative impact on assets or incomes etc., The assistance may be provided in the form of resettlement benefits, construction of housing or payment of rent, depending on the possibility and, if necessary, in order to facilitate the process of resettlement. After resettlement PAPs may receive assistance during a limited transition period, the duration of which is estimated based on a justified assessment of time needed to restore livelihoods and living standards, in addition to compensation.
Census	Census of the project affected persons shows the demographic indicators and assets; identifies the number of PAPs, the nature and level of impact. Census will provide a detailed list of persons and assets affected.
Compensation	In-cash or in-kind compensation of the replacement cost of assets that should be purchased and/or affected by the Project. Cash payment or in-kind contribution for the replacement cost of assets, recovery of livelihoods, assistance for development, (for example, preparation of soil, providing with access to credit and training programs, employment, which is to be covered from the Project budget.)
Cut-off date	The starting date of the census that serves as the eligible cut-off (closing) date to prevent any subsequent population inflow to the respective area. The cut-off data is date after which people shall not be eligible for compensation.
Economic assistance in rehabilitation	Providing assistance in addition to compensation, such as land preparation, trainings or employment for PAPs in order to generate income and increase production levels or at least raise their living standards to a pre-project level.

Involuntary resettlement	<p>Involuntary acquisition of land, impact on asset(s), loss of income, or restricted access to natural resources, which as a result has a direct or indirect economic or social impact:</p> <p>a) loss of benefits of using such land plots;</p> <p>b) relocation due to loss of housing or land;</p> <p>c) loss of assets or loss of access to assets, regardless of whether PAP must be resettled or not;</p> <p>d) loss of income, or negative impact on sources of income or livelihoods, regardless of whether PAP must be resettled or not.</p>
Replacement cost	<p>The replacement cost of the buildings and structures shall be equivalent to market prices¹ of the materials that would be required for the construction of compensatory building/structure similar to or better than the pre-project level in terms of location and quality, including the cost of transportation of the construction materials to the site and labor cost of contractors, as well as the registration fee and fee for re-registration of title of ownership. The depreciation and the cost of usable materials deducted from the value of assets being affected are not counted as the benefits to be received from the Project.</p> <p>In cases where the national legislation is not in conformity with the standards of compensation of the full replacement cost, it shall be supplemented by measures required as per World Bank Involuntary Resettlement Policy (OP4.12), to ensure the conformity with the standards of the replacement cost.</p>
Resettlement Action Plan (RAP)	<p>The Resettlement Action Plan² is prepared after the specific types of impacts caused by the project are determined, usually when the location and detailed designs are finalized. In case it is determined the OP 4.12 has to be triggered, the RAP outlines the specific and legally binding requirements related to the acquisition of land, resettlement, impact on assets, negative impact on sources of income, or restricted access to natural resources. The RAP will be prepared based on the RPF and is subject to the World Bank no-objection. The RAP shall be implemented in such a way that all person(s) affected are fully compensated prior to being negatively affected by the project activities.</p>

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

² The contents of a Resettlement Action Plan are spelled out in Appendix 5.

EXECUTIVE SUMMARY

This Resettlement Policy Framework (RPF) outlines and applies the basic requirements and procedures established under the Third Village Investment Project Additional Financing (hereinafter referred to as the VIP-3 AF), the defined requirements relate to the identification and assessment of social risks associated with the acquisition of land due to the project implementation. Land acquisition or limited land-use rights can lead to physical displacement (resettlement to another place, loss of land, loss of shelter), economic displacement (loss of land, property or access to property, which leads to loss of sources of income or other livelihoods), or both.

The Third Village Investment Project (VIP-3) supports the Kyrgyz Republic to improve access to infrastructure and services, especially in rural areas. It is being implemented in four oblasts (provinces) in the north of the country - Naryn, Issyk-Kul, Chuy and Talas. The VIP-3 of \$ 12.0 million (including International Development Association (IDA) Loan # 56010 equivalent to \$ 6.6 million and IDA Grant # D0410 equivalent to \$ 5.4 million) was approved by the World Bank Board of Executive Directors on March 27, 2015; after some delay in ratification, it became effective on 26 February 2016.

To date, communities from all 266 AAs in the target areas have been supported to participate in trainings, focus group discussions, prioritization/decision making for local development strategies, public hearings on budget formulation, and to prepare proposals to compete for VIP-3 small infrastructure investments. To date, the project has provided AOs subgrants for small infrastructure for 32 MPs (up to a ceiling of US\$20,000), such as machinery for waste management, playground equipment for kindergartens, renovations of first aid points (FAPs), upgrades to heating systems, and street lighting. It has also provided subgrants to AOs for 42 SPs (from US\$31,376 – US\$354,570), such as kindergartens, school extensions, water supply systems, sports halls, a rehabilitation center for disabled persons, and community centers (centre for cultural and social events).

However, an outbreak of coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) quickly spread around the world during 2020. On March 11, 2020, the World Health Organization (WHO) announced a global pandemic. As the coronavirus is rapidly spreading around the world, COVID-19 was first diagnosed in the Kyrgyz Republic on March 24, 2020, with 20 cases and 1,064 deaths by the end of September 2020. The Government of the Kyrgyz Republic imposed restrictions (such as curfew, social distancing and travel restrictions) between March 25, 2020 and April 15, 2020 to limit the spread of the virus, but as elsewhere, it has devastating consequences for citizens' livelihoods. To support the country's post-COVID-19 economic recovery plan, the Government of the Kyrgyz Republic has requested the World Bank to provide additional financing for the Third Village Investment Project (hereinafter referred to as the VIP-3) as part of the COVID-19 response strategy.

The proposed COVID-19 AF for VIP-3 will deepen the support the project provides to all AAs in the four oblasts in the north will enable the VIP-3 to: (i) continue supporting social infrastructure investments, focusing primarily on infrastructure that improves access to local health care, or directly or indirectly supports livelihoods; (ii) support the reestablishment of livelihoods affected by COVID-19; (iii) provide associated Technical Assistance (TA), capacity building, and project management; and (iv) incorporate a Contingent Emergency Response Component (CERC) for future emergencies.

Project development objective and actions within the VIP-3 AF do not fundamentally differ from the parent project. However, VIP-3 AF, by increasing the number of investment subgrants, narrows down the focus on health and livelihoods for post-COVID-19 economic recovery.

The VIP-3 AF will **cover the same four oblasts in the north of the country** and strengthen support which is provided within project to communities in the participating oblasts. In total, 222 out of 266 rural AAs in the north of the country will be eligible to participate in the project (i.e. all AAs except those 44 that have already received grants for SPs in the parent project). It consists of four components:

Component 1: Capacity Building of Local Self-Government and Communities (AF US\$2,5 million)

Component 2: Village Investment (AF US\$13.3 million)

Component 3: Project Management (AF US\$1.2 million)

Component 4: Contingent Emergency Response Component (US\$0)

The Resettlement Policy Framework (RPF) covers policies and procedures to ensure that those adversely affected by the Project are properly consulted on project activities, and received compensation or assistance through which the livelihoods level will be reestablished to at least the pre-project level.

Currently, it is impossible to completely exclude cases of temporary or permanent use of private land during construction/rehabilitation work. It is not yet known whether permanent land acquisition will be inevitable, or whether the project impact will be limited by temporary restrictions on land access and use. At this stage, it is impossible to completely exclude the possibility of demolition of small buildings (fences, forest plantations, etc.). Considering that the project affected persons and/or assets have not yet been identified, an impact assessment will be carried out after the launch of the project.

Design solutions for AF activities will be prepared during the implementation phase based on a demand-driven process, while areas of rehabilitation/construction work cannot be identified during the project preparation phase. Impacts will be known in detail at the stage of development of detailed design estimates (DDE) during implementation and before the start of construction/rehabilitation works. The RAP can only be developed during implementation, and if necessary, in accordance with the data of the RPF.

Given the planned activities, WB OP 4.12 on Involuntary Resettlement will be limited to temporary land acquisition, access restrictions and economic impacts. No physical relocation of households is foreseen. It is expected that construction will be carried out within the area of existing infrastructure, or on existing land plots in municipal ownership. Nevertheless, land plots may also be required for the construction of new buildings (FAPs, schools, kindergartens, etc.) in settlements, as well as for the expansion of water supply systems, the establishment of mini-workshops for the processing of fruits, dairy products, the establishment of paramedic points, schools, hospitals and other facilities that may be selected by the beneficiary communities. It also cannot be ruled out that there are illegal users of facilities and the associated economic impact covered in OP 4.12. While it is expected that municipal land will be granted if the new infrastructure is expanded, the project allows for voluntary land donations made by the community or individuals. This process should be closely monitored during implementation. The voluntary land donation by individuals is subject to careful review and approval by the World Bank prior to acceptance of the land plot as a voluntary donation.

The land donation should not lead to a worsening of the conditions of the person or household granting the land plot than it was before the project and lead to receiving benefits from the Project. Since investments will be community driven, the level of impact will not be known until the investment is selected in each cycle.

If the assessment results indicate the need for land acquisition, loss of livelihood, involuntary resettlement, the next step will be to determine the socio-economic status and carry out a census of PAPs indicating their age, dependence on assets, income, marital status, with an inventory and valuation of assets of each PAP in the area identified for land acquisition or affected by the project. There will also be consultations with affected people to inform them about the project and its impacts, and PAPs will provide their feedback, which may lead to modification of design solutions to minimize the need for resettlement.

If during the implementation of the project it is revealed that there will be an involuntary land acquisition, an impact on assets, or a negative impact on income, then in accordance with the provisions set out above, a full or abbreviated RAP will be developed.

This document sets out the fundamental eligibility criteria for involuntary land acquisition, resettlement or loss of shelter, loss of property or access to property, loss of sources of income or livelihood, regardless of whether or not PAPs are have to move to a new location.

The RPF presents the basic differences between the Land Code of the Kyrgyz Republic and the WB OP 4.12 on Involuntary Resettlement. In the event of a discrepancy between the laws of the Kyrgyz Republic and the requirements of OP 4.12 on Involuntary Resettlement, the principles and procedures of OP 4.12 shall apply. This priority of WB regulations over government legislation is a requirement for all projects financed by the World Bank.

The document also sets out the methods for valuation of project affected assets, types of compensation payments, replacement cost method for facilities, loss of business, fruit trees, etc.

ARIS is responsible for the development of the RAP with the support of AA. If necessary, external consultants who can provide methodological, organizational and other assistance can be involved in the development of the RAP.

ARIS is also responsible for control over the implementation of the RAP and ensuring the compliance of resettlement procedures and safety measures of the WB, monitoring the RAP. According to this RPF, the implementation of subprojects, which affects private lands and assets, can only start after PAPs or affected households have received all compensation for the impact caused by project activities.

The ARIS will oversee the planning and implementation of resettlement activities, and coordinate all issues related to ensuring compensation. The local government with the assistance of ARIS shall be responsible for the implementation of resettlement and compensation activities, such as defining the boundaries and owners of land plots within project.

The Beneficiary Feedback Mechanism (BFM) is a process of obtaining prompt, objective information, evaluating and considering appeals (applications, proposals, complaints, inquiries, positive feedback) related to ARIS projects. ARIS is currently in the process of preparing a Beneficiary Feedback Mechanism (BFM) that will be used for all projects and include a GRM component.

Monitoring mechanisms will be in line with the overall project monitoring plan to be implemented by ARIS. A final report will be prepared comparing the indicators of post-project living standards with pre-project indicators to ensure that PAPs were able to improve or at least maintain their living standards.

Despite the fact that construction will be carried out within the existing infrastructure or on accessible state-owned land, land may be required for new facilities (buildings and structures) in settlements, as well as for expanding the water supply system, establishing mini-workshops for processing of fruits, dairy products, establishing FAPs, schools, hospitals, etc., which may be selected by the beneficiary communities. The Resettlement Policy Framework will be disclosed domestically [date] using an established method due to the spread of coronavirus infection, and by the World Bank on [date]. The executing agency will maintain the process and documentation requirements for social risk mitigation in accordance with the RPF and the POM. Safeguards measures and capacity building requirements are included in project management and will also be included in community and local authorities (AO and EA) capacity building activities.

I. DESCRIPTION OF THE PROJECT AND COMPONENTS THAT TRIGGER A POLICY

1. Project Objectives and Beneficiaries

Project Development Objective: VIP-3 covers the following: (a) to build local capacity for participatory development; and (b) improve access to quality community infrastructure services in the targeted Project areas. As for the AF project development objective will remain without changes.

The proposed project will benefit target communities in four oblasts in the north of the country. AF will strengthen support which is provided within project to communities in the participating oblasts. In total, 222 out of 266 rural AAs in the north of the country will be eligible to participate in the project (i.e. all AAs except those 44 that have already received grants for SPs in the parent project).

2. Project Components

Component 1: Capacity Building of Local Self-Governments and Communities (parent project – US\$ 2,2 million). This component aims to build the capacity of local communities and AOs for joint development through: (i) community mobilization and training, and (ii) peer-to-peer learning. Community Development Support Experts (CDSOs) organize and mobilize community members (including the poor and the vulnerable) to jointly plan local development strategies, prioritize infrastructure needs, decision-making regarding infrastructure investment, and monitor construction, operation and maintenance (O&M) of project infrastructure (funded under Component 2). This component also supports the exchange visits between communities and capacity building of AOs on best practices in co-management and local development.

Additional Financing

Component 1: Capacity Building of Local Self-Governments and Communities (AF US\$2.5 million). The AF will finance community mobilization activities similar to those under the parent project, tailoring the mobilization and capacity building to the COVID-19 context and focusing capacity building on livelihoods development. AF will expand the scope of the capacity-building activity to help vulnerable men and women establish or reestablish their livelihoods. An LSP will comprise TA from qualified organizations to create a support system (market and needs assessment, business proposal development, training and coaching) that promotes viable businesses and ensures the sustainability of livelihoods.

Component 2: Village Investments (Parent project US\$8.6 million). Component 2 aims to improve access to quality community infrastructure services in the target oblasts by providing subgrants to AOs for SPs and MPs that have been prioritized by their communities, and then selected for subgrants in an oblast-level competition.

Additional Financing

Component 2: Village Investments (AF US\$13.3 million). The AF will allocate US\$13.3 million to support additional health- and livelihoods-related investments in 222 AAs in the north. Subgrant distribution to AAs for these investments will follow the same principles and methodology as for the CASA1000-CSP COVID-19 AF, taking into account each AA's population, poverty level and remoteness, and any specific exposure to shocks (such as natural hazards or COVID-19). Subgrants to each AA will range from US\$20,000 to US\$130,000. To enable all 222 rural AAs to benefit from Component 2 financing, they will not compete for project support.³ Implementation of the AF will occur over three phases (70–75 AAs will be supported in each stage); the poorest AAs and those most affected by the COVID-19 crisis will be supported earlier in the project. The project will provide TA for climate co-benefits of every SP, irrespective of size.

³ The POM will define the ceilings for livelihoods investments and social infrastructure. Larger investments will be informed by value chain analyses and included in the Local Development Strategy. Communities will have the option to pool their subgrants to build larger social infrastructure or livelihoods facilities.

Component 2 investments will be geared more toward economic infrastructure/ livelihoods facilities and enhanced access to health care than in the parent project. While the types of SPs will vary based on local needs, value chains that might benefit from investment in small-scale facilities include: (i) dairy production and processing, and supporting sectors such as transport services;⁴ (ii) crafts and garment production; (iii) digital and new service sectors (e.g., recycling or other environmental enterprises); and (iv) new COVID-19-response products and services. These livelihoods facilities will likely include refrigerated storage facilities, warehouses, small-scale manufacturing or dairy processing plants, machinery workshops, craft workshops, and multi-purpose work centers.

Component 3: Project Management (parent project US\$1.2 million). This component finances the costs of the implementing agency, ARIS, for project management, which includes the coordination and supervision of implementation activities, financial management, annual audits, and monitoring and evaluation (M&E).

Additional Financing

Component 3: Project Management (AF US\$1.2 million). The AF will help strengthen project management and M&E to implement the expanded scope of Components 1 and 2. Accordingly, Component 3 will be increased by US\$1.2 million. The project will build the capacity of ARIS staff and other local stakeholders in climate change adaptation and mitigation, as well as the social dimensions of climate change, and enhance the management information system (MIS) to track the indicators set out in the results framework (the MIS will be launched and applied to the parent project as well as the AF). Additional funds for operating costs will also be provided for project management and M&E.

Component 4: Contingent Emergency Response Component (~ US\$ 0)

The AF will include a Contingent Emergency Response Component (CERC), which in the event of an urgent need for assistance in response to an eligible crisis or emergency, will enable the GoK to reallocate project funds to response efforts. Due to the COVID-19 outbreak, this provisional zero component is designed as a mechanism that will allow for rapid access to project funds for a Kyrgyz Republic response and recovery to crisis. Activities would be targeted to mitigate and respond to the socioeconomic impacts of the crisis. To trigger this component, the government would need to declare an emergency or provide a statement of facts justifying the request for activation of the use of the emergency funding. If the Bank agrees with the determination of an eligible emergency and associated response needs, financing from other project components could be reallocated to cover eligible expenditures. The CERC would be implemented in accordance with the Bank's Policy on Investment Project Financing, Projects in Situations of Urgent Need of Assistance or Capacity Constraints. A specific annex to the POM will detail the FM, procurement, safeguards, eligible expenditures, and any other necessary implementation arrangements for this Component.

Reasons for not Preparing RAP at This Stage

At this stage, it is impossible to determine the scale and size of land acquisition, restriction of access to it or loss of assets belonging to the affected persons (PAPs) or commercial entities, the need for which may arise as a result of the project, if any. Design solutions for AF activities will be prepared during the implementation phase, based on a demand-driven process, while areas of rehabilitation/construction work cannot be identified during the project preparation phase. Impacts will be known in detail at the stage of development of detailed design estimates (DDE) during implementation and before the start of construction/rehabilitation works. The RAP can only be developed during implementation, and if necessary, in accordance with the data of the RPF.

II. PRINCIPLES AND OBJECTIVES GOVERNING PREPARATION AND IMPLEMENTATION

1. Rationale for Resettlement Policy Framework and its Scope

⁴ New irrigation canals will not be financed; the rehabilitation of canals will be eligible for repairs that reduce losses and rectify other faults.

Given the planned activities under Component 2, the effects of involuntary resettlement will be limited to temporary land acquisition, access restrictions and economic impacts. No physical relocation of households is foreseen. It is expected that construction will be performed within the area of existing infrastructure, or municipally-owned lands. Nevertheless, land plots may also be required for the construction of new buildings (FAPs, schools, kindergartens, etc.) in settlements, as well as for the expansion of water supply systems, the establishment of mini-workshops for the processing of fruits, dairy products, the establishment of paramedic points, schools, hospitals and other facilities that may be selected by the beneficiary communities. It also cannot be ruled out that there are illegal users of facilities and the associated economic impact covered in OP 4.12. While the public lands are expected to be made available in the event of expansion of new infrastructure, the project allows for voluntary land donations made by the community or individuals. This process should be closely monitored during implementation. Prior to accepting land donations made by individuals, they shall be subject to rigorous examination and approval by the World Bank. The land donation should not lead to a worsening of the conditions for individuals or households granting the land plot than it was before the project and lead to receiving benefits from the Project. Since the investments are determined by the communities, the impacts will not be known until the investments are selected in each cycle.

The Resettlement Policy Framework (RPF) aims to provide policies and procedures to ensure that people who may be adversely affected by the Project are properly consulted on project activities and receive compensation or assistance that will at least restore their pre-project level of livelihoods.

The RPF sets out procedures to determine if the project activities trigger the World Bank's Involuntary Resettlement Policy (OP 4.12). RPF also allows to assess the expected impacts, identify detailed steps to develop RAPs covering appropriate mitigation measures, including mitigation and compensation for the impacts caused under the project, including:

- involuntary land acquisition (on a temporary or permanent basis);
- loss of assets or access to them, impact on assets or access to them;
- loss of unharvested crops, trees, sources of income or livelihoods, regardless of whether the project affected persons (PAPs) will be resettled or not;
- restricted access to natural resources.

RPF outlines measures to ensure that PAPs:

- are aware of their options for choice and their rights with regard to land acquisition and the project impacts;
- participate in consultations to discuss possible compensation options, had the right to choose and were provided with technically and economically feasible alternatives; and
- provided with effective compensation of the assets lost or impacted by VIP-3 AF at full replacement cost, prior to the commencement of civil works.

RPF is based on the following principles:

- avoid or at least minimize the need for involuntary resettlement;⁵
- PAPs, as a minimum, should be provided with adequate assistance to improve or at least restore the pre-project livelihoods;
- PAPs should be properly informed and consulted on project activities and compensation options;
- the absence of a legal right to land is not an obstacle to obtaining compensation or alternative forms of assistance. PAPs who do not have legal rights to land are entitled to compensation for buildings and other non-land assets;⁶

⁵ The safeguards consultant will work in close cooperation with the design engineers to prevent negative impacts whenever possible.

⁶ OP 4.12 proposes the following 3 eligibility criteria: (a) persons who have formal legal rights to land, including land, customary and religious rights recognized under the law of the Kyrgyz Republic; (b) persons who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets -provided that such claims are recognized under the law of the Kyrgyz Republic or will be recognized through a process identified in the RAP; (c) persons who have no recognizable legal rights or claim to the land they are occupying, use or gain livelihoods prior to the cut-off date. Persons covered under categories (a) and (b) are provided with compensation for the land they lose and other assistance provided in accordance with the provisions of this RPF.

- during the resettlement process, special attention should be paid to socially vulnerable segments of the population, such as ethnic minorities, female-headed households, elderly residents, etc., providing them appropriate assistance to improve their livelihoods; and
- compensation must be paid to PAPs at full replacement cost⁷ without retentions meant to be used for any other purposes.⁸

III. RAP PREPARATION AND APPROVAL PROCESS

The first step in the RAP preparation process is the assessment of the identified land plots and assets that may be affected by the Project. This assessment will be carried out by a safeguards specialist jointly with local self-government body and will be used to identify the type and nature of potential impacts associated with the activities proposed for implementation, and take appropriate measures to mitigate the impacts. This assessment also demonstrates the fact that prevention or minimization of the resettlement is a key criterion in the preparation of a RAP prior to the implementation of the VIP-3 AF.

The assessment will be carried out according to the established criteria detailed in **Appendix 1-4** and will be drafted in the form of the expected social impacts screening report (see **Appendix 1**), after the main technical solutions are adopted or the detailed designs of sub-projects are finalized.

The design of the subproject /subgrant shall not be finalized until it is clearly established that all attempts have been made to minimize the impact of resettlement. In case the assessment points to the necessity for physical displacement, land acquisition, impact on assets or negative impact on economic resources, irrespective of whether physical displacement is needed, the next step shall be to undertake a social-economic census and inventory of land resources and assets to determine the degree of need for resettlement. Then, the RAP shall be developed for the Project, following the steps outlined below.

1. Census, Socio-Economic Surveys, Inventory of Losses

If the assessment results indicate the need for land acquisition, loss of livelihood, involuntary resettlement, the next step will be to determine the socio-economic status and conduct a census of PAPs indicating their age, level of dependency on assets, level of income, marital status, including the inventory and valuation of assets of each PAP in the area identified for land acquisition or affected by the project. This activity shall be carried out jointly with the ARIS safeguards specialist with the assistance of a consultant-estimator.

The census will set a cut-off date. This date should be the date of the end of the population census and the establishment of the boundaries of the project area (estimating the affected assets), which should be indicated in the RAP. Following the census, a RAP will be developed based on the collected data on the impacts and project affected persons.

The census process includes direct consultations and interactions with PAPs (with all adult household members, or both spouses) by a social consultant in plain language and convenient form of communication at the site to identify assets affected by the project and discuss their socio-economic situation. In the process of consultations, both verbal and written, the PAPs' will be explained on their rights relating to the resettlement process in the form of information booklets, presentations and announcements posted in frequently visited places. Besides, information with a description of grievance redress procedures and compensation eligibility and entitlement matrix will also be circulated. Illiterate people will be provided with verbal information, along with information booklets. The PAPs will be given the opportunity to express their feedback and raise their concerns.

In cases where it is impossible to conduct direct consultations with PAPs due to their absence in other cities and countries, a social consultant together with local authorities will take measures to convey information on resettlement

⁷ According to OP 4.12, the land replacement cost shall be equal to the replacement value of the land with similar capacity and located in the proximity to the project affected land, including all costs associated with the registration of land ownership, use or transfer. The cost of replacing buildings or structures shall be equal to the market value of the materials required for construction of a building/structure to be replaced. Location and the quality of the buildings or structures, as a result of replacement, shall be similar to those affected; repair of a partially damaged structure shall include the cost of delivery of construction materials to the construction site, plus the cost of contractors' work and the fees for registration and re-registration of property ownership. At the same time, depreciation of facilities and the cost of usable materials shall not be taken into account.

⁸ According to OP 4.12, the RAP provides for the timely and efficient execution of compensation payments at full replacement cost for all assets that are affected by the project.

to PAPs that are absent through relatives or neighbors at the place of their residence. The number of visits will be provided, specifying those to whom and when copies of documents were handed over, including the date and time of the next visit and so forth.

2. Preparation of RAP

RAP is prepared after socio-economic census and identification of project affected parties.

The RAP will be drafted in consultation with the project affected parties. In particular, the consultations will cover such issues as the eligibility to obtain compensations, as well as the emerging obstacles to conduct economic activities, methods of assessment, compensatory payments, possible assistance, PAPs' aspirations, grievance redress mechanisms, and the timeline for implementation. The final version of the RAP will incorporate PAPs' remarks/comments. The key elements of RAP indicated in OP 4.12 are listed below. A more detailed guidance on developing the RAP is available on the World Bank website or in the World Bank's Involuntary Resettlement Sourcebook.⁹ The content of the RAP is presented in Appendix 5.

It is anticipated that the level of impact of the project on individuals will be minimal (i.e., PAPs are likely not to be physically resettled or lose their productive assets). It is expected that the number of people affected by any subproject will be less than 200. In such cases, an abbreviated RAP will be prepared. If the number of affected persons exceeds 200, a full RAP will be prepared.

The abbreviated RAP will include (at least) several standard sections, such as: a description of the project impact and the valuation of affected assets, description of the affected persons, as well as their main socio-economic and demographic characteristics, description of the institutional arrangements and implementation procedures, description of the procedure for compensation and assistance for PAPs; the RAP shall also contain the results of the consultations, monitoring and evaluation procedures, timeline and budget. More details are provided in Appendix 6.

Data on project affected households is an important part of the RAP, however, out of respect for inviolability of private life, information concerning particular individuals and households is not subject to public disclosure. The census data collected during the initial preparation of the RAP can be used as baseline information to ensure that the affected individuals and households are able to maintain their livelihoods at pre-project levels or, most preferably, improve them.

Where a full RAP is required, it should, as a minimum, cover: (i) background information on the census and socio-economic survey; (ii) specific amounts and standards of compensation; (iii) policy rights related to additional impacts not covered in this RPF, but identified through census or survey during implementation; (iv) programs to improve or maintain livelihoods or living standards; (v) timetable for implementation of resettlement activities; (vi) and detailed cost estimates. More detailed information is provided in Appendix 6.

3. RAP Disclosure and Approval

After preparing the abbreviated /full RAP, the following steps should be followed:

- The initial version of the RAP is subject to obligatory discussion with PAPs, who will receive a copy of the RAP a week before the discussion. PAPs, representatives of LSGs, ARIS, NGOs participate in public consultations.
- After discussion, comments and suggestions are included in the RAP.
- The RAP includes a section on consultation process with a matrix of comments and proposals for their implementation.
- Safeguards consultant will submit the RAP to the project coordinator for approval.
- After incorporating the comments received following the publication of RAP and after its approval by the Project Coordinator, the RAP shall be officially submitted to the WB for review and confirmation of compliance with OP 4.12 and other applicable policies/procedures.

⁹ The sourcebook is available at the following link:

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

- Once the World Bank confirms the applicable quality of each RAP, the RAPs shall be disclosed on the WB website, published as a final RAP on the ARIS website and shared with all stakeholders. Private information on PAPs will not be available to the public.

No changes can be made to the entitlement matrix, eligibility criteria, compensation rates or other provisions for assistance without the prior consent of the WB.

4. Identification of Affected Persons and Presumable Categories

Identification of PAPs and analysis of project affected assets.

At present, it is impossible to completely exclude cases of temporary or permanent use of private land during construction/rehabilitation work. It is not yet known whether permanent land acquisition will be required or whether it will be limited to temporary access to its use. At this stage, it is impossible to completely rule out the possibility of demolition of small structures (fences, forest plantations, etc.). Given the fact that the persons and / or assets likely to be exposed to the impact are yet to be determined, the impact assessment will be carried out after the commencement of the project.

In case it is determined there is a need for involuntary land acquisition, impact on assets, or negative impact on sources of income, a full or abbreviated RAP to be prepared in line with the provisions specified above.

5. Method for Determining Cut-Off Date

Determination of the cut-off date is a tool used to prevent the requests submitted to obtain compensations after this date. The cut-off date shall be the date of the census or the date of determining the boundaries of the project area that are to be defined in RAP. After the Detail Design and Estimates (DDEs) are finalized and the boundaries are defined, a safeguards specialist jointly with AA representatives shall conduct the census of the PAPs and the inventory of their affected land, property, structures, crops and other assets. Consultations shall also be carried out with the project affected persons to inform them about the project, its impacts, the procedures of compensation, and discuss their options and preferences. PAPs will provide their feedback, which may lead to changes in design solutions to minimize the need for resettlement.

IV. ELIGIBILITY CRITERIA AND PROCEDURES FOR VARIOUS CATEGORIES OF PROJECT AFFECTED PERSONS

1. Eligibility Criteria

Involuntary land acquisition leads to resettlement or loss of shelter, loss of property or access to property, loss of sources of income or livelihood, regardless of whether or not PAPs are have to move to a new location. The OP 4.12 envisions the following 3 eligibility criteria¹⁰:

- (a) Persons with formal land rights, including customary land ownership/communal land ownership, traditional and religious rights recognized under the law of the Kyrgyz Republic.
- (b) Persons who do not have formal legal rights to land as of the cut-off date, but claiming rights to such land or property, provided that such claims are recognized under the law of the Kyrgyz Republic or will be recognized through the process established in this RPF/RAP.
- (c) Persons without recognizable legal rights or rights to use the land they occupy, use, or depend on it for their livelihoods since before the cut-off date¹¹.

In accordance with OP 4.12, persons covered under (a) and (b) are provided with compensation for the land they lost and other assistance provided according to the provisions of this RPF under the project.

¹⁰ Para 15, OP 4.12

¹¹ The cut-off date is the date the record of population or census begins, that serves as the eligible date of termination in order to prevent a subsequent influx of invaders or other persons wishing to take advantage of such benefits. The cut-off date will be the date the census begins.

Persons covered under (c) will receive resettlement assistance under the project in lieu of compensation for the land they occupy, and other assistance, as needed, for the tasks stipulated in this document to be achieved in case they occupied the land before in the cut-off date.

Persons that took over the land plots after the cut-off date shall not be eligible for compensation or any other form of resettlement assistance. All persons included in the categories (a), (b) or (c) described above shall be provided with compensation for their loss of assets apart from the land.

Therefore, all PAPs shall be eligible for certain assistance in case they occupied or used the land before the cut-off date, even if they were absent at the date of census and regardless of their status, that is, their formal ownership rights or legal rights to use land.

2. Identification of PAP and Analysis of Project Affected Assets

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

Impact assessment is an activity to identify, analyze and take into account direct, indirect and other consequences of the impact on the social environment of the planned activity in order to make a decision on the possibility or impossibility of its implementation. The impact assessment tool will be screening selected priority proposals. Due to the large number of sub-projects in the project, a preliminary assessment will be carried out by the community and then reviewed by a safeguards specialist. In cases where, after the preliminary assessment, it becomes necessary to take land, restrict access, loss of livelihoods, the next step is the preparation of RAP.

3. Cut-off date determination method

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

V. ENTITLEMENT MATRIX

Project impact	PAP category	Affected asset	Compensation eligibility
Temporary land acquisition to perform works or construction	Landowner	Land	Payments for rent based on market rates ¹² and prices during the rental period. If the land owners need to be temporarily relocated, the costs for temporary relocation, including the rent of alternative housing during the relocation period, will be fully covered, and any damages that may occur to their properties during such temporary relocation will be fully compensated based on the replacement cost. The lands and assets affixed to PAPs will be fully restored to the pre-project level and returned to the owners of lands.
		Assets	Replacement of a structure or monetary compensation at the cost of replacement, as well as the right to usable materials.
	Informal user	Land	The land and assets affixed to PAPs will be fully restored to the pre-project level and returned to the owners of lands in case PAP have to be temporarily relocated, the costs for temporary relocation, including the rent of alternative housing during the relocation period, will be fully covered. In the event of loss of the source of income, an allowance shall be paid proportionally and according to the average size of income lost each week (7 days).
		Assets	Replacement of a structure or monetary compensation at the cost of replacement, as well as the right to usable materials.
Voluntary donation of land ¹³	Landowner	Land/assets	Compensation for land is not provided in case of: any voluntary donation of land, provided that this donation is contributed in accordance with the voluntary donations protocol, defined in Appendix 7. The voluntary donation of land shall be subject to rigorous examination and approval by the World Bank prior to accepting the donation of land. Voluntary contributions of land are allowed only if the conditions described in Appendix 5 are met, including the provision on the impact that shall be < 10% of the total land area or assets. Land donation shall not cause negative impact on a person or household donating the land benefitting from the project. Transfer of land free of charge is possible if the beneficiary is the direct beneficiary of the project benefits. Free of charge land transfers from vulnerable groups cannot be accepted without compensation or substitution with another piece of land.

¹²Market rates will be used if they equal to or exceed replacement cost

¹³ See Appendix 5 for procedures to be followed for voluntary land donation

Project impact	PAP category	Affected asset	Compensation eligibility
Permanent land acquisition for works, construction or as part of a sanitary protection zone ¹⁴	Landowner	Land	As a priority option, a land plot of similar size and fertility, acceptable to PAP, located within 3 km shall be provided. If such land is not available, cash compensation at the replacement cost is paid, fees for registration and re-registration of rights to land are covered, including the costs for improving the quality and productivity of the land to pre-project level. In case the land that remains is no longer suitable for use, the whole land plot shall be purchased. The improvements of lands, for instance, the irrigation facilities, will be compensated at the current market prices for equipment, and materials and labor costs. In the event of loss of source of income, compensation shall be paid in the amount of the actual wage for two months the minimum amount shall cover at least two months.
	Informal user	Land	Support for compensation of land property shall be provided to prevent complete loss of livelihoods, depending on specific circumstances in each individual case. In the event of loss of source of income, compensation shall be paid in the amount of the actual wage for two months the minimum amount shall cover at least two months. No deductions shall be made for useable materials that can be filled up by the PAP.
Loss of or damage to structures	Structure/ building owner	Any structure, including fencing, etc.	Replacement of the structure or monetary compensation at the replacement cost without taking into account depreciation, as well as the right to usable materials. The loss of residential building or structures to be required for permanent physical relocation of households is not expected.
Restricting access to houses	Tenant or home owner	Access to house is restricted	Every effort shall be made to provide permanent and secure access. Upon completion of the works, the land and access to housing shall be fully restored or at least to the pre-project level. The compensation will be provided in kind, for instance, an alternative parking lots.
Loss of income by business owners and their employees	Business owner	Temporary loss of business or job due to the project works	Monetary compensation for the loss of income during the downtime period of the shop is based on accounting records for the previous three (3) months of such business or equivalent enterprise. In case the incomes of business depend on the season of the year, the amounts shall be calculated based income measures of the previous year or the earnings of the equivalent enterprise. Every effort shall be made to ensure temporary access to minimize losses of income.
	Hired staff or business employees		Compensation for the loss of sources of income during the downtime period. Women and men shall have equal opportunities
Trees and standing crops	Owner	Fruit tree	The cost of the seedlings and cash compensation based on the value of the crop multiplied by the number of years it takes for a sapling to reach ripeness.
		Non-fruit trees	Timber or cash, equivalent to the value of timber.
	Tree users	Fruit tree	The cash value of the harvest multiplied by the number of years the trees have been used for rent.

¹⁴ The "sanitary protection zone" is an area with a special mode of operation, which is established around production facilities and construction sites; the radius of this zone will be determined during construction works.

Project impact	PAP category	Affected asset	Compensation eligibility
	Owners	Standing crops	Every effort shall be made to avoid impact on the standing crops by means of adjusting the construction period. If unavoidable, compensation shall be provided at the replacement cost.
Permanent land acquisition/Irreversible impacts on public structures	Public assets	Structures	In kind compensation shall be provided, new buildings / structures shall be erected, /built, partially affected structures or buildings shall be renovated.
Loss of livelihoods	All PAP categories	All types of livelihood activities	In case of loss of employment, additional training shall be provided, as well as the assistance in the search for employment; PAPs who lost their jobs shall be registered accordingly and receive other necessary assistance as per each specific case. In addition, the development assistance to be provided, for example, the access to credit and training programs, providing employment opportunities and other necessary assistance for each specific case.
Poor and vulnerable people	Poor and vulnerable people	Additional impact on livelihoods due to vulnerability	Vulnerable and poor PAPs are entitled to appropriate additional assistance measures to prevent further negative impacts resulting from the project implementation. The additional assistance may be provided in the form of land and other property, payment of financial benefits and compensation, employment, etc. - depending on the specific circumstances. Gender issues shall also be taken into account. Vulnerable person(s) may include: households with disabled, women-headed households living below minimum wage, identified by local self-government leaders as vulnerable groups.

VI. LEGAL FRAMEWORK AND WORLD BANK POLICY REQUIREMENTS

1. Legal Framework of the Kyrgyz Republic

The main legal document regulating the rights of citizens to land is the constitution of the Kyrgyz Republic, adopted by the legislation of the Kyrgyz Republic on June 27, 2010. According to the constitution, the land is in state, municipal, private and other forms of ownership.

Thus, article 12 of the constitution states the following:

The Kyrgyz Republic recognizes the variety of forms of ownership and guarantees their equal legal protection.

The ownership is inviolable. No one can be arbitrarily deprived of their property. The expropriation of property against the will of the owner is allowed only by a court decision.

Land, its subsoil, air space, waters and forests are the exclusive property of the Kyrgyz Republic, are used to preserve a single environmental system as the basis for the life and activities of the people of the Kyrgyz Republic and are under special protection of the state.

The limits and procedure for the owners to exercise their rights and guarantees for their protection are determined by law.

Below are the articles and excerpts from the article of the Land Code of the Kyrgyz Republic dated June 02, 1999 No. 45. In the latest version of the Land Code of July 30, 2019 No. 107, amendments and additions related to land use and land acquisition were made that do not entail significant changes in the project.

Article 4. Land ownership

In accordance with the constitution of the Kyrgyz Republic, land can be in state, municipal, private and other forms of ownership.

State property includes lands provided to state land users, lands of forest and water funds, lands of specially protected natural areas, reserve lands, lands of the border zone, lands of the State Fund of Agricultural Land, pastures in rural settlements, pastures in the area of intensive use, as well as distant pastures and other lands, and municipal property.

The state property also includes the lands of state livestock breeding, seed, research farms, experimental stations and landfills, base stations of educational institutions and agriculture-related scientific research institutes, formed on the lands of the State Fund of Agricultural Lands, with the exception of lands provided to citizens living and working in specified farms as land shares.

The right of state ownership of land is exercised by the Government of the Kyrgyz Republic throughout the territory of the republic and by local state administrations within the competence established by this code.

Lands within the boundaries of the ayil aimak (AA) and the cities are municipal property, with the exception of land in private and state ownership.

Management and disposal of land in municipal ownership is carried out by:

- the executive body of local government within the boundaries of ayil aimak;
- local government bodies within the boundaries of cities.

Land management within the boundaries of ayil aimak and state-owned cities is carried out by local self-government bodies in the cases provided for by this code.

Pastures cannot be transferred to private ownership or lease.

Article 7. Terms of use of a land plot by land users

The use of a land plot can be unlimited (without specifying a period) or limited (temporary).

Limited (temporary) use of a land plot, including under the terms of a lease agreement, is the use of land for a limited period of up to 50 years. After this period, by agreement of the parties, the terms of use of the land plot may be extended.

Land plots are provided to foreign persons only for fixed-term (temporary) use.

Agricultural land from the State Fund of Agricultural Land is leased, as a rule, for a period of at least 5 years.

Article 35. Transfer of land. Land transfer fees (excerpt from article)

1. The owner of the land plot or the land user has the right to transfer her/his right to the land plot in whole or in part to another individual or legal entity without any permission of state bodies, unless otherwise provided by this code, other legislative acts of the Kyrgyz Republic, the terms of the land plot provision.

2. When transferring the right to a land plot by the owner or land user to another individual or legal entity, the amount of payment for the land plot is determined by agreement of the parties.

3. Transactions with a portion of a land plot are made after this portion of land is transferred in the prescribed manner into an independent land plot with subsequent state registration.

Article 53. Create an easement

1. An easement may be created by agreement of the parties (voluntary easement) or, if necessary, on the basis of a decision of the authorized body (compulsory easement).

2. The encumbrance of a land plot with an easement does not deprive the owner of the land plot or land user to use and dispose of the right to the land plot belonging to him.

Article 54. Voluntary easement

The agreement on the creation of an easement (voluntary easement) includes:

1) a description of the land plot encumbered with the easement and the land plot in the interests of which the easement is created;

2) the conditions and terms for creating the easement;

3) a plan or map of the site indicating the location of the easement.

Article 56. Purposes of establishing a compulsory easement

In the cases provided for by this code and other legislation, the authorized body has the right, at the request of an interested person, to create a compulsory easement.

Compulsory easement may be created to ensure:

- 1) access to the land plot, if other access is impossible, extremely difficult or requires disproportionate costs;
- 2) the laying and operation of power transmission lines, communications, water supply, heat supply, land reclamation and other needs that cannot be provided without the creation of a compulsory easement.

Article 57. Compensation for losses associated with the creation of a compulsory easement. Compulsory easement fee (excerpt from article)

Losses caused to the owner of a land plot or land user by creating a compulsory easement are subject to compensation by the person in whose interests the easement is created.

The owner of a land plot or a land user, whose land plot is encumbered by a compulsory easement, has the right, instead of compensation for losses, to demand from the person in whose interests the easement is created a commensurate payment.

Article 62. Termination of the right of land ownership

The right to a land plot is terminated in the following cases:

- Alienation of the right to a land plot to another person;
- Foreclosure on a land plot owned or on the right to use, at the request of creditors in accordance with the law;
- Death of the owner of the land plot or land user in the absence of heirs;
- Voluntary refusal of the owner or land user from the right to a land plot;
- Expiration of the term of use of the land plot;

- Termination of labor relations and relations equated to them, in connection with which a service allotment was provided;
- Impossibility of further use of the land plot as a result of a natural disaster;
- When seizing a land plot on the grounds and in the manner provided for in chapter eleven of this code;
- Liquidation of a state or municipal land user, public association, public fund and religious organization;
- Upon renunciation of the citizenship of the Kyrgyz Republic, the owner of an agricultural land plot or land plot, with the exception of the case of mortgage housing construction;
- Upon termination of a concession agreement, a mining concession agreement, a production sharing agreement, as well as upon termination of the right to use subsoil;
- Upon termination of the agreement concluded within a public-private partnership.

Article 66. Grounds for withdrawal of a land plot (excerpt from the article)

1. Withdrawal of a land plot is allowed in the following cases:

- Use of a land plot in violation of its intended purpose;
- Withdrawal (redemption) of a land plot for state and public needs in accordance with this chapter;
- Non-use of a land plot or non-use of a portion of a land plot provided for agricultural production for three years;
- Non-use of the land plot within the specified period provided for non-agricultural production in accordance with the legislation of the Kyrgyz Republic;
- Failure to pay land tax within the time limits established by tax legislation.

4. Withdrawal of a land plot for state and public needs is made after payment of the value of the right to the land plot and compensation for losses.

Article 68. Withdrawal (buyout) of a land plot for state and public needs

1. Withdrawal (buyout) of a land plot for state and public needs may be carried out on the basis of an agreement between the authorized body and the owner of the land plot or land user. If the owner of the land plot or land user disagrees with the withdrawal (buyout) or its conditions, the authorized body has the right to apply to the court within two months with a claim for a reimbursable withdrawal (buyout) of the land plot from the moment of receipt of the refusal.
2. Until the court makes a decision on the withdrawal (buyout) of the land plot, the land owner or land user is entitled to exercise their rights to the land plot and make the necessary costs to ensure the use of the land plot in accordance with its intended purpose. The land owner or land user bears the risk of undertaking the costs and losses associated with new construction, expansion or reconstruction of buildings and structures during the specified period.
3. When determining the buy-back price of a land plot, it includes the market value of the right to the land plot and buildings and structures located on it, as well as losses caused to the land owner or land user in connection with the termination of the right to the land plot, including losses associated with early termination of obligations to third parties.
4. In case of expropriation of a land plot for state or public needs, with the consent of the land owner or land user, s/he may be provided with another land plot with the cost set off in the withdrawal (buy-back) price.

2. The World Bank Policy on Involuntary Resettlement

The World Bank OP 4.12 on Involuntary Resettlement aims to prevent, where applicable, minimize or mitigate the negative impacts associated with involuntary land acquisition and impacts on assets.

The general objectives of OP 4.12 are:

If possible, avoid involuntary resettlement of the population, or implement it on a minimum scale after studying and analyzing all technically feasible alternatives to the project.

In case of inevitability of allotment or impact on assets, including economic assets, then resettlement measures should be carried out in the format of sustainable development measures, providing a sufficient amount of investment resources, allowing PAPs to receive benefits from the implementation of these measures. PAPs need to be consulted meaningfully and given the opportunity to participate in the planning and implementation of resettlement programs;

PAPs need to be supported in their efforts to improve livelihoods and living standards, or at least reestablish standard of living and livelihoods to pre-project levels, depending on which of these indicators is higher.

In order to reduce the impact of resettlement, this policy requires the preparation of a RAP for the implementation of the resettlement process, after the scale of the direct impact is known.

With minimal impact (less than 200 people, no one physically displaced, and less than 10% of their productive assets are lost), an abbreviated RAP can be prepared. Projects with significant impact require the preparation of a full RAP. The policy requires that the following issues be considered in the resettlement planning process:

In order to achieve the policy objectives, the WB requires that special attention be paid to the needs of vulnerable groups of the affected population. This is especially the case for people living below the poverty line, without land rights, the elderly, women, children and ethnic minorities.

3. Measures Proposed to Fill Possible Gaps

All gaps identified during the implementation of the project should be negotiated with the WB and included in the prepared RAPs in accordance with the column *Compliance with Requirements*, the details of which are given in the table below (Basic differences between the Land Code of the Kyrgyz Republic and OP 4.12 Involuntary Resettlement and measures for fulfillment of requirements).

4. Comparison of OP 4.12 Requirements with the Resettlement Requirements of the Kyrgyz Republic

The basic differences between the Land Code of the Kyrgyz Republic and OP 4.12 are presented in Table 2.3.1. In the event of a discrepancy between the laws of the Kyrgyz Republic and the requirements of OP 4.12 Involuntary Resettlement, the principles and procedures of OP 4.12 shall apply. This priority of WB regulations over government legislation is a requirement for all projects financed by the World Bank.

The Basic Differences Between the Land Code of the Kyrgyz Republic and OP 4.12 Involuntary Resettlement and Measures to Meet the Requirements

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 Requirements	Fulfillment of Requirements ¹⁵
<p>Compensation for land acquired is provided only for land owners possessing the right to land, i.e. for those PAPs with the formal document confirming the right to use the land, or holders of customary rights.</p>	<p>The absence of formal right to land shall not prevent the ability of PAPs to be granted with the right, i.e. they shall be entitled to compensation for structures and to various options of assistance under the entitlement matrix to assist their pre-project levels of livelihoods, provided that they processed/occupied the land during the period preceding the cut-off date.</p>	<p>Within VIP-3 AF, regardless of the availability or lack of the legal right to, the PAPs shall be entitled to compensation for structures, trees and rehabilitation measures.</p> <p>Persons with no formal legal rights to land as of the cut-off date, but claiming such rights to land or assets recognizable under the law of the Kyrgyz Republic and/or under eligibility criteria provided in this RPF, will be entitled for support as provided in the entitlement matrix of this RPF, PAP shall be provided with compensation for the land and assets they lose, and other assistance in accordance with this RPF.</p>
<p>Consultations with PAPs or communities on such issues as withdrawal of land or asset are not required.</p>	<p>PAPs shall be fully informed and consulted regarding the obtaining of compensations, the rights for various types of compensation and resettlement options, including the locations of the new settlements. The consultations with PAPs imply awareness raising campaigns, and allowing the PAPs to participate in monitoring, depending on the nature and level of impacts. The RAPs shall be developed in consultation with PAPs and other stakeholders.</p> <p>The gender issues shall be discussed in the process of consultations in order to provide women with information and sufficient opportunities to provide feedback.</p>	<p>During the preparation and implementation of the subproject/subgrant and subsequent RAP, and in the process of implementation of VIP-3 AF, the compulsory consultations for PAPs' will be necessary over a period of time and in a format suitable for PAPs.</p> <p>PAPs will be consulted on the project activities and project design.</p>
<p>There is no separate grievance redress mechanism working resettlement complaints</p>	<p>The grievance redress mechanism should be part of RAP and In order to enable PAPs to file their complaints and receive responds, they should be provided with such opportunity</p>	<p>The RPF, and subsequent RAPs, envisions the procedures for redressing the grievances.</p>

¹⁵ International legal norms met by the Project.

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 Requirements	Fulfillment of Requirements ¹⁵
Absence of the procedures for information disclosure	<p>Information disclosure is an obligatory requirement.</p> <p>It is obligatorily to disclose RPF and RAP both on the World Bank's website (Infoshop), as well as the in-country disclosure (on the website of the relevant executing agency), submitting the copies of these documents in locations and in a plain language to households directly affected by the Project.</p>	The procedures for information disclosure are set forth both in RPF and RAP. Project documents shall be disclosed in local language(s) on the respective government websites, World Bank InfoShop and hard copies shall be made available at the locations easily accessible to PAPs.
Compensation for land is made at the buy-back price of the land plot, which includes the market value of the right to land, buildings and structures located on the land, as well as damages inflicted to the land owner or land user as a result of the termination of right to land, including the losses associated with premature termination of obligations to third parties.	<p>It is preferred to provide the land in return for land withdrawn is, in which case the proposed site shall be acceptable to PAPs and correspond to the size and fertility of land lost.</p> <p>In case the suitable land cannot be found, a compensation in cash shall be provided at the replacement cost, or alternative land shall be provided with additional payment at the replacement cost. The replacement cost for land plots shall be equal to the market value of the land with similar production capacity. Located near the land exposed to impacts, plus the costs for establishing the new land to pre-project level, plus the fees for registration and re-registration of ownership rights and use of lands.</p>	“Land-for-land” Compensation provided to the affected land shall be preferable option. In case the compensation in the form of alternative land for the land withdrawn is impossible, the compensation shall be provided in cash at the full replacement cost.
Compensation for other assets (structures, crops, trees and sources of income) shall be provided to formal users based on the market prices.	Replacement cost of buildings and structures shall be equal to the value required for the replacement. The depreciation of the facilities and the cost of usable materials shall not be taken into account, as well as the cost of the benefit from the project.	Compensation for any other assets affected by the project (structures and trees, as well as commercial losses/loss of income) shall be provided in cash or in kind at the full a replacement cost, both for formal and informal users.
No provisions are specified for supporting vulnerable PAPs.	<p>Vulnerable categories shall be rendered the following assistance:</p> <p>1. In addition to compensation for lost assets, additional social allowances shall be paid within one year.</p>	Vulnerable and poor PAPs are entitled to receive the appropriate additional assistance measures to prevent further negative impacts resulting from the implementation of RAP and these measures shall be will be defined in the implementation of RAP. The additional assistance may be

Provisions of the Land Code of the Kyrgyz Republic	WB OP 4.12 Requirements	Fulfillment of Requirements ¹⁵
	<p>2. Provide support in moving and, if necessary, transporting materials for impacted persons.</p> <p>Special attention shall be paid to income recovery for impacted persons.</p>	<p>provided in the form of land and other property, cash assistance and compensation, employment, etc. - depending on the specific conditions. Gender issues shall also be taken into account.</p>
<p>No payment procedures specified for transportation costs and involuntary resettlement.</p>	<p>The replacement cost includes the costs of delivery of building materials</p>	<p>Transportation costs associated with physical relocation shall be fully compensated, although no physical relocation is expected under the project.</p>
<p>At the stage of DDE development, the proposals for acquisition of agricultural, high-yielding lands shall not be applied, if other land is available.</p>	<p>Any land acquisition and resettlement shall be avoided, if inevitable, they shall be minimized by means of exploring all possible options.</p>	<p>The alternative options shall be explored in order to prevent or minimize the impacts.</p>
<p>No assistance is envisioned for temporary or irreversible loss of income/livelihoods.</p>	<p>It is required to compensate the livelihoods and income lost as a result of temporary or irreversible land acquisition and other impacts caused by the project activities.</p>	<p>Compensation for the loss of land or assets, or for the temporary or permanent cessation of income streams.¹⁶</p>

¹⁶ The formula for estimating the compensation rate shall be developed and included in the relevant RAPs based on the entitlement matrix and compensation guidelines.

VII. METHODS FOR THE VALUATION OF ASSETS

1. Methods for Valuation of Project Affected Assets

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

Types of Compensation Payments

Compensations will be paid according to the Entitlement Matrix and compensation guidelines for the following assets:

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

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

The assistance shall be provided to vulnerable households. The estimation of compensations shall involve certified estimators in accordance with the provisions of the WB OP 4.12.

Certified estimators are involved to determine the value of assets based on market prices for its inclusion in the RAP. Every year starting from the day of preparation of RAP, the RAP shall be reviewed to establish the adequacy of compensation.

Inventory of Assets

In the process of conducting the census, the inventory of losses shall be developed including the name and the estimated value of each asset based on the principles stipulated in RPF. The copy of the inventory of losses shall be shared with PAPs. The total list of affected assets and its indicated value, including any additional compensation measures, shall be registered and agreed with PAPs. At the same time, it should be defined that after its approval by the World Bank and by VIP-3 AF project coordinator, one copy of RAP to be shared with PAPs outlining the procedures for redressing grievances, and also submitted to local self-government bodies.

2. Methods for the Valuation of Assets

Replacement Cost Method

The replacement cost of land is determined according to the market prices on land with similar value and, if possible, located near the project impacted area, plus the fees for registration and re-registration of land ownership or land use rights.

The cost of replacing the buildings and structures is determined by the cost of materials required for the construction or repair of the affected building or structure, plus the cost for delivery of the building materials to the construction site, plus the contractors' labor costs and fees for registration and re-registration of ownership rights. However, the depreciation of the facilities and the cost of usable materials shall not be taken into account.

Industrial Tariffs Scale

The Ministry of Agriculture, Food Industry and Land Reclamation of the Kyrgyz Republic has the matrix of the types of compensation of damage caused by land acquisition, loss of crops, and uprooting of fruit trees. When using this scale, the prices/rates applicable during the actual period of replacement shall be applied. These prices/rates are being renewed annually on the basis of market price.

The State Agency for Architecture, Construction and Housing and Utilities under the Government of the Kyrgyz Republic has the scale of tariffs used for estimating the construction works, construction materials and labor input. When estimating the replacement costs, the prices/rates applicable during the actual period of replacement shall be applied based on the market prices.

The ARIS social specialist shall review these prices/rates at time of delivery of the compensation in order to ensure if these prices meet or exceed the replacement cost.

The asset valuation shall be conducted by a certified consultant (estimator). ARIS consultants shall review these prices at the time of delivery of the compensation to ensure that if they meet or exceed the replacement cost.

3. Compensation for Various Assets

Compensation for Land

The State Agency for Registration of Rights to Land and Real Estate under the Government of the Kyrgyz Republic (hereinafter referred to as the *Gosregistr* of the Kyrgyz Republic) is a government body that responsible for the management of a unified state register of immovable property rights, administration of a unified regulatory policy on land relations, development of the real estate market, registration of immovable property rights and ensuring the state protection of the registered rights to immovable property, as well as carrying the topographic-geodesic and cartographic works carried out in the Kyrgyz Republic. The main tasks of Gosregistr are:

- Development of methodology for determining the size of the valuation (standard price) of immovable property, including the land plot;
- Estimation of the immovable property with the involvement of the state and independent estimators, the functions of which include:
 - The development of methodology for the evaluation and determination of the value (standard price) of land to be compensated for losses caused by withdrawal (transfer) of land for the state and other non-agricultural needs;
 - In case of withdrawal (transfer) of land for state and other non-agricultural needs, estimates losses of agricultural production, losses or lost profits, develops proposals for improving the standards of compensation to land users of their losses.

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

Besides, PAPs will receive compensation for improvements made on their lands, for example, the irrigation facilities at current market rates¹⁷, as well as the compensation for labor cost, equipment, and materials.

In the event of partial acquisition of land plot belonging to PAP, resulting in the remaining land plot becoming unusable, the compensation shall be estimated at the cost of the whole land plot, i.e. for the part actually acquired plus the rest of the plot that became unsuitable for use and/or enabled PAP to sustain their livelihoods at the pre-project levels.

In case of temporary acquisition of land, where there may be crops, the compensation shall be provided at the full market value of mature crops, or based on the rates established by the Ministry of Agriculture, whichever is higher., in case the farmer is not the land owner, i.e. renter, the compensation shall be paid to a farmer, but not to the land owner. The compensation shall also be paid for the lost fruit crops and other economic assets.

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

Estimation of compensation for standing crops and fruit trees

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

¹⁷ So long as the market rates meet or exceed replacement cost

The harvest to be estimated shall be the one which is currently farmed, or the one raised during the recent season.

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

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

Besides, the PAPs may harvest the crops before land acquisition. In order to allow timely harvesting and generation of the relevant income based on the market prices, it is necessary to consult the population in advance so that they could plan the harvesting process accordingly.

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

Compensation for fruit trees shall be paid at the cost of seedling of fruit tree, taking into account the number of years required for newly planted tree to reach its full maturity, including the cost of harvesting the fruits of tree within the specified time.

Compensation for Structures

PAPs will be offered two options of mitigation measures for the structures affected. Each PAP, or affected household, shall be allowed to decide for themselves the preferred compensation option.

One option is the alternative facilities (warehouses, fences, etc.) of the equivalent or, if possible, better quality.

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

1. specifications of structures and identification of materials used;
2. prices for these products shall be set based on the local market prices;
3. transportation costs and delivery of materials to the purchased/provided land plot or to the construction site;
4. estimates for the construction of new buildings, including labor costs;
5. all applicable taxes and registration fees.

Compensation for Public Assets

The public assets identified in the course the socio- economic survey shall also be compensated. In all such cases, in-kind compensation shall be provided, new facilities shall be built; facilities partially affected by the Project shall be repaired.

Compensation for Loss of Business

The compensation shall be provided for the loss of sources of income during the construction period (the time interval between the loss of income and the recovery of business). The amount of compensation shall be determined based on PAP's daily or monthly wages.

VIII. INSTITUTIONAL ARRANGEMENTS

1. Roles and Responsibilities

Responsibility for the development of the Resettlement Action Plan lies with ARIS with the support of AA. If necessary, external consultants who can provide methodological, organizational and other assistance can be involved

in the development of the RAP. The Resettlement Action Plan includes preliminary review (screening), checklists (**in Appendix 1**), scale of key problems, selection of appropriate resettlement tools, and collection of data required for the development of the project RAP. These documents shall be developed with the involvement of social, technical and legal specialists, as well as representatives from local communities, PAPs and non-governmental organizations. The most important issue in preparing of RAP is the financing of the compensation and other costs associated with resettlement. The costs incurred for compensation due to land acquisition and/or impact on assets will be financed from the project budget. The developed RAPs shall be reviewed by the project management. Once the RAP is approved by the Project manager, it will be submitted to the World Bank for final review and approval. The Implementation of RAP shall be carried out by ARIS and local governments involved in the project.

ARIS is also responsible for monitoring the implementation of RAP and ensuring its compliance with RPF and safety measures of the WB. According to this RPF, the implementation of subprojects, which affects private lands and assets, can only start after PAPs or affected households receive all compensation for the impact caused by project activities. All necessary measures related to immovable property and compensations for the resettlement and relocation shall be implemented properly in accordance with the requirements of the RPF and the subsequent RAP prior to the commencement of the project activities. Measures to ensure the conformity with RPF should be included in every Resettlement Action Plan.

Monitoring of the RAP implementation is carried out by the WB, local self-government bodies, project beneficiaries, regional departments of Gosregistr and NGOs.

ARIS responsibilities include the following:

- Preparation of RAP in cooperation with local self-government bodies involving PAPs;
- Development of ToR for local consultants-estimators;
- Ensuring the reliability of census of PAPs and their assets;
- Obtaining all clearances from local authorities, ARIS, and World Bank;
- Informing the PAPs on the final RAP;
- submission of RAP approved by the WB to all stakeholders;
- Implementation of RAP jointly with local self-government bodies;
- Payments to PAPs and estimators

Responsibilities of local self-government bodies include the following:

- Assistance to ARIS in the preparation and implementation of RAP;
- Assistance to ARIS in the implementation of RAP.

2. RPF and RAP Implementation Arrangements

Overview

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

- a) Preparation, disclosure and timely implementation of the resettlement tools (RPF and RAPs);
- b) Overall management and coordination of the evaluation activities to determine the level of resettlement;
- c) Management of Safeguards Consultant, the activities of which include the valuation of assets and the provision of compensation in compliance with the requirements;
- d) Management of public consultations;
- e) Monitoring the implementation of measures to provide compensation payments to PAPs
- f) Monitoring the implementation of all resettlement activities, including grievance redress mechanism.

The local government with the assistance of ARIS shall be responsible for the implementation of resettlement and compensation activities, such as defining the boundaries and owners of land plots under the Project. A bilateral

Memorandum of Cooperation will be signed between local governments and ARIS on behalf of the Project Implementation Unit. The Safeguards Consultant, if necessary, will develop RAP and provide support in the implementation of resettlement activities. To assess the value of PAPs' assets, a local asset valuation consultant will be hired. The cost of hiring a consultant will be covered from the project budget.

The activities carried out by implementing agency to provide compensation, determine the boundaries and owners of land plots under the Project will be entrusted to local self-governments, which will make decisions on these issues with the support of an authorized state body in the field of real estate rights. Local self-government bodies, if necessary, will develop a RAP with the support of the project safeguards specialist. A local asset valuation consultant will be hired to assess the value of PAPs' assets. The cost of hiring a consultant will be covered by the project budget.

Assessment of the Project Scope

The first step in the process of preparing RAP shall be to determine if the policy is triggered using the checklist in **Appendix 1**. The assessment process identifies land plots and assets that may be affected by resettlement (see **Appendix 2**). This assessment shall be carried out by ARIS safeguards specialist jointly with local self-government bodies involving PAPs to identify the types and nature of potential impacts associated with the activities proposed for implementation under this project with a view to take appropriate mitigation of these impacts.

The assessment shall also outline that the prevention or minimization of the resettlement and possible impacts shall be the key criterion when preparing the RAP prior to commencement of the VIP-3 AF sub-projects.

The assessment shall be conducted based on the established criteria, and documented in the form of report on screening of the potential social impacts (see **Appendix # 1-3**) once the main technical decisions or detailed designs of subprojects are adopted. The social specialist shall be engaged in the assessment of technical designs in order to suggest the alternatives that may reduce the impacts.

The Voluntary Land Donation is accepted subject to free, timely and informed consultation process and also provided that this situation is properly documented by local authorities. Thus, PAPs and affected households have the right to contribute in the form of their own land or other assets without receiving or claiming for any form of compensation. These situations can be justified because the proposed sub-projects will directly benefit the PAP. The voluntary contributions of land shall not be allowed in case the impacts are greater than 10% of the total land area or productive assets. The land donations shall not cause any negative impact on a person or household donating the land and receiving the benefits from the project. The Voluntary Land Donation Report shall be prepared and reviewed by the World Bank. (see Appendix 5 for more detailed information).

3. RAP Implementation Schedule

The activities triggering the acquisition or loss of land, refusal or restriction of access to land, impact on assets, or loss of income, shall include the payment of compensations, and provision of other assistance for resettlement and preparation of the area where the PAPs will be relocated, establishing the area with appropriate conditions, if necessary. Acquisition of the land and respective assets shall be possible only after the full payment of compensation or the alternative lands are provided, and, if applicable, after the resettled persons are provided with land and assistance in resettlement. In cases of physical resettlement, which is not expected under the project, the construction/provision of new place of residence shall be carried out and completed before the PAP may experience any negative impacts from the project activities.

The measures to ensure the compliance with RPF, and the World Bank Involuntary Resettlement policy, shall be defined in RAPs (or abbreviated RAPs, where applicable) to be developed for the projects triggering the resettlement. The RAPs shall include the schedule for implementation of resettlement activities, including all steps: starting from the preparation to the completion of works, indicating specific deadlines for achieving the intended benefits both for PAPs and the local community, and termination of various forms of assistance. The final RAP identifies all agencies responsible for each step defined in the RAP including budgeting and payments. The parties of the project (local administrations, contractors and PAPs) shall also agree on how these activities are related to the implementation of the project in general. The final version of RAP shall be published on ARIS website, the World Bank website, and shared at the local level in places easily accessible to PAPs.

The planning of these measures will ensure that no land or assets of any person or family shall be acquired until the compensation is paid and, in case of physical displacement, the relocation area shall be ready and with appropriate conditions established for the resettlement of PAPs. The asset acquisition and compensation shall be paid to PAPs upon their written consent.

IX. GRIEVANCE REDRESS MECHANISM AND BENEFICIARY FEEDBACK MECHANISM

The Beneficiary Feedback Mechanism (BFM) is a process of obtaining prompt, objective information, evaluating and considering appeals (applications, proposals, complaints, inquiries, positive feedback) related to ARIS projects. ARIS is currently in the process of preparing a Beneficiary Feedback Mechanism (BFM) that will be used for all projects and include a GRM component. Once the preparation of the BFM is completed by ARIS and the approval of the World Bank is obtained, the BFM will be implemented in the VIP-3 AF project.

In accordance with the Law on the Procedure of Citizens' Appeals and ARIS internal regulations on dealing with appeals, citizens/beneficiaries may send any appeals on issues related to the implementation of ARIS projects including Resettlement Program issues (to identify resettlement needs) at all implementation stages. Procedures for involuntary resettlement will be carried out in accordance with the laws and regulations of the Kyrgyz Republic and WB OP policy 4.12 on Involuntary Resettlement.

Scope of the BFM/GRM

BFM/GRM will cover villages within the VIP-3 AF implementation area.

Principles. Project stakeholders are those who are likely to be directly or indirectly, positively or negatively affected by the project. Project stakeholders have, among others, the following rights:

- The right to information
- The right against inappropriate intervention by an outside party
- The right to a project free of fraud and corruption.

Any stakeholders (including villagers, contractors, project staff, authorities, or other involved parties) may file a grievance if they believe one or more of these rights have been infringed, or if any of the project's principles or procedures has been violated.

- Information about the BFM/GRM, including contact details, is distributed in all participating villages at public meetings through brochures/pamphlets in local languages to the extent possible, and posted on the AO information boards.
- The BFM/GRM offers a number of different channels for providing feedback. Villagers and stakeholders themselves decide on the best ways to file complaints.
- Grievances are disclosed publicly, but no one who files a grievance is identified unless they self-identify. The identity of all those who have filed grievances is treated with confidentiality.
- There is no charge for filing a grievance.
- The timeframe for responding to a grievance should not exceed 30 days from the time the grievance is originally received. Grievances should be resolved within 90 days of receipt.
- Grievances are resolved locally, at the lowest level, if possible. If not, they are "escalated" or sent up to a higher level within 30 days. Anyone may convey comments or suggestions about any aspect of the project through the BFM/GRM. Comments, suggestions, appreciation, or questions should be recorded and submitted to the BFM/GRM handling officer of the ARIS Central Office to provide an answer in coordination with relevant project staff, ensuring that responses are in line with the POM.

Channels for feedback. As part of ARIS VIP-3 AF, the following communication channels will be established through which beneficiaries and other stakeholders of the project can apply at various stages of project implementation:

- a) Hotline (calls are received 24 hours a day; conversations will be recorded);

- b) WhatsApp (instant text messaging system for mobile devices with voice and video connections);
- c) Social networks (Facebook, Instagram);
- d) ARIS website: www.aris.kg;
- e) Verbal or written appeal received during the on-site working meetings, via youth facilitators, community reporters, or CDSOs;
- f) Incoming correspondence via ARIS reception;
- g) Incoming correspondence via e-mail: bfm@aris.kg;
- h) Online information platform on the official ARIS website, which contains information about the BFM/GRM and where beneficiaries and other project stakeholders can file their appeals or grievances (link <https://kyrgyz-demo-republic-village-covid-19.yrpri.org/post/25458>).

The ARIS online information platform was created when COVID-19 infections started in the country to disseminate information during the pandemic in the Kyrgyz Republic. It plays a significant role in the receipt of feedback from beneficiaries and other project stakeholders. Users can obtain information or leave a comment on the BFM/GRM about project issues, such as problem with construction progress, environmental and social safeguards, results of research and surveys conducted by project, which contributes to project objectives and fulfilling beneficiary needs.

The BFM will ensure flexibility and the availability for citizens/beneficiaries to use any of the abovementioned channels for the beneficiaries and other stakeholders of the project wishing to submit an appeal. ARIS specialists responsible for the implementation of the BFM handle all appeals and complaints.

Steps for Processing and Responding to Feedback

Step 1. Logging of feedback. For the purpose of consolidating, analyzing, and providing unified data (reports to donors, the ARIS Executive Director, and project coordinators), all appeals are logged.

a. *Appeals received by written correspondence or verbal report* are included in the BFM/GRM log and are entered into the GRM configuration in the 1C system to analyze and monitor incoming correspondence with the following information (depending on what is provided):

- Name and surname
- Registration and residential address or telephone number
- Contents of the request
- Other background information

The appeals may be submitted anonymously. In cases where the appeals were received in the absence of any of the above data, it is recorded in the incoming correspondence log of the BFM, and the results of the appeal will be published in the media at the local level, on the ARIS website, or made public at the session of the Aiyl Kenesh.

b. *Appeals received electronically* (around the clock) through the BFM/GRM channels (email, hotline, social networks, etc.) are automatically registered in the BFM configuration in the 1C system. Confidentiality will be ensured in all cases, including when the identity of a person submitting the request is known, to avoid a conflict between the interested parties.

Step 2. BFM/GRM Category sorting/distribution by category. When appeals are received, the BFM specialist distributes them by category in the BFM configuration in the 1C system.

Category no.	Classification
1	General enquiries
2	Grievances regarding violations of policies, guidelines, and procedures
3	Grievances regarding contract violations/breach of contract
4	Grievances regarding the misuse of project funds
5	Grievances regarding abuse of power/intervention
6	Reports of force majeure

7	Suggestions
8	Appreciation

If an appeal involves safeguards measures, the BFM specialist distributes them by the following specific safeguards measures in the BFM configuration of the 1C System.

No.	Safeguards measures	Classification of measures (during construction and operation)
1.	Environmental (biological)	Flora Fauna
2.	Social	Health and safety Resettlement policy Access of communities to existing communications Aesthetics and landscape Preservation of cultural heritage
3.	Physical	Soil Water resources Air quality

Step 3. Action/Response. Once sorted, cases categorized as a grievance (Categories 2-6) are assigned to a responsible individual for investigation if needed. The staff handling the complaint gathers facts and clarifies information in order to generate a clear picture of the circumstances surrounding the grievance. Verification normally includes site visits, a review of documents, a meeting with the complainant (if known and willing to engage), and meetings with those who could resolve the issue (including formal and informal AA leaders). Grievances related to the misuse of funds may also require meetings with suppliers and contractors. The responsible individual will agree on an action plan with the BFM Specialist and set a deadline for resolving the issue.

- If the grievance relates to an AA, the BFM specialist forwards it to the respective Oblast Coordinator.
- If the grievance relates to an oblast issue, the BFM specialist forwards it to the Project Coordinator.
- If the grievance relates to an ARIS Central Office issue, the BFM specialist forwards it to the ARIS Executive Director.
- The responsible officer and the BFM specialist decide on a course of action within two weeks of receiving the information.

Step 4. Notification. If the person sending feedback is not anonymous, they will be sent a notification via telephone or other BFM/GRM channel that their grievance is being investigated. The notification will be registered in the log of outgoing correspondence. The BFM/GRM Specialist will provide the following information:

- Name and surname of the executor (project specialist) to which the appeal was forwarded.
- Deadline for execution (minimum 30 days, maximum 60 days since the day it was registered).
- Deadlines and actions are determined in accordance with the ARIS BFM instructions on handling grievances.

Step 5. Follow Up. Once the investigation is complete, the beneficiary will be notified of the decision made by ARIS regarding their case. The citizen/beneficiary has a right to appeal if they are not satisfied with the resolution of the case. Instructions on appeal will be provided with the response.

Step 6. Appeals. Appeals are considered by the ARIS Special Review Committee. The ARIS Executive Director will form the Special Review Committee from project managers and heads of departments that will conduct the appeal hearing. The Special Review Committee will consist of [X] people, including [X] people from BFM and [X] people independent from the PIU and the GoK. After review of the appeal, if the beneficiary or other project stakeholder is still not satisfied with the resolution received then they have the right to appeal the decision in court. The number of people depends on the issue or complaint under consideration.

Public awareness-building on the BFM/GRM. Information on the BFM will be disseminated to all beneficiaries, project-affected parties, and interested parties via regular information channels (for instance, TV and radio, print media, news agencies, social media), as well as meetings, roundtables, public hearings (including on resettlement or compensation), working meetings at all stages of the ARIS VIP-3 AF implementation; and through the ARIS BFM/GRM training module and other sources of information

Awareness-raising campaigns will be conducted annually. They will be designed by the ARIS VIP-3 AF communications team to encourage the use of the BFM/GRM and information will be published on complaints received and resolved. The campaigns will use local media (e.g. TV, newspaper, radio). When organizing and conducting these campaigns, special efforts will be made to reach vulnerable groups.

The campaigns should include information on the scope of the BFM/GRM, the eligibility criteria to make a complaint, the procedure to make a complaint (where, when, and how), the investigation process, the timeframe(s) for responding to the complainant, the principle of confidentiality, and the right to make anonymous complaints.

Publication of appeals. To encourage use of the BFM/GRM use, after an appeal (statements, suggestions, complaints, inquiries, positive feedback) the appeal will be published in the local media. The identity of the person making the appeal will be kept confidential upon request.

Reporting on BFM progress. Semi-annual and annual reports from ARIS on the VIP-3 AF will include a section on the BFM that provides updated information on the following:

- Status of the BFM/GRM formation (procedures, training, awareness-building campaigns, budgeting, etc.)
- Quantitative data on the number of appeals received (applications, suggestions, complaints, requests, positive feedback), of them, the number of appeals related to WB Policy OP 4.12 on Involuntary Resettlement, and the number of resolved appeals
- Qualitative data on the types of appeals and responses, and the issues that remain unresolved
- Level of satisfaction of the measures (responses) taken
- Any corrective measures taken

Monitoring BFM effectiveness. In addition, the following measures will be taken to monitor whether the BFM/GRM is functioning as intended:

- During the social audit open meetings, villagers will discuss the effectiveness of the grievance handling system and gather suggestions on how to improve it.
- In its regular supervision visits, the ARIS CO will assess the functioning of the grievance handling system.
- The ARIS VIP-3 AF team and the World Bank will jointly review the BFM/GRM monitoring data as part of regular implementation support missions.

XI. MECHANISMS FOR CONSULTATIONS WITH PAPs AND PAPs' PARTICIPATION IN PLANNING, IMPLEMENTATION AND MONITORING

1. Arrangements for consultations with PAPs

Since project activities will be implemented based on community decisions, community members will gather at local meetings to discuss project priorities. Local government and project representatives will present the project objectives to initiate community discussions on project options and assist communities in making decisions related to project implementation. The composition of the participants will be selected from representatives of ayil okmotus, councilors of local keneshes, representatives of architecture departments, environmental departments, representatives of raion sanitary and epidemiological services, etc., as well as non-governmental organizations and local residents.

During the implementation of the project, PAPs will be consulted at all stages:

- prior to the implementation of the VIP-3 AF, consultations on the discussion of the RPF with stakeholders will be held;

- once the construction sites are identified, the VIP-3 AF team will consult with PAPs in order to inform them about the project, its scale, impacts and receive their feedback. This may result in changes in the scope or design of the project to minimize the need for resettlement;
- preparation for the census of PAPs will begin after the completion of the inventory and valuation of assets, the VIP-3 AF safeguards specialist/safeguards consultant will discuss the details with PAPs and affected households to make sure that the inventory appraisal is acceptable to them;
- after the completion of the RAP and its approval by the Bank, PAPs will be provided with a copy of the RAP in a language and form accessible to them;
- before the implementation of the subproject, the proposed amount of compensation in cash or in kind will be discussed with each PAP/affected household for their consideration and approval before transferring the assets;

The PAPs have the right to the presence of a third party, in this case the councilors of the ayil kenesh, until the final transfer of assets. At any time, a PAP can file a complaint following the above procedures.

Relevant materials will be provided in a timely manner prior to the consultation, which in form and language will be clear and understandable for the residents being consulted. Before the implementation of resettlement measures, the people will be given sufficient time to review and discuss the information provided. Community feedback will be included in the development and implementation of the RAP, and, if necessary, in the implementation of the project on a wider scale.

Efforts will be made to ensure that vulnerable groups are active participants in the consultation. Small focus groups may be required to consult with selected vulnerable groups.

The consultations will be documented, specifying the details of the consultation process: participants, issues considered, type of information provided, questions raised and answers. The consultation report should also include demographic details of the participants (gender, age, interest groups, etc.).

2. Monitoring and Evaluation Arrangements

General Information

Monitoring mechanisms will be in line with the overall project monitoring plan to be implemented by ARIS. All RAPs will have key objectives that will evaluate their progress, including the following:

- (i) project affected individuals, households and communities will be able to maintain their pre-project standard of living, and even improve it;
- (ii) local communities will support the project;
- (iii) the number of complaints and appeals that were resolved.

In order to assess the implementation of the objectives, the RAP will indicate the parameters to be monitored, define the monitoring stages and provide the resources required for monitoring. All data collected will be disaggregated by gender and any vulnerable individuals and households identified. ARIS specialist will introduce an administrative reporting system that will:

- provide timely information on all resettlements resulting from project activities;
- identify unresolved complaints that require resolution;
- record the timely fulfillment of the project obligations on resettlement issues;
- assess whether all PAPs received compensation in accordance with the requirements of the RAP.

Indicators will be provided in the RAP. Information on these indicators will be collected by an ARIS specialist on a regular basis (for example, quarterly or every six months, depending on the circumstances), while the changes will be compared.

Monitoring the Implementation of the RAP

Safeguards consultant responsible for RAP development:

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

- a) the number of households and individuals displaced physically or economically as a result of each activity and the number of RAPs requiring development;
- b) baseline data on living standards, which may include indicators such as access to health care, education, water, electricity, income opportunities, quality of housing, food security;
- c) duration from finalizing the design to payment of compensation to PAPs;
- d) duration from the payment of compensation to the commencement of construction work;
- e) the amount of compensation paid to each family (in cash) or the type of the compensation (in kind);
- f) the number of people who filed a complaint about the project;
- g) number of resolved and unresolved complaints.

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

III. Will work with a complete database on the resettlement, which will be updated at least every six months and will become part of the official documents of the VIP-3 AF.

A final report will be prepared comparing the indicators of post-project living standards with pre-project indicators to ensure that PAPs were able to improve or at least maintain their living standards.

APPENDIX 1: FORM OF SCREENING REPORT OF THE EXPECTED SOCIAL IMPACTS

Subproject: _____

Subproject location: _____

(Please indicate the implementation site with a designation on the map-scheme with the inclusion of photos)

Activity: _____

(new construction, reconstruction, rehabilitation, current repair)

Cost estimate: _____

Planned start date: _____

Reviewed technical drawings/specifications: _____

Probable Social Impacts	Yes	No	Please, provide details/number, if possible
1. Will the intervention include new physical construction work?			
2. Does the intervention include upgrading or rehabilitation of existing physical facilities?			
3. Is the intervention likely to cause any permanent damage to or loss of housing, other assets, resource use?			
4. Is the site chosen for this work free from encumbrances and is in possession of the public/government/community land?			
5. Is this subproject intervention requiring private land acquisitions?			
6. If the site is privately owned, can this land be purchased through negotiated settlement? (Willing Buyer – Willing Seller)			
7. If the land parcel has to be acquired, is the actual plot size and ownership status known?			
8. Do the activities of the subproject result in restricting access to other residents/pedestrians/commerce and trade?			
9. Are there any non-titled people who are living/doing business on the proposed site/project locations that use for civil work?			
10. Is any temporary impact likely?			
11. Is there any possibility to move out, close of business/commercial/livelihood activities of persons during constructions?			
12. Is there any physical displacement of persons due to constructions?			
13. Does this project involve resettlement of any persons? If yes, give details.			
14. Are there any non-titled people who are living/doing business on the proposed site/project locations that use for civil work?			
15. Will there be loss of /damage to agricultural lands, standing crops, trees?			
16. Will there be loss of incomes and livelihoods?			
17. Will people permanently or temporarily lose access to facilities, services, or natural resources?			
18. Will project cause loss of employments/jobs?			
19. Will project generate excessive labor influx as a result of new constructions?			

20. Will construction activities require additional/skilled labor from outside the locality?			
21. Will subproject/construction activities cause destruction/disturbance to host community living?			
22. Will the construction of new buildings, drainage channel, power lines create any degradation to public buildings/resources/adjacent houses, wells, land, burial sites, children's parks, schools, etc.?			
23. Will the project activities lead to a decrease in the workforce (reduction of working staff) of any body?			
24. Will the project activities lead to unintended consequences such as accidents/destruction of adjacent buildings?			
25. Are there vulnerable groups that could be adversely affected (including indigenous groups) as a result of project activities?			
<p>Conclusions and recommendations</p> <p>Based on the answers to the checklist questions, it will be determined whether further actions are required or not to apply the OP 4.12 procedures on Involuntary Resettlement</p>			

Consultant's full name: _____

Signature: _____

Date: _____

APPENDIX 2: PAP CENSUS FORM AND INVENTORY OF THE LAND FUND

Household surveys

Full name	Gender		Age	Marital status and educational level	Breadwinner		Employed		Family income level	Rental or own housing/business	Does the family receive social assistance?	Indicate which of the assets is affected by the project (Business, access to land, access to municipal land, etc.)	Indicate the form of land ownership (state, municipal, private, etc.)
	m	f			Yes	No	Yes	No					
1.													
2.													
3.													

Consultant's full name: _____

Signature: _____

Date: _____

APPENDIX 3: INVENTORY OF THE LAND FUND OF PAPs

Place _____ Date: _____

Inter view #	Full name of the head of household	Number of household members	The total area of land owned by the family, including owned irrigated or rainfed	Land area to be withdrawn m2/ha	Total loss %	Loss of assets, (m ² , m, pcs., etc.) (the type and number of assets should be indicated: structures, fences, wells, etc.)		Housing stock loss area, (m ²)	Crop loss			Other losses (please indicate the type of loss: rented housing, building, business, etc.)
						Permanent	Temporary		Fruit trees, type and quantity, (pcs.)	Loss of crops	Other (please indicate)	
1.												
2.												

INTERVIEWER's FULL NAME _____

Signed _____/

Date _____/

APPENDIX 4: PAP RIGHTS FOR COMPENSATION

Interview #	Full name of the head of household	Compensation for land			Compensation for facility			Compensation for crops and trees			Compensation for other assets and losses (wells, business, etc.)		
		Number (m2 or ha)	Unit price per (m ² or ha)	Right	Number (m2 or ha)	Unit price per (m ² or ha)	Right	Number (m2 or ha)	Unit price per (m ² or ha)	Right	Number (m2 or ha)	Unit price per (m ² or ha)	Right

INTERVIEWER's FULL NAME _____

Signed _____/

Date _____/

APPENDIX 5: VOLUNTARY LAND DONATION (VLD)

PREPARATION OF THE REPORT ON VOLUNTARY LAND DONATION

The Project Implementation Unit will prepare a report on voluntary land donation for subprojects with voluntary land donation. This report should include:

- Voluntary Land Donation Report (VLDR);
- Map of topographic survey;
- Schedule of land acquisition, if applicable;
- List of land and other assets provided as a voluntary contribution;
- List of participants in topographic survey, taking into account gender equality; and
- Minutes of two meetings: 1) minutes of the meeting to inform about the rights of land users, and 2) minutes of the meeting to discuss and agree on relevant issues.

VOLUNTARY LAND DONATION (VLD) FRAMEWORK

Based on the generally accepted local practice, communities can voluntarily contribute in the form of land or assets without claiming compensation. This can often be justified by the fact that a subproject can bring direct benefits to PAPs.

1. *The scope of voluntary land donation.* VLD is applied to beneficiary communities without involuntary land acquisition and based on the community-driven demand. VLD shall be accepted in cases where small parcel of private land and small assets are involved and where affected users agree to provide these lands and other assets as a voluntary contribution to the subproject. No person or family should lose more than 10% of their land. Besides, the land to be voluntarily donated shall be free of any houses, structures or other fixed assets. A report on VLD must be prepared specifying that land users have been fully informed about the subproject and their right to refuse to donate land and other assets without seeking for compensation. This report must be titled the '*Voluntary Land Donation Report*'.

2. *A voluntary contribution is an act of informed consent.* The Project Implementation Unit will need to ensure that voluntary donations are made with prior knowledge of other available options, including compensation based on the replacement costs, and accepted without coercion or pressure. PAPs shall have the right to refuse to donate their land or assets and shall also be granted with the right for compensation for the lost land and assets. PAPs shall be fully informed about their rights and about access to the grievance redress mechanisms described in this RPF.

3. *Due diligence.* The voluntary land donation due diligence shall be documented in report on feasibility study of the subproject investment and incorporate at minimum the following:

- a) Verification and documentation of the fact that the land required for the project is provided voluntarily, and that there are no current disputes over ownership rights or any other encumbrances;
- b) Verification that no individual household will be impoverished by donating the land (i.e., no more than 10% of the total land fund shall be donated). This will require the community development groups to negotiate the measures of reestablishment of livelihoods such as the reduction of operation and maintenance fees or sharing the cultivable land;
- c) Verification that the land donation does not displace the tenants or suspend their labor activities, if any;
- d) Informed consultations were carried out in good faith with all potential land donors. Documented verification of the fact that the land donors have nothing against the subproject and its benefits. In order to ensure the effective engagement, the separate discussions shall be held with women and community groups;

4. *Documenting.* The sub-project staff will document the voluntary land donation reports in each beneficiary-community where the donation of private land is required. They will ensure the filling of written consent for voluntary land donation by land donors. The donation shall be verified by two witnesses among the community leaders but not among direct beneficiaries of the investment intervention in order to ensure that the land was

voluntarily donated without any duress or pressure. The information on voluntary land donation shall be verified during the development of the sub-project detailed design and shall be updated as necessary.

5. *Monitoring of voluntary land donation.* The voluntary land donation issues shall be monitored by sub-project staff. The World Bank will review the forms of land donation agreements on a periodic basis and randomly interview the donators. During the review missions, WB will verify if the eligibility of land donation has been ensured in accordance with the procedures described above.

6. *Grievance Redress Mechanism.* The expected grievances may relate to coercion to donation the land or donate more than 10% of private land fund, which may lead to impoverishment. Any complaint shall be review by means of the grievance redress mechanism established for the subprojects

APPENDIX 6: INDICATIVE CONTENT OF THE RESETTLEMENT ACTION PLAN

1 GENERAL PROJECT OVERVIEW

1.1 DEFINING SUBPROJECTS BOUNDARIES

2 EXPECTED IMPACTS

3 RATIONALE FOR RESETTLEMENT POLICY, OBJECTIVES AND PRINCIPLES

4 LEGAL FRAMEWORK

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

6 CENSUS OF PROJECT AFFECTED PERSONS (PAPs)

6.1 ASSESSMENT OF COMPENSATION MEASURES

6.2 IDENTIFICATION OF VULNERABLE PEOPLE AMONG PAPs

7 CONSULTATIONS AND INFORMATION OF PAPs

8 INSTITUTIONAL RESPONSIBILITY

8.1 GRIEVANCE REDRESS MECHANISM

8.1.1 GRIEVANCE REDRESS MECHANISM

8.1.2 HANDLING LOGGED COMPLAINTS

9 RAP BUDGET AND IMPLEMENTATION ARRANGEMENTS

9.1 BUDGET OF THE RAP

9.2 RAP DISCLOSURE AND APPROVAL

9.3 RAP IMPLEMENTATION MONITORING

APPENDIX 1: SCREENING REPORT FORM

APPENDIX 2: DIAGRAM OF THE MAP WITH THE MARKING OF THE PAP FACILITY

APPENDIX 3: INTERVIEW WITH HOUSEHOLD, ASSET INVENTORY, PAP RIGHT TO COMPENSATION

APPENDIX 4: DECREE OF THE MAYOR OF THE CITY No. ____ ON THE ALLOTMENT OF A LAND PLOT FOR CONSTRUCTION OF RESERVOIRS.

APPENDIX 5: DECISION of AO No. ____ DATED ____ ON ALLOTMENT OF A LAND PLOT IN THE AREA OF ____ FOR THE CONSTRUCTION

APPENDIX 6: MINUTES OF CONSULTATIONS WITH PAPs

APPENDIX 7: REPORT OF THE COMMISSION ON SOCIAL IMPACT SURVEY/ASSESSMENT

APPENDIX 8: MAYOR'S DECREE №__ OF ____ ON REFUNDING PAPs CASH COMPENSATION

APPENDIX 9: LETTER OF THE PAP ON THE AGREEMENT OF THE AMOUNT OF THE COMPENSATION

APPENDIX 10: COMPLAINT APPLICATION FORM

APPENDIX 11: PHOTO 1. PAP FACILITY, PHOTO 2-3. ADVERTISEMENTS OF CUT-OFF DATE, PHOTOS 4-7 CONSULTATIONS