



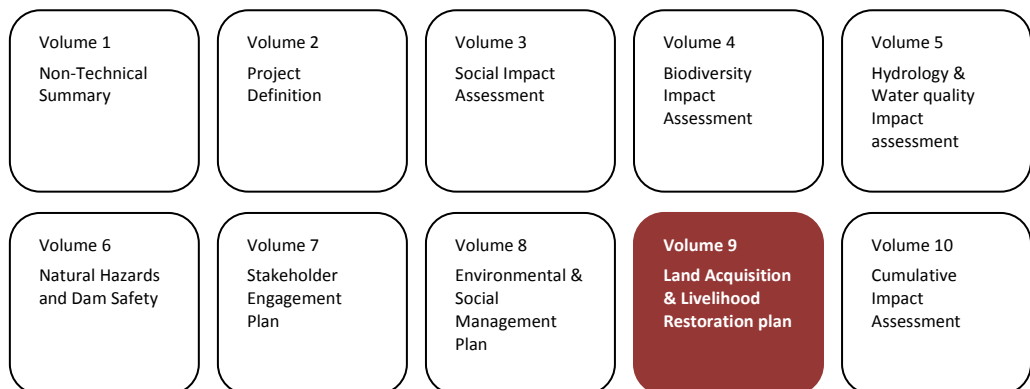
Nenskra Hydropower Project

Supplementary Environmental & Social Studies

Volume 9

Land Acquisition & Livelihood Restoration Plan

Supplementary E&S
Studies for the
Nenskra HPP:



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Acronyms

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AH	Affected Household
AP	Affected Person
CLO	Community Liaisons Officer
COO	Chief Operating Officer
E&S	Environmental & Social
EBRD	European Bank for Reconstruction and Development
EIB	European Investment Bank
EPC	Engineering-Procurement-Construction
ESIA	Environmental & Social Impact Assessment
ESMS	Environmental & Social Management System
GEL	Georgian Lari
GLAC	Guide to Land Acquisition and Compensation (summary of LALRP for community members)
GoG	Government of Georgia
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GSE	Georgian State Electrosystem
ha	Hectare
HH	Household
HPP	Hydropower Project
IDP	Internally Displaced People
IFC	International Finance Cooperation
IFI	International Financial Institution
IP	Indigenous Peoples
KDB	Korean Development Bank
km	Kilometre
K-SURE	Korea Trade Insurance Corporation
kV	Kilovolt
LALRP	Land Acquisition and Livelihood Restoration Plan
MOF	Ministry of Finance
MW	Megawatt
NAPR	National Agency of Public Registry
NGO	Non-Governmental Organization
NTS	Non-Technical Summary
PAH	Project Affected Household
PAP	Project-Affected Person
PF	Partnership Fund
PR	EBRD Performance Requirements
PRRC	Property Rights Recognition Commission
PS	IFC Performance Standards
RU	Resettlement Unit
SEP	Stakeholder Engagement Plan
SPS	Safeguard Policy Statement
SR	Safeguard Requirement
TBC	To Be Confirmed

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Glossary

Compensation	Payment in cash or in kind of the replacement cost of the acquired assets.
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to Affected people, depending on the nature of their losses, to restore their economic and social base.
Economic displacement	Economic displacement means loss of land, assets, access to assets, income sources, or means of livelihoods as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Improvements	Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.
Land Acquisition	“Land acquisition” refers to all methods of obtaining land for project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilized land whether or not the landholder relies upon such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts that result in land being submerged or otherwise rendered unusable or inaccessible. “Land” includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements.
Project-Affected People (PAP)	Project Affected Person (PAP) Means, in the context of involuntary resettlement, any person/people, households, firms, or private institutions who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Project-Affected Household (PAH)	All members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project. It may consist of a single nuclear family or an extended family group.
Rehabilitation	Allowances paid and Compensatory measures provided under the Policy Framework on involuntary resettlement other than payment of the replacement cost of acquired assets.
Relocation / Physical displacement	The physical relocation of a PAP/PAH from her/his pre-project place of residence.
Replacement Cost	Full replacement cost is defined as the market value of the assets plus the transaction costs related to restoring such assets. Depreciation of structures and assets is not taken into account. For land, full replacement cost is based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any.
Resettlement	All measures taken to mitigate any and all adverse impacts of the Project on PAP’s property and/or livelihood, including compensation, relocation (where relevant), and rehabilitation of the damaged/removed infrastructure and installations.
Sakrebulo	This is the representative body of local self-government. The middle level of local government consists of 67 <i>Rayons</i> (districts) and six cities in Georgia: Tbilisi, Kutaisi, Rustavi, Poti, Batumi and Sukhumi. The representative branch of rayon level is the rayon level Local Councils (Rayon Sakrebulo) and the executive branch is represented by Rayon Gamgeoba (Gamgebeli). The self-government level consists of settlements (self-governed cities) or groups of settlements (municipalities). Settlements could be villages, small towns (minimum 3,000 inhabitants) and cities (minimum 5,000 inhabitants). The representative and executive branches of self-government are represented accordingly by Local Council (Sakrebulo) and the Gamgebeli of municipal level. The exclusive responsibilities of self-government include land-use and territorial planning, zoning, construction permits and supervision, housing, and communal infrastructure development.

Lenders	A group of International Financial Institutions financing the project. The Lender's involvement has implications in terms of environmental and social performance to be complied with by the Project activities. The Project has not only to comply with the Georgian regulations but also with the Social and Environmental Policies of the Lenders.
Vulnerable households	<p>Vulnerable means any household who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement i.e.; (i) female-headed households with dependents; (ii) disabled household heads without labour or means of support; (iii) poor households as defined by the official poverty line; (iv) elderly households with no labour or means of support; (v) cultural or ethnic minorities.</p> <p>Some people in the Nenskra and Nakra valleys are receiving an allowance for Internally Displaced People (IDP). These people moved to the Nenskra and Nakra valleys during the Abkhazian conflict in the early 1990s. They are Svan and have settled in the local communities, with whom they had kinship ties. Those who are affected will benefit from livelihood restoration packages as any other affected vulnerable people. The project will not contribute to any existing or potential vulnerabilities.</p>

Preamble

In August 2015, the Nenskra Hydropower Project submitted the final Environmental & Social Impact Assessment Report (ESIA) to the Government of Georgia (GoG) as part of the national environmental permitting process. The ESIA report had been prepared by Gamma Consulting Limited, a Georgian environmental consulting company. The performance of the ESIA had included field investigations undertaken in 2011 and 2014 and public consultations meetings held in May 2015. The Environmental Permit was awarded by the Environmental Authorities in October 2015. In the present document, the ESIA submitted in 2015 is referred as the 2015 ESIA.

Since then, several International Financial Institutions¹ (the Lenders) have been approached to invest into the Project. In compliance with their environmental and social policies, the Lenders have recommended that a number of Supplementary Environmental and Social (E&S) studies be undertaken to complement the 2015 ESIA report. A first version of the Supplementary Environmental and Social Studies was publicly disclosed in February 2017.

This report is the final Volume 9 of the Supplementary E&S Studies – Land Acquisition and Livelihood Restoration Plan (LALRP) prepared by SLR Consulting and issued in 2017 following the public disclosure period held from March 2017 to September 2017. It takes into account the comments received between March 2017 to September 2017 from the various stakeholders engaged by the Project.

This document should be read in conjunction with the other Supplementary E&S Studies which comprise the following:

- Volume 1: Non-Technical Summary
- Volume 2: Project Definition
- Volume 3: Social Impact Assessment
- Volume 4: Biodiversity Impact Assessment
- Volume 5: Hydrology and Water Quality Impact Assessment
- Volume 6: Natural Hazards and Dam Safety
- Volume 7: Stakeholder Engagement Plan
- Volume 8: Environmental & Social Management Plan
- **Volume 9: Land Acquisition & Livelihood Restoration Plan (this volume)**
- Volume 10: Cumulative Impact Assessment

Note to reader: This document is a revised version of the LALRP that was publicly disclosed in February 2017. The changes made in this document can be summarised as follows: Number of affected households and people at the powerhouse, the Nenskra dam site and the Nenskra road widening have been revised to reflect the land acquisition process, which is well advanced. The number of affected households and people have not been revised for the other project components as the land acquisition process for these components has either not started or is not sufficiently advanced to merit changing numbers of affected people. The schedule for implementation has been revised to reflect changes in project planning. Suggestions made by the Lenders have been integrated.

¹ At the time of writing, the Lenders considering financing the project include the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), Korea Trade Insurance Corporation (K-SURE) and the Korean Development Bank (KDB).

Summary

This report is the Land Acquisition and Livelihood Restoration Plan (LALRP) prepared as part of the Supplementary Environmental and Social (E&S) studies for the Nenskra Hydropower Project (HPP).

The Project is developed by JSC Nenskra Hydro (JSCNH or the Project Company), whose main shareholders are K-water, a Korean government agency, and Partnership Fund, an investment fund owned by the Government of Georgia.

The European Bank for Reconstruction and Development (EBRD), the Asian Development Bank (ADB), the European Investment Bank (EIB), the Korean Development Bank (KDB), Korea Trade Insurance Corporation (K-SURE) and the Asian Infrastructure Investment Bank (AIIB)—collectively referred to as the “*Lenders*” in this report—are considering providing financial assistance to the Project.

A. Introduction

A.1 *Project overview*

The proposed Project is a 280 Megawatt (MW) HPP on the Nenskra River, located in the Svaneti District of Georgia. The main project components comprise a 125-metre² high rockfill dam creating a reservoir with a volume of 176 million cubic metres and occupying an area of 267 hectares. The Nakra River will be diverted to the main scheme through a 12.2-kilometre transfer tunnel, which requires the construction of a diversion weir, transfer tunnel portal and inlet channel in the Nakra valley. The powerhouse is situated 15 kilometres downstream from the Nenskra dam and reservoir water is conveyed to the powerhouse via a 15.1-kilometre headrace tunnel.

Upgrading of the existing road along the Nenskra valley to the dam site is necessary to allow construction traffic to access the dam construction site, and this includes some road widening. Similar road upgrading is required in the Nakra valley.

A.2 *Project status and schedule for next steps*

The main construction period is currently planned to start in Q1 or Q2 2018. Some early works – including the road upgrading – were executed during the period from September 2015 to December 2017. Power generation is planned to start in end of 2021 if the conditions are favourable.

Installation of the temporary construction camps, one at the dam site and one at the powerhouse site, are currently planned to start in the Q4 2017. Work on the Nakra road upgrading is planned to start Q4 2017 or Q1 2018 and installation of the temporary construction camp at the Nakra diversion inlet site is planned to start Q3 2018.

A.3 *Purpose, principles and objectives of the LALRP*

The purpose of the LALRP is to document how Land Acquisition and Livelihood Restoration have been planned and how they will be implemented. It should be noted that for those project components for which the design has been completed, there will be no physical resettlement. The Project will endeavour to ensure that no physical resettlement is incurred

² Dam height was previously disclosed as 130 m. Dam height is now referred to as 125 m as this relates to the height from the deepest point on the upstream face of the dam, whereas the 130 m previously quoted relates to the height from the deepest point on the downstream face of the dam. The reservoir full supply level and the design of the dam have not changed. This has been amended to provide consistency with other Project documents.

for the project components for which the design is currently ongoing. The LALRP has been prepared and will be implemented in alignment with the principles and objectives of the Lenders' policies and procedures dealing with involuntary resettlement, which are IFC PS5, EBRD's PR5, EIB Environmental and Social Standard 6 and the ADB's SPS 2.

The main principles of these policies are presented below:

- Avoid, or when unavoidable, minimize and mitigate impacts of involuntary resettlement on affected persons resulting from the implementation of the Project;
- Provide full and accurate information about the project, and afford Project Affected People (PAP) meaningful opportunities for participation in design, implementation and monitoring, with particular attention paid to the requirements of vulnerable people;
- Ensure that people who are adversely affected are fully compensated and successfully resettled; the livelihoods of people affected by economic displacement are re-established, and that their standard of living is wherever possible improved, and that the livelihoods of poor and vulnerable households are improved to standards above the national poverty line;
- Prevent the impoverishment of affected persons as a consequence of compulsory land acquisition or loss of livelihood due to project activities;
- Make certain that all affected persons are informed of the resettlement process and are aware of the grievance resolution system available through the project, and
- Provide, when needed, additional assistance for vulnerable groups.

A.4 *Project components covered by the LALRP*

This LALRP is based on the definition of the Nenskra HPP components and implementation schedule as known at the time of writing. This definition comprises the design provided by the EPC Contractor. This LALRP covers Project components for which the design is sufficiently advanced for land acquisition requirements to have been defined. This encompasses (i) the site of the dam and reservoir area, (ii) the powerhouse area, (iii) the Nakra diversion weir area; (iv) the operator's village, and (v) the Nenskra access road upgrading works.

The principles and procedures adopted by the LALRP will also be applied to the land acquisition required for components which are not defined at this time, namely (i) the upgrading of the Nakra road, (ii) the spoil disposal areas at the powerhouse, (iii) the construction of the 35 kV electric service line between the powerhouse and the dam site and (iv) the 110 kV power supply line from the future new substation to the Powerhouse which is needed during construction. In order to minimize impacts and disturbances during construction, alternatives for the Nenskra road upgrading were considered in October 2017, when writing this LALRP. These options may include one or two bypass sections on the existing road. If one of these options is chosen instead of the alignment covered by the present LALRP, an addendum to the LALRP will be prepared.

The LALRP will be updated to include these components when the land acquisition requirements for these components have been defined.

The LALRP for the 220 kV transmission line linking the powerhouse switchyard to the future new substation located in the Nenskra valley will be prepared and implemented by Georgian State Electrosystem (GSE).

B. **Legal framework**

The Project will endeavour to avoid the need for involuntary expropriation by establishing amicable (willing buyer-willing seller) agreements with affected households. However, if such arrangements cannot be established, then an expropriation process may be undertaken in

alignment with the laws of Georgia. Land expropriation in Georgia focuses on the formal, legal procedures for expropriation. The Lenders' Safeguards recognize both that imperative and the need for a local license to operate, which implies close consultation with affected populations, fair and equitable reimbursement for lost assets at full replacement costs, livelihood restoration to the extent those are affected, a grievance resolution system, and a monitoring program. JSCNH will apply the Lenders' Safeguards, including compensation for (i) non-registered land users, defined as persons who have no formal legal rights on the land they occupy, but who have claims to such lands that are recognized or recognizable under the Georgian laws, and (ii) informal users, who have no recognisable claims. Land take will only be made after provision of compensation at full replacement cost to affected people and obtaining the legal right to access and use the land.

C. Affected households and overview of the socioeconomic profile

All the settlements and people potentially affected directly by the Project are located in the Nenskra and Nakra River valleys. At the time of writing, no physical resettlement is anticipated. People affected by land take will only be affected by economic resettlement, i.e. loss of land, crops, trees, or structures.

For those Project components currently included in the LALRP, a total of 89 households are affected. These 89 households represent 392 individuals. The distribution of these households by Project components is presented in Table 1 overleaf.

The number of households significantly impacted, i.e. those that will lose more than 10% of income producing assets, is twenty-nine (29), representing 147 people. This is the number for land acquisition included in the LALRP. It is not expected that the number of significantly impacted people will change drastically when the LALRP is updated to include currently unappraised areas. This is because the unappraised components are linear infrastructure and like the Nenskra road will not cause significant impact on individual households. These unappraised components will be defined in close consultation with the communities and with a clear objective to avoid physical displacement and to minimize any adverse effects on livelihoods.

The salient points with regard to the socioeconomic profile of the affected households are as follows:

- Thirty-six percent (36%) of households have at least one member working as a civil servant and receiving a regular salary;
- Ten percent (10%) of households have at least one member receiving a salary from a private company;
- Two thirds of the households receive a pension or a social allowance;
- Crop and livestock farming is a source of income for half of the households;
- The proportion of income from private companies and pension or allowances is higher for female headed households and the proportion of income from agriculture is higher for male headed households;
- The average annual household income is 10,000 GEL. However, only thirty of the affected households (35%) responded to the income questionnaire. Some important income sources, such as logging, may have been underreported or not declared at all;
- Thirty-two percent (32) of affected households are considered as vulnerable,
- Eleven percent (11%) of households are headed by women, and
- Five of the affected households are Internally Displaced People (IDP). There are also five households that include at least one IDP through marriage. Therefore in total there are 10 households (12%) that include at least one IDP. . The IDPs moved from the neighbouring

valley during the Abkhazia conflict in the 1990s. The affected IDP will benefit from livelihood restoration packages as is the case with any other affected vulnerable people. The project will not exacerbate any existing or potential vulnerabilities.

Table 1 – Number of affected households and people

(at Nenskra weir and water intake site, some households are affected by permanent as well as temporary facilities)

Area / facility ^a	N° of affected households	N° of affected people	N° affected households by type of impact ^b				
			P	A	R	F	S
Temporary facilities							
Nenskra dam construction camp	16	71	16	---	---	---	16 ^d
Powerhouse construction camp	1	6	---	1	---	---	---
Nakra weir construction site	27	111	27	---	---	---	---
Sub total	44	188	43	1	---	---	16
Permanent facilities							
Dam and reservoir area	9	51	9	2	---	---	9 ^d
Nenskra road	35 ^c	160	---	35	---	---	26
Powerhouse	4	21		4	1	3	
Operators' village	1	4	---	---	---	1	---
Nakra weir and transfer tunnel intake channel	4 ^g	17 ^g	---	---	---	---	---
Subtotal	53	253	9	41	1	4	35
Grand total	89 ^c	392	47	42	1	8	51
^a Electric and power service lines (35 and 110 kV), Nakra access road, powerhouse spoil disposal areas not included as land acquisition to be defined later (see section 4.3.2)							
^b P= Loss of pasture, A= Loss of arable land, R: Loss of residential land, F = Loss of forest land, S = loss of structures (not homes)							
^c Includes 4 households affected by 2 project components							
^d Summer cabins used in common by several households							
^e Structures include fences, cowsheds, chicken coops							
^g also affected by temporary facilities							

D. Impacts of land acquisition

D.1 Summary of land requirements

The Project land requirements are presented in Table 5 hereafter.

Table 2 – Project land requirements

Components / sites	total land take area (ha)	Permanent works area (ha)	Temporary facilities area (ha) ^g
Dam site	560.0	355.1 (dam = 83 ha; reservoir = 270 ha; cattle by-pass track ^a = 2.1 ha)	204.9 (construction camp, ancillary structures & disposal areas ^c)
Operators' village	2.5	2.5 ^b	---
Powerhouse site	188.8	29.1 (Powerhouse, GIS, structures, service road, valve chamber, penstock and surge shaft, 11 kV power supply service line between the powerhouse and the surge shaft)	159.7 (construction camp & disposal areas ^c)
Nakra water intake	36.7	0.9 (Weir and transfer tunnel intake channel)	35.8 (construction camp & disposal areas)
Nenskra road upgrading ^d	4.5	4.2 (Road widening)	0.3 (temporary ancillary construction facilities)
Nakra road upgrading	TBD ^e	TBD ^e	---
35 kV power supply service line ^f	36.0	36.0	---
110 kV power supply service line ^g	54.0	---	54.0
Total	882.5	427.8	454.7

^a The cattle by-pass track is not defined yet, the figure provided is an estimate, based on assuming that it would be 3 m wide and 7 km long.

^b Includes, houses, recreational areas, workshops

^c Estimate. The area needed for the spoils disposal area at the Powerhouse is estimated to be about 16 ha, based on the quantity of spoils that will be produced (570,000 m³), and the assumption that they will be disposed of on storage mounds up to 3.5 m high

^d Road widening inside residential areas of Chuberi village

^e To be determined

^f Estimate. Servitude between Nenskra powerhouse and dam, 18 km long, 20 m wide, includes 0.5 ha for pylons Estimate based on assuming that there is a pylon with a footprint of 25 m² every 100 m along the line.

^g Estimate. Servitude between the proposed new substation located in the Nenskra valley and Nenskra powerhouse, 12 to 18 km long. A conservative approach has been adopted to estimate the land requirement, and the length of 18 km is used for the estimate. Other assumptions are that the line is 30 m wide, includes 0.5 ha for pylons. Estimate based on assuming that there is a pylon with a footprint of 25 m² every 100 m along the line.

^h Includes quarry areas, borrow areas, disposal areas and access roads required during construction

D.2 Avoidance and minimization of impacts

In order to avoid and minimize the impacts of the land requirements and the number of people affected, the following mitigation measures were adopted by JSCNH.

- Powerhouse site: Several options were studied for the location of the Powerhouse. The option with the less social impacts has been chosen (see Vol. 2 – Project definition for a detailed description of the alternatives studied);

- Access to pasture areas: JSC Nenskra will avoid any potential impacts caused by impaired access to pasture areas during the construction period. The EPC Contractor will maintain access to pastures which are away from the worksites and which could be blocked by temporary facilities such as camp or site installations. At the end of the construction period, any obstacle to the pasture areas uphill will be removed or replaced;
- Upgrading of the Nenskra Road: the alignment has been selected to use as much as possible the existing road platform and where the road crosses settlements impacts are to be minimised, and additional alternatives were considered in September 2017 to minimize the impacts,
- Definition and detailed design of infrastructures not known yet (Nakra road widening, 110 kV power supply line and service line, Powerhouse disposal areas) will be undertaken in close consultation with the communities and with a clear objective to minimize any adverse effects on livelihoods.

D.3 Impacts

The synthesis of the land acquisition impacts are presented in Table 4 next page.

The proportions of lands used by local population affected by the land acquisition are indicated in Table 3 below.

Table 3 – Proportion of land use affected by land take

Village (valley)	Type of land use	Total area (ha) ^a	Proportion of the type of land included in the land take area (permanent and temporary)	Proportion of the type of land included in the permanent land take area
Chuberi (Nenskra valley)	Residential and built-up areas	420	---	---
	Arable land (cultivated or not)	490	5.2%	0.75%
	Pasture area	695	2%	0.8%
Naki (Nakra valley)	Residential and built-up areas	104	---	---
	Arable land (cultivated or not)	120	---	---
	Pasture area	549	1.1%	0.16%

^a Estimates based on interpretation of aerial photographs (dated 2010).

There will be 3 pasture areas affected; namely *Machlitchala* in the Nenskra reservoir, *Kvemo Memuli* at the Nenskra dam construction camp, and *Lagiri* at the Nakra water intake site. Use of these pasture areas to farmers is granted through a collective customary right-of use. Three different groups of households are affected by the loss of these pastures.

In September 2017, when writing this LALRP, the number of households to be considered as traditional users of the *Machlitchala* and *Kvemo Memuli* pastures was being discussed with the affected people. If the figures provided hereafter evolve as a result of the on-going discussions, this will be reflected in the monitoring reports.

Table 4 – Synthesis of the land acquisition impacts

Area/facility ^c	Number of households affected	Number of vulnerable households	Number of woman headed HH	Type of land use ^b	Affected public infrastructure	Land lost by the affected HH	Structures lost	Trees lost	Annual crops lost	N° households affected by loss of pasture land
Nenskra dam and reservoir	25	5	2	F / P	---	131 (pasture + forest)	13 wooden cabins, fence	--	0.1 ha potato field	25
Powerhouse site	5	---	---	A / F	---	33.4	fences, 1 cattle shed, 1 unoccupied house	1,118	0.01 ha maize	---
Operators village	1	---	---	F	---	2.5	--	--	--	---
Nenskra road	35 ^a	14	6	A	---	4.5	37 sections of fences, 2 wooden sheds	170	--	---
Nakra weir & transfer tunnel intake	27	11	2	F / P	1 bridge	32.6 (pasture + forest)	1 wooden fence, 1 stone wall, 1 wooden cabin	--	--	27
Total	89	29	10	A / F / P / R	1 bridge			1,288	0.1 ha Potato 0.01 ha maize	47

^a Includes 4 households also affected by other project components.

^b A: Arable F: Forest P: Pasture R: Residential

^c Does not include electric and power service lines (35 kV and 110 kV), Nakra access road, spoil disposal areas at the powerhouse as land requirements are still to be defined (see §4.3.2).

The significance of the impact on the affected households has been assessed in regards to the share of losses of productive assets, and the consequences on the households' income. Households significantly affected are those who will lose 10% or more of their productive assets³. Those severely affected will lose more than 20% for their productive assets. The significance of the impact caused by the Project Land take are summarized in Table 5 below.

Table 5 – Distribution of impact by significance and Project component

Area/ facility	Number of households affected	Low impact / not significant	Medium / significant	High / Severe
Nenskra dam and reservoir	25	---	16 ^c	9 ^d
Powerhouse site	5	1	---	4
Operators village	1	1	---	---
Nenskra road	35 ^a	32 ^b	---	---
Nakra weir and transfer tunnel intake channel	27	27	---	---
Total	89	60	16	13
^a Includes 4 households also affected by other project components. ^b Includes one household also affected by Nakra weir. ^c Includes 1 householdsalso affected (not significantly) by the Nenskra road. ^d Includes 2 households also affected (not significantly) by the Nenskra road.				

E. Eligibility and entitlements

The cut-off date for eligibility to the LALRP measures is defined as the start of the census and asset inventory. For the Project components covered by this LALRP, the cut-off date was 26 October 2015.

For the project's component not defined at the time of writing (October 2017), the cut-off date will be publicly announced in the local communities when these components have been defined.

The entitlement matrix for the affected people is presented in Table 6 next page.

³ As per ADB's Safeguard Requirement 2 on Involuntary Resettlement, which defines the threshold for being significantly affected as the loss of 10% or more of productive (income generating) assets.

Table 6 - Entitlement matrix

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (wooden cabins, fences)	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Owner of registered Land (legalizable land)	<i>(no case identified to-date)</i> Rehousing programme (identification and provision of relocation site and if necessary provision of temporary housing + Relocation assistance and allowance + transport + 3 months minimum allowance + Specific livelihood restoration activities if needed	Permanent loss : Compensation at full replacement cost Temporary loss: the land will be rented If a residual plot becomes unusable the project will acquire it in full if the PAP so desires	Permanent loss : Compensation at full replacement cost Temporary loss: the land will be rented If residual plots becomes unusable the project will acquire it in full if the PAP so desires Loss of hay will be compensated in kind or in cash (preference is in - kind)	Compensation at full replacement cost + right to salvage material (without effect on compensation package)	Compensation at full replacement cost	Transitional supply of fodder (in cash or in kind, see section 7.2) Rehabilitation of temporarily affected pastures Support for access to unaffected pastures	Payment of displacement of the graves, and any cost associated with ceremonies OR Cash compensation to be agreed with the PAP ⁴ .	N/A
Owner of Land yet to be registered (legalizable land)	As above.	As above. + assistance with registration (logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss)	As above. + assistance with registration (logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss) Loss of hay will be compensated in kind or in cash (preference is in - kind)	As above.	As above.	As above + assistance to registration (Logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss)	As above.	N/A

⁴ The displacement of the graves will be made in compliance with the Georgian sanitary code. The religious authorities will be informed and consulted on the approach to be followed for the displacement of the graves.

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (wooden cabins, fences)	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Non-legalizable land users	As above.	Compensation at full replacement cost If a residual plot becomes unusable the project will acquire it in full if the PAP so desires	Compensation at full replacement cost If residual plots becomes unusable the project will acquire it in full if the PAP so desires Loss of hay will be compensated in kind or in cash (preference is in - kind)	As above.	As above.	Transitional supply of fodder (in cash or in kind, see section 7.2) Rehabilitation of temporarily affected pastures Support with access to unaffected pastures	As above.	N/A
Renter/Leaseholder (no case identified so far)	If impact is temporary only, rental allowances in cash for the duration of the impact. If impact is permanent, rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	N/A	N/A	N/A
Agricultural tenants and sharecroppers (no case identified so far)	N/A	N/A	Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	Compensation at full replacement cost of crops and annual cultures + Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	N/A

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (wooden cabins, fences) property	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Affected Business owner	Both formal and informal business activities are covered (inclusive family-operated activities, excluding illegal activities) Cash indemnity of 1 year net income. Assessment to be based on tax declaration or, in its absence, minimum subsistence income.						N/A	N/A
Affected business employee (no case identified so far)	N/A	Cash indemnity for lost wages equal at least to 3 months and up to 6 months of salary, at least based on minimum subsistence income + eligibility to livelihood restoration measures (see Section 7)					N/A	N/A
Community (1 bridge affected by the Nakra weir, which will be used as a bridge once constructed)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Reconstruction of the lost structure in consultation with community and restoration of their functions
Vulnerable People (as defined in section)	Same measures as above, with specific assistance and allowance for vulnerability. (Allowance equivalent to 3 months of minimum subsistence income—347 GEL as minimum subsistence income per month for 3months= 1,041 GEL per Project Affected Household) Assistance for replanting of lost trees for elderly and female-headed households will also be provided, if those trees are used for livelihood. Seedlings will be provided as well as assistance for the replanting operation. Assistance with reconstruction of structures will also be proposed. Specific assistance to benefit from activities developed as part of the Community Investment Programme							N/A
Significantly affected people (losing 10% or more of productive (income generating) assets)	Same measures as above, + livelihood restoration measures for significantly affected people (see Section 7)							N/A
Severely affected people more than 20 of productive assets lost)	Same measures as significantly affected people, + livelihood restoration measures for severely affected people (see Section 7)) + severe impact allowance (equivalent to 3 months of minimum subsistence income—347 GEL as minimum subsistence income per month for 3months= 1,041 GEL per PAH)							N/A

F. Valuation methodology

The Lenders require full replacement cost to be the basis of compensation for property losses when in-kind compensation (i.e. land for land) is not possible. For the Nenskra Project, it was decided to propose compensation in cash rather than in-kind. This is partly due to the preference of the affected people and to a lack of suitable alternative land plots in the Nenskra and Nakra valleys. Almost all potential arable land plots are already in use, while remaining land is mostly non-productive. Purchase of land plots from non-affected families was seen as transferring land access from one family to another. Beyond mitigation, JSCNH will support local people through community development initiatives in addition to cash compensation. JSCNH Community Investment Program is described in reports Vol.3 – Social Impact Assessment and Vol.8 – ESMP.

The valuation of assets was undertaken by an official independent valuator between October and December 2015. An additional study was conducted in 2017 to assess if the market prices had changed and to consider potential local inflation. This study concludes that almost all local prices have not evolved since 2015. The price of potatoes has gone down from 1GEL per square metre of harvest in 2015 to 0.52 GEL during the 1st quarter of 2017. JSC Nenskra has decided not to adjust the valuation and will pay the higher rate. Market prices of some building materials (e.g. cement mortar, concrete, gypsum) have increased in 2017 but the prices of the majority of the building materials have either stayed the same or have decreased. Compensation rates for structures are being adjusted where applicable to reflect the 2017 rates. For materials where prices have decreased in 2017, JSC Nenskra has decided to pay the higher 2015 rates since this was previously indicated to the affected people. The expert took into consideration the market value from previous valuations, when available, and also used available government market survey information for valuation of land, structures, crops and trees. Market conditions — hence market prices — differ from region to region in Georgia. Therefore, the local market prices taken in account were those of the Mestia Municipality. The asset inventory have been endorsed by the affected people, who signed an inventory form in which they agreed the list of affected assets. The valuation will then be discussed with them during negotiation of the compensation package.

G. Livelihood restoration programme

The Livelihood restoration program is summarised in the Table 7 below:

Table 7 – Livelihood restoration programme

Target	Activity	Number of affected households eligible
HH affected by loss of pasture areas	Temporary supply of fodder (or cash to buy fodder) during the transition period, which is the period when (i) livelihood restoration activities are being developed but are not operational and (ii) when pasture areas are unavailable as being used during construction – this includes the time to rehabilitate temporarily affected pasture land. The transition period is planned to be 7 years' duration.	56 HH (including 11 affected by temporary loss of pasture at the temporary dam construction camp site) (amongst which 14 are vulnerable, and 3 women headed HH)
HH significantly affected	<ul style="list-style-type: none"> - Preferential hiring and skills training - Assistance for management of received financial compensation - Support to improve existing economic activities (agricultural production, beekeeping, nuts production, fish farming) - Support for initiatives to develop alternative sources of income 	16 HH (affected by temporary loss of pasture at the temporary dam construction camp site) (amongst which 4 are vulnerable, and 1 woman headed HH)

Target	Activity	Number of affected households eligible
	<ul style="list-style-type: none"> - For the people affected by the loss of <i>Kvemo-Memuli</i> pasture area: Improvement of existing tracks to non-affected pasture areas - Assistance for legalisation and land ownership 	
HH severely affected	<ul style="list-style-type: none"> - All measures for significantly affected people described above - Provision of assistance to increase yield of existing fodder production - Assistance to develop to grow and sell hazelnuts - Assistance to develop beekeeping and sale of honey - Assistance to develop market gardening 	13 HH (none affected by temporary facilities) (amongst which one is vulnerable)

H. Institutional arrangements

JSCNH has the overall responsibility for the implementation and monitoring of the LALRP. However, the management of the Land Acquisition and Livelihood Restoration process is shared by JSCNH and GoG; the Land Acquisition Process is managed jointly by the Government and JSCNH, and the Livelihood Restoration measures are implemented by JSCNH.

The Ministry of Energy and the National Agency for State Property (NASP) are appointed to execute on behalf of GoG the provisions of the implementation agreement relating to land acquisition. This role is delegated to Partnership Fund, which is the operational governmental agency that jointly manages the land acquisition process with JSCNH for the Nenskra HPP. NASP will acquire privately-owned land and will transfer title to JSCNH. GoG will provide the right to build to JSCNH on land registered in the name of the State.

Within this framework, Partnership Fund and JSCNH have established an approach for the land acquisition process in line with the Lenders policies. JSCNH will assist traditional landowners in registering their land when it is legalizable. JSCNH and Partnership fund will negotiate with each affected household the purchase price of registered land, and they will assist NASP in establishing a Sales and Purchase Agreement. For the loss of properties and assets located in land registered in the name of the State, JSCNH will negotiate the compensation package and sign a Compensation Agreement with each affected household. As the Project will take possession of land only after compensation has been provided to the affected people, payment of agreed compensation to affected household will be made directly by JSCNH to avoid any delays.

When the detailed design is available, JSCNH will update the LALRP to address impacts of components not defined at the time of writing this LALRP (see section A.4).

The Livelihood restoration programme will be managed and implemented by the JSCNH Social Team. Some specific measures will be executed by the EPC contractor, notably the rehabilitation of land used for temporary purposes and maintaining access to the non-affected pastures (*Zeda Memuli* and *Schkvandiri* and pasture areas north of the Nakra water intake site).

I. Implementation schedule

The construction schedule of the project is divided into 2 phases: the early works undertaken during the period September 2015 - December 2017, and the main construction phase, which is currently planned to start in Q1 or Q2 2018. The powerhouse commissioning is scheduled in 2021, and the taking over of works in 2022.

The Table 8 below presents the main steps that will be followed to implement the LALRP prior to access to land for the start of the main construction activities.

Table 8 - Steps prior to access to land for the start of main construction works

Project construction activities / LALRP activities	Schedule
Preparation of a draft LALRP for the Nenskra dam and reservoir site, the upgrading of the Nenskra road, the Nakra water intake site, the Powerhouse site. Definition of land take areas, census, asset inventory and valuation, assessment of impacts, definition of compensation and livelihood restoration measures and start of negotiation of compensation packages for the land	Done between September 2015 and March 2017
Information about compensation package proposed to all affected households included in the draft LALRP Register affected legalizable land (at the Powerhouse and along the Nenskra Road)	February to March 2017
Disclosure of the draft LALRP, including the Nenskra Dam and reservoir site, the Nakra water intake site, the upgrading of the Nenskra road, and the Powerhouse site. This draft LALRP did not include at that time the upgrading of the Nakra road, the power supply lines, the Powerhouse construction camp and disposal areas.	March – August 2017
Finalization of the LALRP based on Disclosure and Consultation period	October-November 2017
Definition of land take areas for power supply lines, and the Powerhouse disposal areas.	Q4 2017
Census, asset inventory and valuation, and start of negotiation of compensation packages for the land acquisition for the power supply lines, the Powerhouse construction camp and disposal areas.	Q4 2017 – Q1 2018
Compensation and purchase agreements signed with all affected households in the Nenskra valley	end of 2017
Disclosure of Addendum to LALRP for the power supply lines, the powerhouse disposal areas,	Q1 2018
Definition of land take areas for the upgrading of the Nakra road	Q4 2017
Census, asset inventory and valuation, and start of negotiation of compensation packages for the land acquisition for the upgrading of the Nakra road. Start of registration of affected legalizable land along the Nakra road.	Q1 2018
Access to land required by EPC Contractor for upgrading Nenskra road, Access to Dam and Powerhouse construction camps, power supply lines	March 2018
Disclosure of Addendum to LALRP for Nakra road upgrading	March 2018
Compensation and purchase agreements signed with all affected households in the Nakra valley	May 2018
Compensation paid to all affected households in the Nakra valley	April 2018
Access to land required by EPC Contractor for Nakra road upgrading	May 2018
Access to land required by EPC Contractor for Nakra water intake site	June 2018

J. Information disclosure, consultation and participation of the affected people

Information meetings regarding resettlement policy, principles and eligibility for compensation has been provided to affected communities on several occasions:

- During the census of affected people and asset inventory, in October and November 2015;
- During the public information meetings in Chuberi and Naki in December 2015, the preliminary findings of the Supplementary E&S Studies were presented to the affected people;
- During the on-going dialogue with PAPs regarding loss of pasture, which started in February 2016, and
- During interviews, informal meetings and focus groups discussions undertaken regularly since the start of the supplementary E&S Studies in September 2015.

- The valuation and assets inventory was endorsed by the affected people, by signing an inventory and valuation form, when the inventory was performed during the period October and December 2015.
- In October 2016, a specific survey has been undertaken to investigate in details the impacts at a household's level of the loss of pasture area. This study was done by an experts specialized in livestock farming in mountainous areas. The inputs of the affected farmers were used to design a livelihood restoration program that would be technically and socially feasible.
- Between April 2016 and August 2017 an on-going discussion and negotiation has been established with the affected households at the powerhouse regarding compensation principles and the situation during the construction period. Temporary physical displacement has been avoided. The EPC contractor will define and implement measures to ensure appropriate health and safety conditions for the households residing near the Powerhouse are maintained throughout the construction period.

The draft LALRP was disclosed locally in the two valleys and on the web in March 2017, with the other volumes of the Supplementary E&S Studies. The following meetings and consultations were undertaken during the disclosure of the Supplementary E&S Studies from March to August 2017, in the two valleys and in Tbilisi:

- Community meetings in Nenskra and Nakra valleys from the 3 to 7 April 2017 (1 month after publishing Supplementary E&S Studies),
- Public consultation meetings with NGOs, Civil Society and the citizens from Svaneti living in Tbilisi, 27 and 28 April 2017,
- Public Consultation Meetings in Nenskra and Nakra Valleys, 1 to 3 May 2017.
- Additional focus groups with women and vulnerable people conducted from the 2nd to the 4th of August 2017,
- Open House Meetings in Chuberi and Nakra, 22 to-24 August 2017.

The Public Consultation Report was disclosed in early November 2017, and summarized the consultations undertaken between March and August 2017.

A regular and transparent communication process is established by JSCNH with the affected people in the Nenskra and Nakra valleys. A project information office has been opened in Chuberi village. The following members of JSCNH Social team were based permanently in Chuberi village in December 2016: a Social Officer, a Community Investment Officer, a Land acquisition and compensation Manager. This team also comprises 2 Community Liaison Officers (CLO) who have been employed from the 2 valleys (one in Chuberi and one in Naki). These 2 CLOs are working in each valley since December 2015.

K. Grievance redress system

A two tiers grievance redress system is established by JSCNH, as a means to promote amicable process instead of legal process to solve affected people grievances. The first tier will be a project level review of the complaint, and the definition of a solution to the complainant. If the complainant refuses the proposed solution, the grievance is escalated to the Grievance Resolution Committee (GRC), constituted as the second level grievance redress mechanism. This body will be established for each valley. The GRC will meet on a weekly or a fortnightly basis and will include:

- Representatives of the administrative officers (Representative of the Mestia Municipal *gamgeoba* in the community and deputy of Chuberi and Nakra villages in Mestia *Sakrebulo*);

- Representatives of the Project: the Field Social Manager, the Land Acquisition and Compensation Officer and the Community Liaison Officers;
- JSCNH Land Acquisition and Compensation Officer, and
- Two PAPs (one male, one female) elected by the affected communities.

The complainant can resort to the Georgian court at any time, if he or she does not want to use the Project's Grievance management system, or if a grievance cannot be solved at the GRC level.

The treatment and resolution of all grievance received and logged will be documented by JSCNH.

L. Monitoring arrangements

Internal monitoring will be carried out routinely by JSCNH Social Team during implementation of the LALRP. This internal monitoring will be carried out as part of the overall participatory monitoring of the environmental and social commitments of the Project, including this LALRP. This participatory monitoring mechanism is described in the Vol. 8 ESMP. Monthly monitoring reports will be prepared during the first 3 years of LALRP implementation.

Indicators for internal monitoring will be those related to process, immediate outputs and impacts of the LALRP. Quarterly internal monitoring reports will be prepared for submission to the Project Lenders. Once approved and anonymized, they will be published on JSCNH website.

An external monitor will review the internal monitoring findings and verify through semi-annual site visits. Semi-annual external monitoring reports will be submitted to the Lenders.

Two years after the compensation payment, JSCNH Land Acquisition team will undertake an internal evaluation to assess if the objectives of the LALRP have been achieved. This internal evaluation will be prepared as a completion report, which will be submitted to the Lenders.

After the internal completion audit has been issued to the Lenders, an external Evaluator agreed by JSCNH and the Lenders will be hired to undertake a completion audit of this LALRP.

M. Funding arrangements

As defined in the Section 8 of the Implementation Agreement signed between the GoG and JSCNH on 31 August 2015, JSC Nenskra will pay to GoG:

- for all State land needed for the Project, an amount equal to one 1 US Dollar (inclusive of all Taxes, registration and stamp fees and other costs), and
- the costs necessary for acquiring all legal rights to the Private Lands in accordance with Applicable Law.

JSCNH will finance directly the following activities, as they are not part of the Implementation Agreement:

- All livelihood restoration measures defined in Section 7, and all assistance required as per the Lenders;
- Transitional allowances;
- Vulnerability allowances;
- Implementation and management of the grievance redress process;
- Internal and external monitoring, evaluation and completion audit;
- Update of the LALRP to include the rehabilitation of the Nakra road, the 35 kV service line between the Powerhouse and the dam site, and the 110 kV power supply line between

the proposed new substation located in the Nenskra valley and the Powerhouse construction site and disposal areas.

JSCNH will also finance on its own initiative a Community Investment Programme (CIP). The activities under this Community Development Programme are not compensation measure or livelihood restoration measures, but they will complement the livelihood restoration measures (See Vol. 8 ESMP for a description of the CIP).

1 Introduction

This report is the Land Acquisition and Livelihood Restoration Plan (LALRP) prepared as part of the Supplementary Environmental and Social (E&S) studies for the Nenskra Hydropower Project (HPP) (the Project).

1.1 Overview

1.1.1 Project developer

The Project is developed by JSC Nenskra Hydro (JSCNH –also referred to as The Project Company). JSCNH's main shareholders are K-water, which is a Korean government agency, and Partnership Fund - an investment fund owned by the Government of Georgia.

1.1.2 Type of project and project situation

The Project is a greenfield high head hydropower project and is located in the upper reaches of the Nenskra and Nakra valleys in the north-western part of Georgia in the Samegrelo-Zemo Svaneti region (see Map 1-1).

1.1.3 Main project components

The main project components and key characteristics are summarised in the table below. A detailed description is provided in vol. 2 - Project definition.

Table 1 – Principal project components and key characteristics

Component	Characteristic
Type of dam	Asphalt face rockfill
Dam height	125 m ⁵
Dam length	870 m
Reservoir volume	176 million m ³
Reservoir area	267 ha at full supply level
Nakra diversion weir	8.7 m high concrete structure with 2 radial gates for sediment flushing and a natural fish pass
Nakra transfer tunnel	12.25 km in length
Headrace tunnel	15.1 km in length
Penstock (underground)	1,790 m in length
Powerhouse (above ground)	3 turbines with a total capacity of 280 MW

1.1.4 Associated facilities

A proposed 220 kV Transmission Line (TL) connecting the Project's powerhouse to a new substation located in the Nenskra valley will evacuate the electricity produced by the Nenskra

⁵ Dam height was previously disclosed as 130 m. Dam height is now referred to as 125 m as this relates to the height from the deepest point on the upstream face of the dam, whereas the 130 m previously quoted relates to the height from the deepest point on the downstream face of the dam. The reservoir full supply level and the design of the dam have not changed. This has been amended to provide consistency with other Project documents.

scheme and feed into the national grid. The TL will be designed, built and operated by GSE (a third-party) and is considered as an “associated facility”. Stakeholder engagement in relation to the TL will be conducted by GSE and the stakeholder engagement programme (see Vol 7 – SEP) includes consultation with GSE to ensure that the ESIA, LALRP and stakeholder engagement will be prepared in alignment with Lender E&S policies. JSCNH has included a requirement for the GSE to undertake the TL ESIA and LALRP in alignment with Lender E&S policies in the Implementation Agreement that will be established between JSCNH and GoG.

1.1.5 Project components included in this LALRP

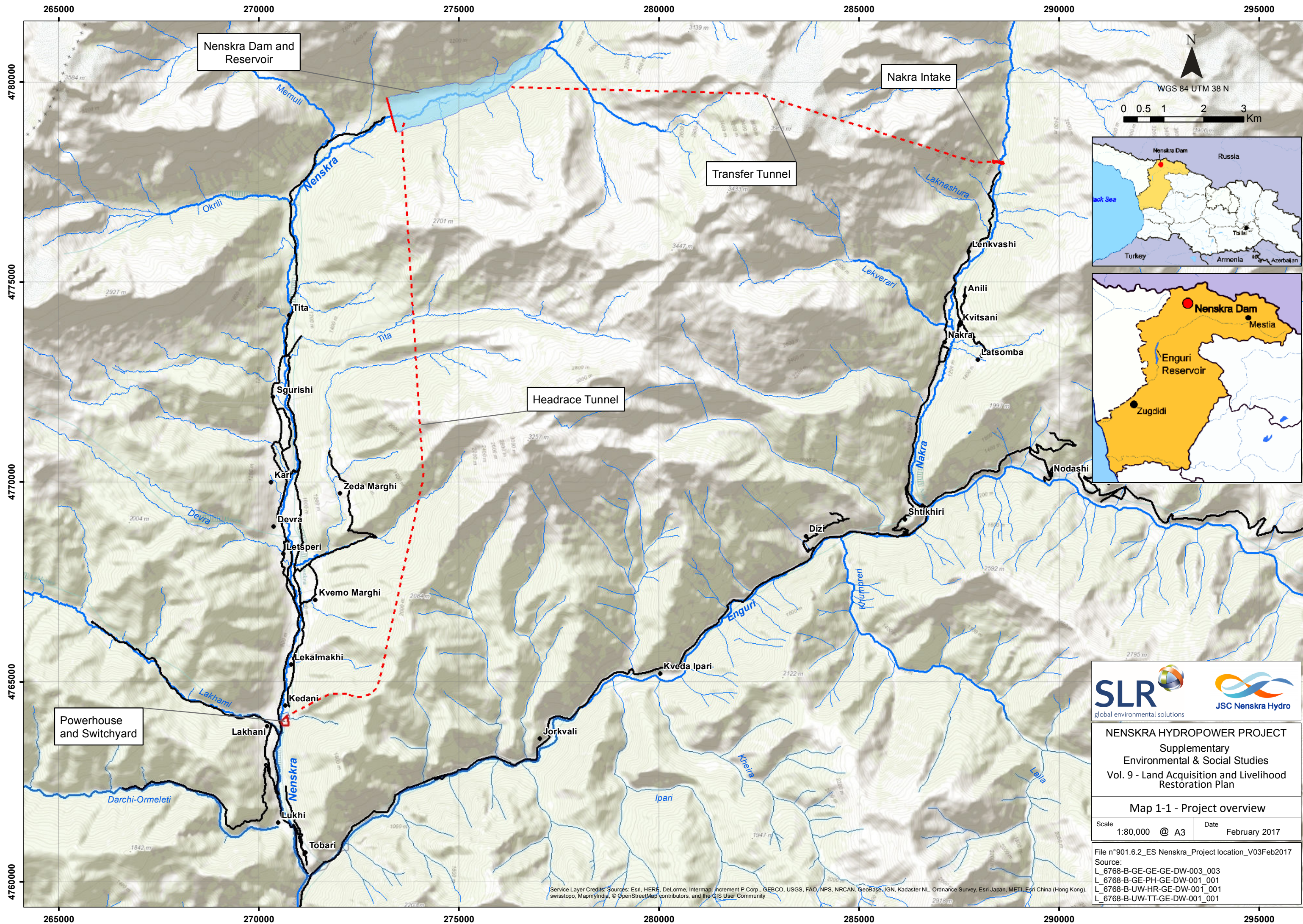
This LALRP covers Project components for which the design is sufficiently advanced for land acquisition requirements to be defined and which comprise (i) temporary and permanent infrastructure at the dam site and the reservoir area, (ii) temporary and permanent infrastructure at the powerhouse (though excluding spoil disposal areas), (iii) temporary and permanent infrastructure at the Nakra diversion weir area; (iv) the operators’ village area, and (v) widening of the existing Nenskra road.

The principles adopted for this LALRP will also be applied to the land acquisition required for those components for which at the time of writing the detailed design work is still ongoing, and consequently location, footprint/alignment are not finalised. These include the following:

- Possible variations in the Nenskra road upgrading works, which are currently being evaluated and comprise two bypass sections;
- Upgrading of the Nakra road;
- Spoil disposal areas at the powerhouse;
- Electric service line (35 kV) between the powerhouse and the dam site, and
- Power supply line (12 to 18-kilometre long, 110 kV) extending from the future new substation located in the Nenskra valley to the powerhouse (required to provide power during construction).

The LALRP will be updated to include the above components when the land acquisition requirements have been defined (see section 9.2).

The LALRP for the 220 kV transmission line linking the powerhouse switchyard to the proposed substation located in the Nenskra valley will be prepared and implemented by GSE.



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Environmental & Social Studies
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Restoration Plan

Map 1-1 - Project overview

Scale	1:80,000 @ A3	Date	February 2017
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File n°901.6.2_ES Nenskra_Project location_V03Feb2017
Source:
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1.2 Purpose of and principles for the LALRP

The principles and objectives adopted in this LALRP are governed by the requirements of the Lenders, including the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB). The fundamental objectives of these policies are basically similar, and include the following principles:

- Avoid, and when it is not possible to avoid, minimize and mitigate impacts of involuntary resettlement on affected persons resulting from the implementation of the project;
- Provide full and accurate information about the project, and afford PAPs meaningful opportunities for participation in design, implementation and monitoring, with particular attention paid to the requirements of vulnerable households and women;
- Ensure that people who are adversely affected are fully compensated and successfully resettled; the livelihoods of economically displaced people are re-established, and that their standard of living is, wherever possible, improved;
- Prevent the impoverishment of affected persons as a consequence of compulsory land acquisition or loss of livelihood due to project activities;
- Make certain that all affected persons are informed of the resettlement process and are aware of the grievance resolution system available through the project, and
- Provide, when needed, additional assistance for vulnerable groups, such as women-headed households.

These objectives will be achieved in this LALRP through the application of the following guiding principles:

- Avoid, and when it is not possible to avoid, minimize involuntary resettlement through a combination of:
 - Ensuring that design engineers incorporate the need to minimize involuntary resettlement into the design process;
 - Introducing flexibility into design standards for placement of project infrastructure, wherever possible, and
 - Holding frequent meetings between the design and resettlement teams, and discussions with affected persons.
- Implement an inclusive approach to entitlements that includes compensation and other assistance for those with no legal right of and occupancy as well as those with legal or recognized customary title to their land and those with land use rights.
- Compensation for land that will be lost will be at full market value, and assets at full replacement value;
- Provide cash compensation and/ or in-kind assistance, including relocation sites where economically feasible, that best suits the needs of affected persons commensurate with the extent of the impacts that they will experience;
- Provide transportation and disturbance allowance to mitigate the impact on the livelihoods of affected persons having to relocate their residence and/or business (no case identified so far);
- Implement measures to restore the livelihoods affected by the project so that PAPs who lose income because of project activities will be able to maintain their current standard of living;
- Implement any additional measures to address the relocation needs of vulnerable groups;

- Maintain a continual process of consultation, disclosure, and negotiations with affected persons throughout the entire resettlement process, including establishing an accessible and transparent grievance redress procedure, and
- Implement a clear and transparent process for the disbursement of any monetary compensation.

1.3 Structure of the report

This LALRP is structured into the following main chapters:

- Chapter 1 is the present introduction and provide the Project description, the principles and objectives governing a LALRP;
- Chapter 2 analyses the legal framework and the requirement of the Project Lenders regarding land acquisition and resettlement;
- Chapter 3 is a description of the socioeconomic situation amongst the affected people;
- Chapter 4 details the need for land acquisition, the measures undertaken to avoid and minimize impacts of land acquisition and the extent of these impacts;
- Chapter 5 defines the eligibility and entitlement to compensations;
- Chapter 6 gives the valuation methodology;
- Chapter 7 explains the livelihood restoration programme;
- Chapter 8 provides the institutional arrangements and the distribution of responsibilities amongst the stakeholders engaged in the LALRP process;
- Chapter 9 details the implementation process of the LALRP,
- Chapter 10 describes the information disclosure, consultation with and participation of the PAP;
- Chapter 11 defines the Grievance Redress Mechanism;
- Chapter 12 explains the monitoring and reporting activities, and
- Finally, Chapter 13 describes the funding arrangements and gives an overview of the budget of the LALRP.

2 Legal framework

2.1 Introduction

This section provides an overview of the Georgian regulations with respect to involuntary expropriation, an overview of Lender policies with respect to land acquisition and a gap analysis presenting how the Project Company will address difference between the Georgian regulations and Lender Policies.

It is also highlighted that the Project's land acquisition is governed by the Implementation Agreement – described in section 2.3 - which provides provisions for land acquisition through the establishment of amicable agreements (willing buyer – willing seller agreements). This approach should enable the avoidance of the need to acquire land through expropriation, which would probably require more time, given the need to resort to the Court process.

It is also highlighted that there are no Georgian Laws framing the legal requirements with respect to physical displacement, and consequently this section provides only a description of the Georgian legal framework on expropriation.

It is recognised that resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisitions that results in physical or economic displacement. This would apply to land acquisition by the Project, even if these transactions will be carried out through negotiated settlement agreements. Although every effort will be made to negotiate a satisfactory settlement for all parties, the Project can ultimately resort to expropriation or impose legal restrictions on the land use if negotiations were to fail.

2.2 Georgian law and regulations on expropriation

In Georgia, the following legislative acts regulate the right of the State to acquire privately held parcels of land on the premise of necessary public need, otherwise termed 'the public good.'

- The Constitution of Georgia (August 24, 1995);
- The Civil Code of Georgia (June 26, 1997);
- The Law of Georgia on State Property (21 July 2010);
- The Law of Georgia on Ownership Rights to Agricultural Land (March 22, 1996);
- The Law of Georgia on Public Register (No820 IIs; December 19 2008);
- The Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities (2007);
- The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need (July 23, 1999);
- The Law of Georgia on Cultural Heritage (2007);
- The Law of Georgia on Notary Actions (December 4 2009);
- The Civil Procedural Code of Georgia (November 14, 1997).

The existing laws provide that compensation for lost assets, including land, structures, trees and standing crops, should be based on the current market price without depreciation.

Nevertheless, the laws and implementation regulations do provide for the principle of replacement cost at market value, which is reasonable and acceptable where there are viable land markets, as is the case in Georgia. The laws also specify the types of damages that are to be compensated, and direct that compensation is to be given both for loss of physical assets and for the loss of incomes. Income loss due to loss of harvest and business closure will be compensated to cover net loss. Finally, national law places a strong emphasis on consultation and notification in order to ensure that PAPs participate meaningfully in the process.

The pertinent laws and regulations listed above define the following steps for the legal acquisition of property rights:

- Phase 1: Obtain the property or right-of-way without resort to expropriation through the payment of due compensation on the basis of a contract or agreement prior to commencement of project activities.
- Phase 2: If amicable negotiation does not succeed, the Law of Georgia “On the Rules for Expropriation of Ownership for Necessary Public Need” can be invoked in order to obtain permanent rights to land and/or other real estate property on the basis of Eminent Domain Law or a court decision upon payment of due compensation.

Under the existing law, expropriation shall be carried out based on the order of the Minister of Economy and Sustainable Development and a court decision. The decree states the public need for the property, and grants the project agency the right to forcible or involuntary acquisition of the land. A relevant court then assesses the case for the general good, and determines i) whether the order is justified by public interest and ii) whether the appropriate procedures have been followed. When the assessment is affirmative, the court validates the expropriation ordinance and approves its execution. The court decision usually also includes a detailed inventory of the assets to be expropriated, as well as provisions for the compensation to be paid to the property owners. If needed, the court can appoint a third party to assess the market value of lost assets and determine the compensation payable to the property owners according to the value of assets.

After the expropriation order is approved, the entity or entities requesting the expropriation rights must notify all owners of the property affected in the decree. This is usually done by publishing, in both national and local newspapers, a short description of the project and its area, and listing each property that is subject to expropriation.

The administrative rules for acquisition of real property shall be exercised only in cases where negotiations over the sales price of the property fail. In such cases the legislation for expropriation of property will be invoked. The expropriation of real property requires the following steps in order to acquire ownership rights under the law:

- Step 1: Issuance of Ministerial decree;
- Step 2: Inventory all the property to be subject to expropriation;
- Step 3: Informing the landowners on expropriation through publication;
- Step 4: Submission of the Application to the Court;
- Step 5: Providing the information to the landowners on the date of submission of application to the Court and the date of court hearing;
- Step 6: Considering the Application and making a decision by the Court;
- Step 7: Expropriation;
- Step 8: Court proceedings in case any disputes rise in regard to the property market value and compensation amount.

The above steps are described in Annex 1.

2.3 Implementation agreement between GoG and the project company

The Implementation Agreement between the Government of Georgia, JSC Electricity System Commercial Operator, JSC Georgian State Electrosystem and JSCNH is described in 8.1. It was signed by the Parties on 31 August 2015.

The process for land acquisition is defined in the agreement and which refers to an approach of endeavouring to establish an amicable agreement with land owners/users – both registered and non-registered. The land acquisition through amicable agreements should enable the project to avoid the need for expropriation as per Georgian Law.

In the case that amicable agreements cannot be established with the owners/users of land required by the Project, then the Georgian process of expropriation described above in section 2.2 will be initiated. However, this can be expected to delay the Project.

2.4 Lender policy requirements

The Lenders Policies are as follows:

- EBRD's land acquisition and livelihood restoration requirements are laid out in Performance Requirement 5 (EBRD PR5);
- ADB's SPS (2009), Safeguard Requirement 2 – Involuntary Resettlement (ADB SR2).

Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition that result in displacement. Although every effort to avoid involuntary land acquisition is being made, the Project can resort to expropriation or impose legal restrictions on land use if negotiations fail. Hence IFC PS5, EBRD PR5 and ADB's SPS, SR2 are triggered and their requirements must be met for lending to be provided.

Several aspects of the lenders' policies are important to note:

- Efforts must be made to avoid and minimise resettlement whenever possible, in particular physical displacement. When resettlement cannot be avoided, mitigation of potential negative impacts is required;
- Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks;
- A key objective is improving, or at a minimum restoring, the livelihoods and standards of living of displaced (physically or economically) persons to pre-project levels. Projects are responsible for improving living conditions among displaced persons through provision of adequate housing with secure tenure;
- Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets;
- Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time bound implementation schedule;
- Pay compensation and provide other resettlement entitlement before physical or economic displacement;
- Implement the resettlement plan under close supervision throughout project implementation;
- Displaced persons may include owners or non-owner residents, and people occupying land without formal, traditional, or recognisable usage rights;

- Resettlement activities must be implemented with disclosure of information, consultation, and the informed participation of Affected Persons (APs);
- Special provisions must be made for individuals belonging to vulnerable groups to improve the living standards of living of the displaced poor and other vulnerable groups;
- Monitor and access resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring, and disclose monitoring reports; A specific Grievance Redress Mechanism or Procedure must be developed in order to receive and facilitate the resolution of AP's concerns; and
- All three lending policies require a plan for physical displacement or economic displacement (referred to as LALRP in this document) to present data from field surveys with AHs and to ensure that their pre-Project standard of living is at least restored.

2.5 Gap analysis and measures to bridge gaps between national legislation & international policy

In Georgia, entitlements for payment in the exchange of land are based on registration of ownership. However, under the Lenders' involuntary resettlement policies, affected persons are entitled to some form of compensation whether or not they have registered title if they occupy or use the land up to a cut-off date. The Lenders' policies focus is to mitigate the adverse impacts of poverty as part of a project where any adverse impacts occurring are directly or indirectly attributable to activities funded by the project. In cases where Affected Persons have no ownership or tenure rights according to Georgian law from lack of registration, the provisions of the Lenders' requirements apply in terms of their rights for compensation, consultation, and grievance mechanisms. Where there is conflict between laws of Georgia and Lenders' requirements, the latter must take precedence if Lenders' requirements are to support and fund the Project.

Table 2 overleaf provides an analysis of the differences between Georgian Laws and Lenders' requirements.

Section 8.2 presents the operational approach adopted by the Project to align the Land Acquisition process on the Lenders Policies.

Table 2 – Comparison of Georgian laws and Lenders policies on land acquisition and resettlement

Issue	Georgia laws and regulations	International land acquisition, involuntary resettlement and livelihood restoration policies	Measures taken by the Project Company to Bridge Gaps Between Georgian law and international Standards
Resettlement Planning	<p>As per The Law of Georgia on the Rules for Expropriation of Ownership for Necessary Public Need, the State of Georgia has a constitutional right to carry out acquisition property through Expropriation (Clause 21).</p> <p>The preparation of a Resettlement Action Plan (including socio-economic survey, census of the population affected by the project, monitoring and reporting of the process) is not required by Georgian legislation. Georgian legislation does not specifically define the necessity of public consultations.</p>	<p>Development of resettlement and land acquisition plan or framework obligatory for involuntary resettlement. The process includes public consultations and a socioeconomic survey with gender disaggregated data and vulnerability assessment.</p> <p>Lenders require that measures are taken to address the needs of female-headed households and that both men and women can access compensation and assistance.</p>	<p>See LALRP sections 3, 4, 9 and 10</p> <p>A land acquisition and livelihood restoration plan has been prepared. There has been consultation with affected persons, socio-economic surveys and consideration of vulnerability, particularly the inclusion of female-headed households and their access to compensation and assistance.</p>
Displacement avoidance	Does not specifically call for avoidance of displacement whenever possible.	Actively seek to avoid displacement by exploring project and design alternatives and minimise adverse impacts. Where not possible to avoid or minimise all displacement impacts, identify mitigation measures.	<p>See section 4.2</p> <p>The Project has sought out ways to avoid resettlement wherever possible, minimise and mitigate adverse impacts.</p>
Eligibility	Compensation only for registered land owners or others with rights recognised by law. If land registrations are in the process of being issued, compensation can be paid after completion of the regularisation process	<p>Lack of formal ownership does not preclude compensation to bona fide occupants or affected parties.</p> <p>Displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</p>	<p>See LALRP section 5</p> <p>The Project has committed to compensate people whether or not they are the formal owners.</p>

Issue	Georgia laws and regulations	International land acquisition, involuntary resettlement and livelihood restoration policies	Measures taken by the Project Company to Bridge Gaps Between Georgian law and international Standards
Compensation for land	<p>Article 21.3 of the Constitution allows the expropriation of the private ownership only according to the Court Decision or under the rules identified in the organic law on basis of the appropriate and fair reimbursement.</p> <p>Cash payment to individuals is the usual option, but land-for-land compensation may be made with owner's agreement.</p> <p>No community level compensation measures are specifically required, although compensation for community-owned and – registered lands would presumably be required.</p>	<p>Land-for-land to be preferred in land-based economies, Cash compensation is only acceptable if land for land is not feasible and if loss of land does not undermine the livelihoods of PAPs. The lack of land will be demonstrated and documented to the satisfaction of Lenders</p> <p>Community assets to be compensated at community level.</p> <p>Cash compensation based on replacement cost and technical assistance and monitoring provided to ensure cash compensation is used appropriately and livelihood restoration is completed. In cases where affected persons reject compensation offers that meet Lenders' requirements and, as a result, expropriation or other legal procedures are initiated, the Project owner will explore opportunities to cooperate with the responsible government authority, and if permitted by the authority, play an active role in the resettlement planning, implementation and monitoring</p> <p>Timing of compensation: The Project owner should promptly compensate economically displaced persons for loss of assets or access to assets. This process should be initiated prior to displacement. Where compensation is to be paid by a responsible government agency, the client should collaborate with the agency to help accelerate the payments</p>	<p>See LALRP section 5</p> <p>Options for compensation presented to PAPs wherever practical.</p> <p>No community assets are acquired.</p> <p>Cash compensation agreements are based on replacement cost.</p>
Complaints and grievances	<p>The Article 42 of the Constitution makes the citizens eligible to claim, in particular protects them and encourages appealing to the court for protection of their rights and freedom.</p> <p>In case of dispute over expropriated land value, both owner and Project Company can bring a lawsuit.</p> <p>Only the regional court has authority to decide disputes over land value and compensation.</p> <p>The Georgian legislation does not necessitate setting up a grievance mechanism for the affected people and businesses, though there is a 30 day period in which the list of affected assets can be rejected in the case of a material mistake in the case of customarily owned lands</p>	<p>There must be an independent objective appeal mechanism that is open to the public and reported openly.</p> <p>The Project owner should establish a grievance mechanism as early as possible in the process to receive/ address in a timely manner the concerns related to physical/ economic displacement.</p> <p>Provisions for PAPs to have access to legal assistance should be made.</p> <p>Loss of Public Amenities: Where a project involves the loss of public amenities, the client shall undertake meaningful consultation, with the locally affected community to identify and, where possible, agree upon a suitable alternative.</p>	<p>See LALRP section 11</p> <p>The Project Company establishes a process of establishing a transparent and accessible grievance mechanism for PAPs to use throughout the land acquisition process.</p> <p>In a situation where PAPs reject the compensation and Government expropriates the property using eminent domain. The Project owner will agree with Government to allow them to implement measures to bridge the gap between national and ADB requirements. JSCNH will take an active role to implement supplemental measures and come to an agreement with Government.</p>

Issue	Georgia laws and regulations	International land acquisition, involuntary resettlement and livelihood restoration policies	Measures taken by the Project Company to Bridge Gaps Between Georgian law and international Standards
Arrangements for land acquisition	Decisions regarding land acquisition and resettlement are made by the State (in the case of Nenskra), not the Project Company or affected parties.	All affected and impacted people must be consulted prior to agreements. Compensation must be agreed prior to handover of assets and prior to civil works commencing in affected area.	See LALRP sections 8 and 10 All impacted people will be consulted prior to agreements. Compensation will be agreed prior to handover of assets and prior to civil works commencing in affected area.
Livelihood restoration	No provisions for livelihood restoration.	Requires that affected people be in equal or better socioeconomic condition as a result of the project activities. Displaced communities should be provided with opportunities to derive development benefits from the Project. Offsetting Assistance Loss of Community Held Resources: provide assistance that will offset any loss of a community's commonly held resources. This could take the form of initiatives that enhance the productivity of the remaining resources to which the community has access, in-kind or cash compensation for loss of access or provision of access to alternative sources of the lost resource.	See LALRP sections 4.3 and 7 Households significantly affected benefit from: <ul style="list-style-type: none"> • Preferential hiring and skills training; • Assistance for management of received financial compensation; • Support to improve existing economic activities • Support for initiatives to develop alternative sources of income; • Assistance for legalisation of land ownership Households severely impacted benefit from: <ul style="list-style-type: none"> • All LR measures that are available to significantly affected households (see above); • Supply of fertilizer to increase yield of existing fodder production; • Assistance to grow and sell hazelnuts; • Assistance to develop beekeeping and sale of honey; • Assistance to develop market gardening; • Temporary supply of fodder.
Livelihood restoration mitigation/ monitoring	Do not envisage livelihood compensation for a farmer or compensation of those sources of income, which a business might lose as a result of project implementation.	Proper monitoring, evaluation and reporting of livelihood restoration mitigation measures are required.	See LALRP sections 5, 7 and 12 Livelihood restoration will be monitored during Project implementation via internal monitoring and resettlement completion audits.

Issue	Georgia laws and regulations	International land acquisition, involuntary resettlement and livelihood restoration policies	Measures taken by the Project Company to Bridge Gaps Between Georgian law and international Standards
Vulnerable people	No specific provision.	Vulnerable people who warrant specific assistance must be identified and supported throughout the resettlement compensation process. Lenders' require that measures are provided to enable poor and vulnerable people (including women) who are physically displaced or affected by economic displacement to improve their incomes to at least national minimum standards.	See LALRP sections 3.3.6 and 5 Households will be considered vulnerable if : - registered as poor in the local social services or - female-headed households, - households headed by elderly or disabled without any other bread-winner in the household. They have been identified and will be eligible to specific assistance (see Entitlement matrix)
Public consultation and disclosure	No direct provision for public consultation in Georgian laws pertaining to land acquisition, but there are information and disclosure requirements.	Public consultation and participation of affected people required throughout project process from planning through implementation, including public notifications of activities and consideration of the needs of vulnerable groups. Resettlement documentation should be disclosed.	See LALRP section 10 Consultation with key stakeholders and PAPs regarding resettlement aims for a participatory approach to promote better and timely implementation of key processes such as valuation and relocation. Vulnerable groups were considered in the implementation of consultation activities. Resettlement documentation will be disclosed.
Monitoring and evaluation	No requirement.	Monitoring and evaluation to be clearly defined in the resettlement planning instrument. Monitoring and evaluation to confirm attainment of equal or better conditions than pre project or recommend measures to attain those conditions. External monitoring for projects classified as high social risk, such as the Nenskra HPP.	See LALRP section 12 Livelihood restoration and resettlement activities will be monitored during Project implementation via internal monitoring and resettlement completion audits.

3 Census, socioeconomic information and profile of affected communities

3.1 Methodology

The methodology followed to identify the affected persons and their socioeconomic profile comprised the activities listed below:

- Evaluation of general socioeconomic baseline data collection from September to November 2015⁶;
 - Comprehensive socioeconomic household survey of all households living in the Nenskra and Nakra Valleys⁷, the surveyors visited all houses inhabited through a door to door method and interviewed all the households living permanently in the two valleys;
 - Pasture areas mapping;
 - Focus groups with women and with other strategic groups such as farmers;
 - Key informants interviews (school teachers, representative of Mestia Municipality in the valleys), and
 - Inventory of community infrastructure (e.g. schools, clinics, corn mills, shops).
- Determination of the Project's land acquisition requirements and the land take boundaries (described in Section 4.1);
- Cadastral work to identify State-Owned and registered private land plots (October 2015);
- Announcement of process of census and inventory to affected people (October 2015) to ensure that affected people are informed about the census activity and its purpose in a timely manner;
- Implementation of Census of affected people and assets inventory through field surveys (October 2015);
- Valuation of land and assets (see Section 6);
- Disclosure of the preliminary findings during public information meetings in December 2015 and subsequent meetings with affected people (see Section 10);
- Further discussions with the affected people to validate the impact assessment and compensation strategy, in particular on Pastures issues (from February 2016, on-going at the time of writing this LALRP), and
- Additional Socioeconomic data collection aiming at collecting more precise data on sources and levels of income, targeting the people affected by loss of pasture area at the dam and reservoir site and at the Nakra water intake site (October 2016), as well as the people affected at the powerhouse site (December 2016).

⁶ See report Vol. 3 - Social Impact Assessment of the Supplementary E&S Studies for the full socioeconomic baseline regarding the population living in the two valleys

⁷ Because there was no secondary socioeconomic baseline data available for the project area, it was decided to survey the need se entire population through the household survey.

All the data used in the next section are primary data collected through the steps described above, unless stated otherwise.

This methodology will be repeated to update the LALRP when the design of components not available in August 2017 are available, and which comprise the upgrading of the Nakra road, the electricity service line, the 110 kV power supply line, new sections of the Nenskra access road and power house spoil disposal areas.

3.2 Census of affected people

For those project components for which land acquisition requirements have been defined (see section 1.1.5) 89 households (392 people) will be affected by economic resettlement, i.e. loss of land, crops, trees, or structures. The breakdown by project component is presented in Table 3 below. **No physical resettlement is required.**

The number of households significantly impacted, i.e. will lose more than 10% of income producing assets, is twenty-nine (29), representing 146 people. This is the number for land acquisition included in the LALRP. It is not expected that the number of significantly impacted people will change drastically when the LALRP is updated to include currently unappraised areas. This is because the unappraised components are linear infrastructure and like the Nenskra road will not cause significant impacts on individual households. These unappraised components will be defined in close consultation with the communities and with a clear objective to avoid physical displacement and to minimize any adverse effects on livelihoods.

Table 3 – Number of affected households and people

Area	Structure / facility	Number of affected households	Numbers of individuals affected
Components for which land acquisition requirements defined			
Dam and reservoir area	Dam structure and reservoir	9	51
	Construction camp site	16	70
Powerhouse site		5	27
Operators village		1	4
Nenskra road		35*	160*
Nakra weir and transfer tunnel intake channel		27	111
Total		89	392

Components for which design is ongoing and land requirements to be defined are: Spoil disposal area at the powerhouse, Nakra road upgrading, 35 kV electric supply line and 110 kV power supply line.

* Includes 4 households also affected by dam construction camp, Nenskra road and Nakra weir components

Note: Households affected by the 220 kV power evacuation transmission are not included as the line is an associated facility and not included in the scope of the LALRP.

3.3 Socioeconomic profile of affected people

3.3.1 Demographic characteristics of the affected communities

The socioeconomic baseline study of the Nenskra and Nakra valleys is presented in details in the Vol. 3 – Social Impact Assessment.

All settlements and people potentially affected directly by the Project are located in the Nenskra and Nakra River valleys.

The Nenskra valley contains the Chuberi village, and two hamlets which are part of the Khaishi village. This valley has 1,148 permanent inhabitants (268 households) living in 13 hamlets along the river. All people affected by the land acquisition in the Nenskra valley are residing in Chuberi village.

The Nakra valley encompasses Naki village and one hamlet from Lakhalmula village, and counts 300 permanent inhabitants (85 households) living in 5 hamlets. All people affected by the land acquisition in the Nakra valley are residing in Naki village.

About 30 to 40 families now reside outside the two valleys, and return only for the summer months.

Apart from a few individuals who have moved to the valleys due to marriage, all the people were born in the valleys, speak Georgian and adhere to the Orthodox Church.

3.3.2 Demographic characteristics of affected households

The 89 households affected count on average 4.5 members. The total number of individuals affected comprises more men than women, as shown in Table 4 below.

Table 4 – Demographic characteristics of the people affected.

	Men		Women		Total	
children up to 6 years	14	6.6%	10	5.6%	24	6.1%
between 7 and 18 years	51	23.9%	43	24.0%	94	24.0%
between 19 and 60 years	107	50.2%	93	52.0%	200	51.0%
more than 60 years	31	14.6%	31	17.3%	62	15.8%
No response	10	4.7%	2	1.1%	12	3.1%
Total	213	100.0%	179	100.0%	392	100.0%

The average age of household heads is 58, as shown in Table 5 below. The youngest head of household is 21 while the oldest is 95.

Table 5 – Age of the affected households' heads

Area / Structure / facility	Average age of head of household	Eldest head of household	Youngest head of household
Dam structure and reservoir	59	78	38
Dam Construction camp site	58	80	40
Powerhouse site	56	58	52
Operators village	42	42	42
Nenskra road	60	95	24
Nakra weir and transfer tunnel intake channel	52	87	21
Total	57	95	21

Ten women headed households will be affected by the Project land take, as presented in Table 6 below. On average, these households are smaller than those headed by men (3.2 vs 5.2 members). Female heads of households also tend to be older than male heads of households. Ten of them are widowed.

Table 6 – Gender of the affected households’ heads and average size of the AH

Area / Structure / facility ^c	Number of women headed affected HH	Average age of women head of affected HH	Average size of women headed affected HH	Number of men headed affected HH	Average age of men head of affected HH	Average size of men headed affected HH
Dam structure and reservoir	--	---	--	9	58	5.7
Dam Construction camp site	2	65	3	14	58	4.9
Powerhouse site	--	---	--	5	56	5.4
Operators village	--	---	--	1	42	4.0
Nenskra road	6	68	2.8	29	58	5.2
Nakra weir and transfer tunnel intake channel	2	87	6	25	51	4.0
Total	10	69	3.2	79	56	5.2

Almost all affected household heads are educated. Only one of them is illiterate, as shown in Table 7 below.

Table 7 - Level of education of affected households’ heads

	None (illiterate)		Vocational		Incomplete Secondary (High School)		Finished Secondary (High School)		Higher education		No answer		total	
	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%	num.	%
Female headed HH	0	0%	3	30%	1	10%	5	50%	0	0%	1	10%	10	100%
Male headed HH	1	1%	16	20%	2	3%	35	44%	7	9%	18	23%	79	100%
All affected HH	1	1%	19	21%	3	3%	40	45%	7	8%	19	21%	89	100%

3.3.3 Land tenure

As explained in the Social Impact Assessment (Vol. 3), land tenure in the Nenskra and Nakra valleys is characterized by the coexistence of the legal system and locally recognized customary land rights. Almost all the land in both valleys is officially State Land, and all the land is categorized as Agricultural Land. Outside of the settlements, the land is almost everywhere registered as Forest Fund Land. The registering of land is a complex process, as ownership has to be proven often without existing document. Some people succeeded to officially register some residential land plots as their private land, but this is still categorized as Agricultural Land. In these cases, the land is registered under the name of the current owner.

Customary land tenure is well recognized informally between the villagers. Within the settlements, individual land plots all well demarcated, and almost always fenced. Outside the settlements, in the forested areas, customary ownership is also most of the time well defined. Specific areas are owned by groups of families sharing the same ancestry and customary right of use of these areas are inherited.

Amongst the affected households, 10 households had their land plots registered as privately owned along the area affected for the upgrading of the Nenskra road. Out of these 10 households, 1 is a woman headed households. When writing this LALRP in October 2017, the other affected households had not registered their land plot in 2015.

3.3.4 Means of livelihoods and source of income

The data presented in this section are based upon two main different sources:

- The socioeconomic survey undertaken in September and October 2015, which encompassed all households permanently living in the Nenskra and Nakra valleys, and
- And complementary socioeconomic surveys undertaken between October and December 2016, and targeting only the households affected by the Nenskra dam and reservoir site, the Nakra ware intake site and the powerhouse site. These complementary surveys aimed at documenting more precisely the sources and levels of income of the affected households. As the productive assets of the households affected by the Nenskra road upgrading and the operators' villages are not impacted (see Section 4.3).

These two sources have been combined to produce the analysis presented below. The results are based on estimates declared by the respondents.

3.3.4.1 Sources of income

About 60% of the affected households declared they depend from 2 to 5 sources of income, as shown in Table 8 below. About one third declared they rely only on one source of income.

Table 8 - Number of affected households declared sources of income

	Number of declared income sources						Total
	No response	1	2	3	4	5	
All affected households	11	29	28	16	4	1	89
Women headed HH	2	4	3	0	0	1	10
Men headed HH	10	25	25	16	4	0	79

The different sources of income declared by the households are presented in Table 9 below. Of the 29 households that declared only one source of income, 2 men headed households declared agriculture as their only income source. Thirty-one (31) of the affected households have at least one member receiving a salary as civil servant. Nine (9) of them have at least one member receiving a salary from a private company. Two third of the affected households receive a pension or a social allowance (poverty allowance or refugee allowance). More than half of the households mentioned agriculture (crop farming as well as livestock farming) as an income source. As show in Figure 1 below, women headed households declared more often income sources such as salary from a private company and pension or allowances than men headed households, whereas they declared less often agriculture as a source of income. As explained in the report vol.3 – Social Impact Assessment and in section 3.3.4.2D hereafter, logging activities may have been underreported by the respondents. Logging was acknowledged as the main cash income source at the community level in both valleys during the baseline surveys. But at the household level, it was not possible to get reliable answer regarding involvement of individuals in this activity.

Table 9 – Income sources and affected households

		Number of affected HH	Salary in the public service	Salary in a private company	Pension / allowances	Regular remittance	Renting land	Agriculture	Logging	Lumbering	Secondary forest products	Processed food (jam, baked goods...)	No response
All affected households	Num.	89	32	9	55	3	1	44	4	5	1	2	8
	%	100%	36%	10%	62%	3%	1%	49%	4%	6%	1%	2%	9%

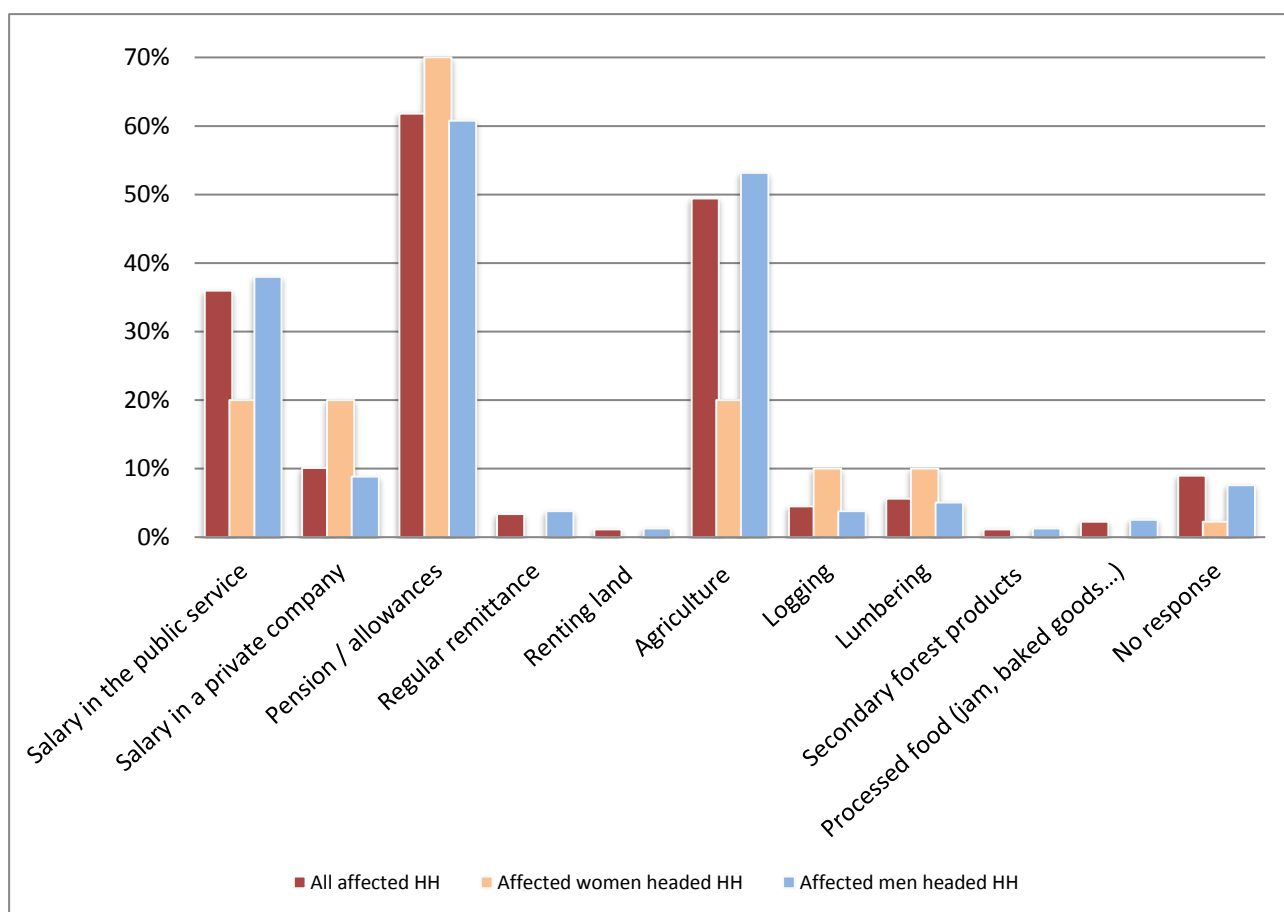


Figure 1 – Comparison of declared income sources by gender of the household head

Out of the 89 affected households, 5 declared that they depend solely on land-based income sources, as presented in Table 10 below. These 5 households are all headed by a man. All other respondents declared they relied on land based as well as non-land-based income sources.

Table 10- Dependency on land-based income sources

	Households declaring land based and non-land based income sources	Households declaring land based income sources	No response	Total of affected households
Dam structure and reservoir	8	1	1	9
Dam Construction camp site	13	1	3	16
Powerhouse site	4	---	---	5
Operator-s village	1	---	---	1
Nenskra road	29	1	5	35
Nakra weir and transfer tunnel intake channel	26	2	1	27
Total	78	5	8	89

3.3.4.2 Levels of income

The levels of income of the affected households were investigated in details during the complementary socioeconomic surveys undertaken between October and December 2016, and targeting only the households affected by the Nenskra dam and reservoir site, the Nakra weir intake site and the powerhouse site. Thirty (30) households responded to interviews and provided details on their levels of income. The results presented in the next sections are based on the interviewees' declarations. The figures provided are estimates and it should be noted that because of the low response rate, the information may not be robust. As explained in section 3.3.4.2D page 22, some important income sources, such as logging, may have been underreported, or not declared at all. Information on households' furnishing and equipment, described in section 3.3.5, indicates standards of living that cannot be achieved by relying solely on small-scale farming activities existing in both valleys. This shows that the income levels declared may have been underestimated by many of the interviewees, and actual revenues could be higher than declared.

A. Distribution of income by income sources

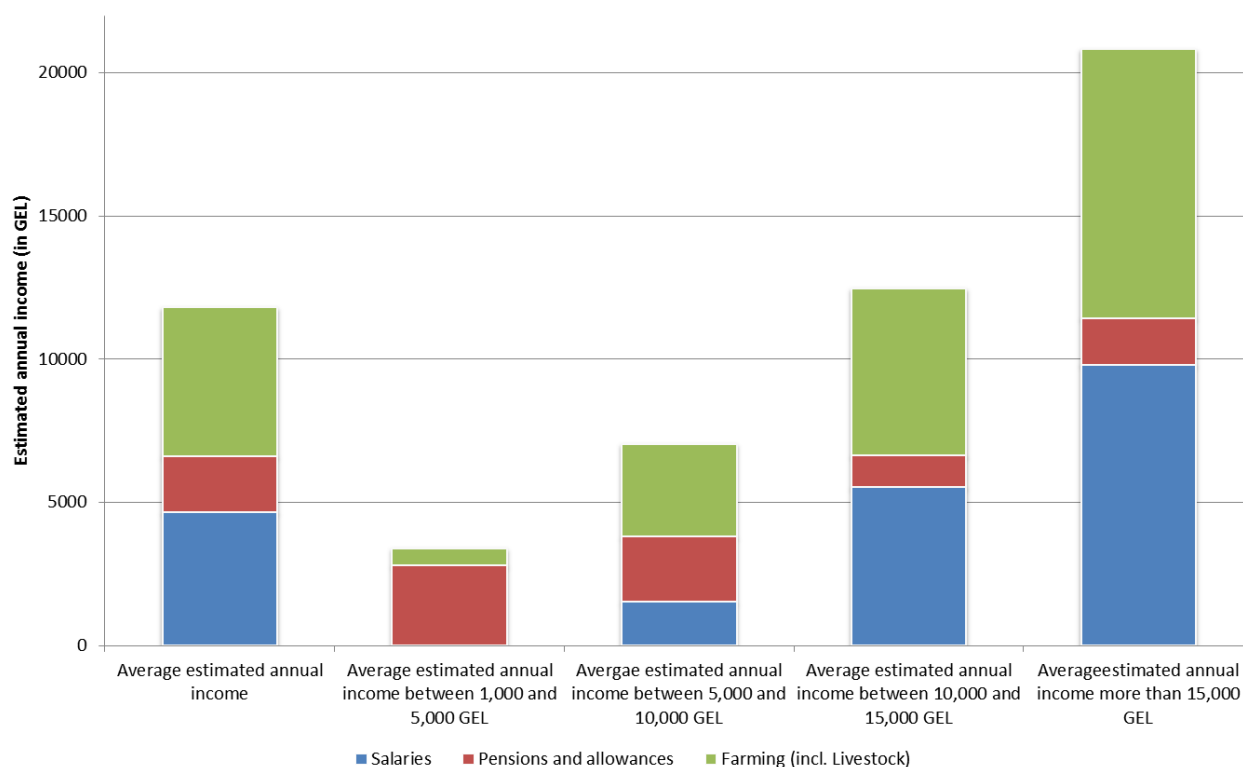
Thirty interviewed affected households responded about their estimated level of income. The highest estimated annual income declared by the affected households was 30,000 GEL, while the lowest was about 2,000 GEL. The average estimated annual income was about 10,000 GEL. The distribution of the households by income level is shown in Table 11 below.

Table 11 – Estimated annual income declared by the affected households

Estimated annual income declared by the HH	Number of respondent HH	% of respondent HH
Estimated annual income between 1,000 and 5,000 GEL	6	20%
Estimated annual income between 5,000 and 10,000 GEL	9	30%
Estimated annual income between 10,000 and 15,000 GEL	5	16.7%
Estimated annual income above 15,000 GEL	10	33.3%
Total respondent HH	30	100%

Note: Information may not be robust because of low response rate

The Figure 2 below shows the distribution of shares of salaries, farming and pensions and allowances for the different levels of annual incomes estimated by the respondents. It shows that while farming is an important source of income, the respondent did not estimate that it was their major source of income. The respondents having declared the lowest income are dependent on pensions and allowances.



Note: Information may not be robust because of low response rate

Figure 2 – Shares of incomes sources in the estimated annual incomes of affected households

B. Level of salaries

The salaries declared by respondents range from about 100 to 1,000 GEL per month. Civil servants can earn from 100 GEL per month as a librarian, up to 800 GEL per month as a Border Guard. Private employees can earn from about 270 per month as a nurse, and up to 1,000 GEL per month as a Project local worker.

C. Level of farming incomes

Farming incomes come for the main part from livestock farming. The crops farmed (maize, potatoes, vegetables) are used for households consumption. Hazelnuts or walnuts production, as well as honey production can be used as an additional source of income for some households.

The income earned from hazelnuts or walnuts depends on the number of trees harvested. One of the interviewees declared that his households had earned 8,000 GEL in 2015 from their orchard counting about 400 trees.

Twenty-six of the affected households declared they harvested walnuts or hazelnuts, and 6 that they sell some of the nuts harvested.

Twelve affected households declared that they practice beekeeping, and 6 of them declared that they sell some of the honey produced.

A detailed analysis of farming income has been undertaken for the farmers that will be affected by the loss of pasture areas at the Nenskra dam construction site, the Nenskra reservoir and the Nakra weir and water intake site. Sixteen households were included in this detailed analysis. The results are presented in Table 12 below. For these households, on average, about 40% of their income is from non-farming sources (pensions and salaries), except for one household which does not have any other source of income. On average, farming income represents about two-thirds of the total income of the households that participated to this detailed survey.

The input needed for livestock farming is additional fodder crops bought when the household is not self-sufficient. On the 16 households included in the detailed study, 5 declared that they were self-sufficient in fodder crops, while the other are on average buying about 1,300 GEL per year of additional fodder crops to feed their cows.

Table 12 – Average estimated income for the households affected by loss of pasture areas

	Number of HH respondents	Sales revenue (hazelnuts, walnuts, honey, meat, cheese, average in GEL)	Purchases (agricultural inputs, fodder, average in GEL)	Farming incomes (average in GEL)	Other non-farming incomes	Type of non-farming income	Total HH income (average in GEL)	
							annual	monthly
HH affected by the Nenskra dam construction camp site	10	7,764	873	6,891	50% of HH	Pensions and salaries	10,431	~870
HH affected by the Nenskra reservoir	1	16,060	11,000	5,060	no	---	5,060	~420
HH affected by the Nakra weir and water intake	5	5,414	470	4,944	40% of HH	Pensions and salaries	7,772	~650
Total	16	7,548	1,380	6,168	43% of HH	Pensions and salaries	9,264	~770

Note: Information may not be robust because of low response rate

D. Logging

Logging was recognized as a key income source in the economy of the Nenskra and Nakra valleys by most informants. People have logged without restriction since the disintegration of the Soviet system. The Government has recently instituted a program of large-scale licenses for logging in order to regain management of the forested area. At the time of the field surveys, Government had sent in officers to enforce the new system. There was, therefore, an understandable reluctance on the part of the local population to speak openly about their involvement in the logging and sawmill industries, either in households' interviews or during thematic interviews or focus groups. Obtaining a statistical description of current logging practices was not possible; neither was producing an estimate of volumes of trees cut or level of incomes earned.

However, as described in the Vol.3 – Social Impact Assessment, there are numerous evidences that logging and lumbering are important economic activities in the Nenskra and the Nakra valleys, as in other parts of Mestia Municipality. Sawmills and logging trucks in activity are visible in both valleys.

Five of the affected households declared lumbering and 4 declared logging as an income source, without any indication of the level of income generated.

It can be estimated from the information collected that this activity can provide non negligible household income. Wood is sold 150 GEL per cubic metre in the Nenskra valley and 400 GEL per cubic metre in Zgurishi. Considering that an average truck can transport about 10 cubic metre of raw wood, the value of one trip can be estimated between 1,500 and 4,000 GEL. One sawmill can fill about one truck per week, with a team of about 4 or 5 men. During one month, between 6,000 GEL and 16,000 GEL could be sold and this income then divided between the lumberjacks. This activity is practiced over 6 months.

E. Other incomes

Other incomes mentioned by the interviewees were obtained from processing food (such as jam or baked goods) or secondary forest products (mushrooms or culinary herbs). However, the income earned was judged marginal in regards of the other income sources. Only one affected household declared selling secondary forest products and two declared selling processing food.

3.3.5 Furnishing and equipment

A description of affected household's furnishing provides an indication on their level of equipment. The Table 13 below gives the number of affected households possessing several elements of furnishing and equipment. It can be used to monitor the evolution of their standards of living.

Figure 3 in page 25 correlates the households furnishing and equipment with the estimated share of farming activities in the declared income, for the households surveyed by the additional socioeconomic surveys undertaken in October 2016. This figure shows that households that declared farming as their main income sources (from 60% to 100% of the estimated income declared by the interviewees) have standards of living similar to the others. It indicates standards of living that cannot be achieved by relying solely on small-scale farming activities existing in both valleys. This shows that the income levels may have been underestimated by many of the interviewees, and that some income sources, such as logging may have been underreported.

Table 13 - Affected households furnishing and equipment

	Total affected HH	HH respondents	Radio	Bicycle	Television	L.P.G Connection/ Gas Cylinder	Computer	Refrigerator	Mobile phone/telephone	Washing machine
	Num. (% total HH)	Num. (% total HH)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)
Male headed affected HH	79 100%	64 81%	15 19%	3 4%	11 14%	57 72%	21 27%	33 42%	53 67%	59 75%
Women Headed affected HH	10 100%	9 90%	1 10%	1 10%	3 30%	8 80%	0 0%	6 60%	8 80%	8 80%
All affected HH	89 100%	73 82%	16 18%	4 5%	14 19%	65 89%	21 29%	39 53%	61 84%	67 92%

	Total affected HH	HH respondents	Motor cycle / scooter	Car	Kerosene lantern	Truck	Tractor	Music centre	Joiner's bench	Electronic / Microwave oven	Satellite antenna
	Num. (% total HH)	Num. (% total HH)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)	Num. (% HH interviewed)
Male headed affected HH	79 100%	64 81%	7 9%	26 33%	0 0%	22 28%	1 1%	5 6%	1 1%	2 3%	20 25%
Women Headed affected HH	10 100%	9 90%	0 0%	3 30%	0 0%	2 20%	0 0%	0 0%	0 0%	1 10%	2 20%
All affected HH	89 100%	73 82%	7 10%	29 40%	0 0%	24 33%	1 1%	5 7%	1 1%	3 4%	22 30%

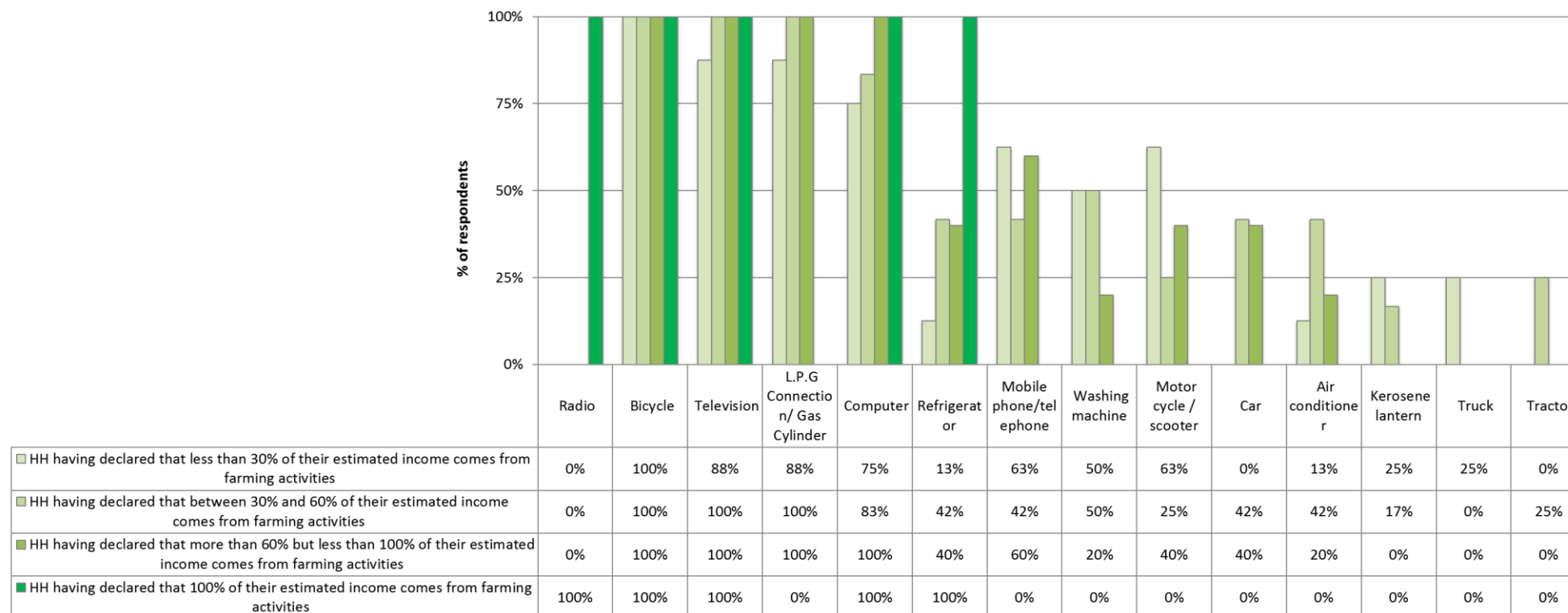


Figure 3 - Affected households furnishing and equipment distributed by share of declared estimated income from farming

3.3.6 Vulnerable households

Households are considered as vulnerable if they are:

- Registered as poor in the local social services;
- Women-headed households;
- Elder-headed households (≥ 70 years old) without any other bread-winner in the household, and
- Households headed by disabled people.

Twenty-nine of the 89 affected households fall into at least one of the four criteria above and are considered as vulnerable. The distribution of the affected households by vulnerability criteria is presented in Table 14 below. The sources of income they declared during the interviews are presented in Table 15 hereafter.

In Georgia, the degree of poverty of a given household is determined as a result of calculations taking into account production, consumption, cash income and assets valuation. The estimations are conducted by the Social Services Agency and the rating data is registered. The households with the lowest rating are officially registered as extremely poor and receive subsistence allowance. At a national level 11 percent of the Georgian national population is registered as under the national poverty line⁸, but the official poverty line is not available in the public domain. In the Project area almost a fifth of all families in the project area (65 of 353 households or 18.4%) report receiving poverty subsistence allowance. Seventeen of the affected households (or 19.7%) are receiving this poverty allowance.

Women headed households represent 23% of the total of the households residing permanently in Nenskra and Nakra valleys (see Vol. 3 – Social Impact Assessment). They represent 11% of the affected households (10 households out of 89).

Seven elderly-headed households without any other bread-winner in the household are affected. There is one disabled head of household amongst the affected households.

As shown in Table 15, 7 of the 29 affected vulnerable households declared salaries as an income source, and 14 declared they are receiving pensions.

Six of the vulnerable affected households will lose trees. All of them declared that they rely on farming as well as other income sources.

Fourteen of the affected vulnerable households will be affected by loss of pasture areas; 4 at the Nenskra dam site and 10 at the Nakra water intake site.

Only 4 of the affected vulnerable people declared solely farming as an income source. Out of these 4 vulnerable affected households, 1 will be affected by loss of pasture area at the Nenskra dam site, and 3 at the Nakra water intake site.

The impacts on these vulnerable households are analysed in section 4.3.

Five of the 89 affected households (5.6%) are families that moved to the Nenskra and Nakra valleys during the Abkhazian conflict in the early 1990s. These people are Internally Displaced People (IDP). There are also five households that include at least one IDP through marriage. Therefore in total there are 10 households (12%) that include at least one IDP. Individual IDPs receive an IDP allowance. The IDPs are Svan and have settled in the local communities, with whom they had kinship ties. Those who are affected will benefit from livelihood restoration

⁸ Source: National Statistics Office of Georgia, citing the Social Service Agency, http://www.geostat.ge/index.php?action=page&p_id=188&lang=eng

packages as is the case with any other affected vulnerable people. It is important to emphasise that the project will not contribute to any existing or potential vulnerabilities. It can be noted that in the Nenskra and Nakra valleys 43 households declared that at least one of their members is receiving a IDP allowance, and 188 individuals declared they are receiving this allowance. Therefore about 16% of the population of the Nenskra and Nakra valleys are IDP.

Table 14 - Distribution of the vulnerable households by vulnerability criteria

Vulnerability category	Number of affected households
Total vulnerable households	29
Total households receiving poverty allowance	17
Total woman headed households	10
Total elder-headed households without any other bread-winner in the household	7
Total disabled headed households ⁹	1
Distribution of the categories:	
Women headed affected HH (no poverty allowance, and not elderly without any other bread winner)	7
Women headed affected HH and poverty allowance (but not elderly without any other bread winner)	2
Women headed affected HH and elder-headed without any other bread winner, but without any poverty allowance	1
Women headed affected HH and poverty allowance and elder-headed without any other bread winner	1
HH receiving poverty allowance (man headed, and not elderly without any other bread winner)	13
Elder-headed households without any other bread-winner in the household (male headed, without poverty allowance)	4
Elder-headed households without any other bread-winner in the household (male headed, with poverty allowance).	1

Table 15 – Sources of income and losses of the affected vulnerable households

Project component	Vulnerability category	Sources of income declared during interviews						Structures affected	Crops affected	Trees lost (Num.)	Pasture area
		Salary	Pension	Farming	Social allowances	Renting	Lumbering				
Upgrading of Nenskra Road	Registered as poor	X		X				1 fence	no	---	no
	Woman headed & elder-headed without any other bread winner		X	X				1 fence	no	---	no
	Registered as poor & woman headed & elder-headed without any other bread-winner			X	X			1 fence 1 wooden granary + 1 wooden hen coop	no	---	no
	Registered as poor & woman headed		X	X	X			---	no	---	no

⁹ Only one vulnerability criteria applies to this household, it is not woman-headed neither registered as poor.

Project component	Vulnerability category	Sources of income declared during interviews						Structures affected	Crops affected	Trees lost (Num.)	Pasture area
		Salary	Pension	Farming	Social allowances	Renting	Lumbering				
	Registered as poor		X	X	X			1 fence	no	---	no
	Registered as poor		X	X	X			---	no	1 (walnut)	no
	Registered as poor		X	X	X			---	no	3 (walnut)	no
	Registered as poor		X	X	X			---	no	1 (walnut)	no
	Woman headed	X	X	X				2 fences	no	8 (walnut)	no
	Registered as poor	X		X	X			3 fences	no	---	no
	Woman headed & elder-headed without any other bread-winner	X		X				1 fence	no	9 (6 walnut)	no
	Woman headed		X	X				2 fences	no	0	no
	Registered as poor			X	X			2 fences	no	13 (6 walnut)	no
Nenskra dam & reservoir	Woman headed			X				---	no	---	yes
	Woman headed		X					1 wooden cabin (shared)	no	---	yes
	Registered as poor			X	X			1 wooden cabin + 1 fence (shared)	no	---	yes
	Elder-headed without any other bread winner		X	X				1 wooden cabin (shared)	no	---	yes
	Disabled head of household		X					1 wooden cabin (shared)	no	---	yes
Nakra weir and water intake	Registered as poor			X				---	no	---	yes
	Registered as poor	X		X	X			---	no	---	yes
	Registered as poor	X	X	X				---	no	---	yes
	Registered as poor			X	X			---	no	---	yes
	Woman headed			X				---	no	---	yes
	Registered as poor		X					---	no	---	yes
	Elder-headed without any other bread-winner			X				---	no	---	yes
	Registered as poor + woman headed		X		X		X	---	no	---	yes
	Registered as poor	X						---	no	---	yes
	Registered as poor		X			X		---	no	---	yes
	Elder-headed without any other bread-winner (seasonal resident)		x					---	no	---	yes

3.3.7 Community infrastructure

Community infrastructure is, for the most part basic. School buildings are in a poor state of repair, though people appreciate the quality of the teachers and the importance of education. The clinics provide first-aid assistance only. Police are based in Khaishi, which is 10 kilometres from Chuberi and some 35 kilometres from Naki. However, law and order are maintained largely through the community. There are few shops in Chuberi and none in Naki. Public transport is scant in Chuberi and non-existent in Naki.

Itinerant marketers travel Chuberi several times a week to sell basic commodities from the back of their minivans. Demand in Naki is too weak to support even this level of commercial activity. There are no repair services in either valley. Several water-powered corn mills are used in each valley. Each community has a town hall building, though the physical infrastructure is dilapidated. There are two operating churches in Chuberi, and 10 church buildings in Naki, only three of which operate. Each community has a football field for recreational activity.

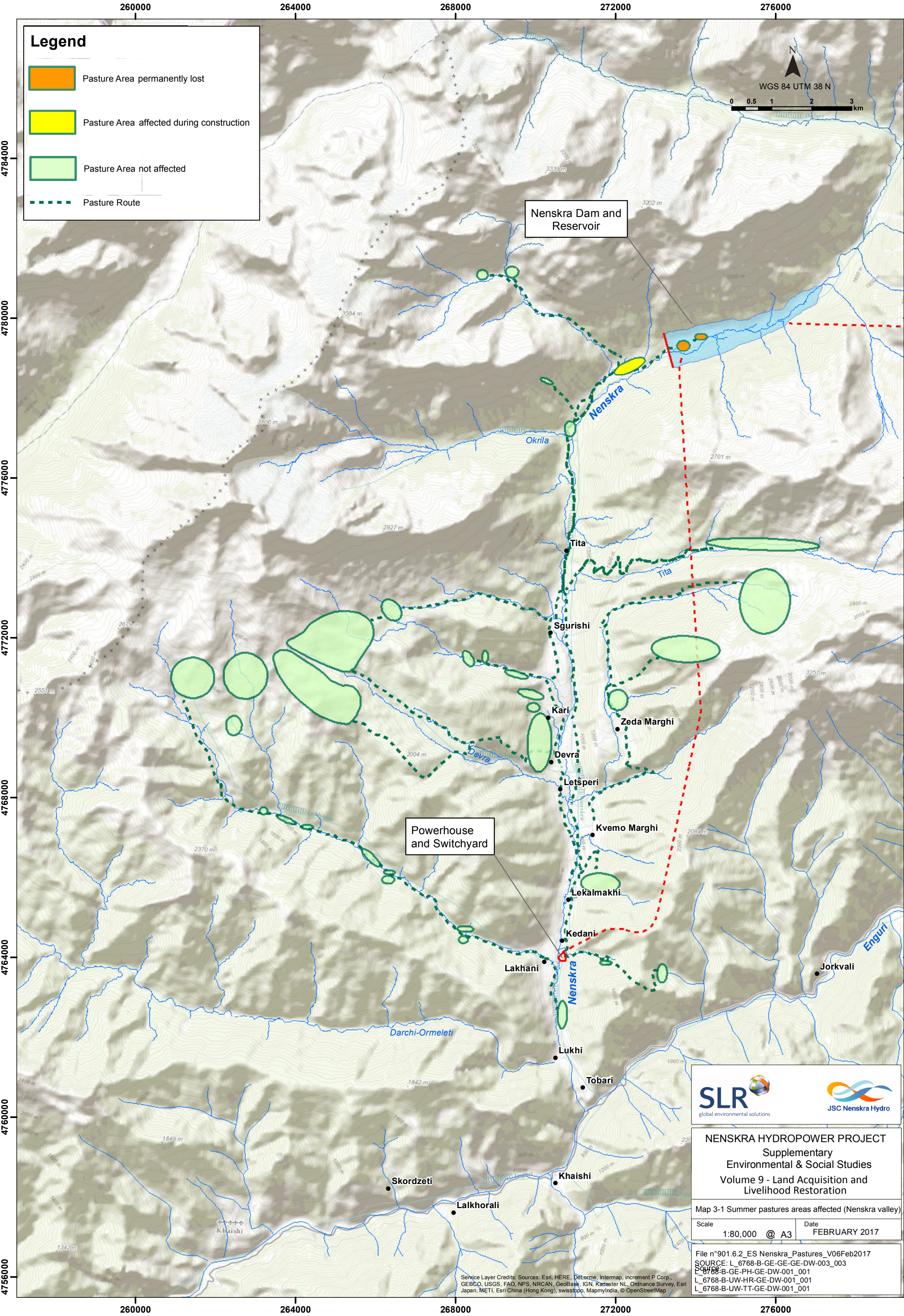
There is no collective water supply system. The households have established their own basic drinking water system, based on gravity fed domestic water supply systems made of pipes connected to water springs or river tributaries up the slopes. The river water is not used as drinking water.

3.3.8 Summer pasture areas

Ownership and right of use of pasture areas is defined by customary rights. An estimate of the available pasture areas has been established from interpretation of aerial imagery. A conservative approach has been used (i.e. the estimated area is probably underestimated). This is because only open grassland areas have been considered and cattle are known to also graze in the forested areas.

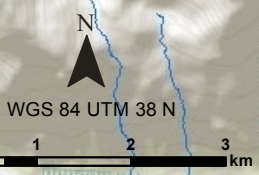
The total area of the summer pastures of Chuberi village has been estimated to be about 695 ha. This does not include the Lukhi and Tobari pastures as these are not affected by the Project, and are part of the Khaishi village. The households affected by the Nenskra Dam reservoir (9 households) declared that they only have collective customary right of use of one pasture area called *Machlitchala*, located in the future reservoir. The households affected by the Nenskra dam construction camp (16 households) declared that they have collective right of use of one pasture area name *Kvemo Memuli*, located in the footprint of the dam construction camp, but also of two other pasture areas located up the Memuli River.

The total area of the summer pastures of Naki village has been estimated to be about 549 ha and this does not include Shtikhiri pasture land as not affected by the Project, and part of another village. The households affected by the Nakra water intake (27 households) declared they have customary right of use of the pasture area named *Lagiri*, located in the footprint of the Nakra water intake. They also have access to other pasture located west and north-east of the Nakra valley.



Legend

- Pasture Area permanently lost
- Pasture Area affected during construction
- Pasture Area not affected
- Pasture Route



Nenskra Dam and Reservoir

Powerhouse and Switchyard



global environmental solutions

JSC Nenskra Hydro

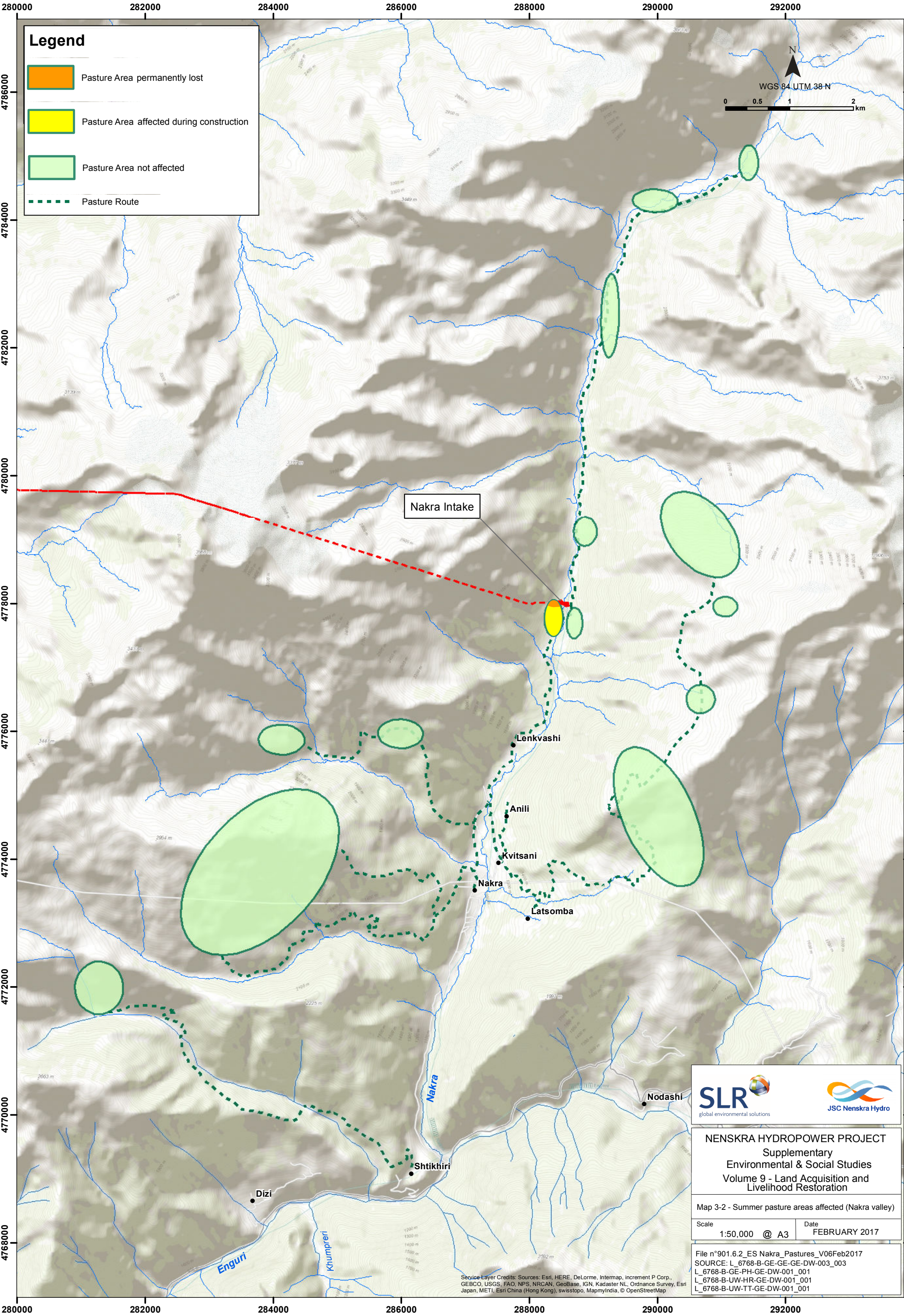
NENSKRA HYDROPOWER PROJECT
Supplementary
Environmental & Social Studies
Volume 9 - Land Acquisition and
Livelihood Restoration

Map 3-1 Summer pastures areas affected (Nenskra valley)

Scale	1:80,000 @ A3	Date	FEBRUARY 2017
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File n°901.6.2_ES Nenskra_Pastures_V06Feb2017
SOURCE: L_6768-B-GE-GE-DW-003_003
L_6768-B-GE-PH-GE-DW-001_001
L_6768-B-UW-HR-GE-DW-001_001
L_6768-B-UW-TT-GE-DW-001_001

Service Layer Credits: Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap



Legend

- Pasture Area permanently lost
- Pasture Area affected during construction
- Pasture Area not affected
- Pasture Route



WGS 84 UTM 38 N

0 0.5 1 2 km

Nakra Intake

Lenkvashi

Anili

Kvitsani

Nakra

Latsomba

Nodashi

Shtikhiri

Dizi



NENSKRA HYDROPOWER PROJECT
Supplementary
Environmental & Social Studies
Volume 9 - Land Acquisition and
Livelihood Restoration

Map 3-2 - Summer pasture areas affected (Nakra valley)

Scale	1:50,000 @ A3	Date	FEBRUARY 2017
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File n°901.6.2_ES Nakra_Pastures_V06Feb2017
SOURCE: L_6768-B-GE-GE-DW-003_003
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4 Land requirements and impact assessment

4.1 Need for land acquisition

Land acquisition is required by the Project for establishing the following permanent components:

- Dam structure;
- Reservoir inundated area;
- Powerhouse, ancillary structures and service road;
- Operators village, including houses, recreational areas, workshops;
- Dam site 35 kV power supply service line;
- 110 kV power supply line to supply construction sites with electricity, and
- Nakra diversion weir, transfer tunnel portal and inlet channel.

To enable construction traffic to access the work sites, the road along the Nenskra valley from Khaishi to the dam site and the road along the Nakra valley need to be upgraded - and which includes road widening. The land acquisition for the Nenskra road widening has been defined. However, the road widening for the Nakra valley road will be defined at a later stage.

Land acquisition is also required for establishing temporary construction sites facilities and spoil disposal areas, which are as follows:

- Dam site construction camp and spoil disposal areas;
- Powerhouse construction camp and spoil disposal areas;
- Nakra construction camp and disposal areas.

As described in section 1.1.5, the LALRP will be updated to include the following components for which land requirements are currently being finalised:

- Possible variations in the Nenskra road upgrading works, which are currently being evaluated and comprise two bypass sections to avoid the hamlet of LariLari (on the left bank of the Nenskra) or a possible alternative route on the right bank of the Nenskra;
- Upgrading of the Nakra road;
- Spoil disposal areas at the powerhouse;
- Electric service line (35 kV) between the powerhouse and the dam site, and
- Power supply line (12 to 18-kilometre long, 110 kV) extending from the proposed new substation located in the Nenskra valley to the powerhouse (required to provide power during construction).

As described in section 1.1.4, the 220 kV TL to evacuate the electricity produced by the Nenskra scheme is an associated facility that GSE will design, construct, install, commission, own, operate and maintain. The land requirement for the 220 kV TL is therefore not included in this assessment.

The land acquisition required in the area of the Nenskra dam, powerhouse and Nakra diversion weir are illustrated in Figure 4, Figure 5 and Figure 6 on the following pages. Project land requirements are indicated in Table 16 below, broken down into permanent work areas and temporary facilities. Land that will be needed temporarily will be rented and as much as possible restored to its original state at the end of the construction.

Table 16 – Project land requirements

Components / sites	Total land take area (ha)	Permanent works area (ha)	Temporary facilities area (ha) ^h
Dam site	560.0	355.1 (dam = 83 ha; reservoir = 270 ha; cattle by-pass track ^a = 2.1 ha)	204.9 (construction camp, ancillary structures & disposal areas ^c)
Operators' village	2.5	2.5 ^b	---
Powerhouse site	188.8	29.1 (Powerhouse, GIS, structures, service road, valve chamber, penstock and surge shaft, 11 kV power supply service line between the powerhouse and the surge shaft)	159.7 (construction camp & disposal areas ^c)
Nakra water intake	36.7	0.9 (Weir and transfer tunnel intake channel)	35.8 (construction camp & disposal areas)
Nenskra road upgrading ^d	4.5	4.2 (road widening)	0.3 (temporary ancillary construction facilities)
Nakra road upgrading	TBD ^e	TBD ^e	---
35 kV power supply service line ^f	36.0	36.0	---
110 kV power supply service line ^g	54.0	---	54.0
Total	882.5	427.8	454.7

^a The Cattle by-pass track is not defined yet, the figure provided is an estimate, based on assuming that it would be 3 m wide and 7 km long.

^b Includes, houses, recreational areas, workshops

^c Estimate. The area needed for the spoils disposal area at the Powerhouse is estimated to be about 16 ha, based on the quantity of spoils that will be produced (570,000 m³), and the assumption that they will be disposed on a layer of 3.5 m high

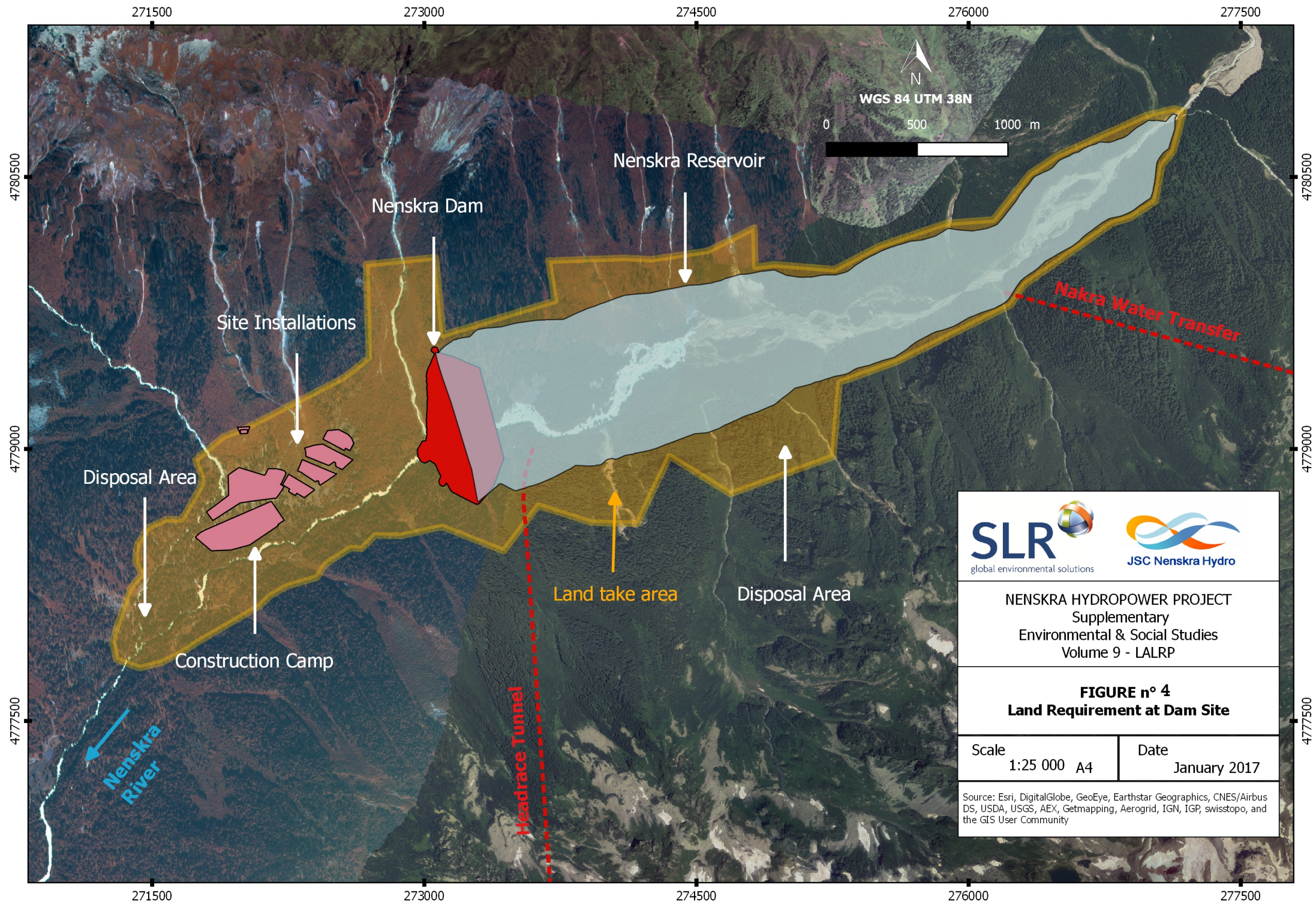
^d Road widening inside residential areas of Chuberi village

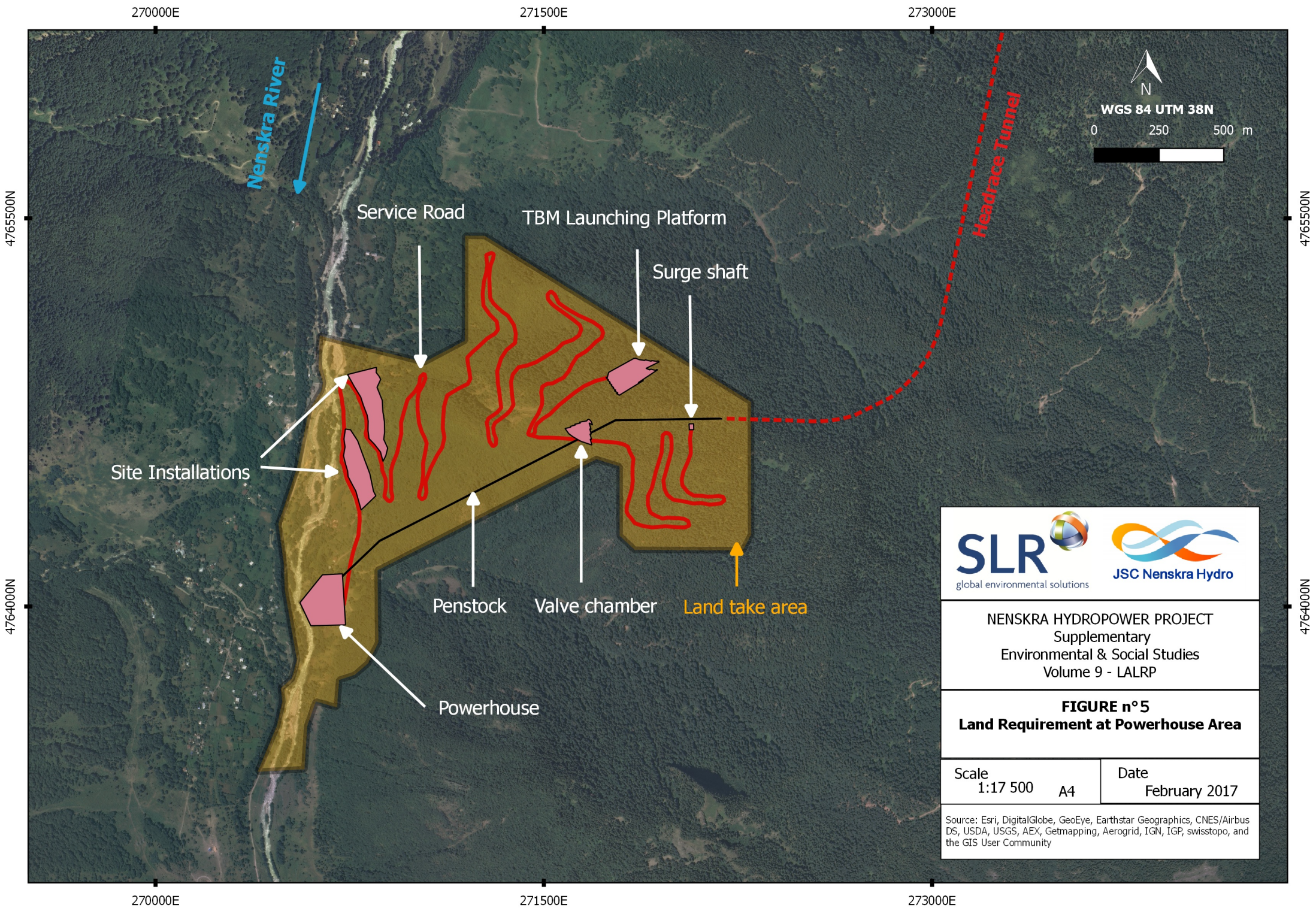
^e To be determined

^f Estimate. Servitude between Nenskra powerhouse and dam, 18 km long, 20 m wide, includes 0.5 ha for pylons Estimate based on assuming that there is a pylon with a footprint of 25 m² every 100 m along the line.

^g Estimate. Servitude between the proposed new substation located in the Nenskra valley and Nenskra powerhouse, 12 to 18 km long. A conservative approach has been adopted to estimate the land requirement, and the length of 18 km is used for the estimate. Other assumptions are that the line is 30 m wide, includes 0.5 ha for pylons. Estimate based on assuming that there is a pylon with a footprint of 25 m² every 100 m along the line.

^h Includes quarry areas, borrow areas, disposal areas and access roads required during construction





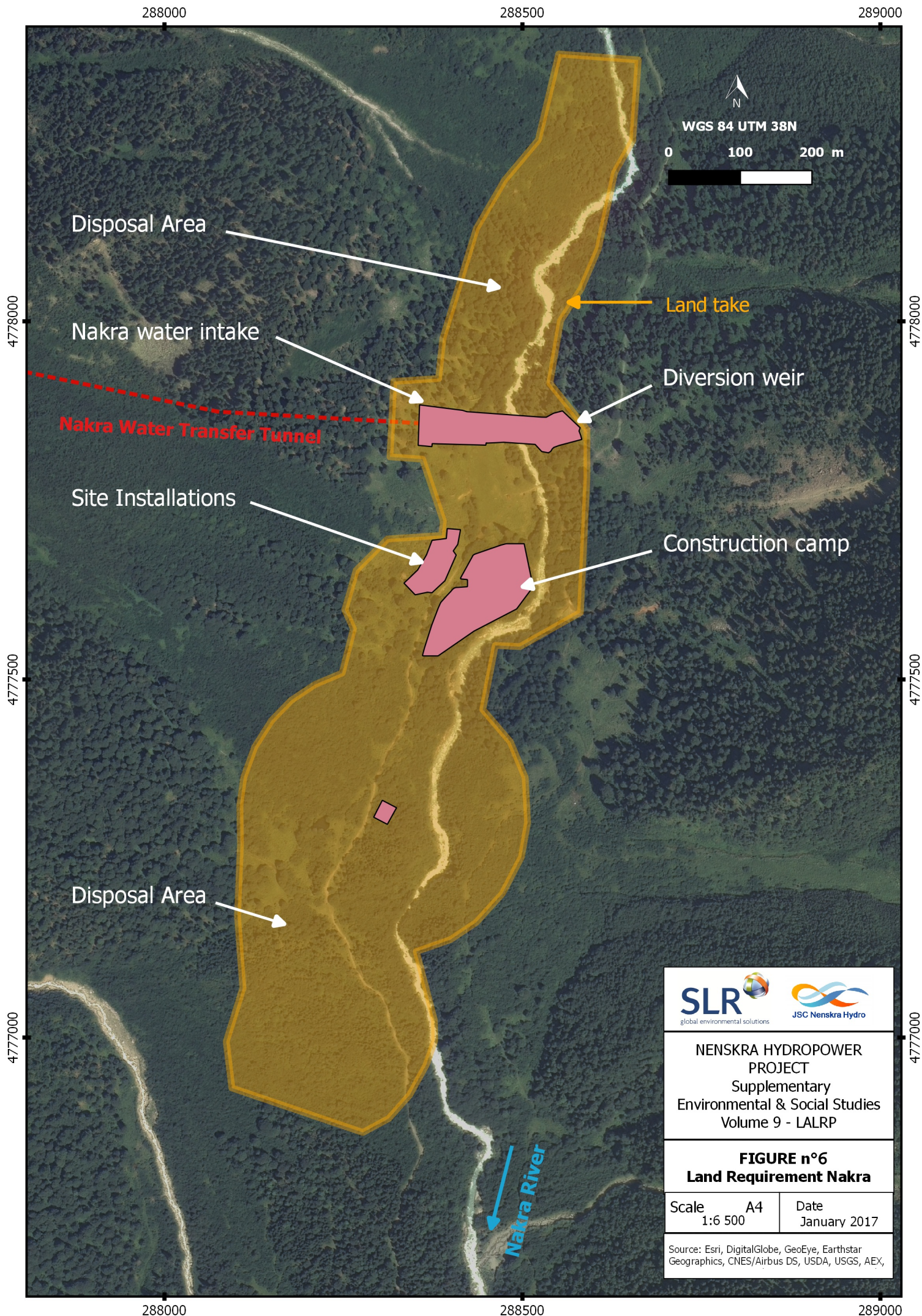



NENSKRA HYDROPOWER PROJECT
Supplementary
Environmental & Social Studies
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FIGURE n°5
Land Requirement at Powerhouse Area

<p>Scale 1:17 500 A4</p>	<p>Date February 2017</p>
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Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



4.2 Minimisation of land requirements

The technical alternatives studied for the Project are presented in details in Vol. 2 – Project definition. In order to minimize the impacts of the land requirements and the number of people affected, the following mitigation measures were decided by JSCNH.

- Powerhouse site: Several options were studied for the location of the Powerhouse. The option with the less social impacts has been chosen (see Vol. 2 – Project definition of the Supplementary E&S Studies for a detailed description of the alternatives studied). The detailed design was still in progress at the time of writing the LALRP. In particular, the soils disposal areas and the construction camp were still being defined to find locations where they will not impact the land use of the local communities. All feasible possibilities to avoid or at least minimize physical and economic displacement at the powerhouse site will be studied before the start of the main construction phase;
- Access to pasture areas: JSCNH commits to avoid any potential impacts caused by impaired access to pasture areas during the construction period. The EPC Contractor will maintain access to pastures which are away from the worksites and which could be blocked by temporary facilities such as camp or site installations. At the end of the construction period, any obstacle to the pasture areas uphill will be removed or replaced;
- Upgrading of the Nenskra Road: the alignment has been selected to use as much as possible the existing road platform and to cross the settlements with the least impact;
- Adjustment of infrastructures yet to be defined (Nakra road widening, 110 kV power supply line and service line);
- The road corridor for the Nakra valley was yet to be defined when the present report was finalized. Its alignment and widening will be defined in close consultation with the communities and with a clear objective to minimize any adverse effects on livelihoods;
- The alignment of the planned electrical service line from the new substation located in the Nenskra valley to the dam will be defined in close consultation with the communities and with a clear objective to minimize any adverse effects on livelihoods;
- The service line routes were yet to be defined when the present report was completed. They will follow the access road to the dam and the service road to the gate chamber while avoiding houses and other private assets, and
- Some spoil disposal areas and the powerhouse construction camp were yet to be defined when the present report was completed. They will be defined in close consultation with the communities and with a clear objective to avoid physical displacement and to minimize any adverse effects on livelihoods.

4.3 Impacts assessment

4.3.1 Impacts overview

The Project's land requirements have been presented in Section 4.1.

The land acquisition for those components for which the land requirement has been defined, a total of 89 households will be affected by economic resettlement, i.e. loss of land, non-residential structures, trees and annual crops. No physical resettlement is required. The affected household include 29 vulnerable households, including 10 households headed by women.

In total, the affected households will lose 37 hectares of land, 14 wooden cabins, fences, 1,288 trees, 0.1 hectares of maize and 0.1 hectares of potatoes. Three pasture areas will also be affected, namely *Kvemo Memuli* and *Machlitchala* at the Nenskra dam and reservoir site, and *Lagiri* at the Nakra water intake site.

In September 2017, when writing this LALRP, the number of households to be considered as traditional users of the *Machlitchala* and *Kvemo Memuli* pastures were being discussed with affected people. If the figures provided hereafter evolve as a result of the on-going discussions, this will be reflected in the monitoring reports.

The extent of these impacts on the affected people is presented in the following paragraphs for each Project's component. The location of the impacts is presented in Figure 7 next page.

It is not anticipated that any gender specific impact will be caused by the land acquisition process.

The proportions of lands used by local population affected by the land acquisition are indicated in Table 18.

Table 19 next page indicates the breakdown of the land acquisition by land status. The first column (A) designs all land that is not used by the local communities and on which there is not any customary right of use. This is the case for forested areas along the slopes, outside of the settlements. The second column (B) designs the areas outside of the settlements where some groups of households have a customary right of used. This right of use is not recognized legally, but it is acknowledged informally amongst the villagers. This will be the case for the pasture areas affected at the Nenskra Dam and reservoir and at the Nakra water intake site. The third column (C) designs land plots that are privately owned and already registered. The fourth column (D) designs the land plots that are privately owned, but are not registered. Some of these land plots could be registered or legalized.

The impacts of the land take for the components that were defined in September 2017 are summarised in Table 20. Their significance is synthetized in the Table 17 below.

Table 17 – Overview of the significance of the land acquisition impacts

	Project's component	Number of households	Number of individuals	Number of vulnerable households	Number of woman headed households
Total affected by land acquisition	All	89	392	29	10
Total affected by loss of non-productive assets, without loss of means of livelihood	Nenskra road upgrading + operator's village	33	134	14	6
Total economically displaced	Nenskra dam & reservoir, powerhouse, Nakra water intake	56	258	16	4
Total significantly affected	Nenskra dam & reservoir, powerhouse	29	147	5	2
Total severely affected	Nenskra reservoir, powerhouse.	13	76	1	0

Table 18 – Proportion of land use affected by land take

Village (valley)	Type of land use	Total area ^a	Proportion of the type of land included in the land take area (permanent and temporary)	Proportion of the type of land included in the permanent land take area
Chuberi (Nenskra valley)	Residential and built-up areas	420 ha	---	---
	Arable land (cultivated or not)	490 ha	5.2%	0.75%
	Pasture area	695 ha	2%	0.8%
Naki (Nakra valley)	Residential and built-up areas	104 ha	---	---
	Arable land (cultivated or not)	120 ha	---	---
	Pasture area	549 ha	1.1%	0.16%

^a Estimates based on aerial picture interpretation (pictures dated 2010).

Table 19 – Breakdown of land acquisition by land status (components defined)

Area/ facility	(A) State Land not used by the local communities		(B) State land on which groups of households have customary right of use		(C) Registered private land		(D) Non-registered private land (legalizable and non-legalizable)		Total (ha)
	Area (ha)	Land use	Area (ha)	Land use	Area (ha)	Land use	Area (ha)	Land use	
Nenskra dam and reservoir	429.0	forest	131	pasture area, forest	0	-	0	-	560.0
Powerhouse site	155.4	forest	0	-	0	-	33.4	arable land, forest	188.8
Operators village	0.0	-	0	-	0	-	2.5	forest	2.5
Nenskra road	0.0	-	0	-	0.08	strips of lands with fences	4.44	fences	4.5
Nakra weir and transfer tunnel intake channel	4.1	forest	16.0	pasture area, forest	0	-	16.6	pasture area	36.7
Total	588.5	forest	147.0	pasture area, forest	0.08	strips of lands with fences	56.9	arable land, forest and pasture areas	792.5

Table 20 – Summary of the Project land acquisition impacts

Area/ facility ^c	Number of households affected	Number of vulnerable households	Number of woman headed HH	Type of land use ^b	Affected public infrastructure	Land lost by the affected HH (ha)	Structures lost	Trees lost	Annual crops lost
Nenskra dam and reservoir	25	5	2	F / P	---	131 (pasture + forest)	13 wooden cabins, fence	--	0.1 ha of potatoes
Powerhouse site	5	---	---	A / F	---	33.4	fences, 1 cattle shed, 1 unoccupied house	1,118	0.01 ha of maize
Operators village	1	---	---	F	---	2.5	--	--	--
Nenskra road	35 ^a	14 ^d	6	A	---	4.5	37 sections of fences + 2 wooden sheds	170	--
Nakra weir and transfer tunnel intake channel	27	11	2	F / P	1 bridge	32.6 (pasture + forest)	1 fence, 1 stone wall, 1 wooden cabin	--	--
Total	89	29	10	A / F / P	1 bridge			1,288	0.1 ha potatoes; 0.01 ha maize

^a Includes 4 households also affected by one other project component.

^b A: Arable F: Forest P: Pasture R: Residential

^c The 35 and 110 kV service lines, the Nakra access road upgrading works, and the spoil disposal areas are not included here (see section 4.3.2).

^d include 1 household also affected by one other project component

4.3.2 Impacts of infrastructure for which land requirements are not currently defined

The principles adopted for this LALRP will also be applied to the land acquisition required for those components for which at the time of writing the detailed design work is still ongoing (see section 1.1.5) and for which location, footprint/alignment is not currently finalised. Any land or Right of Way acquisition for these facilities will follow ADB and EBRD requirements and a supplement to the LALRP will be prepared, discussed with communities and agreed with ADB and EBRD prior to any impacts or works happening on the ground.

4.3.3 Impact assessment methodology

The aim of the impact assessment section is to assess the impacts of the project land take on the affected households' means of livelihoods and incomes. The receptors of the impacts are the affected households. There is not any physical displacement; the anticipated impacts are loss of land, trees, crops or structures, such as fences or wooden cabins.

The sensitivity of the affected households is function of their dependency on land based economic activities. Households depending solely on land-based incomes sources, such as farming, will be more sensible to loss of land or trees than households depending on non-land-based incomes sources, such as wages or pensions. Vulnerable households will also be more sensitive, as their resilience capacities will be lower than average.

For the affected households, the magnitude of the impact is function of the importance of the loss of productive assets. It will also depend on the duration of the impact. It can be temporary (during construction) or permanent (during construction and operation).

The significance of the impact is estimated by the combination of the receptor's sensitivity and the anticipated magnitude of the impact.

Impact categorisation	Share of the productive assets affected
Low / not significant	A household losing less than 10% of its productive assets will be considered as not significantly impacted,
Medium / significant	A household losing permanently 10% or more of its productive assets will be considered as significantly affected.
High / severe	A household losing permanently more than 20% of its productive assets will be considered as severely affected. and/or A household being physical displaced (no case so far in January 2017)

For the powerhouse and the Nenskra road upgrading, the productive assets taken in account for the assessment were cultivated lands, trees as well as structures used for economic activities. Fences were not considered as productive assets.

For the households losing pasture areas, the proportion of productive assets affected by the land take has been estimated based on the quantity of fodder units¹⁰ that would be lost. This loss will be collective, as access to and right of use of these pasture areas are defined by customary rights common for groups of households. Therefore, the following steps were followed:

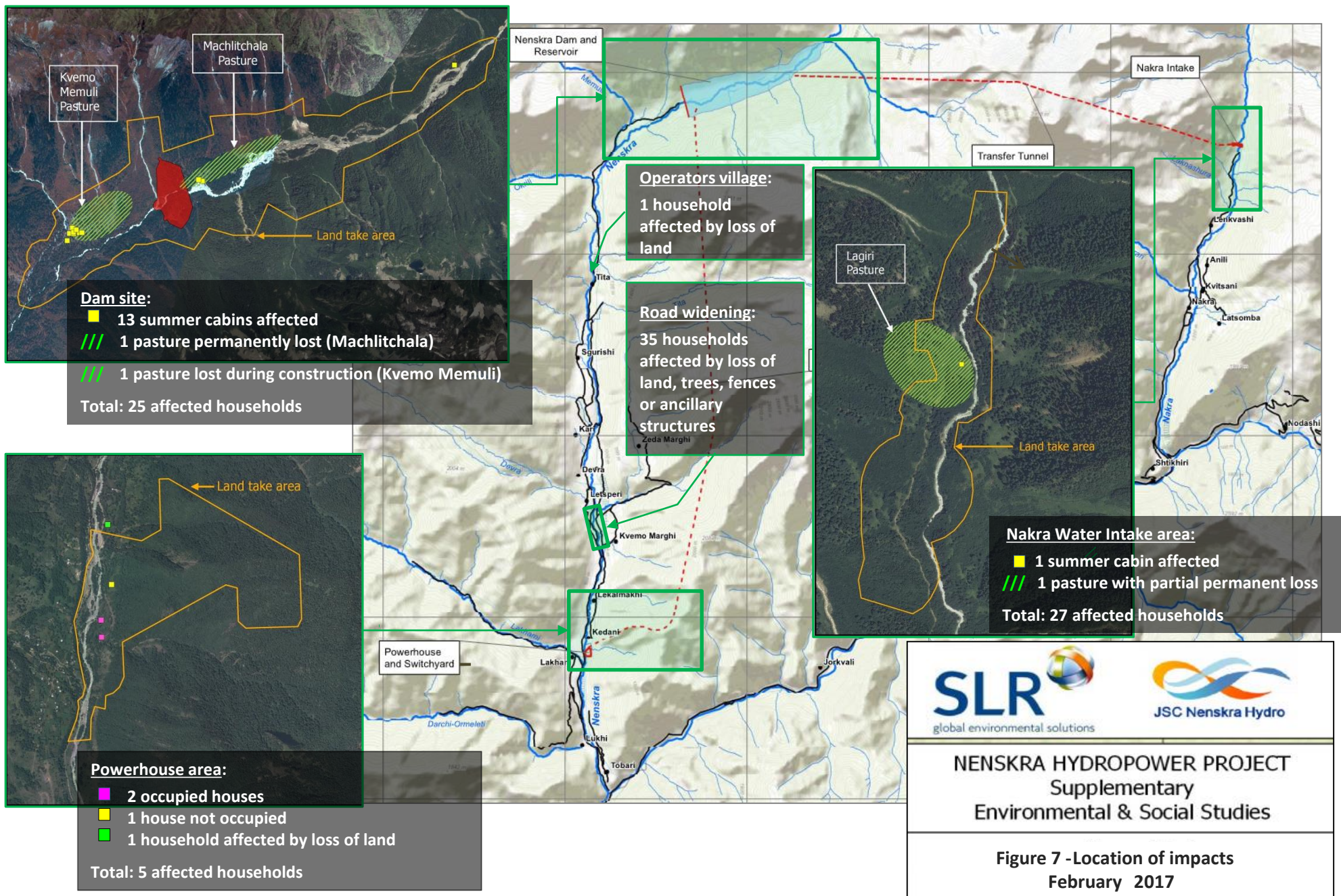
¹⁰ A fodder unit is the equivalent of the quantity of dry matter that the cattle can forage for themselves on the pasture areas. A Fodder Unit is equivalent to one kg of oat. From the interviews conducted, the price of 1 kg of oat is 1 GEL. Based on a specific survey conducted by an expert in livestock farming in mountainous areas, it is estimated that the pasture areas in the Nenskra and Nakra valleys can produce up to 510 Fodder Unit (FU) per hectare.

- Estimate the amount of fodder units available for each group of households on all the pasture areas where they have customary right of use,
- Estimate the contribution of the affected pasture areas to the total amount of fodder units available for each group of households,
- Translate this loss as a proportion of the income lost (see sections 4.3.7 for the Nenskra dam and reservoir and 4.3.8 for the Nakra water intake area).

The following sections present the anticipated impacts for all components defined at the time of writing this LALRP, and their significance.

The affected people will be able to question the assessment made during the preparation of the LALRP and the mitigation measures proposed by the Project. This will be done when the results of the impact assessment will be discussed with the affected households and the compensation packages and livelihood restoration activities will be negotiated at a household level.

Consultation with the affected people about these impacts and the mitigations measures are presented in section 10.



4.3.4 Powerhouse site

A. Impacts

At the Powerhouse site, the technical design of the Project has been adjusted to avoid any physical displacement. However, two households are currently residing within 500 meters of the power house, on the same bank of the river. One is residing within 200 meters of the powerhouse and the other within 450 meters. The Project will ensure that appropriate health and safety condition are maintained for these 2 households throughout construction and operation.

Five households will be affected by loss of land, trees, and structures. The impacts are presented in Table 21 below.

None of these 5 households is a vulnerable household. Two elderly persons (92 and 89 years old are part of two of the affected households.

One of these households is not residing in the Nenskra valley, but in Dmanisi (დმანისი), about 90 km south-west of Tbilisi. This household has a land plot in the affected area, but does not use it as a mean of livelihood, and does not earn any income from it. Hence, this household is not significantly affected (HH5 in Table 21 below).

The four other affected households reside permanently in Chuberi. They declared having land based as well as non-land based incomes sources, as mentioned in Table 10 in section 3.3.4:

- Two of the households have one member employed by the Project.
- One other household have one member employed as a nurse.
- Two households are receiving pensions.
- Farming activities represent more than half of the income for the four households.

These 4 affected households declared that their income level could range from 30,000 to 45,000 GEL per year.

Based on the data and estimate presented in section 3, the declared incomes sources of these 4 affected households are distributed as follows (see Figure 8 below):

- For two families, about 50% of their income is based on farming, and 50% is depending on wages of Project's employees.
- For the other two households, about 75% of their income is based on farming activities, the rest being based on wage and pensions.

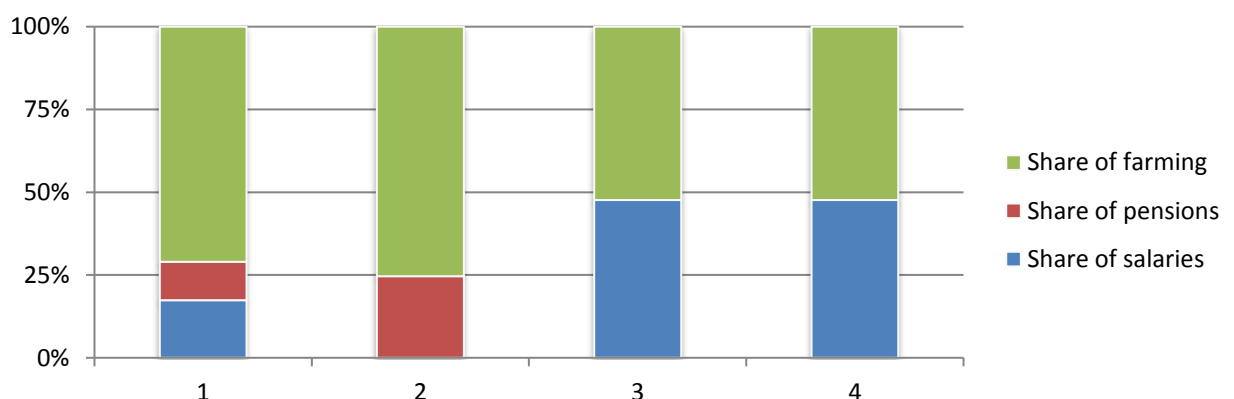


Figure 8 - Estimated income sources of the four households affected at the powerhouse

These 4 households also declared that they are using pasture areas up the slopes overhanging the Powerhouse site. They also use the area around these pasture areas for lumbering for

domestic purposes. The situation of these pasture areas is shown in Figure 9 page 47. Their access will not be impaired, as the EPC contractor will maintain their access throughout the construction period and at the end of the construction.

Three of these 4 households (HH1, HH2 and HH3) will lose about 80% of their productive land, and their productive trees, as well as the hay field they use to harvest fodder crops for their cows. The fourth one will lose about 50% of its productive land, and its productive trees. As land based activities represents more than half of the total estimated income of these households, the **impact is considered high**.

Three of these 4 households will be affected during construction and operation, with less than 50% of the land taken needed during construction only. The fourth one will be affected only during construction.

One of these 4 households will lose 9 ancient graves located inside the land take boundaries. The head of this household declared that he would accept to move these graves, providing that reasonable compensation is paid. The displacement of the graves will be made in compliance with the Georgian sanitary code. The religious authorities will be informed and consulted on the approach to be followed for the displacement of the graves.

B. Mitigation

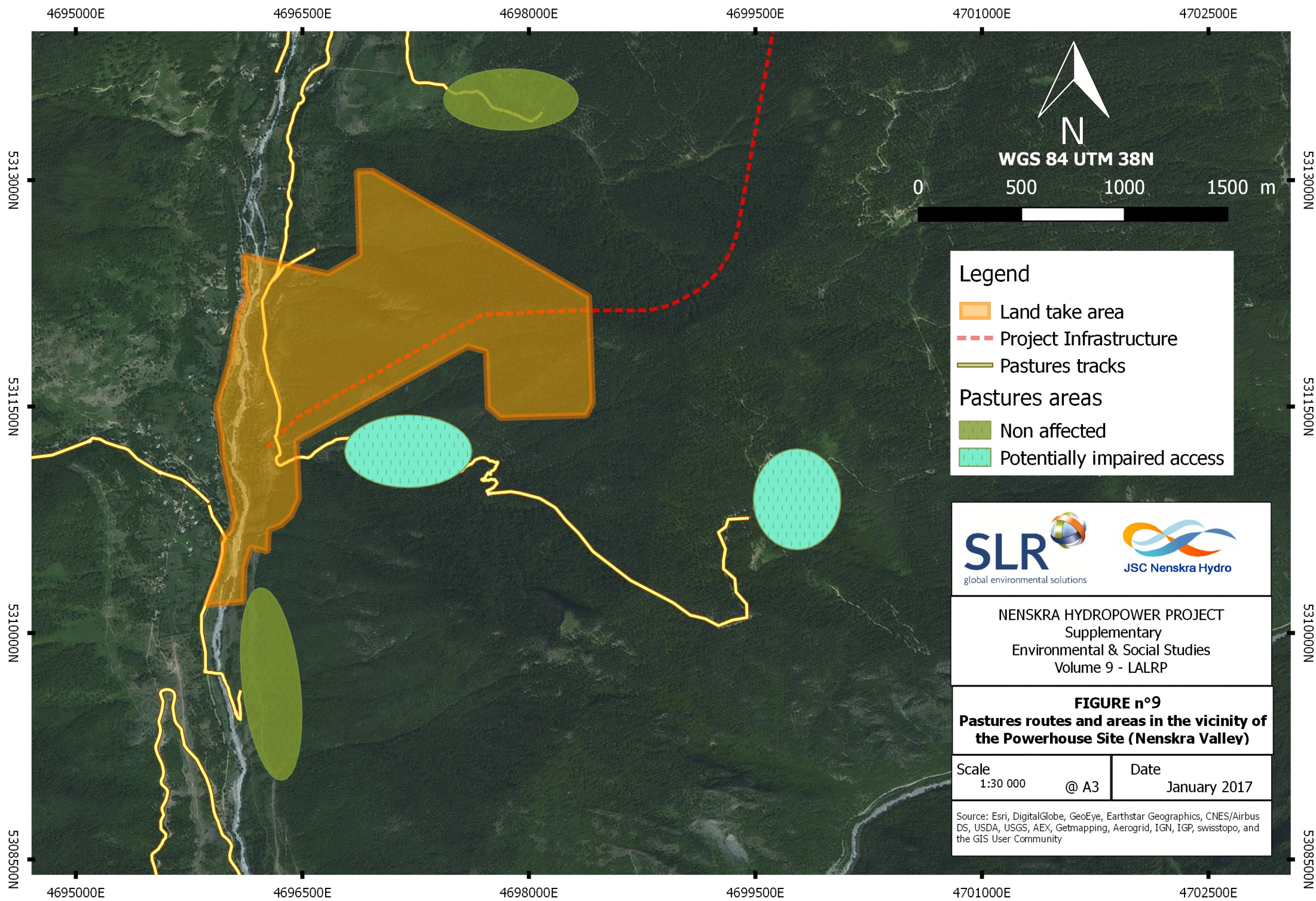
The mitigation measures are as follow:

- The EPC contractor will define and implement measures to ensure appropriate health and safety conditions for the households residing near the Powerhouse are maintained throughout the construction period;
- The EPC contractor will maintain their access throughout the construction period and at the end of the construction to the pasture area located on the slope above the Powerhouse;
- The EPC contractor will restore the land used for construction purposes to its previous state;
- The affected households will be compensated in cash at full replacement cost for all land and assets lost, including trees, crops and fences;
- The 4 households significantly affected will be eligible for livelihood restoration activities for severely affected people, as well as transitional supply of fodder crops (see section 7);
- As they will also lose the hayfield they use for fodder crops production, they will receive collectively a transitional allowance (in kind or in cash). This transitional allowance will provide a temporary supply of fodder crops during the construction period and the first two years of operation, which is the period necessary to implement the livelihood restoration activities, and
- The displacement of the graves will be made in compliance with the Georgian sanitary code. The religious authorities will be informed and consulted on the approach to be followed for the displacement of the graves. All costs for the displacement will be paid by the Project.

After implementation of the mitigation measures, the impact should be low to moderate.

Table 21 – Impacts at the powerhouse

HH#	male	female	Total members	Loss of land (ha)	Category of land lost	Legal status of land	Assets lost	Loss of fruit and nut trees (N°)	Loss of crops	Graves impacted	Vulnerable Household	% of productive land affected	Permanent /Temporary	Impact Magnitude /significance
HH1	4	3	7	8.92	arable + forest	Non registered land - partially legalizable	• Wooden fences	137	---	---	No One elderly person (89 year old)	85%	Permanent and Temporary	High – HH severely affected
HH2	3	4	7	8.32	arable + forest	Non registered land - partially legalizable	• Wooden fences	287	---	---	No one elderly person (92 year old)	80%	Permanent and Temporary	High – HH severely affected
HH3	3	2	5	9.12	Residential (but not occupied) + arable + forest	Non registered land – non legalizable	• 1 house (unoccupied) • Cattle shed • Wooden fence	480	---	9	No	80%	Permanent	High – HH severely affected
HH4	2	4	6	2.02	arable	Non registered land - legalizable	• Wooden fence	139	0.01 ha of maize	---	No	53%	Temporary	High – HH severely affected
HH5	2	0	2	5.02	arable	Non registered land - partially legalizable	• Wooden fences	91			No	0%	Permanent and Temporary	Low / not significant
<i>Total</i>	<i>14</i>	<i>13</i>	<i>27</i>	<i>33.4</i>				<i>1,118</i>	<i>0.01 ha of maize</i>	<i>9</i>	<i>0</i>			



4.3.5 Operators' village site

A. Impact

At the operator's village site, one household will be affected by the loss of 2.5 hectares of land. This land is officially registered as State Land and therefore is not legalizable for the affected household.

The household comprises 4 members, one man (head of household) and 3 women. None of them is vulnerable.

This household opened a hotel in 2014. One of the household members is receiving a pension. The head of household also undertakes various farming activities, such as fish farming. However, none of these farming activities is conducted on the land plot that will be used by the Project.

As the project will not affect any of the productive assets of this household, the impact of loss of land will be low.

B. Mitigation

The land lost has been compensated in cash.

4.3.6 Nenskra road widening

A. Impacts

In order to minimize impacts and disturbances during construction, alternatives for the Nenskra road upgrading were considered in September 2017, when writing this LALRP. These options may include one or two bypass sections on the existing road to avoid the hamlet of Lari Lari, and/or an alternative alignment on the right bank of the river to avoid Lari Lari. If one of these options is chosen instead of the alignment covered by the present LALRP, an addendum to the LALRP will be prepared.

There are 35 households losing part of their land plots because of the widening of the Nenskra Road in Chuberi village. These households are part of the Kvemo Marghi and Lari Lari hamlet on the left bank of the Nenskra River.

The impacts are presented in Table 22 below.

All the land plots affected are privately used, 10 are registered. Only strips of land plots of one to three meters wide will be affected.

No house and no agricultural fields will be affected. In terms of structures, 37 sections of fences will be affected, as well as one wooden granary and one wooden hen coop. The land that will be affected is not productive land; the portions of land that will be affected are not used for crop farming, but 170 trees will be affected, out of which 110 are walnut trees.

The sensitivity of the affected households to these losses depends on their vulnerability and on their dependency on the assets affected for their livelihoods and incomes.

- The only productive assets that will be lost are the granary and hen coop and the trees.
- The granary and hen coop belong to one widowed woman headed household under poverty line. This household will not lose any productive tree. Two women are composing this household, aged more than 70. This household is vulnerable and declared farming activities and social allowances as sources of income. The granary and the hen coop are necessary for their farming activities. In addition to compensation in cash at full

replacement cost of these structures, the Project will also propose assistance to rebuild these structures on the unaffected part of the household land plot.

- Nineteen households are affected by loss of trees. Five of them declared selling walnuts as an income source, out of which 4 will lose between 6 and 21 walnut trees. None of them declared selling preserved or processed fruits as a source of income.
 - Among the 4 households that will lose walnut trees and declared selling walnut as a source of income, 3 also declared that they relied on salary, and 2 of them are also receiving pensions. These households will lose between 5 and 21 walnut trees. The losses of the walnuts trees will be a low impact on the income of these 4 households.
 - The fourth of these households is vulnerable and declared only farming and state poverty allowance as sources of income. This household will lose 6 walnut trees, and 7 fruit trees. They did not declare that they sell preserved or process fruit as a source of income. They have other farming activities and receive social allowances, so the impact on this household's income could be low to moderate. When negotiating the compensation package, this assessment will be validated with the affected household.
- Fourteen households have been identified as vulnerable, out of which 6 are women headed households, 9 are households officially recognized as under the poverty line and receive state poverty allowance, and 2 are women headed households officially recognized as under the poverty line and receive state poverty allowance. Out of these vulnerable households, only the two identified above will lose productive assets (the granary and hen coop and the 6 walnut trees). The others will lose non-used land and portions of fences.
- All the other households will not lose any productive asset.
- Five of the affected households were identified as seasonal residents. They live elsewhere during the major part of the year and come back only during the summer period. These 5 seasonal residents will not lose any productive asset they are relying on. They will be compensated in cash at full replacement cost for these losses.

The impacts are considered as low for 30 households not losing any productive asset used to generate income. For the 5 households that will lose productive assets, the impacts are considered low.

B. Mitigation measures

The mitigation measure will be as follows:

- All losses will be compensated at full replacement cost;
- The project will provide assistance for the people without land title to register their land;
- The two vulnerable households affected by loss of productive assets will be consulted to propose specific assistance in order to ensure the compensation allows them to restore their livelihoods, and
- All affected vulnerable households will be entitled to a specific vulnerability allowance, as defined in Section 5.2 – Entitlement.

After implementation of the mitigation measures, the impacts are considered as low for all affected households.

Table 22 – Economic displacement caused by widening of the Nenskra road

HH#	Total members	Male members	Female members	Loss of Land (m ²)	Land Registration status	Structures affected	Crops affected	Trees lost (Num.) <i>walnut trees</i>	% of productive assets lost	Sources of income declared during interviews	Use of walnuts as income source (yes/no)	Vulnerable household	Permanent / temporary	Impact Magnitude / Significance
HH01	11	7	4	112	Partially registered	1 fence	no		0%	Salary + farming		yes / poverty line	permanent	Low / not significant
HH02	3	2	1	105	Registered	1 fence	no		0%	Pension + farming		yes / woman headed + elder-headed without any other bread-winner	permanent	Low / not significant
HH03	1	1		81	unregistered		no		0% (seasonal resident)	NA		no	permanent	Low / not significant
HH04	2	0	2	153	unregistered	1 fence + 1 wooden granary + 1 wooden hen coop	no		2%	Farming + social allowance		yes / poverty line & woman headed + elder-headed without any other bread-winner	permanent	Low / not significant
HH05	8	4	4	1314	unregistered	2 fences	no	9 8	0%	Pension + farming	no	no	permanent	Low / not significant
HH06	7	3	4	3024	unregistered	---	no	11 11	1%	Salary + pension + farming	yes	no	permanent	Low / not significant
HH07	6	3	3	2065	unregistered	1 fence	no	3 1	0%	Pension + farming	no	no	permanent	Low / not significant
HH08	4	2	2	1390	unregistered	---	no		0%	Pension + social allowances + farming		yes / poverty line & woman headed	permanent	Low / not significant
HH09	5	3	2	2484	unregistered	1 fence	no	9	0%	Pension + social allowances + farming	yes	yes / poverty line	permanent	Low / not significant
HH10	7	2	5	1610	unregistered	1 fence	no	4 3	0%	Pension + social allowances + farming	no	yes / poverty line	permanent	Low / not significant
HH11	7	6	1	4048	unregistered	1 fence	no	7 5	1%	Salary + pension + farming	yes	no	permanent	Low / not significant
HH12	1	1		2037	unregistered	1 fence	no	13 6	0% (seasonal resident)	NA	no	no	permanent	Low / not significant
HH13	2	1	1	4303	unregistered	---	no	10 8	0%	Pension + social allowances + farming	no	yes / poverty line	permanent	Low / not significant
HH14	4	3	1						0%	Pension + social	no	yes / poverty line	permanent	Low / not

HH#	Total members	Male members	Female members	Loss of Land (m ²)	Land Registration status	Structures affected	Crops affected	Trees lost (Num.) <i>walnut trees</i>	% of productive assets lost	Sources of income declared during interviews	Use of walnuts as income source (yes/no)	Vulnerable household	Permanent / temporary	Impact Magnitude / Significance
										allowances + farming				significant
HH15	3	1	2	2489	unregistered	2 fences	no	14 8	0%	Salary + pension + farming	no	yes / woman headed	permanent	Low / not significant
HH16	4	3	1	1227	unregistered	---	no	1	0%	Salary + remittances + farming + logging	no	no	permanent	Low / not significant
HH17	4	3	1	1368	unregistered	1 fence	no	8 4	0%	Salary + farming	no	no	permanent	Low / not significant
HH18	6	3	3	1361	unregistered	1 fence	no	1 1	0%	Farming	no	no	permanent	Low / not significant
HH19	9	6	3	312	Registered	3 fences	no		0%	Salary + social allowance + farming		yes / poverty line	permanent	Low / not significant
HH20	1	1		60	Registered	1 fence	no		0% (seasonal resident)	NA		no	permanent	Low / not significant
HH21	7	4	3	1528	Partially registered	2 fences	no	27 21	1%	Salary + farming	yes	no	Permanent / temporary	Low / not significant
HH22	2	1	1	10	Registered	1 fence	no		0%	Pension + farming		yes / elder-headed without any other bread-winner	permanent	Low / not significant
HH23	2	1	1	3736	unregistered	1 fence	no	29 19	0%	Salary + farming	no	yes / woman headed	permanent	Low / not significant
HH24	4	2	2	90	Registered	2 fences	no		0%	Salary + pension + farming		no	permanent	Low / not significant
HH25	8	5	3	29	Registered	1 fence	no		0%	Salary + pension + farming		no	permanent	Low / not significant
HH26	1	1	0	1068	unregistered	2 fences	no		0%	Salary + Farming + lumbering		no	permanent	Low / not significant
HH27	3	2	1	365	unregistered	2 fences	no		0%	Pension + farming		yes / woman headed	permanent	Low / not significant
HH28	6	3	3	96	unregistered	2 fences	no		0%	Salary + farming		no	permanent	Low / not significant
HH29	7	3	4	329	unregistered	2 fences	no	13 6	2%	Farming + Social Allowance	yes	yes / poverty line	permanent	Low / not significant
HH30	6	3	3	603	unregistered	2 fences	no		0%	Farming + Social Allowance		no	permanent	Low / not significant

HH#	Total members	Male members	Female members	Loss of Land (m²)	Land Registration status	Structures affected	Crops affected	Trees lost (Num.) <i>walnut trees</i>	% of productive assets lost	Sources of income declared during interviews	Use of walnuts as income source (yes/no)	Vulnerable household	Permanent / temporary	Impact Magnitude / Significance
HH31	8	4	4	955	Partially registered	1 fence	no	1 ---	0%	Salary + pension + farming		no	permanent	Low / not significant
HH32	2	1	1	2039	unregistered	---	no	1	0%	Salary + pension		no	permanent	Low / not significant
HH33	NA	NA	NA	1679	Partially registered	1 fence	no	8 8	0% (seasonal resident)	NA	no	no	Permanent/temporary	Low / not significant
HH34	NA	NA	NA	1542	unregistered	---	no	1 1	0% (seasonal resident)	NA	no	no	permanent	Low / not significant
HH35	7	3	4	1602	unregistered	---	no		0%	Salary, pension, farming		no	permanent	Low / not significant
35 HH	160	87	68	45214	10 plots registered	37 sections of fences + 2 wooden sheds	none	170 110				14 vulnerable households		

4.3.7 Dam and reservoir site

A. Impacts

At the Dam and Reservoir site, there will be two type of losses: (i) loss of land used in common by groups of people, but registered in the name of the Stat; and (ii) loss of 13 wooden cabins co-used by several families. There will not be any physical displacement, as no one is residing in this area. The closest settlement to the dam is the Tita Hamlet, located about 5 kilometres south of the future dam.

A forest guard's camp is located in the land take area, south of the dam. This land plot measures 0.077 hectares and will be needed for construction purposes.

The impacts are presented in Table 25 page 58.

In September 2017, when writing this LALRP, the number of households to be considered as traditional users of the *Machlitchala* and *Kvemo Memuli* pastures were being discussed with the affected people. If the figures provided hereafter evolve as a result of the on-going discussions, this will be reflected in the monitoring reports.

B. Assessment of impacts caused by loss of pasture area

As for most of the households in the Nenskra valley, for the households affected by the land acquisition at the Nenskra dam and reservoir, livestock farming is an important economic activity.

It was possible to investigate in details the income levels and sources of income for 11 of the affected households. The results are shown in Figure 10 below. The level of dependency to farming activities vary greatly from one household to another. Some households do not depend on farming activities, while these activities represent the totality of the income for others. Even if farming is not generating cash income for all households, it is practiced as a subsistence activity for almost all the households.

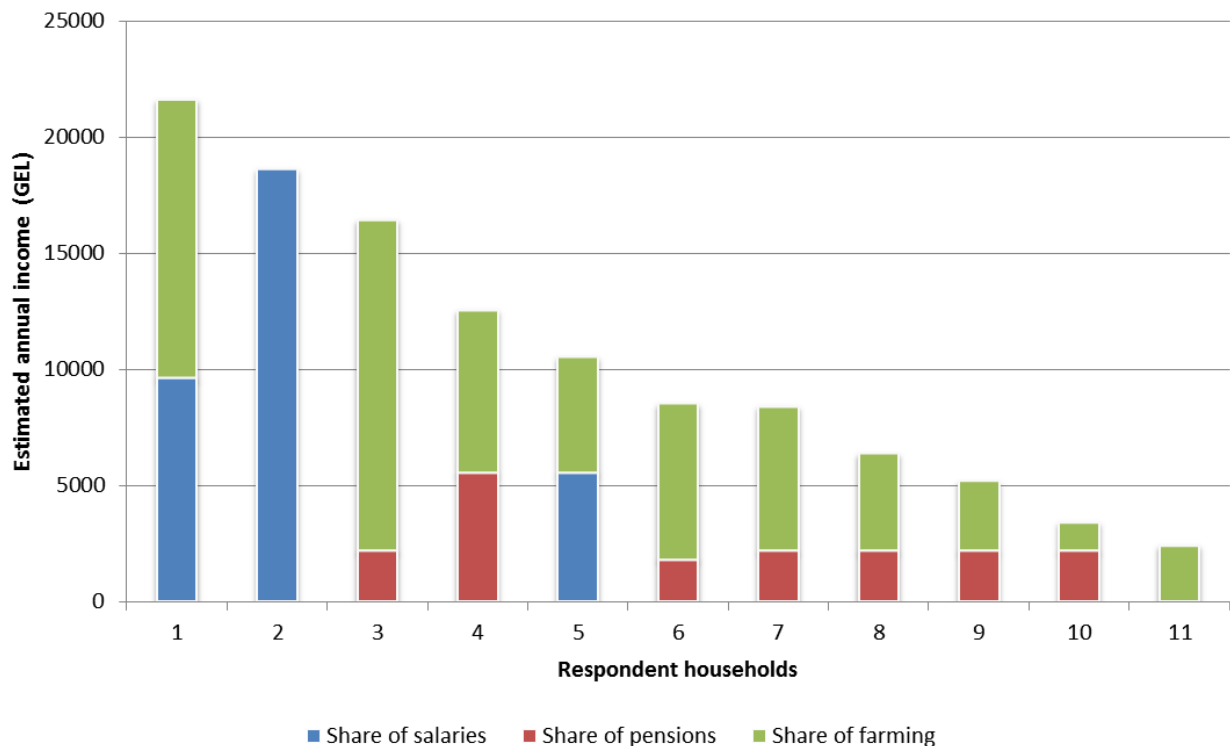


Figure 10 - Estimated levels of income & shares of income sources of the AH (Nenskra Dam & Reservoir)

The affected land used in common by groups of households is mainly forest with few parts of grassland, used as pasture area. One group of 9 households has been identified using the land in the proposed reservoir, an area called “Machlitchala”. Another group of 16 households is using the land that will be needed for the construction camp, immediately south of the future dam, an area called “Kvemo Memuli”. When writing this LALRP in September 2017, discussions were on-going with the affected people to confirm the exact number of users to be considered as entitled to compensation.

None of these groups do have any document that could allow them to register such amount of land. However, they do use these lands as pasture areas.

The situation of these pasture areas in regards to the land take area at the Nenskra Dam and reservoir site is shown in Figure 11 page 61.

The grassland in the pastures located inside the Project’s footprint can be estimated to be about 5 hectares inside the reservoir area (*Machlitchala*) and about 10 hectares for the area south of the dam (*Kvemo Memuli*) for a total of about 15 hectares (2% of the totality of 695ha of pasture areas estimated for the Chuberi village, see report Vol.3 – Social Impact Assessment of the Supplementary E&S Studies). However, the actual areas pastured by the livestock are larger than these grasslands. The cows also graze in the undergrowth and the forested areas or even the slopes of the mountains.

Signs of logging activities were also visible during summer and autumn 2015 inside the reservoir area. In the Nenskra reservoir area, most of the area that can be logged will be inundated. This area has already been heavily logged. During informal discussions, local people explained that most timber that could be exploited inside the reservoir has already been cut. Therefore, economic losses caused by loss of logging areas are not likely to be significant for the reservoir area.

The two groups of families identified to be affected by loss of pasture areas at the dam and reservoir declared were met between February and April 2016 to identify the extent of the impact caused by loss of pasture areas. Detailed interviews were then conducted in October 2016 by an expert specialized in livestock farming in mountainous areas to estimate the extent of the anticipated impact on the affected households' income and the technical and social feasibility of livelihood restoration options. Further meetings were also conducted in 2017 to discuss the proposed compensation packages and livelihood restoration options (see section 10).

- The group of households using *Kvemo Memuli* also use two smaller pasture areas located up the Memuli river, a tributary on the right bank of the Nenskra River downstream of the dam. These two smaller pasture areas are called "*Zeda Memuli*" and "*Schkvandiri*" (estimated to 5 hectares both). The affected households declared that they do not have any right of use on any other pasture area in the Nenskra valley, and that the other two smaller pastures are only used during two months in the summer season, while the *Kvemo Memuli* pasture is used during 4 months. The location of these two smaller pastures is shown in Figure 11 page 61. Their access will not be impaired, as the EPC contractor will maintain their access throughout the construction period and at the end of the construction.
- The group of households using the *Machlitchala* pasture declared they do not have any other pasture area they could use, and that the loss of *Machlitchala* pasture would represent the loss of all their pasture areas. They also indicated that they have customary rights to use a pasture area called "*Marzatchala*", after the end of the Nenskra reservoir. This pasture was previously accessible, but since several years, the landslides and the lack of maintenance of the tracks in the reservoir and upstream have block access to this pasture.

The pasture area is used to graze the cows. To assess the impacts of the loss of the *Kvemo Memuli* and *Machlitchala* pasture area on the affected households, it is necessary to understand how much of Fodder Unit (Fodder Unit) will be lost. The share represented by this pasture area in their income can then be estimated, as the Fodder unit can be valued. The assumptions used to estimate this share are the followings:

- A Fodder Unit is equivalent to one kg of oat. From the interviews conducted, the price of 1 kg of oat is 1 GEL;
- The pasture areas in the Nenskra valley can produce up to 510 Fodder Unit (FU) per hectares;
- The cows are grazing not only in the open grasslands available (the pasture areas themselves), but also in the neighbouring forested areas. As these areas are less productive in terms of Fodder Unit, it is estimated that the cows can found there about 250 Fodder Unit per ha. The size of the neighbouring areas that can be used by the cows is estimated to 35 hectares around *Machlitchala* and 20 hectares around *Kvemo Memuli*;
- The cows are using the *Machlitchala* and the *Kvemo Memuli* pasture areas during about 120 days per year (about 4 months);
- When a household is not self-sufficient in terms of fodder crops, they have to buy the quantity of fodder crops they are not able to harvest themselves;
- On average, each household has a hayfield of 0.1 hectares near the villages to produce hay for the cows, and
- The *Machlitchala* area will be affected permanently, as it is located in the future reservoir footprint. The *Kvemo-Memuli* will be affected during construction only, and will be restore as much as possible, and it is possible that it could be used after restoration as a pasture

area. It is estimated that it could take 2 years after construction for the pasture area restore to become productive again.

As the customary right of used of the pasture areas is a share within the groups of affected families, the estimate of Fodder Unit lost has been calculated at the group level. As shown in Table 23 below, the losses in terms of Fodder Units at the group level represent

- 96% of the total Fodder Units theoretically available for the households affected by the loss of the *Machlitchala* area, and
- 64% of the total Fodder Units theoretically available for the households affected by the loss of the *Kvemo Memuli* area.

Table 23- Estimate of the fodder units lost at the *Machlitchala* and *Kvemo Memuli* areas

	A. Pasture area affected (ha)	B. Total pasture available for the affected HH (ha)	C. Total affected neighbouring forest grazed by the cows (ha)	Total FU available before impact (=Bx510+C*250)	Total FU produce on hayfields near the settlements	Total FU lost (=A*510+C*250)
Machlitchala (permanently affected)	5 (510 FU / ha)	5 (510 FU / ha)	35 (250 FU / ha)	11,300	459 (0.1ha x 9HH)	11759 (96%)
Kvemo Memuli (Affected during construction + 2 years)	10 (510 FU / ha)	20 (510 FU / ha)	20 (250 FU / ha)	15200	561 (0.1ha x 11HH)	11759 (64%)

To estimate the significance of this loss at a household level, the estimated volume of Fodder Unit lost has to be translated into economic losses and share of incomes. Based on the interviews conducted with the affected farmers, the average farming income is estimated to be about 5,000 GEL per year.

Table 24 - Estimate of the share of income lost at household level – Nenskra Dam & reservoir

	A. FU lost by HH (Total FU Lost / number of affected HH)	B. Average farming income for the affected HH (GEL)	Share of FU loss within the average farming income (=A/Bx100)	Share of FU loss within the whole household's income, distributed by the category of farming income	
				Farming = 100% of HH income	Farming = 25 % of HH income
Machlitchala (permanently affected)	1,256	5,000	25%	25%	6%
Kvemo Memuli (Affected during construction + 2 years)	918	5,000	18%	18%	5%

The result of the assessment of impacts at a household level shows that:

- The households affected by the loss of the *Machlitchala* pasture area could lose between 6% and 25% of their total income. This will ultimately depend on the household's dependency to farming activities and level of farming income. As this is a permanent and non-reversible impact, it is considered high, and the households affected by the loss of the *Machlitchala* pasture are considered as severely affected.
- The households affected by the loss of the *Kvemo Memuli* pasture could lose between 5% and 18% of their total income during operation. During operation, after restoration of the land used during construction, the impact could be attenuated. This impact is temporary,

and is considered as medium, and the households affected by the loss of the *Kvemo Memuli* pasture are considered as significantly affected.

C. Mitigation measures

The mitigation measures will be as follows:

- Compensation of all assets and annual crops at full replacement cost;
- The EPC contractor will maintain access throughout the construction period and at the end of the construction to the pasture areas up the Memuli River, namely *Schkvandiri* and *Zeda Memuli*. Any by-pass tracks or measures define to maintain this access will be discussed and agreed with the affected households before June 2017;
- At the end of construction work, the EPC contractor will rehabilitate the areas used for temporary construction purposes into pasture land without comprising the objective to replace removed woodland with similar species of tree where practicable;
- The households severely affected will be eligible from Livelihood restoration for severely affected people, described in Section 7, as well as allowance for severe impact, as defined in Section 5.2 – Entitlement;
- The households significantly affected will be eligible from Livelihood restoration for significantly affected people, described in Section 7;
- The vulnerable households will be entitled to a specific vulnerability allowance, as defined in Section 5.2 – Entitlement;
- All households affected will receive collectively a transitional allowance (in kind or in cash). This transitional allowance will provide a temporary supply of fodder crops during the construction period and the first two years of operation, which is the period necessary to implement the livelihood restoration activities;
- The existing tracks used to access the *Schkvandiri* and *Zeda Memuli* Pasture area will be improved in order to allow the affected households to drive there and harvest hay and fodder crops, and
- The Project will study the feasibility of a cattle track by-passing the reservoir in order to restore access to the northern part of the Nenskra Valley. This measure is a transversal mitigation measure defined in the report Vol. 3 – Social Impact Assessment. Although the primary purpose of this measure is to maintain access to the northern part of the Nenskra valley once the dam will be built, it could also allow the households affected by the loss of the *Machlitchala* pasture area to regain access to the *Marzatchala* pasture located upstream of the future reservoir.

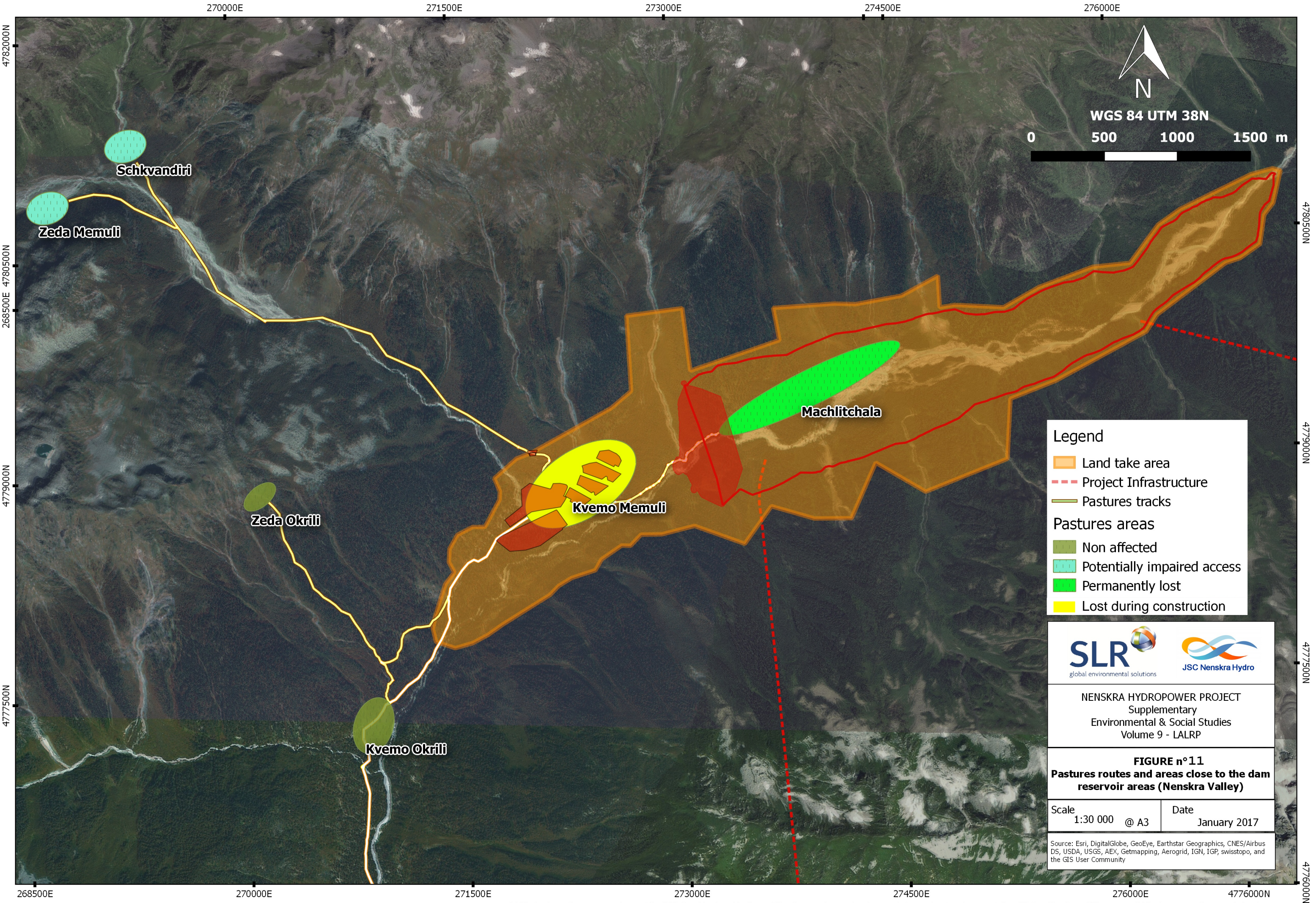
After implementation of the mitigation measures, the residual impacts are considered as low to moderate.

Table 25 – Impacts at the Nenskra dam & reservoir site

HH#	Pasture area	Total members	Male members	Female members	Loss of land (ha)	Land status	Structures affected	Crops affected	Sources of income declared during interviews	Vulnerable household	Permanent / Temporary	Impact Magnitude / Significance
HH1	Kvemo Memuli	4	2	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Farming	yes - woman headed	Temporary	Medium / Significant
HH2	Kvemo Memuli	5	3	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		salary, pension, remittances, lumbering		Temporary	Medium / Significant
HH3	Kvemo Memuli	6	5	1	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Salary, pension, farming		Temporary	Medium / Significant
HH4	Kvemo Memuli	7	3	4	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		pension		Temporary	Medium / Significant
HH5	Kvemo Memuli	7	5	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Farming, Lumbering		Temporary	Medium / Significant
HH6	Kvemo Memuli	8	5	3	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Salary, pensions		Temporary	Medium / Significant
HH7	Kvemo Memuli	5	3	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Pensions	yes - disabled head of household	Temporary	Medium / Significant
HH8	Kvemo Memuli	2	1	1	60ha (Common use pasture + forest)	registered as State Land	2 wooden cabins (co-used)		Salary		Temporary	Medium / Significant
HH9	Kvemo Memuli	3	2	1	60ha (Common use pasture + forest)	registered as State Land	2 wooden cabins (co-used)		Pensions, farming		Temporary	Medium / Significant
HH10	Kvemo Memuli	5	2	3	60ha (Common use pasture + forest)	registered as State Land	1 wooden cabin + 1 fence (co-used)		Social allowances, farming	yes - poverty line	Temporary	Medium / Significant
HH11	Kvemo Memuli	5	3	2	60ha (Common use pasture + forest)	registered as State Land	1 wooden cabin + 1 fence (co-used)		Pensions, farming		Temporary	Medium / Significant

HH#	Pasture area	Total members	Male members	Female members	Loss of land (ha)	Land status	Structures affected	Crops affected	Sources of income declared during interviews	Vulnerable household	Permanent / Temporary	Impact Magnitude / Significance
HH12	Kvemo Memuli	5	3	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		Pensions, farming, lumbering		Temporary	Medium / Significant
HH13	Kvemo Memuli	5	2	3	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		salary		Temporary	Medium / Significant
HH14	Kvemo Memuli	2	0	2	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		pension	yes - woman headed	Temporary	Medium / Significant
HH15	Kvemo Memuli	1	1	0	60ha (Common use pasture + forest)	registered as State Land	wooden cabin (co-used)		NA		Temporary	Medium / Significant
HH16	Kvemo Memuli	1	1	0	60ha (Common use pasture + forest)	registered as State Land	2 wooden cabins and one fence (co-used)		NA		Temporary	Medium / Significant
HH17	Machlitchala	7	3	4	71ha (common use, pasture + forest)	registered as State Land			Salary, pension, farming		Permanent	High / Severe
HH18	Machlitchala	6	3	3	71ha (common use, pasture + forest)	registered as State Land			No response		Permanent	High / Severe
HH19	Machlitchala	5	2	3	71ha (common use, pasture + forest)	registered as State Land	2 wooden cabins (co-used)		Salary, farming, lumbering		Permanent	High / Severe
HH20	Machlitchala	7	4	3	71ha (common use, pasture + forest)	registered as State Land	1 wooden cabin+ 1 fence (co-used)	0.1 ha of potatoes (co-used)	Salary, farming		Permanent	High / Severe
HH21	Machlitchala	2	1	1	71ha (common use, pasture + forest)	registered as State Land	2 wooden cabins (co-used)		Pensions, farming		Permanent	High / Severe
HH22	Machlitchala	5	2	3	71ha (common use, pasture + forest)	registered as State Land			Farming		Permanent	High / Severe
HH23	Machlitchala	10	3	7	71ha (common use, pasture + forest)	registered as State Land	2 wooden cabins + 1	0.1 ha of potatoes (co-	Salary, farming		Permanent	High / Severe

HH#	Pasture area	Total members	Male members	Female members	Loss of land (ha)	Land status	Structures affected	Crops affected	Sources of income declared during interviews	Vulnerable household	Permanent / Temporary	Impact Magnitude / Significance
					forest)		fence (co-used)	used)				
HH24	Machlitchala	8	5	3	71ha (common use, pasture + forest)	registered as State Land			Pensions, farming		Permanent	High / Severe
HH25	Machlitchala	1	1	0	71ha (common use, pasture + forest)	registered as State Land			Pensions, farming	yes - Elder-headed without any other bread winner	Permanent	High / Severe
Forest Guards camp					0.07ha	registered as State Land					Temporary	
Total		122	65	57	131ha (pasture + forest)	registered as State Land	13 wooden cabins + fences	0.1 ha of potatoes		5 vulnerable HH		



WGS 84 UTM 38N





Legend

- Land take area
- Project Infrastructure
- Pastures tracks

Pastures areas

- Non affected
- Potentially impaired access
- Permanently lost
- Lost during construction



NENSKRA HYDROPOWER PROJECT
Supplementary
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FIGURE n° 11
Pastures routes and areas close to the dam reservoir areas (Nenskra Valley)

Scale 1:30 000 @ A3	Date January 2017
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Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

4.3.8 Nakra water intake site

A. Impacts

At the Nakra water intake, 27 households will be affected by loss of grazing and forest land. These affected households are divided into 3 family groups of households who have a common right of use and customary ownership of these lands. The main part of the land that will be acquired is registered as State Land. All the affected households have documents that will allow them to register privately some land plots that are part of the land take area.

Ten of these 27 affected households are categorized as vulnerable, two are women headed.

The majority (23 out of 27) of these households will be affected by land required for construction purposes. The permanent infrastructures (the Nakra water intake channel and the weir) will affect 4 households.

In terms of structures, one wooden cabin, one wooden fence and one stone wall will be affected. These structures will be affected permanently.

These impacts are shown in Table 26 below.

One wooden bridge is also located where the Nakra weir will be build. During construction, the EPC Contractor will establish an alternative bridge south of the construction site to prevent any impaired access to the right bank of the Nakra River. When constructed the Nakra weir will be used as a bridge, hence allowing the passage from one bank to the other.

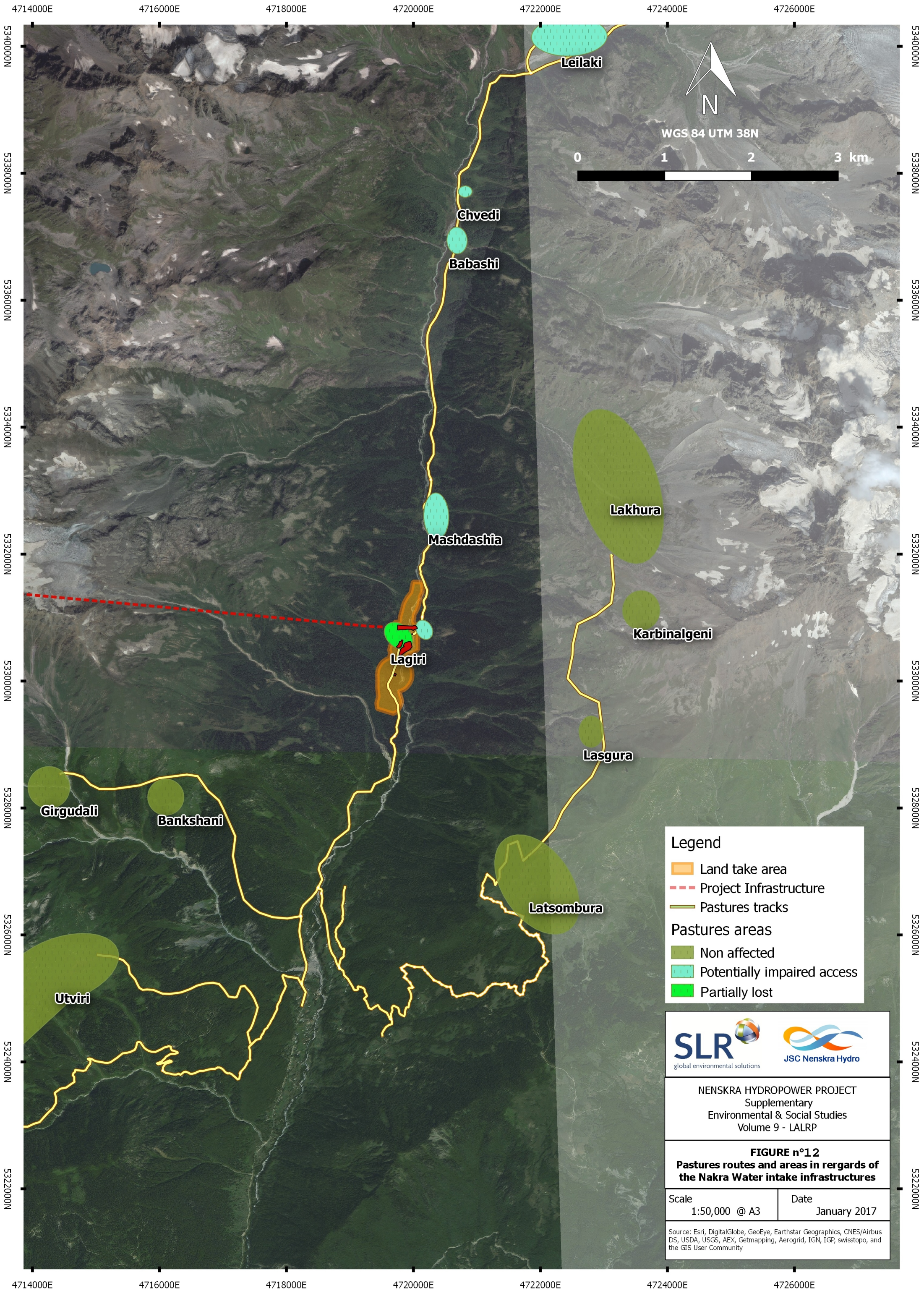
This bridge is used to access the northern part of the Nakra valley, and to access other pasture areas further north along the river. Figure 12 page 65 locates these pasture areas in regards to the land take at the Nakra water intake site, as well as the routes used to access them. The establishment of an alternative bridge south of the construction site by the EPC contractor will also prevent any impaired access to these northern pasture areas.

During operation, the diversion of the Nakra river water via the transfer tunnel to the Nenskra reservoir will cause a reduction in the flow of the Nakra River downstream from the weir. Immediately downstream from the Nakra weir the reduction in average monthly flows range from 50% in February to 95% in June, and at the Enguri confluence the reduction varies from 30% to 60%. This impact is analysed in details in report Vol. 5 - Hydrology & Water quality Impact assessment. The Nakra River water is not used for any productive activity. There is not any agricultural irrigation system dependent from the river. Fishing is not a commercial activity. Therefore, it is not anticipated that any impact on the productive assets or incomes of the inhabitants of Nakra valley will be caused by the reduction of the Nakra river flow. See Vol. 3 – Social Impact Assessment, section 5.2.

Table 26 – Impacts at the Nakra water intake site

HH#	Total members	Male members	Female members	Loss of Land (m ²)	Private / common	Registration status	Structures affected	% of productive assets lost (pasture areas)	Sources of income declared during interviews	Vulnerable household	Permanent / Temporary	Impact Magnitude / Significance
HH1	3	2	1	2000	Private	Legalizable		<1%	Farming	no	Temporary	Low / Not significant
HH2	5	2	3	6000	Private	Legalizable		<1%	Farming	yes - poverty allowance	Temporary	Low / Not significant
HH3	4	1	3	5047	Private	Legalizable	wooden fence	<1%	Salary, pensions, farming	no	50% Permanent / 50% Temporary	Low / Not significant
HH4	6	4	2	5035	Private	Legalizable	Stone wall	<1%	Salary, farming	no	50% Permanent / 50% Temporary	Low / Not significant
HH5	6	3	3	6054	Private	Legalizable	wooden cabin	<1%	Salary, farming	no	50% Permanent / 50% Temporary	Low / Not significant
HH6	1	1	0	3000	Private	Legalizable		<1%	Pension (seasonal resident)	no	50% Permanent / 50% Temporary	Low / Not significant
HH7	6	3	3	10034	Private	Legalizable		<1%	Farming	no	Temporary	Low / Not significant
HH1 to HH7				85500	Common	Registered as State Land		-		no	Temporary	Low / Not significant
HH8	6	3	3	2012	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH9	1	1	0	2008	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH10	6	4	2	1009	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH11	11	7	4	3004	Private	Legalizable		<1%	Salary, social allowances, farming	yes - poverty allowance	Temporary	Negligible to Low / Not significant
HH12	6	4	2	2011	Private	Legalizable		<1%	Salary, pensions, farming	yes - poverty allowance	Temporary	Negligible to Low / Not significant
HH13	7	3	4	2012	Private	Legalizable		<1%	Social allowances, farming	yes - poverty allowance	Temporary	Negligible to Low / Not significant
HH14	6	2	4	5002	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH15	3	2	1	6031	Private	Legalizable		<1%	Pension, Farming	no	Temporary	Negligible to Low / Not significant
HH16	1	1	0	2012	Private	Legalizable		<1%	Farming	no	Temporary	Negligible to Low / Not significant
HH17	3	2	1	1008	Private	Legalizable		<1%	Farming	yes - woman headed household	Temporary	Negligible to Low / Not significant
HH18	2	1	1	6025	Private	Legalizable		<1%	Pension	yes - poverty allowance	Temporary	Negligible to Low / Not significant

HH#	Total members	Male members	Female members	Loss of Land (m ²)	Private / common	Registration status	Structures affected	% of productive assets lost (pasture areas)	Sources of income declared during interviews	Vulnerable household	Permanent / Temporary	Impact Magnitude / Significance
HH19	4	3	1	901	Private	Legalizable		<1%	Pension	no	Temporary	Negligible to Low / Not significant
HH8 to HH19				17026	Common	Registered as State Land		-		no	Temporary	Negligible to Low / Not significant
HH20	2	1	1	8030	Private	Legalizable		<1%	Pensions, farming	Yes- elder-headed without any other bread-winner	Temporary	Negligible to Low / Not significant
HH21	5	3	2	6000	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH22	3	2	1	5015	Private	Legalizable		<1%	Pensions, farming	no	Temporary	Negligible to Low / Not significant
HH23	4	1	3	1507	Private	Legalizable		<1%	Salary, farming	no	Temporary	Negligible to Low / Not significant
HH24	2	1	1	63339	Private	Legalizable		<1%	Pension (seasonal resident)	Yes- elder-headed without any other bread-winner	Temporary	Negligible to Low / Not significant
HH25	6	1	5	6000	Private	Legalizable		<1%	Pension, social allowances, Lumbering	yes - poverty allowance + woman headed	Temporary	Negligible to Low / Not significant
HH26	1	1	0	5017	Private	Legalizable		<1%	Salary	yes - poverty allowance	Temporary	Negligible to Low / Not significant
HH20 to HH26				57350	Common	Registered as State Land		-		no	Temporary	Negligible to Low / Not significant
HH27	1	1	0	812	Private	Legalizable		<1%	Pension, renting land	yes - poverty allowance	Temporary	Negligible to Low / Not significant
Total	111	60	51	325801			1 wooden fence, 1 stone wall, 1 wooden cabin			11 vulnerable HH		Negligible to Low / Not significant





Legend

- Land take area
- Project Infrastructure
- Pastures tracks

Pastures areas

- Non affected
- Potentially impaired access
- Partially lost



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FIGURE n°12
Pastures routes and areas in rergards of the Nakra Water intake infrastructures

Scale 1:50,000 @ A3	Date January 2017
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Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

B. Assessment of impacts caused by loss of pasture area

The groups of families identified to be affected by loss of pasture areas at the Nakra water intake site were met between February and April 2016 to identify the extent of the impact caused by loss of pasture areas. Detailed interviews were then conducted in October 2016 by an expert specialized in livestock farming in mountainous areas to estimate the extent of the anticipated impact on the affected households' income and the technical and social feasibility of livelihood restoration options.

It was possible to investigate in details the income levels and sources of income for 15 of the 27 affected households. The results are shown in Figure 13 below. As already seen for the Nenskra dam and reservoir section, the level of dependency to farming activities vary greatly from one household to another. Some households do not depend on farming activities, while these activities represent the totality of the income for others. Even if farming is not generating cash income for all households, it is practiced as a subsistence activity for almost all the households.

As explained in the baseline section, the largest part of income from farming activities comes from livestock farming in the Nakra valley.

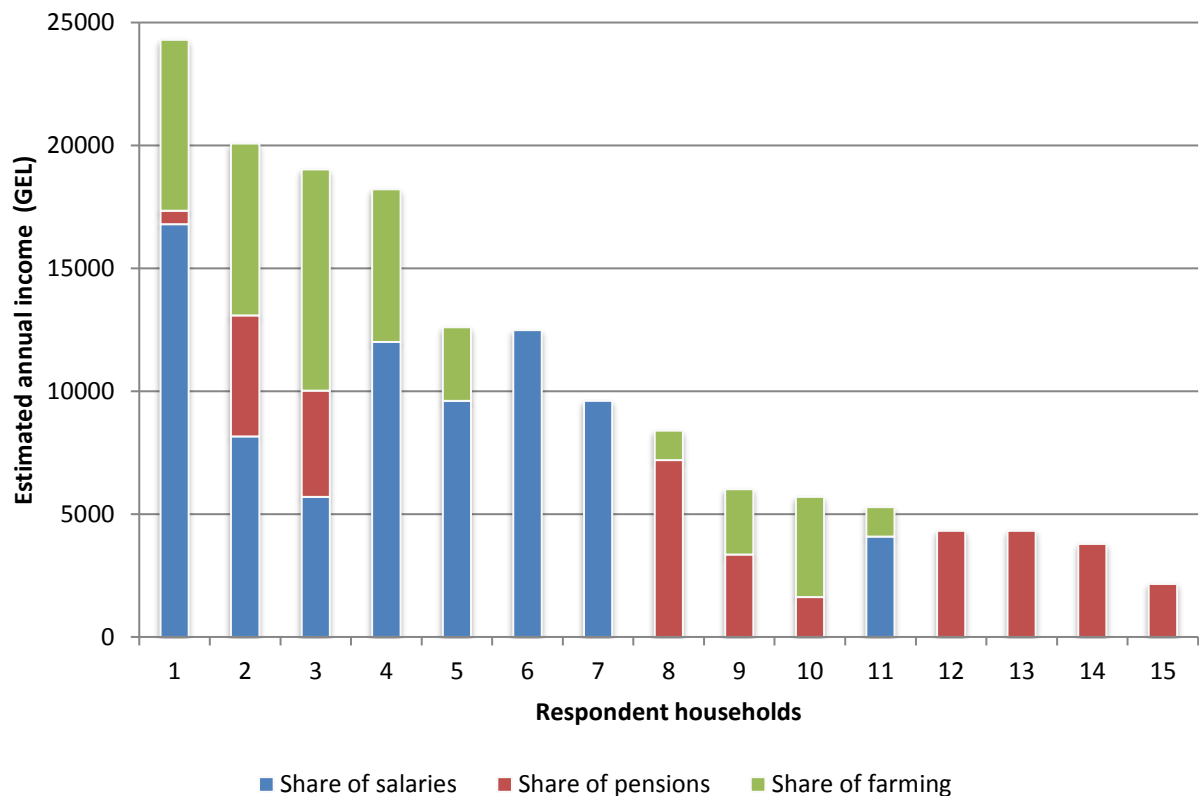


Figure 13 – Estimated levels of income and shares of income sources of the AH (Nakra weir)

In terms of productive assets, the area that will be affected is used as a pasture area. It is known locally as the “*Lagiri*” pasture area. This area is commonly used and the 27 affected families have shared customary right of use of this area. The pasture area lost is about 6 hectares, which represents 1% of the total pasture areas estimated for the Naki village (which is 549 hectares, see section 3.3.8). Out of these 6 hectares, about 1 hectare will be used permanently, as it is included in the weir and Nakra water intake footprints. The other parts will be used during construction only (for the construction camps or for disposal areas, see Section 4.1 above).

The groups of families identified to be affected by the loss of the *Lagiri* pasture area declared that they have also other pasture that they can use. These other pastures are located on the west and north-east of the Nakra valley, but not north of the weir. The other pasture areas available for the affected households represent 495 hectares. They also declared that the *Lagiri* pasture is mostly used during about one month or less during Spring and Autumn, while their other pasture areas are used throughout the Summer.

The methodology used to assess the impact on the households' income is the same as the one used for the Nenskra dam and reservoir site (section 4.3.7 above). The assumptions used to estimate this share are the followings:

- A Fodder Unit is equivalent to one kilogram of oats. From the interviews conducted, the price of 1 kilogram of oats is 1 GEL.
- The pasture areas in the Nakra valley can produce up to 510 Fodder Unit (FU) per hectare per year,
- The cows are grazing not only in the open grasslands available (the pasture areas themselves), but also in the neighbouring forested areas. As these areas are less productive in terms of Fodder Unit, it is estimated that the cows can find there about 250 Fodder Unit per hectare per year. The size of the neighbouring areas that can be used by the cows is estimated to be equivalent to the size of the pasture areas.
- The cows are using the *Lagiri* pasture area during about 50 days per year,
- When a household is not self-sufficient in terms of fodder crops, they have to buy the quantity of fodder crops they are not able to harvest themselves.
- As all the area affected will be used during construction purpose, the loss is estimated for the construction period. The land that will not be used during production will be restored as much as possible, and it is possible that it could be used after restoration as a pasture area. It is estimated that it could take 2 years after construction for the pasture area to restore to become productive again.

As the customary right of use of the pasture areas is a share within the groups of affected families, the estimate of Fodder Unit lost has been calculated at the group level. As shown in Table 27 below, the losses in terms of Fodder Units at the group level represent 1% of the total Fodder Units theoretically available.

Table 27- Estimate of the fodder units lost at the *Lagiri* Pasture area

A. Pasture area affected during construction (ha)	B. Pasture area affected during operation (ha)	C. Total pasture available for the affected HH (ha)	C. Total pasture available for the affected HH, in the neighbouring forests grazed by the cows (ha)	Total FU available before impact (=B*510+C*250)	Total FU lost During construction (=A*510+A*250)	Total FU lost during operation (=B*510)
6 (510 FU / ha/yr)	1 (510 FU / ha/yr)	495 (510 FU / ha/yr)	495 (250 FU / ha/yr)	499,950	4,560 (1%)	510 (1%)

To estimate the significance of this loss at a household level, the estimated volume of Fodder Unit lost has to be translated into economic losses and share of incomes. This is presented below. The assumptions used are the following:

- As two households were identified as seasonal residents, they are not using the *Lagiri* pasture, the total number of households affected is 25.
- The average farming income is estimated to be about 4,000 GEL per year.

Table 28 - Estimate of the share of income lost at a household level - Nakra weir

	A. FU lost by HH (Total FU Lost / 25 HH)	B. Average farming income for the affected HH (GEL)	Share of FU loss within the average farming income (=A/B*100)	Share of FU loss within the whole household's income, distributed by the category of farming income	
				Farming = 100% of HH income	Farming = 25 % of HH income
Construction	182	4,000	5%	5%	1%
Operation	20	4,000	0.5%	0.5%	0.1%

The result of the assessment of impacts at a household level shows that:

- During construction, the loss of the *Lagiri* pasture could represent on average between 1% and 5% of an affected household income. This will ultimately depend on the household's dependency to farming activities and level of farming income.
- During operation, and after restoration of the land used during construction, the loss would be between 0.1% and 0.5% of the total household's income.

Signs of logging were visible in summer 2015 in and around the Nakra water intake site. As explained in section 3.3.4.2D, it was not possible to assess precisely the share of income coming from logging activities. Neither was it possible to precisely identify the level of dependency of people involved in logging on the areas affected at the Nakra water intake. However, the limited size of the area taken at the Nakra water intake allows concluding that no significant impact on logging activities will derive from the loss of land there.

Before any mitigation measure, the impact for the affected households is considered low to moderate, and not significant.

C. Mitigation measures

The mitigation measures will be as follows:

- Compensation of all land, assets and annual crops at full replacement cost;
- The EPC contractor will maintain access throughout the construction period and at the end of the construction to the pasture areas located north of the future weir, on the left bank of the Nakra River. A by-pass bridge south of the construction site will be made available to the local communities prior any construction activity. The location of this by-pass bridge will be discussed with the local communities before June 2017;
- At the end of construction work, the EPC contractor will rehabilitate the areas used for temporary construction purposes into pasture land without comprising the objective to replace removed woodland with similar species of tree where practicable;
- The vulnerable households will be entitled to a specific vulnerability allowance, as defined in Section 5.2 – Entitlement, and
- All households affected will receive collectively a transitional allowance (in kind or in cash) to attenuate the loss of the *Lagiri* pasture during the construction. This transitional allowance will provide a temporary supply of fodder crops during the construction period and the first two years of operation, which is the period necessary to implement the livelihood restoration activities.

After implementation of the mitigation measures, the impacts are considered as low.

5 Eligibility and entitlements

This section defines entitlements and eligibility, and describes all resettlement assistance measures in an entitlement matrix (Table 30 below). Eligibility and entitlements have been defined following the Lenders policies on involuntary resettlement (IFC PS5, EBRD PR5 and ADB SR2). All categories of affected people identified in the previous Section 3 will be eligible to the LALRP measures.

5.1 Eligibility

5.1.1 Categories of PAPs

The Lenders policies define 3 categories of people eligible to compensation and/or livelihood restoration measures:

- Persons with formal legal rights to land lost in its entirety or in part;
- Persons who lost the land they occupy or use in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws;
- Persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land.

These 3 categories of affected people are considered as displaced people, either economically or physically affected.

For the Nenskra Project, for the components defined in January 2017 (see section 4.1), there will not be any physical displacement.

Regarding loss of land, the following categories of affected people have been identified through the surveys described in Section 3.2:

- People having a legal land title. This is the case for 11 households affected by the widening of the Nenskra road (see Section 4.3.6).
- People without legal land title, but who could register their land, either because they own documents showing their legal rights to land, or because they are recognizable owners by the Georgian law. This is the case (i) for 25 out of 37 households affected along the Nenskra road, (ii) all the residential lands at the Powerhouse site and (iii) the land plots affected at the Nakra water intake, where the land is officially state land, but affected people have some documents from the Archives of Gamgeoba and Public Registry as evidence of their ownership.
- People without any formal legal rights or recognized or recognizable claims. This is the case at the Nenskra dam and reservoir site, where all land is officially registered as State land, but where people using the land do not have document to demonstrate their customary ownership or any legal possibility to legally register the land.

The Table 29 below shows how these three categories correspond to the legal land status in Georgia. For operational purposes, the legal statuses are divided between legalizable land and non-legalizable land (see section 8.2 for a description of the Project's operational approach to align the legal land acquisition process on Lenders policies).

Table 29 - Categories of people losing land and legal land status

Categories of people losing land	Land legal status
People having a legal land title; People without legal land title, but who could register their land. (under the existing legal Framework, a land plot can be privately registered under certain conditions: 1. if a residential building and structure is located on it; 2. in the name of the owner, if the land plot to be registered is adjacent to an already registered land plot.)	Legalizable land, which includes registered land as well as land that can be legalizable in the name of the traditional land owner as per the existing legal framework
People without any formal legal rights or recognized or recognizable claims	Non-legalizable land, which includes land used by local community that cannot be legalized in the name of the recipient of customary right of use and/or collective customary property under the current legal framework

All these categories of people will be eligible to the measure defined in the entitlement matrix below.

Categories of people losing assets eligible to compensation for loss of assets are the following:

- People losing a house, either occupied or not;
- People losing structures;
- People losing crops or perennial cultures;
- People losing pasture or logging areas.

Some other categories of affected people were not identified by the surveys undertaken to date. However, they will be eligible to LALRP measure if they are affected by the land take for the development of the Project's components not yet defined at the time of writing this LALRP (Nakra road rehabilitation, 110kV power supply line, service line, Powerhouse disposal areas and construction camp). These categories are the following:

- People physically displaced (if this impact cannot be avoided);
- People who lose the building they occupy but do not own (i.e., renters, leases);
- People who lose business, income, and/or salaries;
- People who are agricultural tenants and sharecroppers;
- Any additional category of people affected by land take will be included in the updates of the LALRP.

5.1.2 Cut-off date

Eligibility to LALRP measures and compensations was determined at a pre-announced cut-off date, which was the date of the assets inventory, the 26 October, 2015. For the Powerhouse site, the Nenskra road and the dam and reservoir site, and the Nakra water intake, this date was announced and explained to the local people in the Chuberi and Naki villages, and the surveys took place in October and November 2015 (see Section 10).

The list of the affected people will be posted in the town halls of Chuberi and Naki villages for a period of one month in February 2017. The posting will be publicly announced by the Project's CLO and the local representatives of Mestia Municipality.

People with recognizable legal or traditional claims will be eligible even after the cut-off date. This could be the case for the people who have a seasonal employment elsewhere and were not involved in the consultation and/or decision making (e.g. relatives participate and decide instead of them). If such people were only represented at the moment of the asset inventory and later disagree with the inventory, or if they were not represented at all, they will be eligible if they have any claim.

For all the Project's components not defined at the time of writing this LALRP (see section 4.3.2), the cut-off date will be the asset inventory. It will be announced in advanced to the affected people.

5.2 Entitlement matrix

The entitlement matrix is presented in Table 30 below. As explained in Section 4, all land required for construction and operation structures and facilities will be acquired permanently.

Table 30 - Entitlement matrix

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (Wooden cabins, fences)	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Owner of registered Land (legalizable land)	<i>(no case identified so far)</i> Rehousing programme (identification and provision of relocation site and if necessary provision of temporary housing + Relocation assistance and allowance + transport + 3 months minimum allowance + Specific livelihood restoration activities if needed	Permanent loss : Compensation at full replacement cost Temporary loss: the land will be rented If a residual plot becomes unusable the project will acquire it in full if the PAP so desires	Permanent loss : Compensation at full replacement cost Temporary loss: the land will be rented If residual plots becomes unusable the project will acquire it in full if the PAP so desires Loss of hay will be compensated in kind or in cash (preference is in - kind)	Compensation at full replacement cost + right to salvage material (without effect on compensation package)	Compensation at full replacement cost	Transitional supply of fodder (in cash or in kind, see section 7.2. JSCNH preference is in kind, to ensure that this is used to feed the cows) Rehabilitation of temporarily affected pastures Support with access to unaffected pastures	Payment of displacement of the graves, and any costs associated with ceremonies OR Cash compensation to be agreed with the PAP ¹¹ .	N/A
Owner of Land yet to be registered (legalizable land)	As above.	As above. + assistance to registration (Logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss)	As above. + assistance to registration (Logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss) Loss of hay will be compensated in kind or in cash (JSCNH preference is in kind, to ensure that this is used to feed the cows)	As above.	As above.	As above + assistance to registration (Logistical and financial cost of legalization will be borne by the project, for temporary as well as permanent loss)	As above.	N/A

¹¹ The displacement of the graves will be made in compliance with the Georgian sanitary code. The religious authorities will be informed and consulted on the approach to be followed for the displacement of the graves.

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (Wooden cabins, fences)	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Non-legalizable land users	As above.	Compensation at full replacement cost If a residual plot becomes unusable the project will acquire it in full if the PAP so desires	Compensation at full replacement cost If residual plots becomes unusable the project will acquire it in full if the PAP so desires Loss of hay will be compensated in kind or in cash	As above.	As above.	Transitional supply of fodder (in cash or in kind, see section 7.2) Rehabilitation of temporarily affected pastures Support with access to unaffected pastures	As above.	N/A
Renter/Leaseholder (no case identified so far)	If impact is temporary only, Rental allowances in cash for the duration of the impact. If impact is permanent, Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	N/A	N/A	N/A
Agricultural tenants and sharecroppers (no case identified so far)	N/A	N/A	Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	If impact is temporary only, Rental allowances in cash for the duration of the impact. Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	Compensation at full replacement cost of crops and annual cultures + Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	Rental allowances in cash for 3 months + assistance to identify and rent or lease a replacement property	N/A	N/A

Category of PAPs	Loss of home (occupied house) Physical displacement	Loss of residential land	Loss of arable land and hay land	Houses, ancillary structures and other structures (Wooden cabins, fences)	Loss of crops, trees, annual and perennial cultures	Loss of pasture or logging areas (commonly used)	Graves (1 case identified at the Powerhouse)	Loss of public infrastructure
Affected Business owner	Both formal and informal business activities are covered (inclusive family-operated activities, excluding illegal activities) Cash indemnity of 1 year net income. Assessment to be based on tax declaration or, in its absence, minimum subsistence income.						N/A	N/A
Affected business employee (no case identified so far)	N/A	Cash indemnity for lost wages equal at least to 3 months and up to 6 months of salary, at least based on minimum subsistence income + eligibility to livelihood restoration measures (see Section 7)					N/A	N/A
Community (1 bridge affected by the Nakra weir, which will be used as a bridge once constructed)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Reconstruction of the lost structure in consultation with community and restoration of their functions
Vulnerable People (as defined in section 3.3.6)	Same measures as above, with specific assistance and allowance for vulnerability. (Allowance equivalent to 3 months of minimum subsistence income--347 GEL as minimum subsistence income per month for 3months= 1,041 GEL per Project Affected Household) Assistance with replanting of lost trees for elderly and female-headed households will also be provided, if those trees are used for livelihood. Seedlings will be provided as well as assistance with the replanting operation. Assistance with reconstruction of structures is also be proposed. Specific assistance to benefit from activities developed as part of the Community Investment Programme							N/A
Significantly affected people (losing 10% or more of productive (income generating) assets)	Same measures as above, + livelihood restoration measures for significantly affected people (see Section 7.3)							N/A
Severely affected people more than 20 of productive assets lost)	Same measures as significantly affected people, + livelihood restoration measures for severely affected people (see Section 7.4) + severe impact allowance (equivalent to 3 months of minimum subsistence income--347 GEL as minimum subsistence income per month for 3months= 1,041 GEL per PAH)							N/A

The following paragraphs detail some specific entitlement presented in the Table 30 above.

A. Assistance for affected vulnerable households

If a vulnerable family is put at greater risk of impoverishment even though their assets are compensated fully and in a timely manner, the family will be entitled to an allowance equivalent to three months of minimum subsistence income. As defined in section 3.3.6, households are considered as vulnerable if they are:

- Registered as poor in the local social services;
- Female-headed households, or
- Elder-headed households without any other bread-winner in the household.

These families will receive an allowance of 347 GEL per month for three months, which amounts to 1,041 GEL in all. These figures are taken from the National Statistics Office of Georgia Department data on minimum subsistence income for a family of five persons in October 2015.

Assistance with replanting of lost trees for elderly and female-headed households will also be provided, if those trees are used for livelihood. Seedlings will be provided as well as assistance for the replanting operation. Assistance with reconstruction of structures is also proposed.

In addition, going beyond mitigation measures, to help the affected vulnerable households to improve their standards of living, they will also receive specific assistance to benefit from activities implemented as part of the Community Investment Plan, which is a benefit sharing mechanism defined by the Project (see Vol.8 – ESMP).

B. Assistance for severely affected households

When more than 20 percent of a PAP's productive assets is affected (i.e. arable land and/or pasture area), the PAP will receive an additional allowance for severe impact equal to three months of minimum subsistence income. The minimum monthly subsistence allowance is 347 GEL so three months' payment represents 1,041 GEL per household. Severely affected PAPs will be eligible to this specific allowance regardless of their ownership status.

People severely affected will be eligible to livelihood restoration measures defined in Section 7.

C. Non-usable land plot

When residual non-affected sections of a plot become inaccessible, unusable or economically unviable after acquisition, the totality of the affected land plot will be acquired if the owner so wishes. A residual land plot will be considered unusable or economically unviable when its size (too small), shape, topography... are such that the remainder cannot be cultivated or physically accessed, and/or the existing activities that were conducted on the entire land plot cannot be continued after the land acquisition.

D. Payment of compensation

Payment of compensation will be made by bank transfer to the PAP in his or her bank account, or by check. In those instances, the project will make arrangements to ensure that the PAP is able to go to the bank and withdraw his or her funds at a time that is convenient to him or her. In such cases, the Project Company will work with banks in regional centres so that the non-depositors are welcomed into the bank and assisted with their needs.

Whenever possible, the bank accounts used will be interest earning bank accounts.

Compensation and payment records will be maintained and documented by JSCNH Social Team on a monthly basis, to ensure effective monitoring of payments and transparent use of funds for the project affected people.

For the non-legalizable land plots, compensation arrangements will be issued in the names of both spouses or heads of household. Whenever needed, assistance will be provided to open bank accounts under the name of husband and wife. The compensation will be paid to the household head only if the affected household is female headed. For the registered land plots, payment will be made to the titled owner, and the Project will ensure that both spouses have the same level of information of the payment and compensation process.

6 Valuation of property losses

This section describes the methodology followed to determine compensation rates for property losses. This section only addresses the valuation of lost assets. The measures for potential physical resettlement (no case to date) and sustainable restoration of livelihoods are described in Sections 5.2 – Entitlements and 7- Livelihood restoration programme.

When writing the LALRP in September 2017, asset inventory and valuation had been undertaken only for the Nenskra dam and reservoir site, the Nakra water intake site, the Powerhouse site, and the upgrading of the Nenskra road (see section 1.1.5). The payment of compensation has now started. The valuation methodology described hereafter will be applied when updating this LALRP for the remaining components.

The detailed valuation methodology followed, including unit rates, is provided in Annex 2. The valuation of the full replacement cost for affected asset was completed in November 2015. A new study was undertaken in early 2017 to check if the compensation rates needed to be adjusted. This study is included in Annex 2. This study concludes that except for one agricultural product (potatoes), local market prices of different types of land and agricultural products have not changed since 2015, hence there is no need to adjust the compensation rates. The price of potatoes decreased from 1GEL per square metre of harvest in the 4th quarter of 2015 to 0.52 GEL during the 1st quarter of 2017. JSC Nenskra has decided not to adjust the valuation and will pay the higher rate. Market prices of some building materials (e.g. cement mortar, concrete, gypsum) have increased in 2017 but the prices of the majority of the building materials have either stayed the same or have decreased. Compensation rates for structures are being adjusted where applicable to reflect the 2017 rates. For materials where prices have decreased in 2017, JSC Nenskra has decided to pay the higher 2015 rates since this was previously indicated to the affected people..

6.1 Asset data collection for valuation

The steps followed to identify the affected households are described in Section 3. They are summarised below.

- Socioeconomic survey: A socioeconomic survey at a household level was undertaken for all households living permanently in the Nenskra and Nakra valleys;
- Mapping of pasture areas;
- Definition of the Land take boundaries (see section 4);
- Cadastral survey: surveyors surveyed the cadastral services, at the Rayon level and at the National level, to identify the different legal categories of land affected and the registration status of the land needed for the Project. All registered land plots were identified.
- Land survey: a field survey was then realized to confirm the findings of the cadastral survey and update it, by taking into account all non-registered lands from local people. Lands not yet registered but in the process of being registered, or where documents allowed registration were listed. All affected land plots were mapped (see Annex 2), and
- Asset inventory: an asset inventory was conducted (October—December 2015). to establish a comprehensive list of all assets located in the land take boundaries. Their nature, age, size, productivity or all other relevant characteristics were recorded and

photographs of the assets were taken. When an affected person was not present, the team came back later to discuss the asset inventory.

These steps were applied for the area needed at the Nenskra dam and reservoir site, the Nakra water intake, the powerhouse site and the widening of the Nenskra road within Chuberi village. These steps will be applied for the infrastructure not yet defined at the time of writing (see section 1.1.5).

6.2 Full replacement cost as the basis for compensation

The principles of valuation of acquired land and assets have been developed as per the Lenders' policies on involuntary resettlement and Georgian law and procedures. The valuation process was defined in order to assess the full replacement cost for all lots assets.

The Lenders require full replacement cost to be the basis of compensation for mitigation of property losses when in-kind compensation (i.e. land for land) is not possible. For the Nenskra Project, it was decided to propose compensation in cash rather than in kind. This is partly due to the preference of the affected people and to a lack of suitable alternative land plots in the Nenskra and Nakra valleys. Almost all potential arable land plots are already in use, while remaining land is mostly non-productive. To purchase land plots from non-affected families was seen as transferring land access challenge from one family to another.

6.3 Valuation of assets and compensation values

The valuation of assets was undertaken by ATOS Ltd., an official accredited independent valuator hired by the Project, between October and December 2015. The expert took into consideration the reference of previous valuations, when available, and also used available government market survey information. Because the market conditions — hence the market prices — are not similar throughout Georgia, the local market prices taken in account were those found in Mestia Municipality. The detailed valuation methodology and unit rates are provided in Annex 2.

Full replacement cost is defined as the market value of the assets plus transaction costs. Depreciation of structures and assets is not taken into account. The affected people will not have to use their own financial resources in replacing assets of similar value. This means that replacement costs incorporate relevant transfer taxes, registration fees, and any other costs for land acquisition. Therefore, the calculation of full replacement costs was based on:

- Market value at the time of dispossession, in the Project's area (i.e. Mestia Municipality);
- Transaction and/or legalization costs;
- Transitional and restoration (land preparation and/or reconstruction) costs, and
- Other applicable payments.

The valuation methodologies used for the affected assets are described below.

- Land: Full replacement cost of land has been determined based on existing local market rates (i.e. Mestia Municipality) and adding the applicable transaction cost like registration with the National Agency of Public Registry (NAPR) at the rayon level Registration Office and the rayon Property Rights Recognition Commission (PPRC). Market rates are defined by taking into account the type of land, its use, and location.

- Houses, ancillary structures and buildings: Full replacement cost of houses, wooden cabins, ancillary structure and fences was determined based on construction type, cost of materials, transportation, types of construction, land preparation, labour, and other construction costs at current rates. The value identified is the value necessary for the construction of a comparable building or structure, i.e. what construction of a building of similar parameters would cost today. No deduction for depreciation has been applied.
- Crops: Crops are valued as the local market value of the harvest lost at the mid-point between two harvest seasons. In the eventuality that more than one-year compensation is due to the PAPs the crops after the first will be compensated at gross market value.
- Trees: Full replacement cost of trees has been set based on different methods for wood and fruit trees. Wood trees are valued based on growth category and value of wood of the tree at the age the tree was cut. Fruit trees will be compensated differently if they are productive or not yet productive. Productive trees will be compensated based on the future income lost for the years needed to re-grow a tree at the same age/production potential that was cut. Non-productive trees will be compensated based on the value of the investment made to grow the tree to the age in which the tree was cut.

6.4 Endorsement of the compensation values by the affected people

The process for endorsement by affected households of the compensation values is as follows:

- The unit rates have been publicly announced during the meetings organized during the disclosure of the draft LALRP between March and August 2017; and will be disclosed to the affected people for the unappraised components when the addendum of this LALRP has been prepared.
- Once the valuation of property losses is completed, the asset inventory form will be completed with the valuation results. The valuator then returns to the affected people with Partnership Fund and JSCNH Social Team (Resettlement Unit) and the local representative of Mestia Municipality to discuss their endorsement of the valuation result and the amount of the compensation package. If the affected people agree with the inventory and the compensation value, they sign the form with the Resettlement Unit and the local representative of Mestia Municipality. A copy of the signed form is then given to the affected people, and one other is kept by the Resettlement Unit;
- In cases where the affected people disagree to the valuation, individual negotiation will be undertaken (i) to explain in details the methodology followed, (ii) understand the point of view of the affected people and the reasons of the disagreement, and (iii) if necessary review the valuation in the light of the elements provided by the affected people.;
- If the affected people still disagree with the valuation result, they can resort to the Grievance Redress Mechanism, and
- When it will not possible to reach an agreement, or when the affected people are opposed to any amicable transaction, the amicable process will end and the expropriation process will be initiated, as described in Section 2.

7 Livelihood restoration programme

7.1 Overview

Livelihood Restoration (LR) is not necessary under Georgian Law but Lenders' policies require it when livelihoods are significantly or severely affected.

Impacts on the livelihoods are described in section 4.3 and the households significantly or severely impacted are summarised in the following table.

Table 31 – Summary of significantly and severely affected households

Project component	Resources and productive assets lost	Number of households losing pasture area	Number of households significantly impacted	Number of households severely impacted
Dam site & reservoir area	Land and pasture areas	25	16	9
Nenskra road	Trees, structures and land	---	---	---
Powerhouse	Arable land and orchards	---	---	4
Nakra water intake	Land and pasture areas	27	---	---

Households losing pasture land (temporarily or permanently) will receive a transitional fodder supply during 7 years.

Households that are **significantly** affected can benefit from the following:

- Preferential hiring and skills training;
- Assistance for management of received financial compensation;
- Support to improve existing economic activities;
- Support for initiatives to develop alternative sources of income, and
- Assistance for legalisation of land ownership.

Households that are **severely** impacted can benefit from the following:

- All Livelihood Restoration measures that are available to significantly affected households (see above);
- Assistance to develop sustainable livestock production;
- Assistance to grow and sell hazelnuts;
- Assistance to develop beekeeping and sale of honey, and
- Assistance to develop market gardening.

The above measures are described in more detail in the following subsections.

JSCNH will also finance on its own initiative a Community Investment Programme (CIP). The activities under this Community Development Programme are not compensation measure or livelihood restoration measures, but they will complement the livelihood restoration measures (See Vol. 8 ESMP for a description of the CIP).

7.2 Transitional supply of fodder

In addition to the compensation for loss of land and assets, all groups of households affected by loss of pasture land will receive a transitional supply of fodder (in kind or in cash).

Temporary supply of fodder will be provided collectively to households to allow them to continue feeding livestock during the transition period between the time when access to pasture land is lost and when all the mitigation measures, including livelihood restoration measures, have been implemented and are operational. The amount of fodder provided will be sufficient to feed the number of head of cattle owned by a household before the loss of access to pasture.

This transitional supply will be provided collectively during the 5 years of the construction activities, and the two years after the start of the operation. This period of 7 years will cover temporary loss of pasture area caused by construction operation, as well as the time needed to restore the pasture temporarily affected after demobilisation of the construction installations.

It will be proposed to the groups of households affected by loss of pasture to choose to receive this transitional supply of fodder in cash or in kind.

- If the affected households chose to receive this transitional supply in cash rather than in kind, the rate will be adjusted annually based on market price of 1kg of oat, at the beginning of every year by the JSCNH social team through a market survey.
- If they choose to receive this transitional supply in kind, representatives of each group of affected households will be elected to select in common with JSCNH the fodder supplier and ensure quality and quantity of dry and green fodder is acceptable.

7.3 Livelihood restoration for significantly affected households

7.3.1 Preferential hiring and skills training

People affected by the land acquisition confirmed that they wish to benefit from employment opportunities offered by the Project. A skill mapping and inventory exercise has been undertaken in both valleys, targeting all permanently residing households, including the households affected by land acquisition. The following measures have been identified:

- The people eligible to livelihood restoration measure will have the priority in terms of employment;
- The Project will work with the local communities to maximize the recruitment of affected people involved in the reservoir vegetation clearing during the construction period, and
- A programme of skills training will be developed for the members of working age of Project affected households.

7.3.2 Assistance for management of received financial compensation

The cash compensation provided to households needs to be considerable in relation to the household's normal earnings and savings. Consequently, the Project will sponsor a series of financial management seminars which affected households will be encouraged to attend. The aim is to support affected people with independent financial advice to help them invest their compensation in such a way as to improve their long-term well-being rather than contribute to

a household boom and bust, caused by spending the compensation payment in an unplanned manner.

7.3.3 Support to improve existing economic activities

JSCNH will provide support for the creation of cooperatives which will provide technical training and provide raw materials and services (such as veterinary services) to enhance agricultural production and market products with a better price in the long term. The activities that will be covered by the cooperatives will include:

- Agricultural production, including animal rearing;
- Beekeeping and honey production;
- Fruit and nut production and transformation, and
- Fish farming (near the settlement, and not in the Nenskra dam reservoir).

An advisory consulting firm will be appointed to define with the affected people the means of improving their existing economic activities, and the Project will finance the implementation of this means.

7.3.4 Support for initiatives to develop alternative sources of income

The affected people will be given the possibility to develop alternative sources of income. JSCNH Nenskra will assist them in identifying, developing and implementing sustainable alternative income generating activities.

The Advisory consulting firm appointed for the improvement of existing economic activities will also be appointed for this task.

To provide additional benefits to the communities, this activity will be supported beyond mitigation measures as part of the Community Investment Plan, which is a benefit sharing mechanism defined by the Project (see Vol.8 – ESMP).

7.3.5 Assistance for legalisation and land ownership

The large majority of affected households have land that is non-registered. During the implementation of the LALRP, and where the affected households have the appropriated documents, JSCNH will assist them in registering their land, by furnishing technical assistance when needed and paying the cost of the registration, for temporary as well as permanent land loss. For all legalizable land plots, the entire affected land plot will be registered, with the unaffected area or temporarily affected area will be registered under the owner's name and the permanently affected area under the Company's name or in the name of the State.

7.3.6 Improvement of existing tracks to non-affected pasture areas

The people affected by the loss of the *Kvemo-Memuli* pasture area explained that they have access to other pasture areas. They also explained that they could improve hay production on these other pasture areas, if the access tracks leading to these pasture areas were improved. These accesses are not currently drivable; therefore they cannot bring hay back from these pastures areas, which are located up the Memuli River, and named *Schkvandiri* and *Zeda Memuli*.

The project will improve these access tracks in order to render them drivable, and to allow the affected households to improve the volume of hay they can collect from the *Schkvandiri* and *Zeda Memuli* pasture areas.

This will be done at the start of the main construction at the dam site, to attenuate partially the loss of the *Kvemo Memuli* pasture area during construction.

7.3.7 Restoration of pasture lost on temporary facilities

The EPC contractor will restore the land used for construction purposes to its previous state. All pasture areas will be reinstated as much as possible.

7.3.8 Cattle track by-passing the reservoir

The Project will study the feasibility of a cattle track by-passing the reservoir in order to restore access to the northern part of the Nenskra Valley. This could allow the households affected by the loss of the *Machlitchala* pasture area to regain access to the *Marzatchala* pasture located upstream of the future reservoir. The Project will engage Georgian Ministries and the Mestia Municipality with regards to the official ownership of this track, its status, its access and its maintenance. This measure is not only a livelihood restoration measure, but also a measure to mitigate transversal impacts, as defined in the Vol.3 – Social Impact Assessment. Hence, its budget is captured in the overall budget of the Environmental and social Management Plan, and not in this LALRP.

7.4 Livelihood restoration for severely affected households

7.4.1 Measures available to significantly affected households

In addition to the measures specific to the LR of severely impact households described in the following subsections, the severely affected households can also benefit from all the measure that are available to the significantly affected households described in section 7.3.

7.4.2 Assistance to develop sustainable livestock production

The measure will aim at developing sustainable livestock production. Two different sets of measures will be implemented: short term measure and long-term measures. They are described in Table 32 below.

Table 32 – Assistance to develop sustainable livestock production

Short term/ long term	Measures
Short term	Supply of fertilizers during to allow an increase in the yield of the existing fodder production Based on the detailed interviews conducted in October 2016, on average, the fodder for an affected household is produced on 0.8 hectares of land, which is usually situated near the household's home. The provision of 80 kilograms of fertilizer for each household should enable the fodder production yield to be increased by 30 percent and reaching 4 tonnes of dry matter per hectare. The gain in fodder production yield is expected to only partially compensate the permanent loss of pasture land of the severely affected households. For the households affected by the loss of the <i>Machlitchala</i> area as well as those affected at the Powerhouse, it will not allow households to maintain their initial number of head of cattle on the long term without any other measure. However, it is of social importance as it will contribute to minimising the reduction of head of cattle that households can maintain.
Long term	Provision of highly productive hay seeds, of rapidly growing species. This will allow the affected households to improve hay production on the long term in their hayfields (in the settlements and in the summer pastures areas)

Long term	Technical training will be provided, in partnership with the Ministry in charge of Agriculture, to develop sustainable fodder production.
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7.4.3 Assistance to develop to grow and sell nuts and hazelnuts

Hazelnuts are already produced in the Nenskra valley. The measure will comprise provision of assistance to allow affected households to develop hazelnut production – which will be a new activity for some of them. Hazelnuts can be sold commercially and thus represent a potential source of income for the affected households. Georgia is the fifth largest producer of hazelnuts in the world. Hazelnuts represent 8 percent of the total volume of exports from Georgia. In 2015, a hazelnut processing plant opened in Zugdidi – some 30 kilometres from the affected households - with an annual production capacity of 300 tonnes of processed hazelnuts.

Nut trees usually start producing nuts 4 years after planting and the yield can be expected to be in the order of 1,200 kilograms per hectare and increasing over the following years. Maximum yield is typically obtained 10 years after planting. The value of fresh hazelnuts (not processed) is currently 6 GEL per kilogram and consequently the annual revenues (before excluding operating costs) from one hectare of hazelnut trees are expected to be in the order of 7,200 GEL per hectare.

A detailed analysis of the investment and operation costs will be undertaken in order to establish the area of land that can be developed for nut production for a household.

The assistance would include the following:

- Purchase and delivery of the hazelnut saplings to the household benefiting from the programme;
- Assistance to tree planting on the unused areas of the land plots around the houses of the affected people and on the areas temporarily used by the project at the Power house, after reinstatement;
- If possible, arrangements with authorities for land to be made available for the planting of the hazelnut trees. The possibility of use of areas cleared of trees through past lumbering activities will be evaluated, and
- Payment of labour services for the preparation of the land prior to planting and for the planting of saplings.

The households benefiting from the programme will maintain the trees during the 4 years prior to nut production and will manage the harvesting of the nuts, which is expected to be manual rather than mechanised.

7.4.4 Assistance to develop beekeeping and sale of honey

The measure will comprise assistance for development of a beekeeping and honey production activity. Apiculture requires high technicality and the results can be capricious depending on the climate. Moreover, the sanitary aspect is important given that many diseases can affect the apiary. This activity can be carried out indifferently by men or women.

Beekeeping can be developed on small areas of land and sale of honey can generate household revenues. Many households in both the Nenskra and Nakra valleys already keep bees and sell the honey (see report vol. 3 – Social Impact Assessment). However, beekeeping requires some specialist knowledge –and honey production can vary from year to year.

A detailed analysis of the investment and operation costs will be undertaken in order to establish the number of hives that will be required by each affected household, but as a

preliminary indication it can be expected that 20 hives can produce 300 kilograms of honey with a sales value of 3,600 GEL (not taking into account operational costs).

The assistance provided by JSCNH would include the following:

- Purchase and delivery of the bees, hives and honey preparation equipment (maturation unit, extractor);
- Preventive treatment furnished for the first 3 years to protect the bees against diseases, and
- Organisation of training in the art of beekeeping and making honey.

7.4.5 Assistance to develop market gardening

The measure comprises assistance for households to produce vegetables inside greenhouses that in addition to being for household consumption can also be sold locally and to the dam construction and dam operating staff. Market gardening does not require the acquisition of land and the gardens can be developed around the house of the affected household. The time frame for return on investment is short, as vegetables will start being produced later in the year after planting in the spring.

A detailed analysis of the investment and operation costs will be undertaken including the need for water and heating energy in order to establish the size of a greenhouse suitable for a household, but as a preliminary indication it can be expected that a greenhouse of 200 square metres area producing tomatoes, aubergines, cucumber and beans can produce revenues in the order of 3,800 GEL per year (not taking into account operational costs).

The assistance provided by JSCNH would include the following:

- Purchase and delivery of the greenhouse material;
- Purchase and delivery of the seeds for the first year of production, and
- Purchase and delivery of suitable mechanised equipment that will be shared between households.

8 Institutional arrangements

The Land Acquisition and Livelihood Restoration process is managed by the Government of Georgia and JSCNH:

- The Land Acquisition Process is managed jointly by the Government and JSCNH, and
- The Livelihood Restoration measures are being implemented by JSCNH.

Key documents that set the responsibilities between the Governmental agencies and JSCNH for land acquisition are:

- The Implementation Agreement dated 31 August 2015 and updated in 2017 between the Government and JSCNH. The document establishes the obligations of each party for the whole project implementation, including the land acquisition process.
- The Decree n°95 dated 01 February 2016 which nominates the Ministry of Energy and the National Agency for State Property (NASP) to execute on behalf of GoG the provisions of the implementation agreement relating to land acquisition. The decree further delegates to Partnership Fund the management and monitoring of activities relating to the land acquisition process. Partnership Fund is therefore the operational governmental agency that jointly managed the land acquisition process with JSCNH for the Nenskra HPP.

8.1 Agreement on land acquisition between the Project and GoG

The relationship between JSCNH and GoG for the land acquisition process is formalized in the Implementation Agreement signed the 31st of August 2015, as follows:

- JSCNH prepares and submits to GoG a Land Report, setting out in detail all the land parcels required by the Nenskra HPP Project for construction and operation;
- GoG reviews the Land Report, and in case GoG has no objections, the Land Report is approved;
- GoG acquires title to any private lands that are part of the required lands and transfers to JSCNH such title that is valid and free of encumbrances;
- GoG grants to JSCNH a right to build on public land that cannot be transferred to JSCNH under the legal framework, and
- Once evidence of effective or granted land transfer is received, JSCNH shall pay all reasonable costs and expenses made by GoG for the acquisition and transfer for the lands required.

The Decree n°95 dated 01 February 2016 specifies that:

- NASP and the Ministry of Energy should identify the private and state land plots located within the Nenskra HPP footprint. Partnership Fund and JSCNH should provide the land survey and all measures required to achieve this objective;
- Partnership Fund and JSCNH should perform all activities required to (i) register the rights on affected private land plots and (ii) determine the commercial value of affected private

land plots taking into account the applicable standards, including those of the Lenders, and

- Partnership Fund should purchase the affected private land plots and be reimbursed by JSCNH as provisioned in the Implementation Agreement. The ministry of Economy should then transfer to JSCNH the rights to use the purchased land plots.

8.2 Operational approach to align on Lenders policies

The Implementation Agreement makes no reference to compliance with the Lenders' policies on involuntary resettlement. The Decree n°95 does. Partnership Fund and JSCNH have therefore established an approach for the land acquisition process in line with the Lenders policies (see main principles in Section 2.4). It specifies the roles of JSCNH and the Governmental agencies in each step of the land acquisition and compensation process. This approach is described in the paragraphs below.

As there is no legal basis for the Government to compensate the loss of land which is not registered, the land acquisition process implemented by the Nenskra Project distinguishes two types of land tenures:

- Legalizable land, which includes registered land as well as land that can be legalizable in the name of the traditional land owner as per the existing legal framework (see Section 5.1.1), and
- Non-legalizable land, which includes land used by local community that cannot be legalized in the name of the recipient of customary right of use and/or collective customary property under the current legal framework.

Traditional land owners will be encouraged - and logistically supported by JSCNH if required - to register in their name the affected land plots prior to compensation. For land non-legalizable by traditional users, the land will be registered in the name of the State of Georgia prior to compensation.

The step-by-step approach required from the delineation of boundaries of affected land plots (legalizable or non-legalizable) to the payment of compensation is detailed in Table 33. JSCNH will be involved in every step of the land acquisition process in order to ensure compliance with the Lenders policies.

Key documents (Memorandum of Understanding on Compensation package, Compensation Agreement or Sales & Purchase Agreement) will be prepared by JSCNH.

The Lenders policies require that the Project takes possession of land only after compensation has been provided to the affected people: As described in Table 33, payment of agreed compensation to affected household will be made directly by JSCNH to avoid any delays. JSCNH will also be fully responsible for the implementation of the livelihood restoration measures.

All legalizable land required for temporary purposes will be registered and rented. It will be used during the construction operation, then restored by the EPC contractor and handled back to its owner.

Table 33 - Step-by-step approach for land acquisition of legalizable and non-legalizable land

Approach for legalizable land	Approach for non-legalizable land
Step 1: JSCNH and PF establish the Registration Working Group (RWG)	
Step 2: RWG agrees with affected traditional owners (ATO) about area and boundaries of affected land plots and identifies status of land (legalizable or non-legalizable)	
Step 3: If affected land plots are not registered yet, JSCNH assists ATOs in compiling the documents required for their registration. May require a specialized sub-consultant.	<p>Step 3: The Negotiation Team negotiates the Land Acquisition compensation package with the ATO and establishes a Memorandum of Understanding¹² (MoU) co-signed by the parties. The MoU will list all losses (assets and properties) affected by the land take process, as well as (i) the negotiated compensation amount for each affected private land plot, assets and properties, and (ii) the entity responsible for payment.</p> <p>Collectively used customary pasture land will not be compensated in cash. Livelihood restoration, including transitional fodder supply allowances will be provided (see section 7).</p> <p>For significantly and severely affected households, the MoU will also indicate the Livelihood Restoration Measures package proposed by the Project.</p>
Step 4: JSCNH encourages - and if required logistically supports - each ATO to submit registration documents to the Public Registry Department. In parallel, PF requests the Ministry of Energy and the Ministry of Economy to communicate with the Public Registry Department and to express GoG's non-objection for the registration of affected land plots.	
Step 5: Registration of affected land plot by the Registry department - JSCNH monitors progress on www.napr.gov.ge	
Step 6: The Negotiation Team negotiates the Land Acquisition compensation package with the ATO and establishes a Memorandum of Understanding ¹³ (MoU) co-signed by the parties. The MoU will list all losses (assets and properties) affected by the land take process, as well as (i) the negotiated compensation amount for each affected assets and properties, and (ii) the entity responsible for payment if part of the affected losses are located on non-legalizable land (see Approach for non-legalizable land). For significantly and severely affected households, the MoU will also indicate the Livelihood Restoration Measures package proposed by the Project.	
Step 7: NASP prepares the Sales & Purchase Agreement template to cover the Land Acquisition Amount for losses located on legalizable land.	Step 4: JSCNH prepares the Compensation Agreement template to cover the Land Acquisition Amount for losses located on non-legalizable land.
Step 8: NASP and ATO sign the Sales & Purchase Agreement	Step 5: JSCNH and ATO sign the Compensation Agreement.
Step 9: NASP issues to JSCNH an instruction for payment, with Sales & Purchase Agreement attached	
Step 10: JSCNH transfers the money to ATO bank account and obtain from ATO a receipt for payment.	Step 6: JSCNH transfer the money to ATO bank account and obtain from ATO a receipt for payment.
Step 11: JSCNH can instruct the EPC Contractor to start the works.	Step 7: NASP would have awarded the Right to Build prior to the start of the process. JSCNH can instruct Salini to start the works.
Step 12: NASP transfers to JSCNH the ownership of each land plots affected permanently by the land take process.	

¹² A template of the MoU is presented in Annex 6

¹³ Idem

8.3 Responsibilities

8.3.1 Flow chart

A. Land acquisition process

Figure 13 (next page) illustrates which institutions will be involved in the LALRP activities, through the four main phases of the land acquisition process:

- Institutionalization, whereby governmental agencies and JSCNH units are appointed, resources are recruited, and responsibilities are formalized.
- Land registration, prior to compensation: boundaries and land owners/users of affected land plots are identified, legalizable land is registered in the name of traditional owner and non-legalizable land is registered in the name of the State.
- Negotiation, between the affected households and JSCNH, on level of compensations for loss of lands. Agreements are formalized through (i) a Sales and Purchase Agreement between NASP and landowner if the affected land is registered in the name of landowner, or (ii) a Compensation Agreement between JSCNH and landowner if the affected land is registered in the name of the State.
- Payment made by JSCNH.

The role of each institution is described in the sub-sections thereafter.

The process is explained from an affected person's (AP) point of view in Figure 15 page 91.

B. Livelihood restoration

JSCNH will be entirely responsible for the implementation of the livelihood restoration measures described in Section 7 and scheduled in Section 9.2.

8.3.2 Government of Georgia

GoG has the responsibility to provide JSCNH with legal access to land required for construction and operation. As described in Section 8.1, legal access to private land will be provided to JSCNH through (i) transfer to JSCNH of purchased title to private lands or (ii) grant to JSCNH of right to build on public land that cannot be transferred to JSCNH. The Ministry of Energy and the National Agency for State Property Management of the Ministry of Economy (NASP) are the governmental agencies nominated to execute this task.

The operational implementation of this responsibility is delegated to Partnership Fund. Partnership Fund appointed a Land Acquisition Manager in charge of the coordination with:

- JSCNH for the identification of affected land plots, the inventory of affected assets and properties, and the negotiations with affected households on the Sales and Purchase agreement of private land.
- NASP for the purchase of private land plots, and for the registration of public land in the name of the State.
- Ministry of Energy for the monitoring of the land acquisition process.

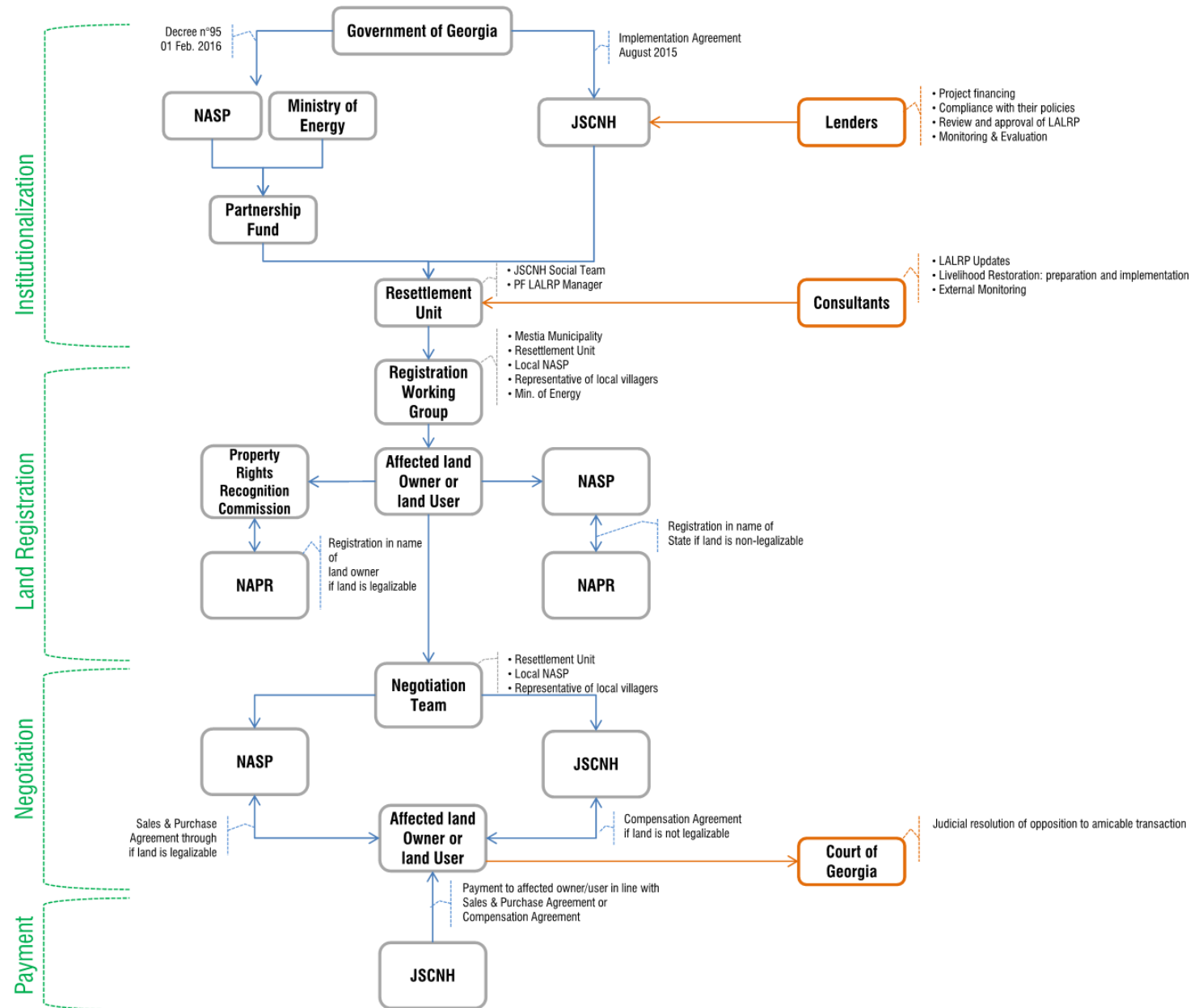


Figure 14 - Land Acquisition flow chart

Figure 15 – Land acquisition process from an affected person point of view



8.3.3 JSC Nenskra Hydro

JSCNH has the overall responsibility of LALRP implementation and monitoring. In particular, JSCNH is responsible for:

- Compliance of the LALRP implementation and results with the Lender policies;
- Preparation and submission to GoG of the Land Report with identification and description of all land plots to be acquired for the project;
- Assistance to Partnership Fund in the overall management of the Land Acquisition Process including:
 - Negotiations with affected landowners on entitlement and compensation packages.
 - Hiring of specialized consultants to provide training.
- Assistance to affected traditional landowners in the registration procedure of their land plots, including full coverage of financial cost of the registration process.
- Funding of all amicable agreements signed with affected households for the purchase of land.
- Establishing and monitoring a grievance redress mechanism.
- Documentation of all processes, agreements and complaints generated as part of the LALRP implementation.
- Procurement and funding of the independent external monitoring consultant and external completion audit.
- Reporting to Lenders as defined in Section 12.
- Updating the LALRP to address impacts of the project components which were yet to be defined when the present LALRP was prepared (e.g. upgrade of the Nakra road, 110 kV power supply line, and powerhouse disposal areas).
- Definition and implementation with the affected households of the livelihood restoration activities defined in Section 7.
- Managing the EPC Contractor performance in relation to the rehabilitation of temporary areas used during construction and their conversion into pasture where feasible.

In order to execute the above functions, JSCNH mobilizes part of its Social Team to be dedicated to the implementation of the LALRP. The overall organisation of JSCNH Environmental & Social Team is presented in Vol.8 ESMP. The members of this team who are managing the LALRP activities are listed in Table 34 below.

Table 34 – JSC Nenskra Hydro team in charge of the LALRP implementation

Member	Responsibilities in LALRP implementation
Chief Operating Officer	Based in Tbilisi, in charge of relationships with GoG and Partnership Fund. Responsible for the negotiations with affected households.
Environmental & Social Manager	Based in Tbilisi, in charge of mobilizing and managing the resources required by the rest of the team, as well as providing overall guidance to the social team on Lenders compliance. Prepare the reporting to the Lenders.
Social Manager	Based permanently in Chuberi village, In charge of the coordination and supervision of all LALRP implementation activities in the two valleys and at a Municipal and Rayon level. Responsible for the implementation and monitoring of livelihood restoration activities.
Land Acquisition and Compensation Officer	Based permanently in Chuberi village, Responsible for the delineation of affected parcels, the relation with NAPR, the preparation and formalization of all documents supporting the negotiations and transactions, and the management of grievances relating to loss of land.
LALRP database manager	Based in Tbilisi • In charge of the update and maintenance of the LALRP database and grievances database
LALRP Specialists and technical partners for livelihood restoration programme	Recruited for specific tasks: > Support for LALRP updates: assistance in census, valuation, planning and reporting > Advice on compliance with Lenders Policies > Definition and implementation of specialized Livelihood Restoration Activities, such as sustainable livestock farming and sustainable agricultural techniques > Surveyors recruited for additional socioeconomic surveys when needed.
Community Liaison Officers	Permanently based in Chuberi and Naki village In charge of public information and liaison with communities.

8.3.4 Resettlement unit

Partnership Fund and JSCNH forms the Resettlement Unit, made of:

- Partnership Fund Land Acquisition Manager, and
- JSCNH team in charge of the LALRP implementation (see Table 34), managed by the Chief Environmental and Social Officer.

The Resettlement Unit is the operational body for the LALRP. Its role is to:

- Be the formal negotiation entity between the Project and the affected households
- Liaise with the other governmental entities involved in land acquisition, including NARP (registration of land in name of traditional owners or in name of the State) and NASP (Sales and Purchase Agreement).
- Report to JSCNH, Ministry of Energy, Ministry of Economy, and local Communities.
- Manage the payment of compensations and the implementation of livelihood restoration activities.

8.3.5 Registration working group

The Registration Working Group (RWG) is made of:

- A representative of Mestia Municipality;
- Partnership Fund and JSCNH;
- The local agency of NASP;
- A representative of local villagers, and
- A representative of the Ministry of Energy.

The role of the RWG is to agree with affected traditional landowners about the boundaries of the land plots and the area affected by the Project activities. It is chaired by the Resettlement Unit (Partnership Fund and JSCNH) and meets as required to facilitate the identification of customary ownership of affected land.

8.3.6 National agency for state property management

The National Agency for State Property Management (NASP) is the governmental agency of the Ministry of Economy in charge of:

- Executing the land rights obligations of GoG specified in the Implementation Agreement with JSCNH dated 31 August 2015;
- Participating to the Registration Working Group to agree with affected traditional landowners about the boundaries of the land plots and the area affected by the Project activities;
- Purchasing the private land plots located within the Project footprint and transferring the title to JSCNH, and
- Requiring NAPR to register in the name of the State the land that cannot be transferred to JSCNH.

NASP is a central agency, which is represented locally in Zugdidi.

8.3.7 National agency of public registry

The National Agency of Public Registry (NAPR) within the Ministry of Justice is in charge of the registration of land ownership. The Rayon Registration Office of the NAPR is the rayon-level authority for executing land registration in the name of the applicants based on the application documents provided by rightful owners (PAPs possessing ownership documents but with title formalization pending).

The staff of the NARP local office will:

- Collaborate with the LALRP working groups, assisting them in obtaining archival documents, determining the registration status of the PAPs property;
- Receive and register land plots property rights certified by the Property Rights Recognition Commission;
- Register land compensation agreement signed by the PAPs, the representatives of Mestia Municipality in the village and Partnership Fund, and
- Establish the payment to the affected people, once the funds have been received from JSCNH.

8.3.8 Property rights recognition commission

Under the Law of Georgia on Recognition of the Property Ownership Rights Regarding the Land Plots Owned (Used) by Physical Persons or Legal entities (2007), the Government of Georgia has established the Property Rights Recognition Commission at the rayon level for recognition of ownership rights of non-rightful owners for registration. The Property Rights Recognition Commission verifies and approves the application of ownership for registration with the National Agency of Public Registry (NAPR, see below). The Property Rights Recognition Commission approves applications of only those PAPs whose land is are not registered but is residential or agricultural land adjacent to the residential plot (“non-rightful land owners”, according to definition of Georgian regulations).

8.3.9 Negotiation team

The Negotiation team is made of:

- Partnership Fund and JSCNH (Resettlement Unit);
- A representative of local villagers (observer), and
- And local NASP for negotiations on private land.

The Negotiation Team negotiates with the affected traditional owner for the purchase price of the land lost due to the Project activities: land and assets. For households severely and significantly affected by the loss of land, the Negotiation Team further agrees on the principles of Livelihood Restoration measures.

8.3.10 Consultants

JSCNH has prepared the LALRP as a part of the Supplementary E&S Studies. For that work, an independent consulting company has been engaged for land acquisition and resettlement survey and documentation including census, socioeconomic survey, inventory of losses, and valuation of land and assets at full replacement value. For the update of the LALRP (for project components such as the Nakra Road, the disposal areas at the Powerhouse, or the 110 kV power supply line), a similar independent consulting company will be hired to assist the Resettlement Unit in implementing the required land surveys, census, inventories and valuations of losses.

An External Monitoring Agency (EMA) will be also appointed to oversee the implementation of LALRP and to prepare semi-annual compliance reports.

An External Auditor will be appointed to conduct an external completion audit.

8.3.11 Court of Georgia

The Court of Georgia shall be the last resort for issues and concerns regarding the implementation of the LALRP. In case there is no agreement between the Resettlement Unit and the affected landowners concerning the acquisition of private property, Ministry of Energy could exercise its mandate for expropriation based on existing legislation, and could submit to the Court a request for expropriation through the Ministry of Economy. Upon its approval and following prescribed procedure, NASP would then take over the concerned property after having been given by the Court the right of the Expropriator.

Furthermore, in cases where complaints and grievances regarding LALRP implementation and compensation are not solved by the grievance redress mechanism defined in Section 11, the

PAPs can appeal the case to the court as a last resort. Its decision shall be final and will be executed.

8.3.12 Lenders

Besides supervising the Project periodically, the Lenders will review and approve the LALRP and its subsequent updates, as well as the internal and external monitoring reports, as well as the internal completion report and the external completion audit.

9 Implementation of the LALRP

9.1 LALRP activities

9.1.1 Overview and current status

At the time of writing, the land acquisition process is ongoing and can be summarised with the following points:

- **Powerhouse:** All affected households have signed a Memorandum of Understanding (MoU) with JSCNH (template presented in Annex 6). The signing of formal agreements by the affected households and registration of legalizable land plots is ongoing. Payment of compensation has started for those land plots that have been registered.
- **Operators' village:** Land acquisition completed and compensation paid.
- **Nenskra road:** Affected households have been identified, cadastral survey completed, land survey completed, and asset inventory completed. However, in order to minimize impacts and avoid disturbances during the construction period, alternative alignments were studied in September 2017. Options considered were a bypass around LariLari, or using the alternative route on the right bank of the Nenskra River. Therefore, no MoUs have been signed, negotiations with households have not started and land registration has not started. The next steps will start when the decision has been made with regard to the final alignment of the Nenskra road.
- **Dam area:** All affected households have signed an MoU with JSCNH. Compensation for structures has been paid. The Right To Build agreement between JSCNH and GoG has been signed for all land plots.
- **Reservoir area:** Compensation for structures has been paid. The land acquisition process has not started.

9.1.2 Schedule of LALRP implementation activities

The steps and activities needed to prepare and implement land acquisition, and Livelihood Restoration, negotiate with the affected people, implement the entitlement and compensation packages, and monitor the implementation of the LALRP are listed in Table 35 below.

Activity schedules are illustrated with the Gantt Charts provided in Figure 17, and Figure 18. The Gantt charts illustrate the planning and status with respect to progress for the different Project components.

Table 35 - Schedule of the land acquisition and LR implementation activities

Step	Action	Responsibility	Status (in September 2017) or timing
A. Land Acquisition Preparation			
A1	Land requirements identification	JSCNH	Completed for components for which land requirements defined / still to be completed for components still being designed (see section 1.1.5)
A2	Identification of impacts	JSCNH	
A3	Issue of Land Report, including commitment of compliance with Lenders Policies	Resettlement Unit	
A4	Approval of Land Report, including commitment of compliance with Lenders Policies	GoG	
A5	Designation of an agency responsible of the LALRP implementation on behalf of GoG (Partnership Fund)	GoG (PF)	Completed
B. Resettlement and Livelihood Restoration Planning			
B1	Inform local authorities and affected people of the impacts	JSCNH	Completed for components for which land requirements defined / still to be completed for components still being designed (see section 1.1.5)
B2	Examine all technical possibilities and construction methods during the detailed design preparation to minimize physical and economic displacement	JSCNH	
B3	Census and asset valuation	Resettlement Unit + local authorities	
B4	LALRP preparation	JSCNH	
B5	Recruitment of staff JSCNH Resettlement Unit	JSCNH	Completed
B6	Establish and disclose Grievance Redress system	JSCNH	On-going, to be completed in October 2017
B7	Disclose the list of affected households in the administrative buildings in Chuberi and Naki villages	JSCNH CLOS + Local representatives of Mestia Municipality	Completed in March 2017 for components for which land requirements defined
B8	Prepare and issue Guide to Land Acquisition and Compensation (GLAC: an information brochure presenting the summary of the LALRP for communities' members)	JSCNH	November 2017
B9	Public disclosure of the draft LALRP, on the web and in the Nenskra and Nakra valleys	JSCNH	Completed (March – August 2017)
B10 B12	Final LALRP, including results of the public disclosure, approved by the Lenders	Lenders	November 2017
B11	Addendum to LALRP for the components not defined in September 2017 (Cut-off date, land surveys and inventory of affected assets, socio-economic survey and impact assessment, writing of LALRP addendum)	JSCNH	Will be done progressively from November 2017 to March 2018 (spoil disposal areas at Powerhouse, Final design of Nenskra road upgrading (if necessary), Power supply lines, Nakra road upgrading)
C. Negotiated settlements with affected people			
C1	Engagement with affected households to agree on compensation and LR strategy (as described in section 6.4) All applicable entitlements/benefits as per Entitlement Matrix are disclosed to the PAPs prior to the start of the negotiation process.	Negotiation Team	Completed for the Powerhouse. On-going for the Nakra dam and reservoir areas. On hold for the upgrading

Step	Action	Responsibility	Status (in September 2017) or timing
	<p>The affected households will be able to question the assessment made during the preparation of the LALRP and the mitigation and livelihood restoration measures proposed by the Project.</p> <p>Once agreements achieved with PAP, the Resettlement Unit signs a Memorandum of Understanding on the purchase price or the compensation package.</p>		<p>of the Nenskra road</p> <p>For the Nakra water intake: from November 2017 to March 2018</p>
C2	Acquisition of legalizable and non-legalizable land (see section 9.)	NASP and JSCNH	On-going
C3	Definition of the areas needed for the components not defined in September 2017 (power supply lines, Nakra road upgrading, construction camp and spoils disposal area at the Powerhouse). Definition will be done in close consultation with the communities and with a clear objective to avoid physical displacement and to minimize any adverse effects on livelihoods.	JSCNH	October to December-2017
C4	Update of LALRP with the integration of agreements and agreed valuations and entitlement into the document (Final LALRP)	JSCNH	September-November 2017
C5	If it is not possible to achieve an agreement, Ministry of Energy will start the expropriation process.	Ministry of Energy and Ministry of Economy	Only if not possible to reach amicable agreement, will be done progressively from November 2017 for the different components
C6	Addendum to LALRP for the components not defined in November 2017 (Cut-off date, land surveys and inventory of affected assets, socio-economic survey and impact assessment, writing of LALRP addendum, disclosure to affected people, review and clearance by Lenders)	JSCNH	<p>Will be done progressively from January to May 2018</p> <p>(spoils disposal areas at Powerhouse, Final design of Nenskra road upgrading (if necessary), Power supply lines, Nakra road upgrading)</p>
D. Implementation of LR			
D1	<p>Appointment of LALRP Specialists and technical partners for livelihood restoration programme. Definition and implementation of specialized Livelihood Restoration Activities, such as sustainable livestock farming and sustainable agricultural techniques</p> <p>Appointment of an advisory consulting firm will to define with the affected people the means of improving their existing economic activities, and developing alternative sources of income</p>	JSCNH	January 2018
D2	Transitional supply of fodder (loss of pastures)	JSCNH	Starting in June 2018
D3	<p>Activities for significantly affected households:</p> <ul style="list-style-type: none"> • Preferential hiring and skills training • Assistance for management of received financial compensation • Support to develop existing economic activities • Assistance for legalization of land 	JSCNH	<p>- Assistance for management of received financial compensation Started in June 2017</p> <p>- Assistance for legalization of land on-going</p> <p>- Support to develop existing economic activities to be started in March 2018</p>

Step	Action	Responsibility	Status (in September 2017) or timing
D4	Activities for severely affected households: <ul style="list-style-type: none"> All measures that significantly affected households can benefit from Feasibility studies for LR activities (hazelnut production, beekeeping and sale of honey, market gardening) Implementation of the LR activities (purchase of materials, setting-up activity, training of households, general technical support) 	JSCNH	to be started in March 2018
E. Monitoring and reporting			
E1	Internal monitoring and quarterly reports	JSCNH	First internal monitoring report in December 2017 Monthly reports during the first 3 years of LALRP implementation. Quarterly reports after the first 3 years of the LALRP implementation and until 3 years after operation will have started
E2	External monitoring and six-monthly reports	External monitor	Six-monthly reports, first external monitoring report in December 2017, will continue until completion audit
E3	Internal completion report	JSCNH	One report, 3 years after payment of last compensation
E4	External completion audit	External auditor	One report, 3 years after payment of last compensation – after issue of Internal completion report

9.1.3 Initiated actions in October 2017

The following activities had been completed or were initiated when writing this LALRP in September 2017:

- Institutionalization:
 - The relationship between JSCNH and GoG for the land acquisition process has been formalized in the Implementation Agreement signed the 31 August 2015. The Decree n°95 dated 01 February 2016 designate an implementing agency (Partnership Fund) to manage the Land acquisition process jointly with JSCNH (see section 8.1 above). The Implementation Agreement has been updated in Feb. 2017
 - The procedure to manage jointly the process with Partnership Fund has been agreed on 02 Nov. 2016.
- Land registration:
 - Registration of State land started in Q4 2016 based on 2015 Land Report;
 - For legalizable land:

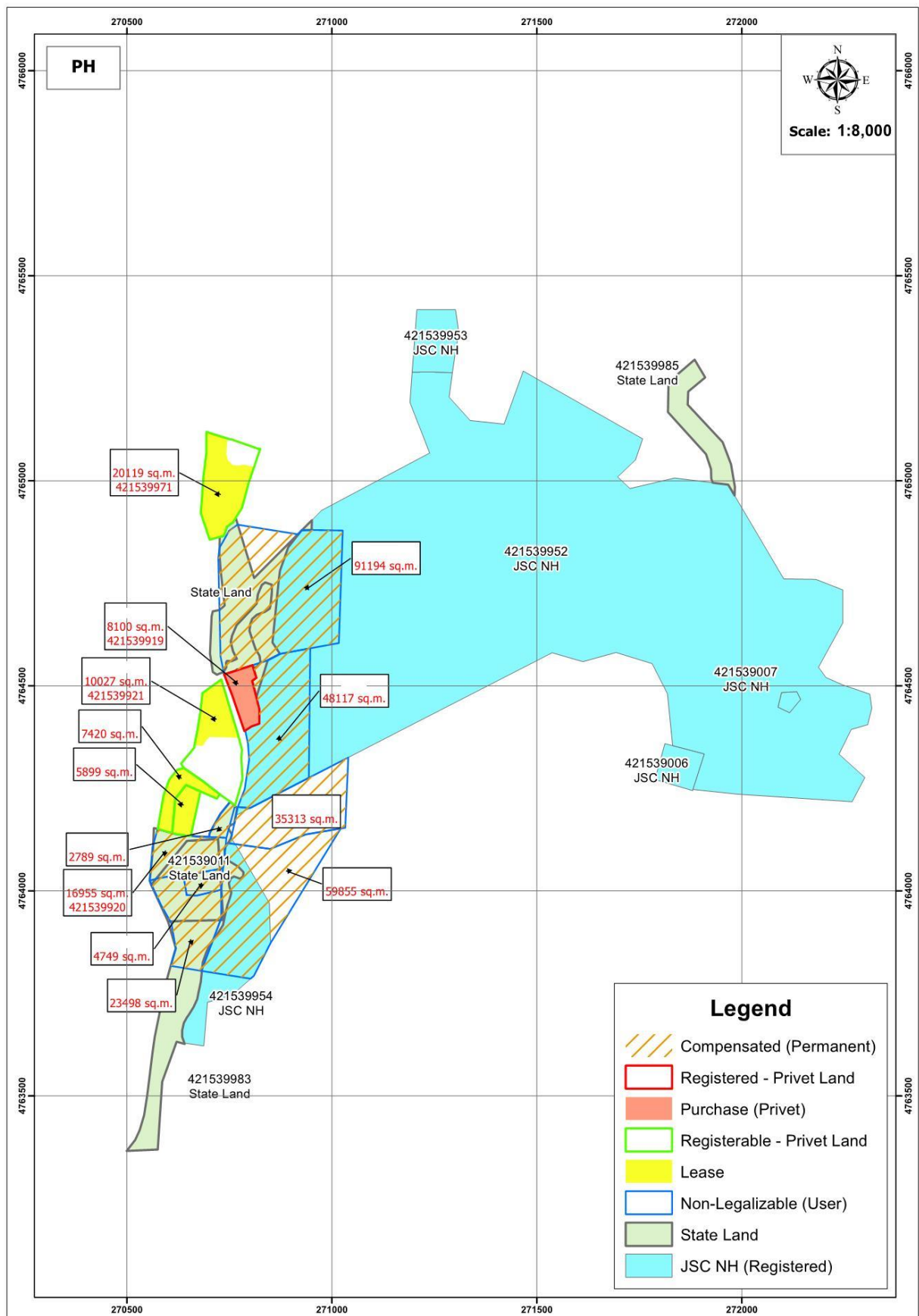
- At the Powerhouse, the boundaries of land plots legalizable and non-legalizable were identified and mapped with the participation of the affected households (see Figure 16 page 102). Assistance is being provided by the Project in preparing registration papers (drawings + documents) in Dec. 2016.
- For the Nenskra Road upgrading, all affected households have been individually informed about registration, assistance and compensation process between 26 and 28 Dec. 2016.
- Negotiation of compensation packages with affected households:
 - Negotiation of the compensation packages with all PAPs affected at the Powerhouse started in December 2016. Agreements were reached in March 2017. In September 2017, compensation for non-legalizable land was paid, and registration of legalizable land was on-going.
 - All compensation has been paid to PAPs affected at the Operator's village site (Tita).
 - Negotiation of the compensation packages for loss of pastures with the PAPs affected at the Nenskra Dam construction site started in February 2017 and was on-going in September 2017. Compensation for loss of structures (wooden cabins) was agreed and paid.
 - Negotiation of compensation packages with the PAPs affected along the Nenskra road has started, and 19 compensation agreements have been signed. Potential alignment alternatives are being considered in order to minimize disturbances and minimize impacts.

9.2 Implementation schedule

Activity schedule for 2017 and 2018 is illustrated with the Gantt chart provided in Figure 17 page 103.

The overall schedule is illustrated with the Gantt chart provided in Figure 18 page 104.

Figure 16 – Boundaries of legalizable and non-legalizable land plots at the Powerhouse



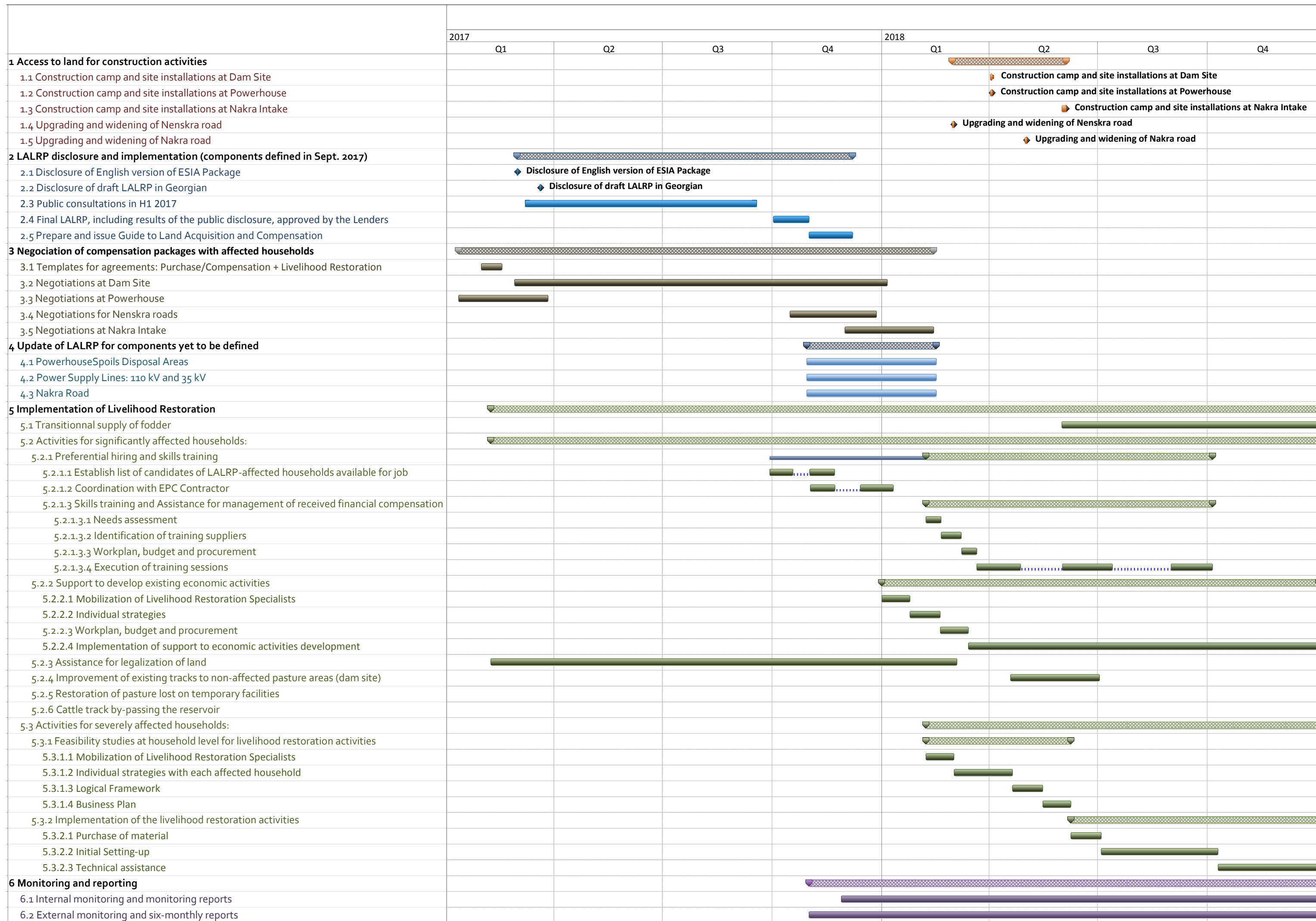


Figure 17 – Workplan for LALRP 2017 activities

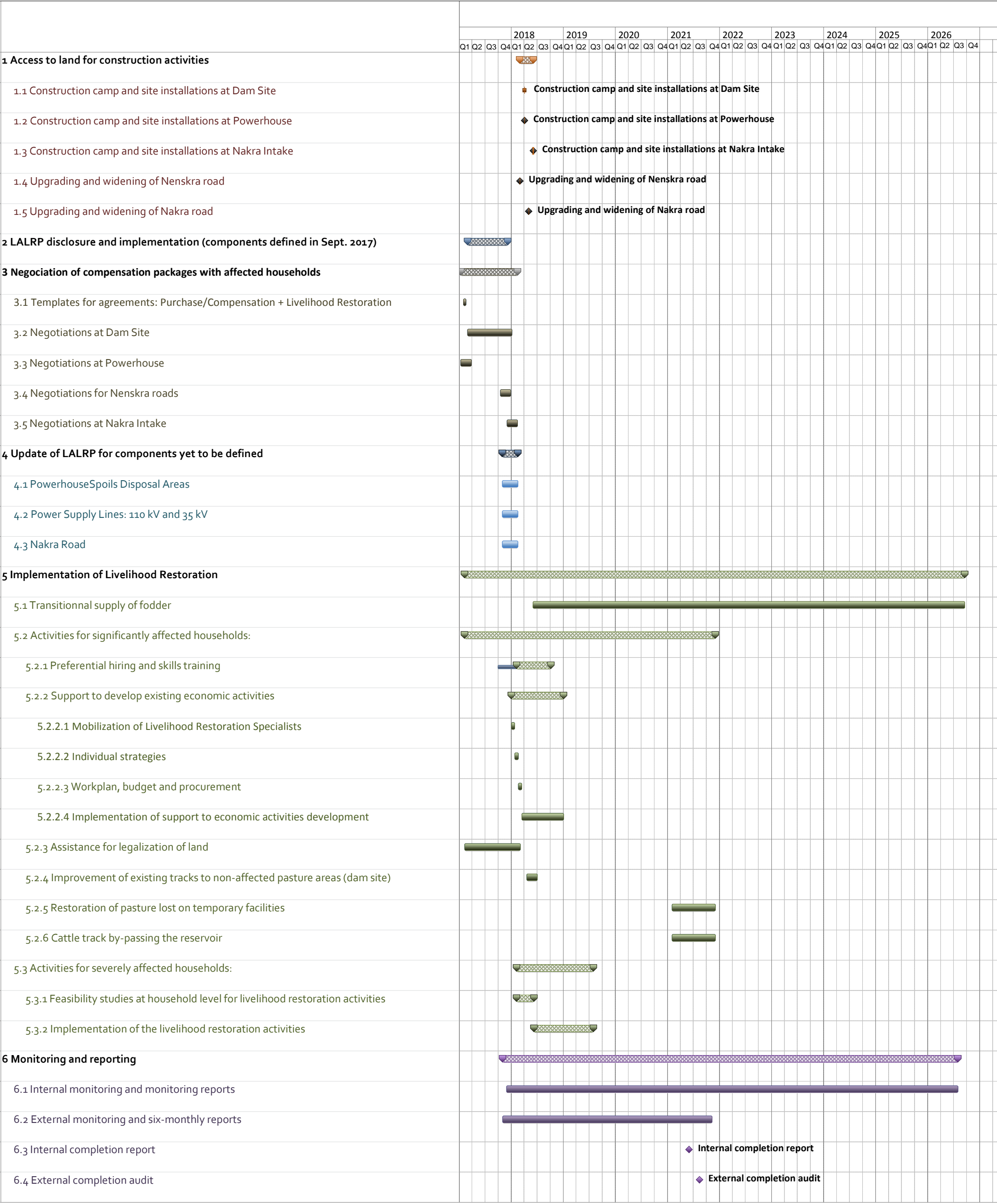


Figure 18 – Work plan from 2017 until end of livelihood restoration measures

10 Information disclosure, consultation and participation

JSCNH Stakeholder Engagement Plan (SEP) is presented in the Volume 8 of the Supplementary E&S Studies. The information presented in this section is focused solely on information disclosure about the land acquisition, consultation with and participation of the people affected by the land acquisition.

10.1 Information disclosure

This LALRP is the Volume 9 of the Supplementary E&S package prepared for the Nenskra HPP from 2015 to 2017, in compliance with the Lenders E&S requirements. As with the other volumes, the LALRP has been written in English, and was translated into Georgian before its public disclosure in March 2017. Hard copies were made available in Chuberi and Naki Villages Town halls, Mestia Municipality office, and at the JSCNH Information Centre as well as in the JSCNH office in Tbilisi, from March 2017 to June 2017. The Project Community Liaison Officers have explained in Svan language the E&S documents to the elderly or vulnerable people who do not speak Georgian.

The Project will distribute to all affected people a Guide to Land Acquisition and Compensation (GLAC) in November 2017. This Guide will be an information brochure presenting the principles and summary of the LALRP for communities' members.

During the main construction phase and during the first 3 years of operation, the Project will disclose six-monthly and annual reports (in Georgian and English). These reports will be available to the public at the Project's information centre in Chuberi, in Chuberi and Naki villages Town halls, in Mestia Municipality Town hall; and on the Project's website. They will contain information on the implementation of the LALRP and on the progress of the Livelihood restoration activities.

During the main construction phase and during operation, six-monthly newsletters in Georgian will also be distributed in the Nenskra and Nakra valleys to inform the local communities on the Project's activities, including Land acquisition and livelihood restoration activities.

10.2 Consultation and participation engagement activities

10.2.1 Overview

When writing this LALRP, the people affected by the land acquisition process had been informed of the cut of date, the asset inventory had been conducted and disclosed individually to the affected households. An information leaflet had been distributed during the asset inventory (see Annex 3). The results of the census and asset inventory had been presented during public information meetings in Chuberi and Naki in December 2015. Meetings were conducted with the households affected by loss of pasture area at the Nenskra dam and reservoir and the Nakra water intake to assess the extent of impact and identify with them

livelihood restoration solution technically and socially feasible. The household affected at the Powerhouse were engaged to agree which land plots could be used by the Project for temporary and permanent purposes, and present the compensation packages. These activities are described in sections 10.2.2 and 10.2.3 hereafter.

In September 2017, compensation agreements have been signed with the affected people at the Powerhouse and the Operator's village. Payment was on-going. Structures affected at the Nenskra dam site and reservoir have been compensated. The proposed livelihood restoration solutions were yet to be validated with the people affected by loss of pasture areas at the Nenskra dam and reservoir and by the Nakra water intake.

The following activities remained to be done in November 2017:

- Implement the LALRP grievance mechanism;
- Conduct specific meetings with affected vulnerable households;
- Distribute a Guide to Land Acquisition and Compensation (summary of LALRP for community members);
- Negotiation of Livelihood restoration activities for each PAH significantly and severely affected and of compensation packages for each affected household, and
- Consultation for the detailed design to avoid or minimize impacts, announcement of cut-off date, census and surveys for the LALRP Update for power supply lines, Powerhouse construction camp and disposal areas, as well as for the Nakra road.

The future consultations program is presented in section 10.3 below.

10.2.2 Consultation activities up to October 2017

Engagement with PAP and local authorities has comprised various meetings, interviews during the household social survey and census, focus group discussions and actions by JSCNH Social Team. The engagement activities with the PAPs conducted up to September 2017 are summarized in the Table 36 below and described in the following paragraphs.

Table 36 – Chronology of consultation activities with the affected households

Date	People consulted	Information disclosed	Issues or concerns raised	How the Project has addressed issues and concerns raised	Participants ¹⁴
25 & 26 Oct. 2015	People affected at the Powerhouse, the Nenskra road upgrading, the Nenskra Dam and reservoir, the Nenskra water intake site.	<ul style="list-style-type: none"> Cut-off date (26 October 2015) Process and general principles to be followed for the land acquisition (census, asset inventory and valuation process to be undertaken the following days) Information leaflet about the land acquisition and key persons to contact for information (see Annex 3) 	<ul style="list-style-type: none"> Schedule of the Land acquisition Unit prices and compensation rates Compensation for loss of pasture areas in the Nenskra Dam and reservoir and at the Nakra water intake site Potential impacts from vibration for houses located near the roads Local benefits from the Project 	<p>The LALRP will address concerns related to Land acquisition. It will be prepared in compliance with the Lenders policies and publicly disclosed.</p> <p>Further meetings will be organised to define mitigation measures</p> <p>A dilapidation survey has been organized</p> <p>The Project will maximize the recruitment of local workers. A Community Investment Program is define (see Vol. 3 SIA)</p>	16 in Chuberi 11 in Naki
16 & 17 Dec. 2015	Chuberi and Naki communities (56 and 27 participants)	<ul style="list-style-type: none"> Presentation of the preliminary findings of the supplementary E&S studies, including results of census and asset inventory done for the LALRP Construction schedule presented Paper copies of the presentation in Georgian has been distributed to the participants (see Vol. 7 SEP) 	<ul style="list-style-type: none"> Dam safety and natural hazards Local benefits from the Project Employment opportunities Microclimate changes (see Vol. 7 SEP) 	<p>The Project will finalise the supplementary E&S studies and will organized public meetings to presents in details all the impacts, mitigation measures and commitments between March and June 2017 (see Vol. 7 SEP)</p> <p>CLOs have been recruited from the 2 valleys in December 2015 to transmit information to the communities and channel their requests to the company.</p> <p>A participatory needs assessment has been conducted in Sep.-Oct. 2016 and a Community Investment Programme defined (see Vol.3 SIA and Vol.8 ESMP)</p>	Chuberi: 56 (26 women, 30 men) Naki: 27 (1 woman, 26 men)
16 & 17 Feb. 2016	Farmers affected by loss of pasture areas (<i>Machlitchala</i> and <i>Kvemo Memuli</i> at Nenskra Dam and reservoir and <i>Lagiri</i> at the Nakra water	<ul style="list-style-type: none"> Extent of the losses as assessed by the Project Compensation and preliminary solutions for livelihood restoration proposed Commitment that the EPC contractor will maintain access to 	<ul style="list-style-type: none"> The impacts will be common to groups of families, as customary right of use of the pasture areas is shared between groups of families Employment opportunities Necessity of assistance during the time needed for implementation of 	<p>A skill inventory has been conducted, and the Project will aim at recruiting 100% of unskilled workers from the Chuberi and Naki communities, if available.</p> <p>Further meetings have been organized to better assess the extent of impact and possible livelihood restoration measures,</p>	Chuberi: 16 Naki: 17

¹⁴ Gender of participants was not systematically recorded at the start of the consultation process. The number of women participants is indicated where the data is available. This information has been systematically recorded from April 2016.

Date	People consulted	Information disclosed	Issues or concerns raised	How the Project has addressed issues and concerns raised	Participants ¹⁴
	intake site)	the pasture located outside of the land take areas (<i>Zeda Memuli</i> and <i>Schkvandiri</i> and the Nenskra Dam and pastures located north of the future weir at the Nakra water intake site, see section 4.2)	livelihood restoration measures	including collective measures (see below) For the Nakra water intake site, the land that can be legalized will be registered and compensated	
28 Feb. 2016	Chuberi community	<ul style="list-style-type: none"> General information about the project, included Land acquisition for the power supply lines and disposal areas, 	<ul style="list-style-type: none"> Lakhani people were worried that land acquisition could occur inside their hamlet for the construction of the 220 kV transmission line, and for spoils disposal areas for the Powerhouse construction 	<p>Explanation given by the Project:</p> <p>For the 220 kV transmission line, the Land acquisition will be conducted by GSE in compliance with the Lenders policies. Extent of land acquisition is not known to date,</p> <p>For the spoils disposal areas, they were not defined yet. They will be defined in close consultation with the communities and with a clear objective to avoid physical displacement and to minimize any adverse effects on livelihoods (see section 4.2)</p>	150
5 Apr. 2016	Households potentially affected by temporary physical displacement at the Powerhouse	<ul style="list-style-type: none"> Dialogue concerning potential temporary physical displacement during the construction period for safety reasons. 	<ul style="list-style-type: none"> The affected households refused to discuss the land acquisition as long as physical displacement is considered by the Project 	Further meetings have been organized and technical solution to avoid physical displacement have been defined (see below)	6 (3 women, 3 men)
6 & 7 Apr. 2016	Farmers affected by loss of pasture areas (<i>Machlitchala</i> and <i>Kvemo Memuli</i> at Nenskra Dam and reservoir and <i>Lagiri</i> at the Nakra water intake site)	<ul style="list-style-type: none"> Extent of the impacts on affected households as assessed by the Project Compensation and solutions for livelihood restoration proposed 	<ul style="list-style-type: none"> The impacts will be common to groups of families, as customary right of use of the pasture areas is shared between groups of families Necessity of assistance during the time needed for implementation of livelihood restoration measures 	<p>A transitional supply of fodder is included in the Livelihood restoration programme (see section 7)</p> <p>Further consultations were organized in Oct. 2016 to defined with the affected farmers technically and socially feasible livelihood restoration measures</p>	Chuberi: 16 (only men) Naki: 17 (only men)
Between June and Dec. 2016	8 meetings with the affected households at the powerhouse	<ul style="list-style-type: none"> Discussion on compensation principles, avoidance of temporary physical displacement during construction Participatory identification of land plots that could be used by the project during construction 	<ul style="list-style-type: none"> The households affected by potential temporary physical displacement during the construction period refuse to leave their home during the construction 	<p>The Project has adjusted the location of the Powerhouse to avoid physical displacement</p> <p>The EPC contractor will define and implement measures to ensure that appropriate health and safety conditions are guaranteed for the households living</p>	6 on average (3 women, 3 men)

Date	People consulted	Information disclosed	Issues or concerned raised	How the Project has addressed issues and concerns raised	Participants ¹⁴
				close to the powerhouse throughout the construction activities.	
12 to 18 Oct. 2016	Farmers affected by loss of pasture areas (<i>Machlitchala</i> and <i>Kvemo Memuli</i> at Nenskra Dam and reservoir and <i>Lagiri</i> at the Nakra water intake site)	<ul style="list-style-type: none"> • Focus groups + 16 detailed individual interviews • Assessment of impacts of loss of pasture areas on income at a household level. • Participative identification of technically and socially feasible livelihood restoration measures 	<ul style="list-style-type: none"> • Request that the project improve existing track to non-affected pasture areas 	<p>The livelihood restoration solutions identified as technically and socially feasible with the affected farmers are included in the LALRP (see sections 10.2.3A and 7)</p> <p>A by-pass cattle track will be defined to allow access north of the future Nenskra reservoir,</p> <p>Access tracks to <i>Zeda Memuli</i> and <i>Schkvandiri</i> and the Nenskra Dam will be improved.</p>	16 individual household's meetings, with men and women attending.
26, 27 & 28 Dec. 2016	Households affected by the Nenskra road upgrading	<ul style="list-style-type: none"> • Individual meetings • Update on the Project schedule and the land acquisition principles • Individual presentation of the compensations packages 	<ul style="list-style-type: none"> • Dam safety, natural hazards and microclimate changes 	<p>Public meetings will be organized between April and June 2017 regarding impacts of the project and mitigation measure. (See Vol. 7 SEP)</p> <p>Dam safety and natural hazards have been assessed and technical mitigation measures integrated into the design to ensure that the risks will be within the tolerable limits defined by Good International Industries Practices (See Vol. 6 on Natural Hazards and Dam Safety)</p>	Individual household's meetings, with men and women attending.
From 12 Dec to 27 2016	Meeting with PAP at the Powerhouse	<ul style="list-style-type: none"> • Discussion about compensation and livelihood restoration 	<ul style="list-style-type: none"> • PAP do not agree with proposed compensation and livelihood restoration 	New meeting has been agreed to further discuss and identify possibilities of agreement	13 (7 women, 8 men)
23 Dec. 2016	Meeting with PAP at the Operator's village (Tita)	<ul style="list-style-type: none"> • Discussion about compensation 	<ul style="list-style-type: none"> • Discussion about compensation 	Asset inventory will be checked	1 man
15 Feb. 2017	Meeting with PAP at the Powerhouse	<ul style="list-style-type: none"> • Update of the asset inventory and detailed measurement survey 	<ul style="list-style-type: none"> • Fieldwork conducted 	Fieldwork conducted with presence and participation of PAPs	13 (7 women, 8 men)
17 Feb. 2017	Meeting with PAP at the Operator's village (Tita)	<ul style="list-style-type: none"> • Confirmation of the asset inventory and detailed measurement survey 	<ul style="list-style-type: none"> • Fieldwork conducted 	Fieldwork conducted with presence and participation of PAPs	1 man
03 and 16 March 2017	Meeting with families affected at the	<ul style="list-style-type: none"> • Memorandum of Understanding (MoU) 	<ul style="list-style-type: none"> • none 	Memorandum of Understanding (MoU) signed	13 (7 women, 8 men)

Date	People consulted	Information disclosed	Issues or concerned raised	How the Project has addressed issues and concerns raised	Participants ¹⁴
	Powerhouse to sign a Memorandum of Understanding (MoU)				
03 March 2017	Meeting with families affected at the Operator's village (Tita) to sign a Memorandum of Understanding (MoU)	<ul style="list-style-type: none"> Memorandum of Understanding (MoU) 	<ul style="list-style-type: none"> none 	Memorandum of Understanding (MoU) signed	3 (1 man, 2 women)
21 Feb. 2017	Meeting with families affected at the dam site	<ul style="list-style-type: none"> Discussion about compensation and livelihood restoration 	<ul style="list-style-type: none"> PAP do not agree with proposed compensation and livelihood restoration. Compensation for loss of structure (wooden cabins) might be accepted, but need to include co-users of cabins 	<p>New meeting has been agreed to further discuss and identify possibilities of agreement</p> <p>Co-users of cabins will be considered</p>	10 (8 men, 2 women)
14 March 2017	Meeting with families affected at the dam site	<ul style="list-style-type: none"> Discussion about compensation for structures (wooden cabins) 	<ul style="list-style-type: none"> none 	Memorandum of Understanding (MoU) signed	10 (9 men, 1 woman)
21 March 2017	Meeting with families affected at the dam site, including co-users of cabins	<ul style="list-style-type: none"> Discussion about compensation and livelihood restoration 	<ul style="list-style-type: none"> PAP do not agree with proposed compensation and livelihood restoration Compensation for loss of structure (wooden cabins) might be accepted 	New meeting has been agreed to further discuss and identify possibilities of agreement	4 men
From April to August 2017	Informal consultations and grievances management	<ul style="list-style-type: none"> Informal consultations and grievances management 	<ul style="list-style-type: none"> Compensation for loss of land and pastures in the reservoir is not judged acceptable by PAPs Some PAPs claim that census of PAPs entitled to compensation needs to be revised 	Negotiation and review and adjustment of census and impact assessment are on-going	

The formal meetings with various stakeholder groups that have been undertaken to date are described briefly in the following paragraphs:

A. Public hearings organised in the frame of the disclosure of the Project's ESIA report

In June 2015, 3 public hearings were organised, 1 in each of the villages affected by the Project - Chuberi, Naki and Mestia. The meetings were required by Georgian law as part of the ESIA process, and the purpose was to present the ESIA report prepared by Gamma Consulting Limited. Meeting participants included the village communities, the Project Company, local authorities, and representatives of the Ministry of the Environment and Natural Resources Protection of Georgia.

B. Information meetings regarding resettlement policy, principles and eligibility for compensation

In October 2015, prior to the start of the cadastral and valuation surveys undertaken by SLR in the context of the supplementary E&S studies. Meetings with the local authorities were held in the villages of Naki and Chuberi. The purpose of the meetings was to provide information on (i) resettlement policy and principles, (ii) compensation eligibility & entitlements, (iii) complaints & grievance redress mechanism, and (iv) mechanism for claims & comments.

C. Presentation of the preliminary findings of the supplementary E&S studies

In December 2015, meetings to present the preliminary findings of the supplementary E&S studies were organised. Meetings were held in Chuberi and Naki and presented (i) the main findings of the studies, (ii) the construction schedule planned for the Nenskra HPP and (iii) the next steps of public consultations.

D. Meetings during the disclosure of the Supplementary E&S Studies (March-September 2017)

The draft LALRP was disclosed between March and August 2017, as part of the disclosure of the Supplementary E&S studies. The following meetings and consultations were undertaken during the disclosure of the Supplementary E&S studies from March to August 2017, in the two valleys and in Tbilisi:

- Community meetings in Nenskra and Nakra valleys from the 3 to 7 April 2017 (1 month after publishing Supplementary E&S Studies),
- Public consultation meetings with NGOs, Civil Society and the citizens from Svaneti living in Tbilisi, 27 and 28 April 2017,
- Public Consultation Meetings in Nenskra and Nakra Valleys, 1 to 3 May 2017.
- Additional focus groups with women and vulnerable people conducted from the 2nd to the 4th of August 2017,
- Open House Meetings in Chuberi and Nakra, 22 to-24 August 2017.

The LALRP has been finalized after these meaningful consultations, to integrate stakeholders' views into the document.

One specific concern was expressed regarding the alignment of the transmission lines, and their potential impacts on the households living in Lakhami.

- The route selection for the 220 kV transmission line to export the electricity generated by the hydropower scheme is not known yet and is the responsibility of the Government. However, as an "associated facility" JSCNH will liaise with the government to ensure that the ESIA, including the LALRP are prepared to a standard that meets the Nenskra Hydro Project Potential Lenders' E&S requirements. Consequently, the ESIA is expected to

consider the potential impacts on communities when selecting the transmission line route, to engage with the communities through public consultations and measures shall be taken to ensure that impacts are avoided or mitigated.

- The route selection for the 110-kV transmission line route to provide power for the Nenskra dam construction is also not known at this moment in time, however, JSCNH is responsible for the preparation of all the necessary documentation (e.g. ESIA and LALRP) to ensure compliance with the Government of Georgia and the potential Lenders' requirements. For the 220-kV transmission line, an ESIA and LALRP will be undertaken and the potential impacts on communities considered during route selection, and measures taken to ensure that impacts are avoided or mitigated.

10.2.3 Participation of the affected people in the LALRP preparation

A. Regarding loss of pasture land at the Nenskra dam and reservoir and at the Nakra water intake.

In February and April 2016, meetings with PAP with respect to loss of pasture areas were organised in the villages of Chuberi and Naki. The purpose of the meetings was to assess the impact and extent of the expected impacts and to identify possible mitigation strategies and livelihood restoration activities that would be technically possible while socially accepted.

In October 2016, a specific survey and participatory exercise was undertaken (i) to further estimate the extent of the impacts at a household level, and (ii) to discuss the view of the households affected about the livelihood restoration option. An expert specialized in livestock farming in mountainous areas met with 16 households affected by the loss of the *Kvemo Memuli* and the *Machlitchala* pasture (Nenskra dam and reservoir), and of the *Lagiri* pasture (Nakra water intake site). Detailed interviews and discussion were conducted in order to estimate the share of the farming income in the total income of the affected households. The ideas and views of the affected households about livelihood restoration were collected. They were discussed with them in order to identify the technical and social feasible solutions. The results are shown in Table 37 below.

Table 37 - Views of the households affected on livelihood restoration options

Livelihood restoration option judged technically and socially feasible by the households affected by loss of pasture area	Number of respondents	% of respondents
Improvement of existing tracks	8	50%
Greenhouse	2	13%
Hazelnut	4	25%
Genetic improvement of livestock	4	25%
Apiculture	2	13%
Fish Farming	1	6%
Collection of milk	1	6%
Irrigation	2	12%
Total	16	100%

B. Regarding land acquisition and construction activities at the Powerhouse

From April 2016 until December 2016, meetings with the households affected by the land acquisition needed for the powerhouse were organised. The compensations options were discussed, as well as the health and safety conditions during the construction activities. It was first proposed by the Project to temporarily physically displace 2 households that were living close to the construction site during the construction period. The households refused to move

temporarily. The project then defined technical solution to ensure that health and safety conditions will be guaranteed for these households throughout the construction period.

C. Regarding the Nenskra Road

During the last week of December 2016, meeting were organized with the people affected by the upgrading of the Nenskra Road to present and discuss the schedule and principle of the LALRP.

D. Participation of the affected people regarding the infrastructure not defined in January 2017

The infrastructure not defined in January 2017 will be defined by June 2017 in close consultation with the communities and with a clear objective to minimize any adverse effects on livelihoods.

10.3 Future consultations programme

This Section presents the consultation activities to be undertaken from October 2017. The activities are to be read in conjunction with Vol. 8 - Environmental and Social Management Plan and vol.7 Stakeholder Engagement Plan.

Table 38 – JSC Nenskra Hydro future stakeholder engagement activities

Activities		Status or Timing
Grievance mechanism implementation	Establishment of a Local Grievance Committee in each valley	October 2018
	Management of the Grievances database	On-going
Project web site	Disclosure of Environmental information	March 2017 onwards
	Publication of E&S performance	March 2017 onwards
	Disclosure of the Grievance Mechanism	March 2017 onwards
	Integration of a comments section	March 2017 onwards
	Disclosure of the full E&S studies	March 2017 onwards
LALRP implementation	Publishing the census list in the town halls of Chuberi and Naki villages	Completed for components covered in this LALRP Q4 2017 - Q1 2018 for the components yet to be defined
	Specific meetings or individuals interviews with affected vulnerable households and individuals. This will target illiterate individuals (only one case amongst the affected people included in this LALRP in January 2017) and all affected vulnerable households, in order to better understand impacts and mitigation opportunities specifically related to them	Started in February 2017. Will continue until completion of the LALRP, before negotiation of compensation packages, and then on an ad hoc basis
	Distribution of a Guide to Land Acquisition and Compensation (GLAC: an information brochure presenting the summary of the LALRP for communities' members) in the two valleys	November 2018
	Negotiation of compensation packages and signature of compensation agreement	On-going
	Negotiation of Livelihood restoration activities for each PAH significantly and severely affected	On-going, started in July 2016
	Assistance for registration of land	On-going, started in July 2016

Activities		Status or Timing
	Pasture solution implementation: Participatory definition of livelihood restoration solutions	On-going, started in October 2016
LALRP Update for power supply lines, Powerhouse construction camp and disposal areas	Consultation for the detailed design to avoid or minimize impacts Announcement of census and surveys Same activities as above	Q4 2017 - Q1 2018
LALRP Update for Nakra road	Consultation for the detailed design to avoid or minimize impacts Announcement of census and surveys Same activities as above	Q4 2017 - Q1 2018
ESIA and supplementary E&S studies disclosure and discussion	Disclosure of the final E&S documentation locally and on the Project's website, including LALRP	November 2017
	Notification of the availability of the final E&S documents to the local communities, including LALRP	November 2017
	Organization of formal meetings to discuss the final E&S documentation with the local communities, including LALRP	November – December 2017

Table 39 – Contractor stakeholder engagement during early works

Activities		Timing
Implementation of workers' grievances mechanisms	Definition and implementation of a specific grievance mechanism for the workers employed by the Project, including contractors	March 2017 to end of EPC Contract
	Verify the effectiveness of the workers' grievances mechanisms	March 2017 to end of EPC Contract
Disclosure of recruitment processes	Local disclosure of the recruitment procedures	May-June 2017, before start of main construction
Information on traffic management	Local presentation of the Traffic Management Plan	May-June 2017, before start of main construction
	Organization of local awareness campaigns on traffic related risks	Before start of main construction. 2016 to end of construction
	Implementation of a dilapidation survey	Before Dec. 2017 (done)
Disclosure of availability of by-passes to access pastures areas	Disclosure of availability of by-passes to access pastures areas	Before start of the Main construction

Table 40 – Stakeholder engagement activities during main construction phase

Activities		Timing
Annual update of the SEP	Annual update of the SEP during the main construction phase	During main construction period
Regular meetings with PAPs	Organization of regular formal meetings with local communities	During main construction period
	Six-monthly Project's newsletters distributed in the two valleys	During main construction period
	Unformal meetings on an ad hoc basis during construction	During main construction period
Regular information on construction activities	Announcement in advance of heavy construction activities	During main construction period
	Announcement in advance of any activity potentially affecting traffic on Zugdidi - Mestia Road	During main construction period
Emergency Preparedness Plan	Definition and disclosure of an Emergency Preparedness Plan	Prior to start of the reservoir filling.
Annual meetings with NGOs and national level stakeholders	Organization of annual meetings with national level stakeholders and NGOs	Annually during construction period

Table 41 – Stakeholder engagement activities during operation phase

Activities		Timing
Operation phase SEP	Definition and disclosure of a SEP for the operation phase	At the start of operation phase (2022)
Regular meetings with PAPs during ESMP implementation	Regular meetings with PAPs during ESMP implementation	Throughout the operation of the Project
	Six-monthly Project's newsletters distributed in the two valleys	

11 Grievance redress mechanism

This Section presents the Grievance Redress Mechanism (GRM). JSCNH will engage with people affected by land acquisition and resettlement in a conciliatory, fair and transparent manner. Care will always be taken to prevent grievances rather than going through a redress process. A grievance can be defined as an actual or perceived problem that might give grounds for complaint from the affected people.

JSCNH has developed a GRM, as part of its Stakeholders Engagement Plan (Vol. 7 of the Supplementary E&S studies). This mechanism covers all grievances of the people living in the Nenskra and Nakra valleys, including complaints regarding the implementation of the LALRP.

JSCNH will implement an amicable grievance resolution mechanism, with the objective of helping third parties to avoid resorting to the judicial system for as many grievances as possible. This mechanism includes two successive tiers of extra-judicial amicable grievance review and resolution: (i) the first one is the internal review of the grievance by JSCNH, and (ii) the second being a Grievance Resolution Committee at the valley level. Figure 19 (page 121) illustrates this two-tiered grievance management mechanism.

In cases where the aggrieved individuals or group is not satisfied with the outcome of the amicable mechanism, they will always be able to resort to Justice at any stage in the resolution process.

All grievances will be documented and each grievance resolution process and communication will be systematically tracked.

Below is described the Grievance Redress Process for grievances pertaining to compensation, economic displacement and livelihood restoration.

11.1 Grievance redress process

The two tiered Grievance resolution process of the Nenskra Hydropower Project involves the following main steps:

- (i) receipt and logging of complaints;
- (ii) screening for standing;
- (iii) project-level resolution (first tier), and
- (iv) Grievance Resolution Committee (second tier).

These steps are described hereafter.

A. Receipt of complaints

Complaints will be raised (i) at the local level, in the Nenskra and Nakra valleys, (ii) at the Projects headquarters in Tbilisi, and (iii) through the Project's website.

Anyone from the affected communities can raise a grievance:

- By filling a written grievance registration form that will be available (i) in the Town halls of Chuberi and Naki villages, and (ii) at the entrance of each construction site. The Project's CLO will review these registers at least twice a week.

- Through the Projects CLOs, JSC NH Community Relation Officer, the Environmental and community relationships managers of the EPC contractor, or either by phone, by a written grievance registration form, or by direct oral discussion.

A sample grievance registration form is provided in Annex 4. Grievance forms and grievances register will be installed in the Town halls of Chuberi and Naki villages, as well as at the entrance of the construction sites.

The possibilities and ways to raise and log a grievance will be explained to the affected communities by JSCNH Community Relation Officer during the meetings organized in each hamlet in January-February 2016. The Grievance Mechanism will be disclosed through website and will also be advertised on the billboards in each community and at the entrance of Chuberi and Naki Town halls.

The JSCNH Social Manager is based permanently in Chuberi village and will administrate the Grievance redress mechanism and database.

B. Logging of complaints

All grievances will be recorded and logged into the Project's Grievance database JSC NH Social Manager. The following information will be recorded: (i) Name and contact details, (ii) Details of the grievance and how and when it was submitted, acknowledged, responded to and closed out. All grievances will be acknowledged within 7 days; and responded to no later than 30 days.

C. Screening for standing

Once a grievance is raised and logged, JSCNH Social Manager will determine whether the complaint has standing, i.e., warrants further consideration as an acceptable complaint.

After having defined the Grievance as standing, JSCNH Social Manager (i) so informs the grievant in writing within one week and (ii) defines a solution through Project-level review of the grievance (first tier of Grievance resolution) within one week and (iii) meets the complainant within two weeks to propose an initial resolution.

If the JSCNH Social Manager determines that grievance is not standing, the reason why the grievance is not valid is documented into the Grievance database and the decision communicated to the complainant within one week.

D. Project-level review of PAP grievances

Once a grievance is categorized as standing, the JSCNH Social Manager will conduct the first tier of grievance resolution. The following steps will be followed to process the grievance:

- Identify the parties involved;
- Clarify issues and concerns raised by the grievance through direct dialogue;
- Classify the grievance in terms of seriousness according to the gravity of the allegation, the potential impact on an individual's or a group's welfare and safety, or the public profile of the issue;
- Allocate the grievance to a staff member with appropriate expertise;
- Determine the method for resolving the grievance – the most common approaches, not excluding others, will be:
- The Company proposes directly a solution;
- The Company and the community decide together the solution;

- The Company and the community utilise traditional or customary practices that are in place locally;
- Gather views of other stakeholders, including those of the Company and if necessary, an agreed neutral technical opinion;
- Determine initial options that parties have considered and explore various approaches for settlement;
- Conduct the grievance resolution process as agreed, and
- Close the grievances by signing the Complaint Close-Out Form (i.e. that the grievance has been resolved satisfactory to both parties) or resort to the Grievance Resolution Committee.

The Project Level review of PAP complaints will be done within two weeks after the complaints has been received. If the PAP is not satisfied by the solution proposed, JSC NH Community Relation Officer the complaint will then be deferred to the Grievance Resolution Committee, which is the second tier of grievance resolution.

E. Grievance resolution committee

A local Grievance Resolution Committee (GRC) will be constituted as the second tier grievance redress mechanism. This body will be established for each river valley. The experience of similar projects shows that such local grievance redress mechanism helps to solve most of the complaints without legal procedures (i.e. without using the procedures specified in the Administrative Code or litigation). This mechanism enables unimpeded implementation of the Project and timely satisfaction of complaints.

GRCs will be established for each river valley, with an office in the municipal building. As described below, the local Grievance Resolution Committee shall include:

- Representatives of the administrative officers (Representative of the Mestia Municipal *gamgeoba* in the community and deputy of Chuberi and Nakra villages in Mestia *Sakrebulo*);
- Representatives of the Project: the Field Social Manager, the Land Acquisition and Compensation Officer and the Community Liaison Officers;
- JSCNH Land Acquisition and Compensation Officer, and
- Two PAPs (one male, one female). The affected communities will elect them. JSC NH Community Relation Officer will explain and disclose this process during the meetings organized in July 2016. According to a schedule and following ways decided with the communities, they will collect the candidatures and organize the election.

JSCNH Social Manager will act as secretary of the GRC (creation, coordination, documentation).

Table 42 - Composition of the grievance resolution committee

JSCNH Social Manager	Convener
JSCNH Land Acquisition and Compensation Officer	Member
Local administrative officer (Representative of the Mestia Municipal Gamgeoba in the community)	Member
Member of Mestia Municipal Sakrebulo selected from the local communities (Chuberi and Nakra)	Member
Representative of PAPs (male)	Member
Representative of PAPs (female)	Member

The GRC will be engaged when grievances not resolved during the first tier of grievance resolution are pending.

For each complaint, the GRC will determine whether additional investigations are warranted. If so, the additional information will be collected before the GRC meeting with the PAP complainant and will be provided to the PAP before the meeting. The GRC will then inform the PAP about the date, time and place of its review meeting, and invites the PAP accordingly.

The GRC will receive the complainant and discuss with them a solution to their grievance. The committee shall draw up and sign the minutes of their discussion on the matter. If the complaint is satisfactorily resolved, the PAP will also sign the minutes in acknowledgement of the agreement. In cases where the project has agreed to put in place additional measures, these will be specified, with a timetable for delivery, in the minutes of the meeting.

The plaintiff shall be informed in writing of the decision, whether or not s/he is present during the review. If JSCNH decision fails to satisfy the aggrieved PAPs, they can pursue further action by submitting their case to the appropriate court of law (Rayon Court).

11.2 Closure of grievances

A grievance will be considered “resolved” or “closed” when a resolution satisfactory to both parties has been reached, and after corrective measures has been successfully implemented. When a proposed solution to solve a grievance is agreed between the Project and the complainant, the time needed to implement it will depend on the nature of the solution. However, the actions to implement this solution will be undertaken within one month at last. Once the solution is being implemented or is implemented, a complaint close out form shall be signed by both parties (JSCNH Community Relation Officer and the complainant), stating that the complainant considers that its complaint is closed. This form will be archived in the Project Grievance database.

In certain situations, however, the Project may “close” a grievance even if the complainant is not satisfied with the outcome. This could be the case, for example, if the complainant is unable to substantiate a grievance, or if there is an obvious speculative or fraudulent attempt. In such situations, the Project’s efforts to investigate the complaint and to arrive at a conclusion will be well documented and the complainant advised of the situation. JSCNH will not dismiss grievances based on a cursory review and close them in their grievance record unless the complainant has been notified and had the opportunity to provide supplementary information or evidence.

11.3 Grievance records and documentation

JSCNH Social Manager will manage a database to keep a written record of all complaints recorded (i) in the Nenskra and Nakra Valleys; (ii) at headquarter level in Tbilisi or (iii) through the website. The database will contain the name of the individual or organization lodging a grievance; the date and nature of the complaint; any follow-up actions taken; the final result; and how and when this decision was communicated to the complainant. A sample database example is provided in Annex 5.

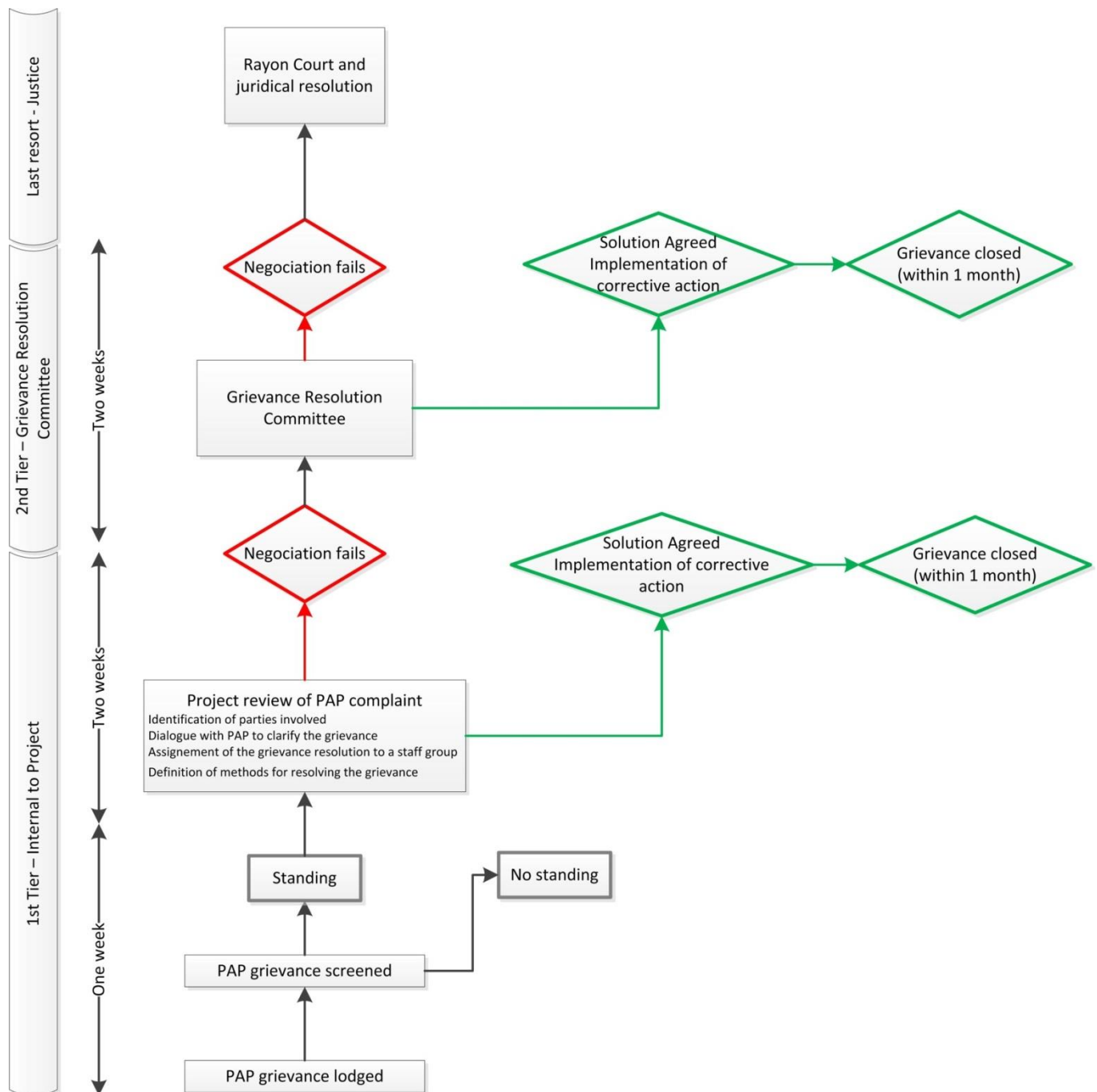
The Social Manager will manage the Grievance Database and integrate information on grievance management in the six-monthly E&S reports as described in Section 12.

11.4 Company contact information

The point of contact regarding the management of grievances is the Project's Social Manager:

Description	Contact detail
Company:	JSC Nenskra Hydro
To:	Social Manager
Address:	6 Marjanishvili street, floor 4, Tbilisi, Georgia
E-mail:	info@nenskrahydro.ge
Website:	www.nenskra.com
	Link to the website grievance mechanism: http://www.nenskrahydro.ge/en/texts/page/10
Telephone:	0 322 430 421 from Georgia + 995 322 430 421 from overseas

Figure 19 – Grievance management process



12 Monitoring and evaluation

The objective of the LALRP implementation is to ensure that the people's standards of living and livelihoods at least remain at their pre-project level and preferably improve because of the Project. Monitoring is the means of documenting the success in achieving this objective. It provides feedback on progress made and allows identifying problems as early as possible in order to facilitate timely adjustment of rehousing and livelihood restoration measures. The objectives are to:

- Ensure that the standard of living of PAPs are restored or improved;
- Ascertain whether activities are progress as per schedule, i.e., the timelines are being met;
- Assess whether the compensation, rehabilitation measures are sufficient;
- Identify problems or potential issues, and
- Identify methods to rapidly mitigate problems.

Monitoring is the measurement through time that indicates the movement toward the objective or away from it. Monitoring provides the raw data to answer questions, and evaluation is putting those data to use, and interpreting them.

12.1 Monitoring

12.1.1 Internal monitoring

Internal monitoring will be carried out routinely by the JSCNH Land Acquisition Team during implementation of the LALRP. This internal monitoring will be carried out as part of the overall participatory monitoring of the environmental and social commitments of the Project, including this LALRP. Representatives of the affected communities will be designed with these communities, and will participate in the definition of the data collection methodology, in the surveys and in the results analysis. This participatory monitoring mechanism is described in the Vol. 8 ESMP.

Indicators for internal monitoring will be those related to process, immediate outputs and impacts – number of legalized land plots, number of agreements reached, number of agreements signed, number of compensations in process, number of compensations paid, compensation payments in process and paid, titling of new property; livelihood restoration programs underway, grievances by type and time for resolution. This information will be collected directly by the JSCNH Land Acquisition Team representatives in the project area.

Monthly internal monitoring reports will be prepared during the first 3 years of the LALRP implementation. Quarterly internal monitoring report will then be prepared until 3 years after operation will have started. They will contain:

- Accomplishments to-date;
- Number of compensation agreements signed;
- Number and amount of compensation paid;

- Number of PAP having received transitional allowance, by nature (in kind or cash) and amount;
- Number and nature of livelihood restoration activities conducted, and number of PAP participating in these activities;
- Objectives attained and not attained during the period;
- Problems encountered;
- Number of grievances lodged, by type, location and gender of complainant, and number resolved, and
- Suggested options for corrective measures.

A culturally appropriate monitoring programme will be developed and implemented to track how the transitional fodder supply provided collectively in cash or in kind is distributed among affected people, and to ensure that all affected households receive their entitlements.

A satisfaction survey will also be undertaken two months after the last payment of compensation, in order to assess the satisfaction of the affected people about the compensation process.

12.1.2 External monitoring

The implementation of the LALRP will be subject to external monitoring to ensure that affected households have had their livelihoods restored adequately. The monitoring will consider the effectiveness of the livelihood restoration facilitated by affected households themselves through the deployment of compensation monies received or through support from JSCNH. The External monitor will review the internal monitoring findings and verify through semi-annual site visits during the first three years of the LALRP implementation, and annually thereafter if no significant issue is detected. Semi-annual external monitoring reports will be submitted to the Lenders.

The external monitoring will be undertaken by appropriately qualified and experienced third-party specialists to be agreed by JSCNH and the Lenders. Prior to contracting the external monitor, JSCNH and Lenders will agree on the terms of reference and report format. External monitoring will aim to establish the robustness of internal monitoring methods and the relevance of Project outcomes to decided aims. External monitoring tasks will include:

- Review and verify internal monitoring reports;
- Review of the household asset census survey information of affected persons;
- Review of effectiveness of the grievance mechanism;
- Consultation with affected households, officials, community leaders;
- Verifying whether affected households' livelihoods have been increased or at least restored to pre-Project levels, and
- Verifying whether there have been improved opportunities for affected households to derive direct or indirect benefits.

In case of gaps in implementation or noncompliance with Lenders' policies, external monitor will propose corrective actions and JSCNH will propose time bound actions (with budget) to bring the project to compliance.

12.2 Evaluations

12.2.1 Internal completion report

Three years after physical displacement and compensation payment, JSCNH Land Acquisition team will undertake an internal evaluation to assess if the objectives of the LALRP have been achieved. This internal evaluation will be prepared as a completion report, which will be submitted to the Lenders.

To prepare the internal completion report, a socioeconomic survey and a satisfaction survey will be undertaken by JSCNH Resettlement Unit. The socioeconomic survey will include all affected households. A sample of non-affected households will also be surveyed to allow comparison.

The internal completion report will document the following elements:

- Summary of all activities completed as part of LALRP implementations (synthesis of all monitoring data collected);
- Number of PAP affected, by project components and entitlement, as per the entitlement matrix;
- Satisfaction of the PAP regarding the Livelihood restoration process;
- Number and type of grievances received and solved;
- Number of new business or economic activities established by the PAPs;
- Levels of income and standards of living of the PAPs, and evolution since baseline survey undertaken as part of the Supplementary E&S studies in 2015;
- Type of means of livelihoods and income sources of the PAPs, and evolution since baseline survey as part of the Supplementary E&S studies in 2015.

12.2.2 External completion audit

After the internal completion audit has been issued to the Lenders, an external Evaluator agreed by JSCNH and the Lenders will be hired to undertake a completion audit of this LALRP. The completion audit will include a review of the totality of mitigation measures implemented, a comparison of implementation measures against agreed objectives and a conclusion as to whether the monitoring process can be ended. The audit will assess whether the LALRP and the requirements of the lenders' involuntary resettlement policies have been met. In case of gaps in implementation or noncompliance with the Lenders' policies, necessary corrective actions will be identified and JSCNH will propose time bound actions and budget to bring the project to compliance.

12.3 Schedule of monitoring and evaluation

Table 43 below presents the schedule of monitoring and reporting activities.

Table 43 - Schedule of monitoring and reporting activities

Monitoring or evaluation activities	Reporting	Frequency / Schedule
Internal monitoring	Monthly reports	During the first 3 years of the LALRP implementation
	Quarterly reports	After the first 3 years of the LALRP implementation and until 3 years after operation will have started
External monitoring	Six-monthly reports	On-going until completion
Internal completion report	One report	Three years after payment of last compensation
External Completion audit	One completion audit	Three years after payment of last compensation – after issue of Internal completion report

12.4 Monitoring indicators

Monitoring and Evaluation are typically divided into three components:

- Input (or process) monitoring, which measures the services, resources or goods that contribute to achieving outputs and, ultimately, desired outcomes. Input monitoring is done internally on an on-going basis.
- Output (or performance) monitoring which measures the direct measurable results of the inputs. It is done internally.
- Outcome (or impact) evaluation defines the extent to which the project inputs and outputs are achieving or are likely to achieve the objectives of the LALRP.

The monitoring indicators for these 3 components are listed in Table 44 below.

Table 44 - Monitoring indicators

Monitoring Indicator	Source	Frequency / Schedule
Input		
Overall Spending of the LALRP budget	Financial records	Monthly
Distribution of spending by: - Cash compensation - Livelihood restoration activities - Transitional allowances - Consultation and engagement with PAP and other stakeholders - Vulnerable people assistance - General implementation & overhead	Financial records + LALRP database	Monthly
Number of staff mobilized, full-time / Part time, in-house or outsourced, distribution by responsibility and skill types	JSCNH HR-dept.	Monthly
Number of PAP by categories (as per the entitlement/compensation matrix)	Census & grievance management	Monthly
Output		
Number and amount of compensation agreements signed	LALRP database	Monthly
Number and amount of compensation paid	LALRP database	Monthly

Monitoring Indicator	Source	Frequency / Schedule
Number of PAP having received transitional allowance, by nature (in kind or cash) and amount	LALRP database	Monthly
Number and nature of livelihood restoration activities conducted, and number of PAP participating in these activities	LALRP database	Monthly
Number of PAP employed by the Project	Contractor & Operator HR dept + LALRP Database	Monthly
Number of land plots registered by the PAPs	LALRP Database	Monthly
Number and length of pastures routes improved, in each valley	LALRP database	Monthly
Number of implemented activities supporting hay production for the PAP	LALRP database	Monthly
Number, nature, amount and type of transitional allowance or assistance provided to PAPs	LALRP database	Monthly
Outcome		
Number of grievances opened in the period and trend in time	Grievances management system	Monthly
Number of pending open grievances in the period and trend in time	Grievances management system	Monthly
Number of grievance closed in the period and trend in time	Grievances management system	Monthly
Average time for grievance processing	Grievances management system	Monthly
Average time for compensation payment	Financial dept + LALRP database	Monthly
Satisfaction of PAP regarding the compensations	Satisfaction survey	Two months after payment of last compensation
Levels of income and standards of living of PAP	Socioeconomic survey	Internal evaluation
Number of new business or economic activities established by PAPs	Socioeconomic survey	Internal evaluation
Type of means of livelihoods and income sources of the PAPs	Socioeconomic survey	Internal evaluation
Satisfaction of PAP regarding the Livelihood restoration process	Satisfaction survey	Internal evaluation

13 Budget and funding

13.1 Funding

13.1.1 Funding of compensation for loss of land and assets

As defined in the Section 8 of the Implementation Agreement signed between the GoG and JSCNH on 31 August 2015, JSCNH will pay:

- for state land needed for the Project, an amount equal to one 1 US Dollar (inclusive of all Taxes, registration and stamp fees and other costs), and
- the costs necessary for acquiring all legal rights to the Private Lands in accordance with Applicable Law.

As the Implementation Agreement does not consider losses on land registered in the name of the State, nor any measures for livelihood restoration, JSCNH will pay:

- Compensation cost for loss of assets and properties located in land registered in the name of the State, and
- Implementation cost of the livelihood restoration measures proposed by the present LALRP.

Overall, all payments to affected households will be made directly by JSCNH:

- if the private land is legalizable (already registered or registerable), JSCNH will pay the landowner after a Sales and Purchase Agreement has been established between NASP and the landowner, and
- If the private land cannot be registered in the name of the affected household, JSCNH will pay the landowner after a Compensation Agreement has been established between JSCNH and the landowner.

13.1.2 Funding of other LALRP measures

JSCNH will also finance directly the following activities:

- All livelihood restoration measures defined in Section 7;
- Transitional allowances;
- Vulnerability allowances;
- Implementation and management of the grievance redress process;
- Internal and external monitoring, evaluation and completion audit, and
- Updates of the LALRP to include the rehabilitation of the Nakra road, the 35 kV service line between the Powerhouse and the dam site, the 110 kV power supply line between the proposed new substation located in the Nenskra valley, and the disposal areas at the Powerhouse site.

13.1.3 Costs covered by GoG

The GoG will cover the salaries of all agents of State agencies and Civil servants engaged in this implementation (Partnership Fund, National Agency for State Property).

13.2 Budget

The budget for this Land Acquisition and Livelihood Restoration operation as planned in October 2017 is presented in Table 45.

The overall budget is GEL 9,906,673 (~ USD 3,950,114 with a rate of \$1 = GEL 2.52), out of which GEL 3,711,956 or 37% are dedicated to compensations for Land Acquisition.

Table 45 – LALRP budget in September 2017

Items	COST (GEL)	COST (US \$)	Comments
LAND ACQUISITION			
Compensation for loss of land			
Land registered in the name of the State	2.52	1	---
Land registered or legalizable in the name of landowners	2,767,825	1,107,130	---
Compensation for loss of assets			
Buildings and structures	316,310	126,524	wooden cabins, fences and ancillary structures
Trees and annual crops	627,819	251,128	1,288 trees, 1 potato field, and 1 maize field
LIVELIHOOD RESTORATION			
Transitional allowance - fodder crops	276,675	110,670	HH affected by loss of pasture areas
Measures for significantly affected HHS			
Preferential hiring	-	-	No cost
Skills training	126,000	50,000	Lump sum
Assistance for management of received financial compensation	35,409	14,051	Lump sum
Support to improve existing economic activities	252,000	100,000	Lump sum
Support for initiatives to develop alternative sources of income	252,000	100,000	Lump sum
Improvement to non-affected existing pasture	252,000	100,000	Lump sum
Restoration of access to existing pastures not affected	-	-	Captured in the ESMP
Restoration of pasture lost on temporary facilities	-	-	Captured in the ESMP
Cattle track by-passing the reservoir	-	-	Captured in the ESMP
Measures for severely affected HHs			
Fertilizer	156,000	62,400	In kind
Hazelnuts	78,000	31,200	Initial investment + inputs during 5 years
Beekeeping	78,000	31,200	Initial investment + inputs during 5 years
Market gardening	65,000	26,000	Initial investment + inputs during 5 years
Consultancy Services	614,250	243,750	Feasibility studies at HH level and assistance during implementation
OTHER LALRP MEASURES			
Compensation / displacement of affected graves	3,195	1,278	9 graves at the Powerhouse site
Vulnerability Allowance	28,362	11,345	28 HH
Allowance for severe impact	12,714	5,086	13 HH
Reservoir by-pass cattle track	-	-	Captured in the ESMP
GRIEVANCE MECHANISM			
Local GRC	126,000	50,000	Functioning of local GRC
Project-level GRC	-	-	Captured in the ESMP
MONITORING			
Internal Monitoring and Evaluation	-	-	Captured in the ESMP
External Monitoring and Completion Audit	550,000	220,000	Evaluations during 5 years (100,000 GEL per year) and completion audit (50,000 GEL)
UPDATE OF THE LALRP			
Land acquisition and livelihood restoration measures	1,260,000	500,000	Estimate to be refined when components are detailed designed.
LALRP Consultancy	378,000	150,000	Idem
SUBTOTAL	8,255,561	3,291,762	
POTENTIAL OVERHEAD AND CONTINGENCIES	1,651,112	658,352	20 % of subtotal
TOTAL	9,906,673	3,950,114	

Annexes

Annex 1. Description of Georgian expropriation procedure

Step 1: Issuance of Ministerial decree

As a result of issuance of the ministerial decree the right to expropriate is assigned to the State or to a local self-government body or public or legal person of private standing. The Decree is issued under the Article 21 of the Constitution of Georgia. The decree defines the inevitability of expropriation of a land parcel for immediate public needs, and the assignee (State or local self-government body, or public or legal person of private standing) is granted the right to expropriate the property.

Step 2: Inventory all the property to be subject to expropriation

After issuance of the decree, an inventory and valuation shall be conducted of all the property subject to expropriation. The person or agency invoking eminent domain ensures that an independent auditor undertakes the inventory and valuation of the property to be acquired. If the expropriated property is to be replaced by another property, the replacement property shall also be appraised by an independent auditor. And if the assessor believes that the property remaining after expropriation is insignificant in size, form or condition -- but is linked to the property that subject to expropriation and therefore is useless – the entire property, not just the portion desired by the Project Company, will be subject to expropriation. Finally, the evaluation of agricultural land also includes the value of any standing crops. The value is calculated as the income the owner might have received during the current economic year if the crop had been harvested and sold. However, if a field is planted after the asset inventory, no value for the crop shall be taken into account in the valuation of the losses.

Step 3: Informing the landowners on expropriation through publication

In order to inform the landowners the information on the expropriation is published in central and local newspapers. The information shall contain the scope of the project implementation, also a brief description of the territory and property that may be expropriated.

Step 4: Submission of the Application to the Court

Submission of the Application to the Court is undertaken after the above activities are implemented. The Law of Georgia on the Rule of Property Expropriation for Necessary Public Needs, Article 5 defines that the Regional (City) Court is eligible to assume the final right of expropriation on the basis of the application of the person interested in expropriation. The Application for expropriation shall be submitted to the Regional (City) Court. The application that might be submitted to the Court shall state the following:

- Name of the District (City) Court;
- Name and legal address of the of applicant;
- Name and address of the Applicant's representative;
- The request of the applicant;
- The description of the circumstances the applicant refers to in his/her request;
- The proofs verifying these circumstances;
- The list of the documents attached to the Application.

The application shall annex: (1) the detailed description of the project that requires the right of expropriation for its implementation; (2) the decree granting the right of expropriation; (3)

detailed description of the property that subject to expropriation; and, (4) the document verifying the publication of the information on expropriation.

Step 5: information to the landowners on the date of submission of application to the Court

The owners will be supplied with the information on submission of Application to the Court and on Court hearing. A person interested in expropriation shall ensure that every owner whose property is subject to expropriation is informed about the submission of the application to the court and the date of the court case.

Step 6: Considering the Application and making a decision by the Court

Court considers the application and makes a decision on expropriation. The Court – after considering the application - makes a decision on granting the right of expropriation. The decision states the person granted the right of expropriation and the detailed description of the property to be expropriated, also corresponding instruction on ensuring due compensation to landowners. The court decision is immediately executed. This means that even if such decision is appealed, the execution of the court decision is not suspended due to the appeal.

Step 7: Expropriation

After the Court makes a decision, the agency expropriating the property gives the offer for purchase of the property to the landowner(s), provides them the rules of compensation for this property and conducts negotiations with the landowners in order to come to an agreement. In addition, the agency provides the landowner with the written document issued by an independent expert verifying the assessment of the value of property to be expropriated and compensated (if compensation is to be undertaken by transferring the other property only in agreement with the landowner). Amount of compensation or the value of the property to be compensated shall not be less than the value of the property to be expropriated.

Step 8: Court proceedings in case any disputes rise in regard to the property market value and compensation amount

Court proceeding on property market value and compensation. In the case that the expropriator and the property owner fail to come into agreement regarding the property market value and amount of compensation - in accordance to the Civil Procedural Code of Georgia - any party has the right to apply to the same regional Court according to the location of the land parcel. The claim of the expropriator shall be attached with: (1) detailed description of the property to be expropriated, (2) documents verifying the presence of public needs for property expropriation; (3) documents related to the project to be implemented for public needs; and (4) the Decision of the Regional (City) Court on granting the right of expropriation. The Court is eligible to assign an independent expert who shall conduct a property appraisal and, within the defined time period, provides the court with the report on market value of the property to be expropriated and other property offered to the owner as compensation (if compensation shall be undertaken through transferring supplementary property). On the basis of the independent expert's report and the proofs provided by both parties, the court makes a final decision regarding the amount of compensation for property to be expropriated. The expropriator is responsible to reimburse costs incurred by both parties including the costs for court proceedings.

Annex 2. Valuation methodology

Valuation in 2015

A. Valuation of affected land plots

A.1 Methodology

Land has been valued at full replacement cost based on the average market value. That is based on the average sale value of comparable land in type, location and features. Investigations undertaken have highlighted that land sales are rare in Svaneti, and that there are no available data on informal sales. The land intended for sale is usually registered and formal contract on sale/purchase is registered as well. Therefore, available information on registered market sales have been used to value the replacement cost of land.

Based on the average market sales, adjustments were made according to the comparison parameters, in the following sequence as applicable:

- i) Actual sale status of reference land plots (completed transactions or proposals for sale)
- ii) Sales dynamics at the market (trend of prices and the sale date);
- iii) Location;
- iv) Physical parameters;
- v) Economic parameters;
- vi) Use;
- vii) Existence of real estate property.

A.2 Determination of land compensation price

Comparison

The affected land plots subject for valuation are located in Mestia Municipality. The affected land plots are located compactly within a limited area (Nenskra and Nakra valleys) and the categories and prices of land plots is similar. The price of land plots varies due to land use forms (residential, arable, commercial land and hayland), configuration, topography and land fertility parameters.

For cost valuation the data bases related to the land market under the Mestia Municipality has been used. The land plots similar to the affected land plots (analogs) have been identified in databases. The costs of actual transactions, as well as proposals for selling land plots have been used. The cases and related sources of information are demonstrated in a table below. It should be noted that the land market is not very active and only limited information for similar cases is available in the databases for the year 2015.

Information related to reference land plot (analog) prices has been obtained from NAPR, Real Estate Companies and sale advertises on different web-sites. The available information is related to the non-agricultural (residential) land plots.

Reconciliation of the adjusted prices of compared assets was carried out based on a calculation of the average weighted value of the 5 reference land plots. During the reconciliation of the adjusted prices more value was attached to those reference land plots, which were the most comparable to the valuated asset so that the smallest adjustment was necessary.

Table 1 - Calculation of average weighted value of market price for 1sqm residential land plots

No	Description	address	Price of Proposal/transaction (USD) per 1 sqm of Land plot	Source of Information	Price of 1 sqm declared in source (\$)	Transactions (Deal) / Proposal	Correction for Proposals	Corrected price of 1 sqm (\$)	Location	Correction	Corrected price of 1 m2	Physical Characteristics	Correction	Corrected price of 1 m2. P _i	R _i rating weight of the adjusted price	Σ R	V _i	V _{wa} 1 Market price of 1 sq.m land GEL
1	1130 sq.m agricultural (residential) land	v. Becho Mes-tia Municipality cadastre code 42.09.35.060	8,6 GEL /sqm. (Deal)	NAPR 1,06,2015	8,60	Deal	No	8,6	similar	No	8,6	better	-1	7,6	1,0	5,0	1,5	8,0
2	405 sq.m agricultural (residential) land	v. Becho Mes-tia Municipality cadastre code 42.09.34.111	9,19 GEL /sqm. (Deal)	NAPR 20,02,2015	9,19	Deal	No	9,2	similar	No	9,2	better	-1	8,2	1,0		1,6	
3	286 sq.m agricultural (residential) land	v. Becho Mes-tia Municipality cadastre code 42.09.34.092	9,09 GEL /sqm. (Deal)	NAPR 25,05,2015	9,09	Deal	No	9,1	similar	No	9,1	better	-1	8,1	1,0		1,6	
4	620 sq.m agricultural (residential) land	v. Becho Mes-tia Municipality cadastre code 42.09.35.013	9,23 GEL /sqm. (Deal)	NAPR 22,08,2015	9,2	Deal	No	9,2	similar	No	9,2	better	-1	8,2	1,0		1,6	
5	1sq m. Commercial Land	Normative Cost	10,6 GEL /1sqm (Normative Cost)	Decree of Mes-tia Municipal Sakrebulo №3 4 February of 2015	10,6	Initial price for auction	5%	11,1	similar	No	11,1	better	-3	8,1	1,0		1,6	

Calculation of land rates

With the use of the average weighted value, the price of the valuated asset was calculated by means of the following formula:

$$Vwa = \sum (P_i \times R_i) / \sum R_i \quad (i = 1 \dots n; n = 5)$$

Where:

- Vwa- is the Average Weighted Value of Market Price for 1 sq.m land plot;
- P_i - is the Corrected (adjusted) selling price of each comparable reference land plot
- R_i – is the rating weight of the adjusted price of each comparable reference land plot.
- $\sum R$ – is the sum of the rating weights
- $n = 5$

Average weighted value (Vwa) better represents the real market price of the affected land plots than simple average of corrected prices of the reference land plots. ($\sum P_i / n$).

Table 2 - Explanations to Table 1

Table 1 column number	Explanation
7	Column 7 explains the character of prices declared in column 6 – some of these prices correspond to deals and executed transactions, and these prices are considered as market prices requiring no deductions. The other prices correspond to proposals of sellers advertised in the referred sources. These prices are not considered as real market prices and accordingly certain deductions are made, which are reflected in columns 8 and 9 . The minimum margin at the Georgian market between the real market price and advertised proposed prices is estimated to be 10%. Statistically, the proposal price in Georgia is 10-15% higher than the actual market price. As the market economy has not yet fully developed the seller usually tries to get excess profit if the buyer is unaware of real estate prices and agrees to the proposed price. 10% correction was not applied to the prices of reference land plots (analogs) #1 – 4, so far as they were actually sold and their market prices were determined. There was no bargaining about the prices of these plots and consequently no discounts were made. Correction +5% has been applied to the plot #5, as the price shown in column 7 is just an initial price for auction. The final price is estimated to be 5% higher.
10 & 13	Columns 10 and 13 show corrections based on the plot location and physical characteristics. The word “ better ” means that the reference land plot is better than the affected land plots, i.e. the market price of the reference plot is higher than that of the object. The price of the reference plot has to be reduced to suit the affected land price. The word “ similar ” means the reference land plot is similar to the object and the market price of the analogues does need to be reduced or increased to suit the object. The word “ worse ” means that reference land plot is worse than the object to be assessed and the price of the reference land plot has to be increased to suit the object.
10	Column 10 of reference land plots show that the valuated land plot is similar to the sample analog land plot and no discounts have been applied (column 11).
13	Column 13 of reference land plots demonstrate that the sample land plot is better than valuated land plots and thus certain discount was applied (column 14): (-1) for the sample land plots 1, 2, 3 and 4 and (-3) for the sample land plot 5. The corrections were made based on the physical characteristics, i.e. the difference between the analog and the object to be assessed in terms of: - utilities (water supply, sewerage systems, power supply, communications, gas supply, etc) Correction amounts are estimated in compliance with the costs required to make the plot suitable for construction according to construction norms and standards.
16	Column 16 shows the rating of the reference land plots (analogs) estimated through the expert review on the basis of several criteria. The most important criterion was the market position of the analogue (whether it is offered for sale or actually sold). The prices of the sold analogues are closer to the market

Table 1 column number	Explanation
	<p>prices while the prices of the analogs offered for sale are less realistic. The second criterion was the location (i.e. how close is the analogue to the object to be assessed). The closer the analog is to the object the more comparable their prices are). The third criterion was similarity of physical characteristics of the analogue and the object.</p> <p>Based on the aforementioned criteria all Analogs were given the same weight – 1.</p>

Thus, calculation of the full replacement cost of 1m² area of valuated property, carried out with the use of average weighted value is given shown in Table 1. This table represents full replacement cost of residential land plots (agricultural land used for residential needs). The prices of other categories of land is based on approximation from this basic cost.

Full replacement cost for agricultural land plots have been derived from the prices of residential land plots located in the same area. Agricultural land costs less than commercial land and the difference is approximately equal to the official compensation fees that should be paid to change category of the land plot from agricultural to non-agricultural. Table 3 below shows the unit rates distributed per land category.

Table 3 – Unit rates for land.

#	Land Categories	Full Replacement Cost per square meter (in GEL)
1	Residential	8
2	Commercial	11
3	Arable land	6
4	Hayland	1

B. Valuation of structures

Buildings and other structures have been valued at replacement cost based on the direct and indirect costs at market value necessary for the construction of a comparable building i.e. what construction of a building of similar parameters would cost today. No deductions were made for amortization. The parameters for calculating the direct and indirect costs are the following as applicable to individual cases.

- (a) Direct costs include:
 - (i) Construction' labor costs;
 - (ii) Purchase of construction materials;
 - (iii) Preparatory expenses;
 - (iv) Rent or purchase of equipment;
 - (v) Profit and overhead expenses of the constructing Contractor;
 - (vi) Expenses incurred to ensure safety measures during the construction/repair;
 - (vii) The cost of arranging temporary structures;
 - (viii) Temporary communications (electricity, water, gas supply etc.);
 - (ix) Warehouse costs;
 - (x) Transportation costs;

- (xi) Other costs
- (b) Indirect costs include:
 - (i) Cost of professional services:
 1. Compensation of the architect/designer;
 2. Compensation for engineering services;
 3. Legal expenses;
 4. Compensation for valuator's services;
 5. Other expenses
 - (i) Expenses incurred to receive permits;
 - (ii) Insurance costs;
 - (iii) Financing %;
 - (iv) Guarantee necessary to secure the contract implementation by the contractor building the new building;
 - (v) Other expenses

C. Compensations for perennial plants:

C.1 Seedlings:

Seedlings are compensated at the market cost of seedlings

C.2 Fruit trees in productive age:

The value of these items has been defined as lost revenue until the new planted seedling will reach the same productivity rate as the cut tree. Calculation of this value is based on:

- Productivity of the different species of trees at the different productive stage or age of the tree (which is defined by tables prepared by the consultants based on figures from the Department of Statistics of Georgia and recognized academic publications which detail the average productivity of a tree within intervals of 5 years);
- Average net value of the tree product (deduced of inputs) at farm gate market price
- Number of years needed to re-grow the tree at the productive stage (age) in which it was cut.

The valuation of the tree obtained will be counted for the value of yearly productive inputs and number of years needed to grow up a tree of the same productivity range from a seedling stage. The formula to compensate one productive tree will thus be:

$$C = C_s + (K \times V - M) \times L$$

Where:

- C is compensation value of tree (GEL).
- C_s is cost of one seedling (GEL)
- K = average annual productivity of 1 tree of the same species and age group as cut tree (in kg per tree).
- V = market price at farm gate of 1 kg product
- L = years to be compensated (years needed for growing up a tree of the same rate of productivity / age group as the one cut).
- M = average annual expenses for agricultural works (GEL)

The table 4 below provides costs of trees of different species and age groups calculated according to the above formula.

Table 4 – Unit rates for productive trees

Tree Type	Age Group	Average Productivity per kg	Age of Starting Production	Years to be compensated	Cost of seedling	Cost of 1kg Fruit	Compensation for 1 year	Annual Expenses (GEL)	Cost of 1 tree (GEL)
Peach	1-5	3	3	2	5	1.0	3	3	5
	6-10	30	3	7	5	1.0	30	10.7	140
	11-15	30	3	7	5	1.0	30	10.7	140
	16-20	15	3	7	5	1.0	15	10.7	35
	21+	10	3	7	5	1.0	10	10.7	0
Persimon	1-5	3	3	3.3	5	2.0	6	3	15
	6-10	10	3	7	5	2.0	20	10.7	70
	11-15	20	3	7	5	2.0	40	20.7	140
	16-20	20	3	7	5	2.0	40	20.7	140
	21+	10	3	7	5	2.0	20	10.7	70
Apple	1-5	2	3	5	5	2.0	4	4	5
	6-10	10	3	10	5	2.0	20	10.5	100
	11-15	50	3	10	5	2.0	100	80.5	200
	16-20	50	3	10	5	2.0	100	80.5	200
	21+	35	3	10	5	2.0	70	62.5	80
Pear	1-5	2	6	5	5	2.0	4	4	5
	6-10	10	6	10	5	2.0	20	11.5	90
	11-15	60	6	15	5	2.0	120	100.4	300
	16-20	60	6	15	5	2.0	120	100.4	300
	21+	60	6	13	5	2.0	120	100.4	260
Plum/wild plum tkemali	1-5	3	5	5	4	1.5	4.5	1.7	18
	6-10	10	5	10	4	1.5	15	8.4	70
	11-15	30	5	10	4	1.5	45	32.4	130
	16-20	25	5	10	4	1.5	38	25.4	130
	21+	7	5	10	4	1.5	10.5	5.4	55
Walnut	1-5	2	10	5	5	5.0	10	4	35
	6-10	4	10	10	5	5.0	20	10.5	100
	11-15	15	10	15	5	5.0	75	10.3	975
	16-20	30	10	15	5	5.0	150	17.4	1995
	21+	30	10	15	5	5.0	150	17.4	1995
Hazelnut	1-5	4	3	5	2	1.5	6	4.4	10
	6-10	7	3	8	2	1.5	10.5	4.25	52
	11-15	15	3	8	2	1.5	23	5.75	140
	16-20	15	3	8	2	1.5	23	5.75	140
	21+	10	3	8	2	1.5	15	5.25	80
Grape for pergola	1-5	10	3	3	1	1.0	10	5.3	15
	6-10	15	3	5	1	1.0	15	10.2	25
	11-15	30	3	5	1	1.0	30	15.2	75
	16-20	30	3	5	1	1.0	30	15.2	75
	21+	25	3	5	1	1.0	25	15.2	50
Black Cherry /Sweet Cherry	1-5	8	3	3	1	1.5	12	7.3	15
	6-10	15	3	5	1	1.5	22.5	11.1	58
	11-15	34	3	5	1	1.5	51	20.2	155
	16-20	34	3	5	1	1.5	51	20.2	155
	21+	25	3	5	1	1.5	37.5	20.1	88
Common medlar	1-5	2	3	5	2	1.5	3	1.4	10
	6-10	9	3	5	2	2.4	21.6	1.4	103
	11-15	12	3	5	2	2.3	27.6	1.4	133
	16-20	12	3	5	2	2.3	27.6	1.4	133
	21+	10	3	5	2	2.3	23	1.4	110
Chestnut	1-5	3	3	5	2	1.5	5	4.4	5
	6-10	15	3	5	2	1.5	22.5	8.3	73
	11-15	25	3	5	2	1.5	37.5	8.3	148
	16-20	25	3	5	2	1.5	37.5	8.3	148
	21+	20	3	5	2	1.5	30	8.4	110

D. Compensations for annual crops:

Annual crops unit rates have been valued at market price by multiplication of amount of expected (lost) crops and its market price. The amounts of expected crops per 1 sq.m of the affected agricultural land are calculated based on figures from the Department of Statistics of

Georgia for Samegrelo – Zemo Svaneti region of Georgia. Table 5 below provides these figures for the types of crops that are affected in the project area.

Table 5 – Unit rate for annual crops (potatoes, maize, hay)

Crop	Annual Productivity of crop (tons per hectare)						Average Productivity tons per hectare 2006-2011	Average Productivity kg per sq. m. 2006-2011	Market price of 1 kg (GEL)	Value of compensation for 1sq.m of affected crop plantations (GEL)
	2006	2007	2008	2009	2010	2011				
Potato	7.5	7.4	6.5	6.5	5.4	6.5	6.6	0.7	1.5	1.00
Maize	1.5	2.2	1.9	2	1.7	2.4	2.0	0.195	1.2	0.23
Hay	1.6	1.6	5.3	1	5.6	3.1	2.38	0.24	0.25	0.06

Valuation study in 2017

CONCLUSION
on the factual circumstances found as a result of the agreed procedures regarding
to assets assessment

To: JSC “Nenskra Hydro”

by the request of JSC “Nenskra Hydro” we have conducted procedures agreed with JSC “Nenskra Hydro” on the territory of Mestia Municipality between the 4th quarter of 2015 and 1st quarter of 2017, in order to determine the ratio of the value of the assets to be purchased within the project of resettlement action plan and land acquisition from individuals, for submitted to donor organizations.

The conclusion has attached the annexes of the data on which the present conclusion has been made (see annexes).

The deal has been fulfilled in accordance with the international standard (“DASS-4400”) of related service which is about the deal to the conduct of agreed procedures.

Procedures are made only to submit to your donor organizations the audit company's **Conclusion**, whether it has changed or not and if it has changed in what frames, the value of the assets to be purchased within the project of resettlement action plan and land acquisition from individuals on the territory of Mestia Municipality, as of 1st quarter of 2017 compared to the 4th quarter of 2015.

It should be noted that we are not independent from the economic subject, since the asset's assessment of both of the comparative terms has been done by us.

We studied and analyzed the market price level on the land, construction materials, perennial plants and one-year crops in the 4th quarter of 2015 and 1st quarter of 2017 and compared them.

We have received the relevant information from:

- The customer;
- The National Agency of Public Registry (we purchased an official information) about the transactions carried out in Mestia District for comparative periods;
- The National Bank of Georgia about official exchange rate of US Dollar and GEL for comparative periods;
- The National Agency of Statistics about average yield and average prices of one-year and perennial crops for comparative periods;
- The price collections issued by the Union of Construction Assessors on the prices of building resources for comparative periods.

Conducted procedures provide proper and sufficient information to formulate our opinion and we consider that:

1. The price level in comparative period

- on building materials changed in different directions; while taking into consideration that the types and number of materials used in the assessment have not substantially affected the price change;

- on the land plots has not changed;
- on the perennial plants has not changed;
- on one-year crops changed in 2017 in reduction direction.

2. In general, the level of the price on the assets to be evaluated in the 1st quarter of 2017 compared to the 4th quarter of 2015 there is no substantial change.

3. Since the above listed procedures are not intended neither for audit nor review in accordance with the international standards of audit or the international standards of deals of review, we will not release any credentials and will not issue “Audit report” according the international standards of audit.

If we had conducted the additional procedures or audit or review of financial statements in accordance with audit international standards or the review of international standards, we would have focused on other issues that we would have presented as a relevant conclusion.

So, we express our opinion about that the level of market price of the value of the assets to be purchased within the project of resettlement action plan and land acquisition on the territory

of Mestia Municipality, in the 1st quarter of 2017 compared to the 4th quarter of 2015 not substantially changed by the JSC “Nenskra Hydro”.

Our conclusion serves only that purpose talking of which is in the first paragraph of the conclusion and is intended for your information. This conclusion should not be used for any other purpose, no other party should be sent except your donor organizations. Our conclusion applies only to the abovementioned issues and does not apply any one financial statements of JSC “Nenskra Hydro”.

Attachment: Relevant calculations.

Aleksandre Okromchedlishvili

/signature affixed/

Director of Audit Firm “ATOS” LTD

/Seal affixed/

Registered Auditor # SARAS-A-285542

October 4, 2017

Information about Comparable Prices

Dynamic of Construction material prices Quarter 4 of 2015 and Quarter 1 of 2017

Chart No. 1

#	Name Description Technics	Diamen.	Price for Quarter 4 of 2015 (GEL)	Price for Quarter 1 of 2017 (GEL)
	Excavator	Hr.	20.93	23.85
	Bulldozer	Hr.	28.87	30.66
	Building materials			
	Crushed rock	m3	18.5	17.2
	Cement mortar m-50	m3	83	87
	rubble	m3	20	20
	Concrete m-200	m3	96	97
	timber	m3	200	200
	Cement mortar 1/3	m3	74	90
	Materials for floor	m2	21	20
	Nail	kg	2.4	2.2
	Wooden bars	m3	500	490
	Wooden materials	m3	420	369
	Wooden rafter 10*20cm	m3	600	550
	Rail 5*3cm	gm	1	1
	Ginger	TN	1251	1169
	Sheet of tin	m2	7.2	6.7
	block for wooden window	m2	90	90

	Block for wooden door	m2	110	110
	gypsum	t	68	72
	spatula	t	400	400
	paint	t	3600	3600
	Paint oil	t	4200	4200
	Window pane 4 mm	m2	12	10.3
	Stakes	pc	5	4

Note: the information is taken from the reference regarding the prices of construction resources issued by building Values Union

Calculating Market Price of Land Plots by Sales Comparison Approach

The land plots that should be evaluated are located in Mestia Municipality territory. The land plots to be assessed are placed compactly. The land plot prices there are almost the same.

The usage of the assessable land plots differs in accordance with the settlement, configuration, parameters, structure of the ground and other factors. Therefore, we will sort them into groups relevant during evaluation process. The groups are joined by the land plots which are similar with their parameters (usage, parameters, physical conditions and so forth). Accordingly, their market values would be the similar.

For evaluation procedure analyzing environment (market segment) must be identified within the frames of the above mentioned municipality. is essential .

The market segment of the property to be assessed is characterised by the commercial (non agricultural), homestead, arable and hay-meadow usage of the land plots.

During the evaluation procedure for the purpose of identifying the market prices of the land plots we have obtained the data regarding the analogues based on the market agreements and offers, Information has been received from the National Agency of Public Registry, broker firms and mass media (references are indicated). Information regarding the analogues and the calculation of land plot market values is given in Chart 2.

Chart 2 - Data regarding comparable analogues

comparison elements	Analogue #1	Analogue #2	Analogue #3	Analogue #4	Analogue #5	Analogue #6	Analogue #7	Analogue #8
description	1000 square m. agricultural land plot	304 square m. agricultural land plot	1000 square m. agricultural land plot	2206 square m. Homestead land plot with fruit trees or the facilities	1185 square m. agricultural land plot with fruit trees	2206 square m. agricultural land plot with fruit trees and facilities	1003 square m. agricultural land plot	110 square m. agricultural land plot
address	Mestia Laroli	Mestia district village Becho	Mestia with good view	Mestia district village Chuberi Letsferi	Mestia district village Gagma Khaishi	Mestia district village Kala, Dauberi	Mestia Laroli	Mestia Laroli
Unit price of an Agreement/offer	5 GEL /1 sq. (agreement)	4.9 GEL /1 sq. (agreement)	11 GEL /1 sq. (offer)	11.8 GEL /1 sq. (agreement)	5.4 GEL /1 sq. (agreement)	9.6 GEL /1 sq. (agreement)	4 GELS /1k sq. (agreement)	3.6 GEL /1 sq. (agreement))
Source of information	Public Registry data Cadastr. Code 42.06.31.052 30.01.17	http://mymakler.ge/129_72654_geo.html	http://samakler.ge/40366	Public Registry data Cadastr. Code 42.15.02.716 9.08.17	Public Registry data Cadastr. Code 42.16.06.723 2.08.17	Public Registry data Cadastr. Code 42.02.04.712 6.01.17	Public Registry data Cadastr. Code 42.06.31.001 06.09.17	Public Registry data Cadastre. Code 42.06.31.045 06.09.18
1 sq. m	5	4.9	11	11.8	5.4	9.6	4	3.6

cost								
Transferri ng property rights	complete	compl ete	complet e	complete	complet e	complete	complet e	complete
adjustmen t	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted price 1sq. m.	5	4.9	11	11.8	5.4	9.6	4	3.6
Financial conditions	typical	typical	typical	typical	typical	typical	typical	typical
adjustmen t	No	No	No	No	No	No	No	No
Adjusted price 1sq. m.	5	4.9	11	11.8	5.4	9.6	4	3.6
Selling condition	typical	typical	typical	typical	typical	typical	typical	typical
adjustmen t	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted price 1sq. m.	5	4.9	11	11.8	5.4	9.6	4	3.6
selling expenses	agreement	agree ment	offer	agreeme nt	agreeme nt	agreemen t	agreeme nt	agreeme nt
adjustmen t	0%	0%	-10%	0%	0%	0%	0%	0%
Adjusted price 1sq.	5	4.9	9.9	11.8	5.4	9.6	4	3.6

m.								
Market conditions	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing
adjustment	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted price 1sq. m.	5	4.9	9.9	11.8	5.4	9.6	4	3.6
location	worse	worse	worse	analogic	analogic	analogic	worse	worse
adjustment	10%	10%	-20%	0%	0%	0%	20%	20%
Adjusted price 1sq. m.	5.5	5.39	7.9	11.8	5.4	9.6	4.8	4.32
Physical characteristics: newly remodelled	worse	worse	better	better	better	better	worse	worse
adjustment	20%	20%	-20%	-20%	-5%	-20%	20%	20%
Adjusted price 1sq. m.	6.6	6.468	6.3	9.4	5.1	7.7	5.76	5.184
Economic characteristics	analogic	analogic	analogic	analogic	analogic	analogic	analogic	analogic
adjustment	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted price 1sq.	6.6	6.5	6.3	9.4	5.1	7.7	5.8	5.2

m.								
Existing movable components	No	No	No	No	No	No	No	No
adjustment	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted price 1sq. m. Pi	6.6	6.5	6.3	9.4	5.1	7.7	5.8	5.2
RI	2	2	1	1.5	2	1.5	2	2
Σ R	14							
Vi	0.9	0.9	0.5	1.0	0.7	0.8	0.8	0.7
Vwa for 1 sq. m. market price GEL	6							

Note: 1. The fact that the selected analogues are similar to the assesment objects in phisical charecteristics was taken into account during selection;

2. The information abaout analogues is obtained on the basis of the data of the National Agency of Public Registry, internet, media and broker companies as there is no real estate exchange in Georgia for today and trade work is accomplished spontaneously on the basis of mutual agreement;

3. Analogues are taken from the data of Quarter 1 of 2017 of Public Regisrty.

Decrypt the corrections:

– In the analogue which presents the objects offered for sale on the market 10% amendment is included in the comparison of subsequent expenses related to the sale, the content of which

is as follows: market price is usually offered at a 10% price point, which includes the estimated discount cost and the interest of the broker.

- _ The second correction is due to the location of the plot (Distance from communications, settlement, and so on.).*
- _ The third amendment is included in physical characteristics (designation, usage, measurements, structure and so forth.)*
- _ The adjustment values have been established on the basis of demand-supply terms existing on Georgian real estate market and the results of price analysis.*

Establishing Market Price

Agreement of adjusted prices of comparative data was calculated by calculating the average weight rate. During the agreement of price adjustment results, the more significant share was given to the analogues, which are the most comparable with the object that was evaluated and in which the least amendments were entered.

We have calculated the market price of evaluation object by using the average evaluated quantity by the following formula:

$$V_{wa} = \sum_{i=1}^n \left(P_i \times \frac{R_i}{\sum_{i=1}^n R} \right)$$

V_{wa}- is an average evaluated quantity

P_i - adjusted sale (offer) price of each evaluation analogue.

Σ R – Sum of rated weight of adjusted sale price of each evaluation analogue.

R_i – rated weight of adjusted price for each evaluation object (see Chart 2).

Note: 1. Calculation of the value of the land plot was emended by comparable method for agricultural land, as it is similar to the obtained analogues for the very land plots. As for the land plots of different designation, their values have been established on the basis of the existing supply and demand conditions of today's market and the factors effecting on the values (designation, usage, distance from settlement, distance from highway, from communications and others). For this purpose Georgian real estate market date have been studied which is based on offers existing on market. According to the data The ratio was established between the calculation price and the price of the other land plots

- 2. The table provides only the name of the land plots of the destination and use that are under the impact of the project.*
- 3. The values identified in the matrix are later used to calculate the compensation values of the land plots;*

#	usage	Market Price Quarter 4, 2015	Market Price Quarter 1, 2017
1	Homestead	8	8
2	Non agricultural	11	11
3	Arable	6	6
4	Mowing /pasture	1	1

Compensation Fund Calculation Methodology for Multi-year Plants

The cost of perennial plants is determined according to their age. The price of fruit trees will be calculated by considering the market price of annual harvest and the costs spent for planting, as much as it is necessary to grow new perennial plants before the age of existing trees.

The long-standing fruit trees and vines are evaluated by the following formula:

$$C = (K * V * L) - M$$

Where: C - is the compensation amount of perennial plants;

K – is the average productivity of perennial plants in 1 year, which is determined by the statistics department

V – is the market price for 1 kg. fruit on the place, which is determined by the assessor based on the market data.

L – the present age of perennial plants for non fruit trees and the quantity of compensation years (for reaching the existing fruit-bearing state) which will be determined by the assessor on the basis of the visual examining the plats and the detailed interviews with specialists and owners;

M – is the cost of land cultivation and planting in 1 year which is established by the assessor on the basis of interviews with the agricultural specialists and owners.

Based on this formula the calculated compensation sum in accordance with the age and types is given in Chart 4:

Chart #4

Fruit tree	Age groups	Average productivity kg.	Age of breeding start	Number of years to be repaid	Seedling value	The wholesale price of 1kg. fruit	gross revenue receivable in 1 year (GEL)	Land cultivation and plant care cost per year (GEL)	price of each tree (GEL)
apple	1-5	2	3	5	5	2.0	4	3	5
	6-10	10	3	10	5	2.0	20	10	100
	11-15	50	3	10	5	2.0	100	80	200
	16-20	50	3	10	5	2.0	100	80	200
	21+	35	3	8	5	2.0	70	60	80
pear	1-5	2	6	5	5	2.0	4	3	5
	6-10	10	6	10	5	2.0	20	11	90
	11-15	60	6	15	5	2.0	120	100	300
	16-20	60	6	15	5	2.0	120	100	300
	21+	60	6	13	5	2.0	120	100	260
plum/wild plum/sour cherry plum	1-5	3	5	5	4	1.5	5	1	18
	6-10	10	5	10	4	1.5	15	8	70
	11-15	30	5	10	4	1.5	45	32	130
	16-20	30	5	10	4	1.5	45	32	130
	21+	7	5	10	4	1.5	11	5	55
walnut	1-5	2	10	5	5	5.0	10	3	35
	6-10	4	10	10	5	5.0	20	10	100
	11-15	15	10	15	5	5.0	75	10	975
	16-20	30	10	15	5	5.0	150	17	1995
	21+	30	10	15	5	5.0	150	17	1995

nut	1-5	4	3	5	2	1.5	6	4	10
	6-10	7	3	8	2	1.5	11	4	52
	11-15	15	3	8	2	1.5	23	5	140
	16-20	15	3	8	2	1.5	23	5	140
	21+	10	3	8	2	1.5	15	5	80
Sweet cherry/cherry	1-5	8	3	3	1	1.5	12	7	15
	6-10	15	3	5	1	1.5	23	11	58
	11-15	34	3	5	1	1.5	51	20	155
	16-20	34	3	5	1	1.5	51	20	155
	21+	25	3	5	1	1.5	38	20	88
meddler	1-5	2	3	5	2	1.5	3	1	10
	6-10	9	3	5	2	2.4	22	1	103
	11-15	12	3	5	2	2.3	28	1	133
	16-20	12	3	5	2	2.3	28	1	133
	21+	5	3	5	2	2.3	12	1	57
Grapes (for lane)	1-5	6	3	3	1	1.0	6	5	3
	6-10	15	3	5	1	1.0	15	10	25
	11-15	30	3	5	1	1.0	30	15	75
	16-20	30	3	5	1	1.0	30	15	75
	21+	25	3	5	1	1.0	25	15	50
persimmon/blood orange	1-5	3	3	5	5	2.0	6	3	15
	6-10	10	3	7	5	2.0	20	10	70
	11-15	20	3	7	5	2.0	40	20	140
	16-20	20	3	7	5	2.0	40	20	140
	21+	10	3	7	5	2.0	20	10	70

peach	1-5	3	3	5	5	1.0	3	2	5
	6-10	30	3	7	5	1.0	30	10	140
	11-15	30	3	7	5	1.0	30	10	140
	16-20	25	3	7	5	1.0	15	10	105
	21+	10	3	7	5	1.0	10	10	0

Note: 1. Treed trees, including the aged trees and other trees that are not aged, having no agricultural purpose, will be remained in their owners' property for firewood or other purposes. Cultivating and restoring the spacial trees (in wind protective and roadside zones, of decoration designation and so on) is a constructor's responsibility and must be accomplished in accordance with environmental management plan.

2. Compensation values for perennial crops are given separately for each plot in Annexes (See Annex).

Fruit tree	Age groups	Price of each tree (GEL) 2015	Price of each tree (GEL) 2017
apple	1-5	5	5
	6-10	100	100
	11-15	200	200
	16-20	200	200
	21+	80	80
pear	1-5	5	5
	6-10	90	90

	11-15	300	300
	16-20	300	300
	21+	260	260
plum/wild plum/sour cherry plum	1-5	18	18
	6-10	70	70
	11-15	130	130
	16-20	130	130
	21+	55	55
walnut	1-5	35	35
	6-10	100	100
	11-15	975	975
	16-20	1995	1995
	21+	1995	1995
nut	1-5	10	10
	6-10	52	52
	11-15	140	140
	16-20	140	140
	21+	80	80
Sweet cherry/cherry	1-5	15	15
	6-10	58	58
	11-15	155	155
	16-20	155	155
	21+	88	88
meddler	1-5	10	10
	6-10	103	103
	11-15	133	133
	16-20	133	133

	21+	57	57
grapes (for lane)	1-5	3	3
	6-10	25	25
	11-15	75	75
	16-20	75	75
	21+	50	50
persimmon/blood orange	1-5	15	15
	6-10	70	70
	11-15	140	140
	16-20	140	140
	21+	70	70
Peach	1-5	5	5
	6-10	140	140
	11-15	140	140
	16-20	105	105
	21+	0	0

Calculation of compensation costs of one year crops

We think that during calculating the compensation costs of one year crops the factors which effect on the value of the cultivation of the cultures, on the productivity, on the market price of the product must be taken into consideration. The data of productivity of one year crops are based on the data of the department of statistics; cost of the product are based on current market prices.

Calculation of compensation costs of the one year crops existing on the territory effected of the project is given below.

In Chart 5 calculation of corn compensation costs are given

Region	Corn cultivation						Average corn cultivation T/Ha						Average productivity t/ha	Average productivity 1 on sq. kg/1kv.m.	Price for 1 kg. Corn (GEL)	Compensation price for the corn cultivated on 1sq.m (GEL)
	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011	2006- 2011	2006- 2011		
Imereti	61.8	85.8	97.2	95.4	44.8	67.3	1.4	2	2.1	2.1	1.3	1.8	1.8	0.18	1.1	0.20
Samegrelo Zemo Svaneti	77.2	83.9	95	93.3	35.3	66.7	2.3	2.4	2.4	2.2	1.1	2.1	2.1	0.2	1.1	0.23
Guria	23.9	34.3	37.7	29.8	18.8	29.2	3	4.7	4.5	3.6	2.3	3.5	3.6	0.36	1.1	0.40
Kakheti	14.8	23.5	51.6	32.4	13.1	44	1.3	2.2	2	3.1	1.5	2.7	2.1	0.2	1.1	0.23
Qvemo Qartli	21.1	38	17.3	14.6	6.8	32.5	2.3	3.2	2.3	2.9	2.5	3	2.7	0.27	1.1	0.30
The rest of the regions *	18.6	30.3	29.4	25.5	22.3	29.9	1.5	2.2	1.9	2	1.7	2.4	2.0	0.195	1.1	0.21
Georgia	217	296	328	291	141	270	1.8	2.4	2.3	2.4	1.4	2.3	2.1	0.21	1.1	0.23

In Chart #6 Calculation of potato compensation cost is given.

Region	Potato cultivation						Average potato productivity T/H						Average productivity T/Ha	Average productivity on 1 sq. M.	Potato price for 1 kg. (GEL)	1 kv.m.-ze miRebuli potatos sakompensacio Tanxa (lari)
	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011	2006- 2011	2006- 2011		
Adjara	25.5	32	31.6	16.7	11.6	9	4.3	16	17	11.8	8.7	10.1	11.3	1.1	1	1.13
Samtkhe- Djavakheti	54.3	109.3	108.1	144.1	128.5	169.7	4.9	13.2	10.6	17.7	12.6	16	12.5	1.3	1	1.25
Qvemo Qartli	69.8	59.9	24.9	35.3	63.3	58.4	8.2	9.8	4	7.8	13.8	17.3	10.2	1.0	1	1.02
The rest of the Regions	19.1	28	28.8	20.7	25.4	36.8	4	5.8	5	4.3	5.4	6.5	5.2	0.5	1	0.52
Georgia	168.7	229.2	193.4	216.4	228.8	273.9	7.4	10.8	8.0	11.5	11.1	13.6	10.4	1.0	1	1.04

AIN Chart 7 Hay Calculation of hay compensation cost is given.

Region	Cultivating Perennial herbs						Average productivity of Perennial herbs T/H						Average productivity T/H	Average productivity on 1 sq. kg/1sq.m.	Weight of 1 tuck	1 tuck price (GEL)	Compensation cost of the grass cultivated on 1 kiss.
	2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011	2006-2011	2006-2011			
Shida Kartli	2.9	1.6	2.9	3.7	1.8	2	2.4	2.7	3.5	1.7	2.6	3.1	2.67	0.27	20	5	0.07
Qvemo Kartli	8.1	3.9	17.5	15.2	12.1	36.7	3.2	2.6	3.5	2.6	4.2	3.1	2.98	0.30	20	5	0.07
Samtskhe_Djavakheti	11	2.5	6	3.4	5.3	7.4	2.4	2.8	4.9	2.4	6.6	3.1	3.13	0.31	20	5	0.08
Other regions*	3.8	0.8	3.8	0.7	6.7	2.4	1.6	1.6	5.3	1	5.6	3.1	2.38	0.24	20	5	0.06
Georgia	26	8.8	30	23	26	49	2.8	2.7	3.9	2.3	4.6	3.1	2.93	0.29	20	5	0.07

Note: 1. Compensation costs for the destruction of one year cultures are given in Annexes separately for each plot (see the Annex).

2. Compensation values are calculated for only those land plots which were used for one year cultures during inspection last year or this year.

Goods	Price for the harvest cultivated on 1 sq. m. 2015 GEL	Price for the harvest cultivated on 1 sq. m. 2017 GEL
corn	0.23	0.23
potato	1	0.52
hay	0.6	0.6

Annex 3. Leaflet distributed before the asset inventory

An information leaflet was distributed to the affected people during the census and asset inventory in October 2015. The Georgian version is presented next page, followed by a translation in English.

280 მგვტ სიმძლავრის ნენსკრას ჰიდროელექტროსადგურის პროექტი

საინფორმაციო ბროშურა (25-26.10.2015)

კერძო მიწასა და ქონებაზე პროექტის ზემოქმედების საკითხებზე

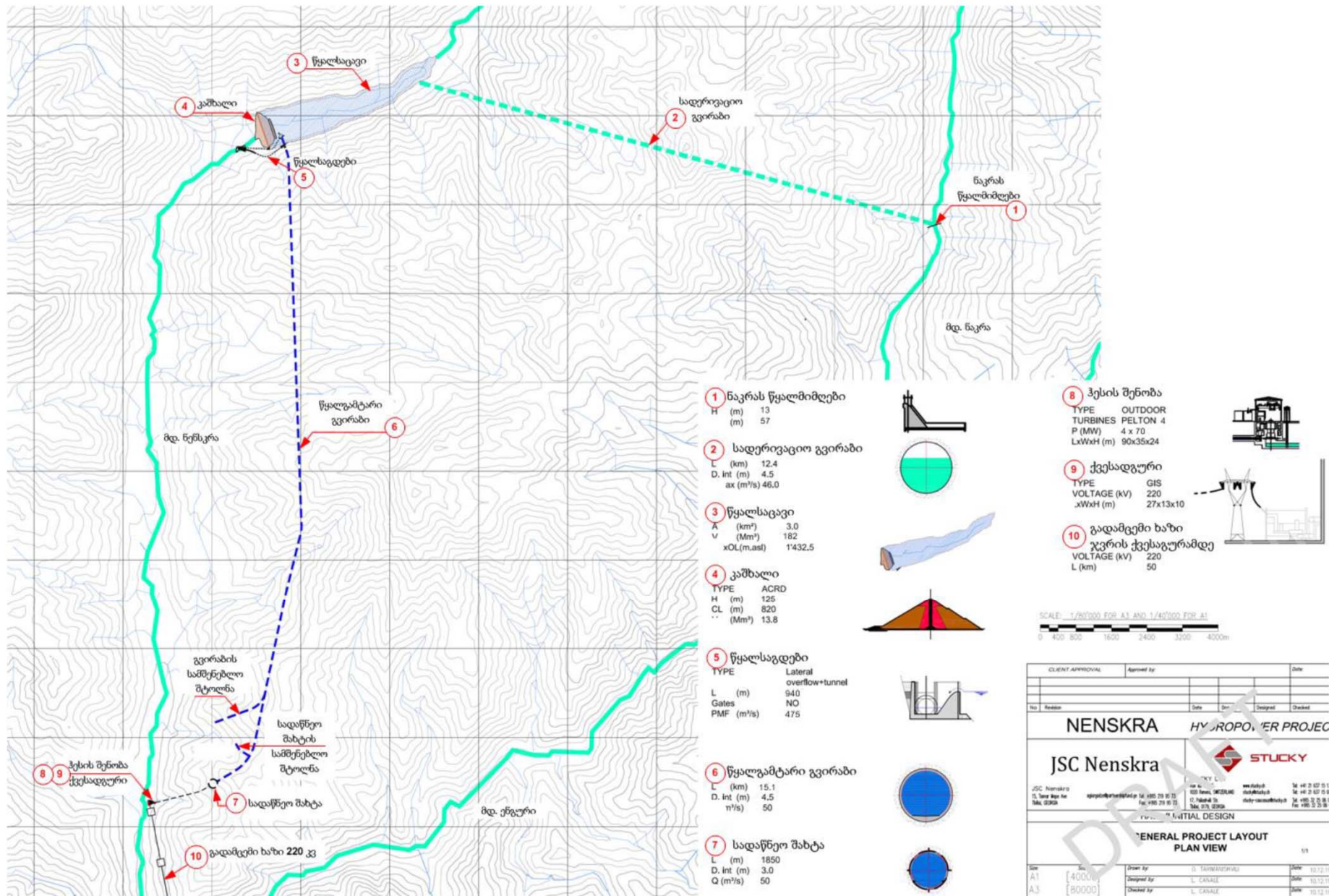
I. ზოგადი ინფორმაცია პროექტზე

საქართველოს სტრატეგიული განვითარების გეგმაში ენერგეტიკის განვითარება მიჩნეულია ერთერთ პრიორიტეტულ მიმართულებად. ეს განპირობებულია იმით, რომ საქართველო ვერ ახერხებს ქვეყანაში ელექტროენერგიაზე მზარდი მოთხოვნილების საკუთარი რესურსებით დაკმაყოფილებას. ამავდროულად, საქართველო ფლობს ჰიდროენერგეტიკული რესურსების დიდ პოტენციალს - 88.5 მილიარდ კვტ. სთ წელიწადში, რომლის გამოყენება ბოლო მონაცემებით არ აღემატება 10%-ს. შესაბამისად, საქართველოს სახელმწიფო პოლიტიკის ერთერთ ძირითად მიმართულებას ქვეყნის ჰიდროენერგეტიკული პოტენციალის მაქსიმალური გამოყენება წარმოადგენს. განხილვის პროცესშია მთელი რიგი მცირე, საშუალო და დიდი ჰესის და შესაბამისი ელექტროგადამცემი ხაზების მშენებლობის პროექტები. ამ პროექტების ერთობლიობა გაზრდის საქართველოს ენერგოდამოუკიდებლობას და უსაფრთხოებას და საშუალებას მისცემს ქვეყანას გაზარდოს ელექტროენერგიის ექსპორტი მეზობელ ქვეყნებში.

ქვეყნის ენერგეტიკული პოლიტიკის განხორციელებისათვის ერთერთი მნიშვნელოვანი პროექტია მდ. ნენსკრაზე ჰიდროელექტროსადგურის პროექტი. პროექტით გათვალისწინებულია სეზონური რეგულირების, 280 მგვტ დადგმული სიმძლავრის ჰიდროელექტროსადგურის მშენებლობა და ექსპლუატაცია. ჰესის მშენებლობა დაგეგმილია მდ. ნენსკრას ხეობაში და გამოყენებული იქნება მდ. ნენსკრას და მდ. ნაკრას ჩამონადენი. 280 მგვტ სიმძლავრის ნენსკრას ჰიდროელექტროსადგურის პოტენციური წლიური გამომუშავება 1.2 მლრდ კვტ/სთ. იქნება. სადგური ელექტროენერგიის გამომუშავებას 2019 წლიდან დაიწყებს, ხოლო პროექტი საბოლოოდ 2021 წელს დასრულდება.

საპარტნიორო ფონდმა, კორეულ კომპანია K-Water-მა, საქართველოს მთავრობამ, სს „ელექტროენერგეტიკული სისტემის კომერციულმა ოპერატორმა“ (ესკო) და სს „საქართველოს სახელმწიფო ელექტროსისტემამ“ ხელი მოაწერეს ნენსკრას ჰიდროელექტროსადგურის პროექტის საიმპლემენტაციო ხელშეკრულებათა პაკეტს. პროექტის მიხედვით ჰესის მშენებლობის პროცესში გათვალისწინებულია შემდეგი ინფრასტრუქტურის მოწყობა:

- 135 მ სიმაღლის და 820 მ სიგრძის ქვანაყარი კაშხალი მდ. ნენსკრაზე;
- 182 მლნ მ³ ტევადობის წყალსაცავი;
- 13 მ სიმაღლის და 57 მ სიგრძის დაბალ ზღურბლიანი კაშხალი მდ. ნაკრაზე;
- 12.4 კმ სიგრძის სადერივაციო გვირაბი მდ. ნაკრას ხეობიდან მდ. ნენსკრას ხეობაში წყლის გადაგდებისათვის;
- 15.1 კმ სიგრძის წყალგამტარი გვირაბი ნენსკრას წყალსაცავიდან სადაწნეო სისტემამდე;
- სადაწნეო შახტა და ჰესის შენობა;
- ქვესადგური და ელექტროგადამცემის ხაზი.



II. პროექტის განმახორციელებელი და დამფინანსებელი ორგანიზაციები და რეგულაციები, რომლებსაც ექვემდებარება პროექტის განხორციელება

საქართველოს მთავრობასთან გაფორმებული ხელშეკრულების საფუძველზე პროექტი განხორციელდება „ნენსკრა ჰიდრო“-ს მიერ, რომელიც წარმოადგენს საპარტნიორო ფონდის და კორეულ კომპანია K-Water-ის მიერ ჩამოყალიბებულ ერთობლივ კომპანიას. მშენებლობას უმსხვილესი იტალიური კომპანია — Salini Impregilo ახორციელებს.

პროექტის განხორციელებისას გარემოს დაცვის და სოციალური საკითხების, მათ შორის -კერძო მიწასა და ქონებაზე ზემოქმედების და კომპენსაციის საკითხების დარეგულირებისათვის, გამოყენებულ იქნება როგორც საქართველოს კანონმდებლობა, ასევე ევროპის რეკონსტრუქციისა და განვითარების ბანკის (EBRD), აზიის განვითარების ბანკის (ADB) და სხვა საერთაშორისო დონორი ორგანიზაციების სოციალური და გარემოს დაცვის პოლიტიკა. დონორების პოლიტიკა მოიცავს დამატებით მოთხოვნებს, რაც გულისხმობს, როგორც კომპენსაციის გადახდის პროცესის მოწესრიგებას ერთიანი გეგმის ფარგლებში, ასევე გარკვეული დახმარების აღმოჩენას სოციალურად დაუცველის სტატუსის მქონე და მწვავე ზემოქმედების ქვეშ მოქცეული პირებისათვის.

III. მოსალოდნელი ზემოქმედება კერძო მიწასა და ქონებაზე

განსხვავებით ბევრი სხვა ჰესების პროექტისაგან, მოცემულ პროექტს, არ ექნება მნიშვნელოვანი ზემოქმედება კერძო მიწებზე და მასზე განლაგებულ უძრავ ქონებაზე. ჰესის ობიექტები (კაშხალი, შეტბორვის ზონა, ჰესის შენობა და ა.შ.) ისეა დაგეგმილი, რომ შესაძლო ზემოქმედება მინიმუმადე არის დაყვანილი. მიუხედავად ამისა, წინასწარი მონაცემებით მოსალოდნელია არის შემდეგი სახის ზემოქმედებები:

ნენსკრას ხეობაში

- ჰესის შენობის და მისი დამხმარე ნაგებობების ტერიტორიაზე სავარაუდოდ არ ხდება საცხოვრებელი სახლები, შესაძლებელია მოხვდეს მიწის რამდენიმე კერძო ნაკვეთი, აღნიშნული წარმოადგენს პროექტის ყველაზე ძლიერი ზემოქმედების ობიექტს;
- კაშხლის და მისი დამხმარე ნაგებობების ტერიტორიაზე განლაგებული, მწყემსების საზაფხულო ბაგები ექვემდებარება დაშლას და სხვა ადგილზე გადატანას;
- პროექტის ფარგლებში დაგეგმილია ჭუბერის ცენტრიდან ს. ტიტამდე შემაერთებული გზის გაფართოება 8მ-დე. იმ უბნებზე, სადაც გზა გადის ს. ლარი-ლარის მახლობლად, მოსალოდნელია, რომ გზის გაფართოება გამოიწვევს რამდენიმე კერძო ნაკვეთის შემომფარგვლელი ღობის ეზოს სიღრმეში გადაწევის აუცილებლობას და მიწის ვიწრო ზოლის განთავსებას პროექტის მიერ. თეორიულიად, არ არის გამორიცხული ზემოქმედება უშუალოდ გზის პირას განლაგებულ შენობა-ნაგებობებზე, ხეებზე, ნათესებზე, ასევე - მიმდებარე სახელმწიფო მიწაზე განლაგებულ ხეებზე, წყალსადენ მილებსა და ელექტროგადამცემ ხაზებზე.

ნაკრას ხეობაში

- მცირე ზომის დამბისა და მისი დამხმარე ნაგებობების განლაგების ტერიტორია მოიცავს რამდენიმე ნაკვეთს, რომლებიც ტრადიციულად გამოყენებული არის ნაკრის თემის მაცხოვრებლების მიერ საძოვრებად, ტყით სარგებლობისათვის და ა.შ.
- პროექტის დღევანდელი გეგმის შესაბამისად, არ არის გათვალისწინებული ზუგდიდი-მესტიის გზიდან ნაკრამდე გზის გაფართოვება და დამატებითი მიწის განთავსება პროექტის სასარგებლოდ. მიუხედავად ამისა, გასათვალისწინებელი არის მშენებლობის პროცესში გზის მიმდებარე ნაკვეთებზე ღობეების ან სხვა სტრუქტურების დაზიანების რისკი.

ყველა ჩამოთვლილი სახის ზემოქმედება, ისევე როგორც ნებისმიერი სხვა სახის ზემოქმედება კერძო მიწაზე და მასთან დაკავშირებულ ქონებაზე, რომლების გამოვლენილ იქნება მიმდინარე სოციალური კვლევების ფარგლებში, ასახვას ჰპოვებს **განსახლების სამოქმედო გეგმის** დოკუმენტში. განსახლების სამოქმედო გეგმაში მოცემული იქნება თითოეულ მიწის ნაკვეთზე და კერძო პირების ქონებაზე ზემოქმედების დეტალური ინვენტარიზაცია, ზარალის შეფასება და განსაზღვრულ იქნება კომპენსაციის სახე და ოდენობა.

გარდა ცალკეული ოჯახების სარგებლობაში/მფლობელობაში არსებული მიწის ნაკვეთებისა, პროექტის ზემოქმედება შეიძლება გამოიხატოს თემის საერთო მოხმარების მიწების - საძოვრების მცირე ნაწილის და ძირითად საძოვრებამდე მიმავალი გზების დაკარგვაში, სასმელი წყლის მომარაგების და სხვა ინფრასტრუქტურული სისტემების დაზიანებაში. ამგვარი სახის ზემოქმედებები ასევე იქნება დეტალურად შესწავლილი - ნაწილობრივ, განსახლების სამოქმედო გეგმაში, და ასევე - საარსებო საშუალებების და პირობების აღდგენის გეგმაში.

IV. კომპენსირების პრინციპები

პროექტის მშენებლობისთვის მიწა შესყიდული იქნება საქართველოს კანონმდებლობის შესაბამისად. ამავე დროს, გათვალისწინებული იქნება ევროპის განვითარებისა და რეკონსტრუქციის ბანკის დამატებითი მოთხოვნები, რაც გულისხმობს, როგორც კომპენსაციის გადახდის პროცესის მოწესრიგებას ერთიანი გეგმის ფარგლებში, ასევე გარკვეული დახმარების აღმოჩენას უმწეობის/სოციალურად დაუცველის სტატუსის და მიყენებული ზიანის მიხედვით. ევროპის რეკონსტრუქციისა და განვითარების ბანკის პოლიტიკა მოითხოვს:

- მიწის შესყიდვის და განსახლების ზემოქმედება იქნება თავიდან აცილებული ან შემცირებული პროექტის ალტერნატიული ვარიანტების განხილვის საშუალებით;
- მიწის შესყიდვის და განსახლების სამოქმედო გეგმა იქნება მომზადებული და განხორციელებული, რათა უზრუნველყოფილი იყოს, როგორც მინიმუმ, ზემოქმედების ქვეშ მოქცეული პირების (ზმპ) ცხოვრების პროექტამდელი სტანდარტის შენარჩუნება ან აღდგენა;
- განხორციელდება ზმპ-ებთან კონსულტაციები და მათი აზრი გათვალისწინებული იქნება პროექტის დამუშავების და განხორციელებისას;

- მიწის და ქონების დაკარგვასთან დაკავშირებული ზიანი სრულად იქნება ანაზღაურებული ჩანაცვლების პრინციპით, დღევანდელი საბაზრო ღირებულების შესაბამისად;
- პროექტის მიერ დაკავებული მიწის კომპენსაციას გაცემულ იქნება ზემოქმედების ქვეშ მოქცეული ოჯახებისათვის ყველა იმ მიწის ნაკვეთზე, რომლებიც რეგისტრირებულია საჯარო რეესტრში, ან რომელთან მიმართებაშიც ოჯახს გააჩნია იურიდიული საფუძველი მიწაზე საკუთრების აღიარებისათვის (მიღება-ჩაბარების აქტები; ამონაწერი საკომლო წიგნიდან; და ა.შ.). დონორების წესების შესაბამისად, რეგისტრაციის საფუძველად ჩაითვლება ასევე - მიწის ნაკვეთის ფლობის/სარგებლობის ტრადიციული უფლების დადასტურება ადგილობრივი ხელისუფლების (მუნიციპალურ და რაიონულ დონეზე) მიერ. პირები, რომლებიც სარგებლობენ მიწის ნაკვეთით თვითნებურად, არ მიიღებენ საკუთრივ მიწის კომპენსაციას, მაგრამ დაკარგული შენობა-ნაგებობები, ხეები და ერთწლიანი კულტურები ანაზღაურებულ იქნება სრულად;
- ზემოქმედების ქვეშ მოქცეული მიწის ყველა ნაკვეთი, რომელიც არ არის რეგისტრირებული, მაგრამ მასთან მიმართებაში ოჯახს გააჩნია იურიდიული საფუძველი მიწაზე საკუთრების აღიარებისათვის, იქნება რეგისტრირებული და კომპენსაცია გადახდილ იქნება ამის შემდეგ. რეგისტრაციისათვის საჭირო გადასტრული ნახაზები გადაეცემათ ოჯახებს უსასყიდლოდ;
- სოციალურად დაუცველ და მწვავე ზემოქმედების ქვეშ მოქცეულ პირებს და ოჯახებს, ზიანის კომპენსაციის გარდა, გაეწევა დამატებითი სარეაბილიტაციო დახმარება; სოციალურად დაუცველ ოჯახებად ჩაითვლება სიღარიბის ზღვარს ქვემოთ მყოფი ოჯახები (სოციალური სააგენტოს მონაცემთა ბაზების შესაბამისად) და მარჩენალის გარეშე დარჩენილი მარტოხელა ქალები ან ივალისებრი. მწვავე ზემოქმედების ქვეშ მოქცეულ პირებად ჩაითვლება პირები, რომლებიც პროექტის განხორციელების შედეგად ჰკარგავენ ოჯახის შემოსავლის 10%-ს ან მეტს;
- კომპენსაციის ანაზღაურება და სარეაბილიტაციო დახმარება სრულად იქნება გადახდილი შესაბამის საპროექტო უბანზე სამუშაოების დაწყებამდე;
- ზმპ-ების საჩივრების გადასაწყვეტად (თუ ასეთი იქნება) შესაბამისი არაფორმალური მექანიზმები იქნება შემუშავებული და დანერგილი.

ზღვრული თარიღი

უფლება კომპენსაციაზე შეზღუდული იქნება პროექტისათვის დადგენილი ზღვრული თარიღით, როდესაც დაიწყება ზემოქმედების ქვეშ მოქცეული პირების აღწერა და დეტალური აზომვითი კვლევა. პირები, რომლებიც მიწის ნაკვეთს დაიკავებენ ამ თარიღის შემდეგ, არ იქნებიან უფლებამოსილი აიღონ კომპენსაცია მიწაზე ან კომპენსაცია ამ მიწაზე ზღვრული თარიღის შემდეგ აშენებული შენობა-ნაგებობებისათვის ან დარგული ხეებისა და დათესილი ერთწლიანი კულტურებისათვის.

კომპენსაციის და სარეაბილიტაციო დახმარების ოდენობის განსაზღვრის პრინციპები

- პროექტით დაკავებული მიწის საკომპენსაციო ფასს განსაზღვრავენ დამოუკიდებელი აუდიტორები. 1 კვ.მ მიწის ფასი განსაზღვრულ იქნება

ბოლო წლის განმავლობაში თემის სოფლებში გაყიდული მიწის (საჯარო რეესტრის მონაცემები) და გასაყიდად გაკეთებული შემოთავაზებების ანალიზის საფუძველზე (შედარების მეთოდი) ანალოგიური მიწის ნაკვეთებისათვის;

- შენობა-ნაგებობების ფასი განსაზღვრულ იქნება მასალების, ტრანსპორტირების, მუშახელის დღევანდელი ღირებულების და ყველა იმ დამატებითი ხარჯების (გადასახადები; საბანკო ტრანზაქციები; პროექტირების და ნებართვის ფასი) გათვალისწინებით, რაც საჭირო არის იმავე ტერიტორიაზე მსგავსი ახალი შენობა-ნაგებობის ასაშენებლად.
- ერთწლიანი კულტურების კარგვის შემთხვევაში ანაზღაურებულ იქნება 1 წლის მოსავალი სრულად, პროდუქციის საბაზრო ღირებულების გათვალისწინებით;
- მრავალწლიანი ნარგავები ანაზღაურდება ხეების სახეობის, მსხმოიარობის, პროდუქციის საბაზრო ღირებულების და ხეების წლოვანების მიხედვით. ანაზღაურებულ იქნება იმდენი წლის მოსავლის ღირებულება, რაც აუცილებელია ნერგიდან მოცემული მსხმოიარობის ხის გაზრდამდე.

ზემოქმედების ქვეშ მყოფი პირები ასევე მიიღებენ მხარდაჭერას და საარსებო პირობების აღსადგენად გარკვეული სახის დახმარებას, კერძოდ:

- ძლიერი ზემოქმედების ქვეშ მყოფი ოჯახები – ანუ ის ოჯახები, რომლებიც სასოფლო-სამეურნეო მიწის 10%-ს ან მეტს კარგავენ, მიიღებენ 3 თვის საარსებო მინიმუმის ტოლფას კომპენსაციას (3 თვის საარსებო მინიმუმი 5 წევრიანი ოჯახისათვის, გამოქვეყნებული საქართველოს სტატისტიკის ეროვნული სამსახურის მიერ);
- ზემოქმედების ქვეშ მყოფი სოციალურად დაუცველი ოჯახები მიიღებენ 3 თვის საარსებო მინიმუმის ტოლფას კომპენსაციას.

პროექტის მიერ მიყენებული ზარალის სრულად აღრიცხვისა და კომპენსაციების სწორად განსაზღვისათვის მნიშვნელოვანია, რომ ზემოქმედების ქვეშ მოქცეულმა პირებმა მონაწილეობა მიიღონ მიწის ნაკვეთის საზღვრების დაზუსტების, აზომვითი სამუშაოების და ქონების ზიანის შეფასების პროცესში.

V. საჩივრების განხილვის და დაკმაყოფილების მექანიზმები

გასაჩივრების მექანიზმი შესაძლებლობას მისცემს დაზარალებულ პირებს, რომ გაასაჩივრონ ისეთი გადაწყვეტილება ან ქმედება მიწის და სხვა ობიექტების კომპენსაციასთან დაკავშირებით, რომელსაც არ ეთანხმებიან. უკმაყოფილების და საჩივრების გამოხატვის პროცესი აღწერილია ქვემოთ მოცემულ ცხრილში №2, ხოლო საჩივრების შევსების ფორმა მოცემულია ცხრილში №3.

ფუნქციონირებს საჩივრების განხილვის ორ საფეხურიანი მექანიზმი: 1. ადგილობრივი დონის საჩივრების განხილვის კომიტეტი, რომლის შემადგენლობაში შედიან ადგილობრივი მუნიციპალიტეტის და „ნენსკრა ჰიდრო“-ს წარმომადგენლები; და 2. საჩივრების განხილვის კომისია, რომელიც ფუნქციონირებს „ნენსკრა ჰიდროს“-ს ცენტრალური ოფისის დონეზე.

ცხრილი №2: საჩივრების განხილვის პროცედურა

1. საჩივრების განხილვა მოხდება, პირველ რიგში, ადგილობრივ დონეზე შექმნილი საჩივრების განხილვის კომიტეტის მიერ.
2. თუ საჩივრის დაკმაყოფილება არ მოხერხდა მუნიციპალიტეტის დონეზე, დაზარალებული პირი წარადგენს წერილობით საჩივარს საჩივრების განხილვის კომისიასთან, რომელიც ფუნქციონირებს „ნენსკრა ჰიდრო“-ს ცენტრალური ოფისის დონეზე. დაზარალებულ პირს შეუძლია საჩივრის შეტანა 2 კვირის განმავლობაში ადგილობრივი დონის საჩივრების განხილვის კომიტეტიდან პასუხის მიღების შემდეგ. საჩივრის განსამტკიცებლად მას უნდა დაერთოს შესაბამისი დასაბუთება.
3. ცენტრალური დონის საჩივრების განხილვის კომისია საჩივრის რეგისტრაციიდან 2 კვირის განმავლობაში გასცემს მას პასუხს. გადაწყვეტილება უნდა შეესაბამებოდეს მიწის შესყიდვის და განსახლების ჩარჩო-დოკუმენტის მოთხოვნებს.
4. თუ საჩივრის განხილვის სისტემა ვერ დააკმაყოფილებს დაზარალებულ პირს, მას შეუძლია გადადგას შემდგომი ნაბიჯები, საკითხის სასამართლოში გასაჩივრების სახით (რაიონულ სასამართლოში).

VI. შემდგომი საინფორმაციო და საკონტაქტო ინფორმაცია

განსახლების სამოქმედო გეგმის მომზადების პროცესში, საპროექტო გუნდი იქნება მუდმივ კავშირში ზემოქმედების ქვეშ მოქცეულ ოჯახებთან და ჩაატარებს რიგ კონსულტაციებს, როგორც ინდივიდუალური ოჯახების დონეზე, ასევე ჯგუფურად. კვლევის შედეგად მოპოვებული და დაზუსტებული ინფორმაცია იქნება ღია და ხელმისაწვდომი და საკომპენსაციო თანხების გაანგარიშების და განსახლების სამოქმედო გეგმის (გსგ) დოკუმენტის დასრულების შემდეგ, გამოქვეყნდება, როგორც გსგ დოკუმენტი, ასევე - განახლებული საინფორმაციო ბროშურა, რომელშიც ასახული იქნება კვლევის შედეგები და საკომპენსაციო ტარიფები.

შეკითხვების შემთხვევაში გთხოვთ მოგვმართოთ:

პროექტის მენეჯერი: თეიმურაზ კოპაძე, მისამართი: „ნენსკრა ჰიდრო“, ბესიკის ქ. №4, ოფისი 204, თბილისი, საქართველო, ელ. ფოსტა: kopadze.trimuraz@gmail.com

სოციალური კვლევების ჯგუფი: მედგარ ჭელიძე, მობილური: 599162221; ელ. ფოსტა: medgarcorresp@yahoo.com

ამზომველები: მალხაზ კომლაძე მობილური: 599 360322.

Information Booklet

Impacts on private land and property

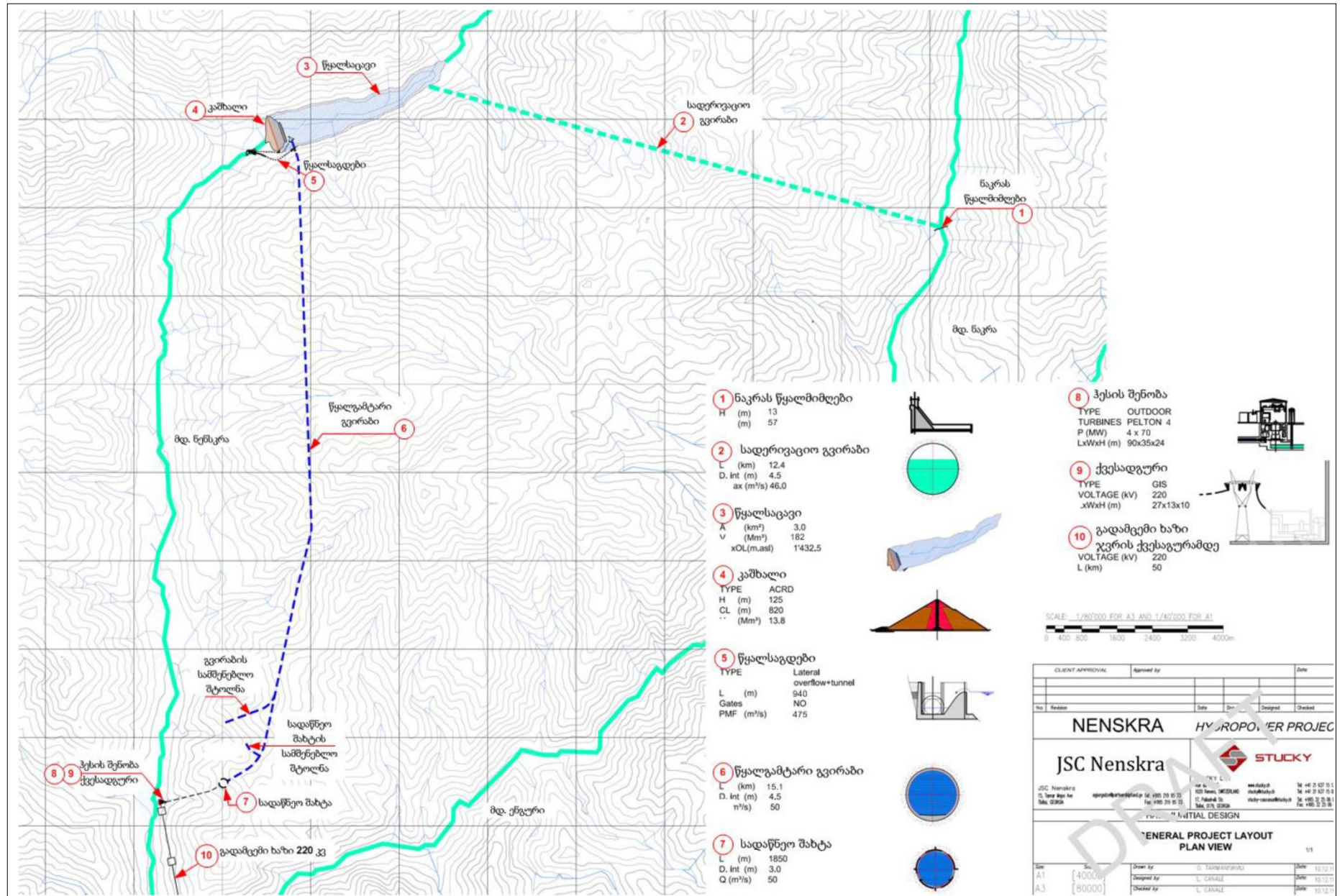
I. General

The strategic development plan for Georgia considers the development of power engineering as one of the priorities for the country. This is because Georgia fails to meet the growing demand for power in the country with its own resources. At the same time, Georgia has great potential of hydropower resources – 88.5 mlrd. KW.hr. a year, and as per the most recent data suggest, the maximum use of this potential is only 10%. Consequently, one of the priorities of the state policy of Georgia is the maximum use of the hydropower resources of the country. Construction projects of a number of small, average and large HPPs and relevant power transmission lines are under consideration. The set of these projects will improve the energy independence and safety of Georgia and will enable the country to augment the electrical power export to its neighboring countries.

One of the most important projects for the realization of the power potential of the country is the HPP project across the river Nenskra. The project envisages the construction and exploitation of the HPP of a seasonal regulation with 280 MW installed capacity. The construction of the HPP is planned in the gorge of the river Nenskra and will use the discharge of the rivers Nenskra and Nakra. The potential annual output of the hydropower station will be 1.2 mlrd. KW/hr. The HPP will start generating the electrical power from in 2021 and the Project will be complete in 2022.

The Partner Fund, Korean K-Water, Government of Georgia, JSC Electricity System Operator Commercial “ESCO” and JSC “Georgian State Electrosystem” signed a package of projects to implement Nenskra Hydropower Station Project. The Project envisages the construction of the following infrastructure:

- A 135-m-high and 820-m-long rock fill dam across the river Nenskra.
- A water reservoir with the storage capacity of 182 mln. m3.
- A 13-m-high and 57-m-long low-sill dam.
- A 12.4-km-long derivation tunnel for diversion of water from the river Nakra gorge to the river Nenskra gorge.
- A 15.1-km-long water derivation tunnel that will bring water from the Nenskra reservoir to the power house.
- A pressure shaft and HPP building.
- A sub-station and power transmission line.



II. Project implementing and financing organizations and regulations for the Project implementation

As per the agreement concluded with the Government of Georgia, the Project will be implemented by “Nenskra Hydro”, the joint company established by the Partner Fund and Korean “K-Water”. The construction works will be carried out by a large Italian company “Salini Impregilo”.

In the course of the Project implementation, the environmental protection and social issues, including the questions of compensation the impacts on private lands and property, will be regulated by both, Georgian legislation and social and environmental safeguard policy of the European bank for Reconstruction and Development (EBRD), Asian Development Bank (ADB) and other international donor organizations. The policy of the donors sets additional requirements to organize the process of compensation payment as a single plan and render certain assistance to the people with the status vulnerability and under severe impact.

III. Expected impact on private land and property

Unlike many other HPP projects, the given Project will not have a significant impact on the private lands and real property on them. The HPP facilities (dam, flooding zone, HPP building, etc.) are planned in the way to minimize the possible impact. Despite this, as per the preliminary data, the following impacts are possible:

In the Nenskra gorge:

- Presumably, no residential houses are found on the territory of the HPP building or its auxiliary facilities, but some private land plots only. This is the maximum impact of the Project.
- The summer camps for shepherds on the territory of the dam and its auxiliary facilities are to be demolished and moved to other location.
- Within the scope of the Project, the road from the center of Chuberi to village Tita is to be widened to 8 m. Along the areas where the road runs near village Lari-Lari, widening of the road will make it necessary to move the fences around some private land plots deeper in the gardens to allow a RoW for the Project. Theoretically, an immediate impact on the buildings and premises, trees and sowed areas along the road as well on the trees, water pipelines and power transmission lines on the state land is not excluded.

In the Nakra gorge:

- The territory where a small dam and its auxiliary facilities are located covers several land plots traditionally used by the Nakra community as pastures, for forest use, etc.
- As the present plan of the Project suggests, no widening of the road from Zugdidi-Mestia to Nakra or use of an additional land area as Project RoW is planned, either. Despite this, a risk of damage to the fences or other structures adjacent to the road during the construction works is to be considered.

All the above-listed impacts, like any other impact on the private land or associated property revealed through the social surveys, will be described in the Resettlement Acton Plan. A detailed inventory of the impacts on each land plot and private property, calculation of damage and type and size of compensation will be given in the Resettlement Acton Plan.

In addition to the land plots used/owned by the individual families, the Project impact may imply the loss of small areas of pastures or access road to the pastures, damage to the drinking water and other infrastructural systems. Such kinds of impact were also studied thoroughly – partly in the Resettlement Acton Plan and then, in the Livelihood Restoration Plan.

III. Terms of compensation

The land for the Project construction was purchased in line with the legislation of Georgia. At the same time, the additional requirements of the European bank for Reconstruction and Development (EBRD) will be considered. These requirements are for the organization of the process of compensation payment as a single plan and render certain assistance to the people with the status vulnerability and under severe impact. The requirements of the EBRD policy are as follows:

- To avoid or minimize the land acquisition and resettlement impact by considering the Project alternatives.
- A land acquisition and resettlement action plan will be developed and realized to at least reserve or restore their pre-project means of subsistence and living standards.
- Consultations will be held with APs and their opinion will be considered in the development and realization of the Project.
- Any harm associated with the land or property loss will be compensated at a full replacement cost, based on the existing market values.
- The compensation for the land occupied by the Project will be issued to the AFs for all land plots registered at the Public Registry, or for which the families have the legal basis for the entitlement recognition (acceptance reports, excerpts from community books, etc.). In line with the Donors' rules, another basis for registration will be the approval of traditional right of ownership/use of the land plot by the local authority (at a municipal and regional level). Those using the land plots illegally (squatters) will not be entitled to compensation, but the lost buildings and premises, trees and annual crops will be fully compensated.
- All land plots under the impact not registered, but with the family with a legal basis to recognize the land entitlement, will be registered with consequent payment of due compensation. The families will receive the cadastre drawings needed for the registration for free.
- Socially unprotected and severely impacted persons and families, in addition to the damage compensation, will be given extra rehabilitation aid. Families below the poverty line (in line with the database of the Social Agency), women-headed families without breadwinners and disabled will be considered as socially unprotected. Persons losing 10% or more of the family incomes due to the Project implementation will be considered as severely affected ones.
- The compensation will be fully paid and the rehabilitation aid will be fully rendered prior to the onset of the works on the Project site.
- Relevant informal mechanisms to resolve the AP's claims, if any, will be developed and introduced.

IV. Cut-off date

The title for compensation will be limited by the Project cut-off date set on the starting day of the AP Census/DMS. The persons occupying the land plots after this date, will not be eligible to land compensation or compensation for the buildings and premises built or trees planted or annual crops sown on the same land after the cut-off date.

V. Principles to determine the size of compensation and rehabilitation assistance

- The compensation value of the land occupied by the Project will be determined by independent auditors. The price of 1 sq.m. land will be fixed by considering the analysis of the land sold in the last year in the community villages (based on the Public Registry data) and similar land plots offered for sale (comparison method).
- The price of the buildings and premises will be set by considering the current value of materials, transportation and labor and any additional costs needed to build similar new buildings and premises on the same territory (taxes, bank transactions, design and permit fees).
- In case of losing annual crops, a one-year harvest will be fully compensated by considering the market value of the products.
- Perennial crops will be compensated by considering the kinds, fruitfulness, product market value and age of trees. The value of harvest for the number of years needed for a tree to reach a fruitful age from a seedling will be compensated.

The APs will also be supported and rendered certain assistance to restore their livelihoods, in particular:

- The families under severe impact, i.e. the families losing 10% or more of their agricultural land, will receive the compensation of minimum 3 months' living subsistence (the minimum 3 months' living subsistence for a 5-member family is published by the National Statistics Office of Georgia).
- The socially unprotected AFs will receive the compensation of minimum 3 months' living subsistence.

In thoroughly calculating the Project-induced damage and fixing due compensation, the APs are important to participate in fixing the land plot borders, survey measurement and property damage evaluation works.

VI. Grievance Redress Mechanisms

A grievance resolution mechanism will be set up to allow an AP appealing any disagreeable decision, practice or activity arising in relation to the land or other compensation. Complaint and grievances will follow the process described below.

There is a two-step Grievance Redress Mechanisms: (1) at a local Grievance Redress Committee affiliating the representatives of local municipality and "Nenskra Hydro", and (2) at a Grievance Redress Committee operating at the central office of "Nenskra Hydro".

Table 1 - Grievance Resolution Process - Land/ Crops Compensation Issues

1. Initially, complaint resolution will be attempted by the locally established Grievance Redress Committee.
2. If still unsettled at a municipality level, a grievance can then be lodged in writing with the Grievance Redress Committee operating at the central office of "Nenskra Hydro". The AP must lodge the complaint within 2 weeks after receiving response on the original complaint from the Grievance Redress Committee and must produce documents supporting his/her claim.
3. The central Grievance Redress Committee will provide a response within 2 weeks of registering the complaint. The reached decision must meet the requirements of land acquisition and resettlement frame document.
4. Should the grievance redress system fail to satisfy the APs, they can pursue further action by submitting their case to the appropriate court of law (Rayon Court).

VI. Further reference and contact information

During the development of the Resettlement Action Plan, the project team will be in contact liaison with the AFs and will hold a number of consultations for them, both with separate families and in groups. The information gained through the study and defined further will be open and available, and after the compensation calculation and Resettlement Action Plan (RAP) is complete, will be published as a RAP document. In addition, an updated Information Booklet showing the outcomes and compensation rates will be published.

If you have any questions, please, do not hesitate to contact:

- Project Manager: Timuraz Kopadze, “Nenskra Hydro”, #4, Besiki street, Office No. 204, Tbilisi, Georgia, e-mail: kopadze.trimuraz@gmail.com
- Social research group: Medgar Chelidze, 599162221 (mob); e-mail: medgarcorresp@yahoo.com
- Surveyor: Malkhaz Komladze, 599 360322 (mob).

Annex 4. Sample grievance registration form

Grievance No: _____

Full Name

Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent

Firstname _____ Lastname _____

Gender: ☐ Male ☐ Female

☐ I wish to raise my grievance anonymously

☐ I request not to disclose my identity without my consent

Contact Information

Please mark how you wish to be contacted (mail, telephone, e-mail).

☐ By Post: Please provide mailing address:

☐ By Telephone: _____

☐ By email: _____

Preferred Language for communication

☐ Georgian

☐ Svan

☐ Other:

Description of Incident or Grievance:

What happened? Where did it happen? Who did it happen to? What is the result of the problem?

Date of Incident/ Grievance

☐ One time incident/grievance (date _____)

☐ Happened more than once (how many times? _____)

☐ On going (currently experiencing problem)

What would you like to see happen to resolve the problem?

Signature: _____ Date: _____

Please return this form to JSC Nenskra Community Liaison Officer: [name]

Address _____: Tel.: _____ or Email: [@.com](#)

Annex 5. Sample grievance database

Grievance or comment number	Complainant Name	Complainant gender	Complainant address	Complainant Phone	Complainant email	Date when complaint received	Description of complaint	Category of the Complaint	Date of event	Location of event	Grievance solved with discussion	Evidence of acceptance of resolution by complainant	Local Grievance Resolution Committee date	Local GRC Resolution accepted by complainant	Evidence of acceptance of resolution by complainant	Date of Project level review of complaint	Project level resolution accepted by complainant	Evidence of acceptance of resolution by complainant	Date of grievance closure
#1																			
#2																			
#3																			
#4																			
#5																			

Annex 6. Template of MoU between the Project company and PAPs

ხელშეკრულება	Agreement
თბილისი, საქართველო [●], 2017წ.	Tbilisi, Georgia [●], 2017
winamdebare xelSekruleba (SemdgomSi `xelSekruleba~) gaformebulia Semdeg mxareTa Soris:	This Agreement (hereinafter the “ Agreement ”) is executed by and between the following parties:
<ul style="list-style-type: none"> - ss `nenskra hidrosa~ (kompania dafuZnebuli saqarTvelos moqmedi kanonmdeblobis Sesabamisad, saidentifikacio kodiT: 405112220, warmodgenili misi aRmasrulebeli direktoris moadgilis batono taekuon seos saxiT, moqmedi aRmasrulebeli direktoris batoni bioung seub Cois mier 2016 wlis 21 dekembers gacemuli midnobilobis (registraciis nomeri: 161447888; individualuri nomeri: 53570082206416) (SemdgomSi `kompania~); da 	<ul style="list-style-type: none"> - JSC Nenskra Hydro (a company established in accordance with applicable laws of Georgia, with identification number - 405112220), represented by Vice Chief Executive Officer Mr. Taekwon Seo, acting on the basis of power of attorney (registration number: 161447888; individual number: 53570082206416) dated 21.12.2016, issued by Chief Executive Officer Mr. Byoung Seub Choi (hereinafter the “Company”), and
<ul style="list-style-type: none"> - [●] [●] <p>SemdgomSi “adgilobrivi mosaxleoba”</p>	<ul style="list-style-type: none"> [●] [●] <p>hereinafter referred as the “Local Residents”</p>
`kompania~ da “adgilobrivi mosaxleoba” erToblivad moxseniebuli arian rogorc `mxareebi~, xolo cal-calke rogorc `mxare~.	The Company and the Local Residents shall hereinafter be collectively referred to as the “ Parties ”, and separately as the “ Party ”.
preambula	Preamble
<p>vinaidan:</p> <ul style="list-style-type: none"> • „კომპანია“ ახორციელებს პროექტს, რომელიც ითვალისწინებს მდინარე ნენსკრაზე, სვანეთი, საქართველო, ჰიდროელექტრო სადგურის პროექტირებას, 	<p>Whereas:</p> <ul style="list-style-type: none"> • The Company is implementing a project, which involves design, construction and operation of hydroelectric power plant on the river

<p>მშენებლობასა და ოპერირებას (შემდგომში „პროექტი“);</p>	<p>Nenskra, Svaneti, Georgia (hereinafter the „Project“);</p>
<ul style="list-style-type: none"> • `პროექტი` iTvaliswinebs hidroeletro sadguris mSeneblobas im miwis nakveTebze, romelic ssip `sajaro reestris erovnul saagentoSi~ ssip `saxelmwifo qonebis erovnullis saagentos~ ganacxadis safuZvelze registrirebulia saxelmwifos sakuTread sakadastro kodebiT [●]da aseve zemoxsenebuli miwis nakveTebis mimdebare teritoria. 	<ul style="list-style-type: none"> • The Project involves construction of the HPP on the land plots which are registered at the LEPL National Agency of Public Registry by the LEPL National Agency of State Property in the ownership of the state of Georgia with the following cadastral codes: [●]and also adjacent territory to the above mentioned land plots.
<ul style="list-style-type: none"> • 2015 wlis 31 agvistos `kompanias~, saqarTvelos mTavrobas, ss `eletro sistemis komerciul operators~ da ss `saqarTvelos saxelmwifo elektrosistemas~ Soris gaformebul iqna saimplementacio xelSekruleba, romelic 2017 wlis [●] ivniss gaformebuli xelSekrulebis Sesabamisd Secvlil iqna da Camoyalibda axali redaquiIT (SemdgomSi `saimplementacio xelSekruleba~). `saimplementacio xelSekrulebis~ me-8 muxli (miwaze uflebebi) iTvaliswinebs saqarTvelos mTavrobis valdebulebas gadascas `kompanias~ `proeqtis~ ganxorcielebisaTvis aucilebeli miwis nakveTebi; 	<ul style="list-style-type: none"> • On August 31, 2015, the Company executed implementation agreement with the Government of Georgia, JSC “Electricity System Commercial Operator” and JSC “Georgian State Electrosystem”, which has been amended and restated on the basis of agreement executed on June [●], 2017 (hereinafter the „Implementation Agreement“). Clause 8 (Land Rights) of the Implementation Agreement envisages undertaking of the Government of Georgia to transfer to the Company the land plots required for the purposes of implementation of the Project;
<ul style="list-style-type: none"> • „საიმპლემენტაციო ხელშეკრულების“ მე-8 მუხლის შესაბამისად საქართველოს მთავრობის სახელით სსიპ „სახელმწიფო ქონების ეროვნული სააგენტო“ გეგმავს „კომპანიას“ გადასცეს „პროექტის“ განხორციელებისათვის აუცილებელი მიწის ნაკვეთები ფართობით: [●]კვ.მ, „მიწის ნაკვეთის“ საკადასტრო რუკა დეტალური კოორდინატების მითითებით და მასზე განთავსებული შენობა-ნაგებობების ჩამონათვალი მოცემულია წინამდებარე 	<ul style="list-style-type: none"> • In accordance with Clause 8 of the Implementation Agreement, the Government of Georgia represented by LEPL National Agency of State Property intends to transfer to the Company the land plots with the area [●] sq.m required for the purposes of implementation of the Project (hereinafter the „Land Plots“). The cadastral map with detailed coordinates of the Land Plot and the

<p>ხელშეკრულების N1 დანართში (შემდგომში „მიწის ნაკვეთები“);</p>	<p>list of buildings/constructions fixed to it is provided in annex 1 to this Agreement;</p>
<ul style="list-style-type: none"> • „კომპანია“ აპირებს „პროექტის“ განხორციელებისათვის აუცილებელ მიწის ნაკვეთებზე უფლებების მოპოვება/განსახლება განხორციელოს ევროპის რეკონსტრუქციისა და განვითარების ბანკის გარემოსდაცვითი და სოციალური პოლიტიკის (შემდგომში „პოლიტიკა“) შესაბამისად. „პოლიტიკის“ მე-5 თავი არეგულირებს მიწის გამოსყიდვის, იძულებითი განსახლებისა და ეკონომიკურ განსახლებასთან დაკავშირებით ბანკის მოთხოვნებს. აღნიშული მოთხოვნების მიხედვით, „კომპანია“ ვალდებულია გადაუხადოს კომპენსაცია ნებისმიერ პირს, ცხოვრების პირობების განსახლებამდე მდგომარეობამდე აღდგენის მიზნით, როგორც ფიზიკური განსახლების (გადასახლება ან თავშესაფრის დაკარგვა) ისე ეკონომიკური განსახლების (აქტივების ან რესურსების დაკარგვა, ან/და აქტივებთან ან რესურსებთან წვდომის დაკარგვა, რომელიც იწვევს შემოსავლის წყაროს ან/და არსებობის საშუალების დანაკარგს) შემთხვევაში, რაც გამოწვეულია პროექტის ფარგლებში განხორციელებული მიწის გამოსყიდვის ან/და მიწით სარგებლობის შეზღუდვიდან. 	<ul style="list-style-type: none"> • The Company intends to obtain rights over the land plots required for the Project and carry out resettlement in accordance with the Environmental and Social Policy of European Bank for Reconstruction and Development (hereinafter the “Policy”). Performance requirement 5 of the Policy regulates requirements for land acquisition, involuntary resettlement and economic displacement. As per such requirements, the Company is obliged to pay compensation to any person, in order to restore their standards of living to pre-displacement level, in case of physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or resources, and/or loss of access to assets or resources that leads to loss of income sources or means of livelihood) as a result of project-related land acquisition and/or restriction on land use.
<ul style="list-style-type: none"> • „პროექტის“ ინიცირებამდე „მიწის ნაკვეთებით“ და მასზე განთავსებული შენობა-ნაგებობებით სარგებლობდა „adgilobrivi mosaxleoba“, თუმცა მას არ გააჩნია აღნიშნულ „მიწის ნაკვეთებზე“ და მათზე განთავსებულ შენობა-ნაგებობებზე უფლების დამადასტურებელი ისეთი დოკუმენტაცია, რომელიც შესაძლებლობას მისცემდა მათ დაერეგისტრირებინათ თავიანთი უფლებები „მიწის ნაკვეთებთან“ ან/და მასზე განთავსებულ „შენობა-ნაგებობებთან“ დაკავშირებით სსიპ „საჯარო რეესტრის ეროვნულ სააგენტოში“. 	<ul style="list-style-type: none"> • Prior to inception of the Project, the Land Plots and the buildings/constructions fixed to the Land Plots were used by the Local Residents, but they do not have documentation evidencing rights over the Land Plots and/or the buildings/constructions fixed thereto, which would enable them to register their rights in the LEPL National Agency of Public Registry with regards

	to the Land Plots and buildings/constructions fixed thereto.
ყოველივე ზემოაღნიშნულის გათვალისწინებით „მხარეები“ თანხმდებიან შემდეგზე:	Now therefore, the Parties agree as follows:
<p>1. „კომპანია“ იღებს ვალდებულებას winamdebare xelSekrulebis xelmoweridan 10 (aTi) samuSao dRis vadaSi, aunazRauroს „adgilobriv mosaxleobas“ [●]lari (saSemosavlo gadasaxadis gareSe) (შემდგომში „კომპენსაცია“). „კომპენსაცია“ წარმოადგენს `miwis nakveTebTan~ da masze ganTavsebul Senoba-nagebobebTan dakavSirebiT nebismieri da yvela moTxovnis srul, saboloo da Seuqcevad anazRaurebas. „კომპენსაციის“ გაანგარიშება, რომელიც მოიცავს ინფორმაციას „კომპენსაციის“ თანხის შემადგენელი ყველა კომპონენტის თაობაზე მოცემულია წინამდებარე ხელშეკრულების N2 დანართში.</p>	<p>1. The Company hereby undertakes to pay [●] GEL (excluding income tax) (hereinafter the “Compensation”) to the Local Residents within 10 (ten) business days from the date of execution of this Agreement. The Compensation shall be regarded as the full, final and irrevocable settlement of any and all claims in respect of the Land Plots and buildings/constructions fixed thereto. Calculation of the Compensation which envisages information about all components of the Compensation amount is provided in Annex 2 to this Agreement.</p>
<p>2. “adgilobriv mosaxleoba” წინამდებარე „ხელშეკრულების“ ხელმოწერით, მისი გაფორმების თარიღიდან ნებას რთავს “კომპანიას” შეუზღუდავად და ყოველგვარი შეფერხების გარეშე, ნებისმიერ დროს შევიდეს „მიწის ნაკვეთებზე“, აწარმოოს მათზე ნებისმიერი მოსამზადებელი და წინასამშენებლო სამუშაოები, რომელიც მოიცავს, თუმცა არ შემოიფარგლება გეოლოგიური სამუშაოებით, „მიწის ნაკვეთებზე“ ტექნიკის მობილიზებით, დროებითი ან/და მუდმივი ნაგებობების მშენებლობა/განთავსებით, ასევე არსებული შენობა/ნაგებობების დემონტაჟი და ნებისმიერი და ყველა სხვა მსგავსი სამუშაოს წარმოებით რაც აუცილებელია „პროექტის“ მიზნებისათვის.</p>	<p>2. On the basis of this Agreement from the date of its execution, the Local Residents entitle the Company to access the Land Plots without any limitation and to carry out any preparatory and construction works, which includes, but is not limited to the geological works, mobilization of equipment, construction of temporary and/or permanent structures, also demolition of existing buildings/constructions and any and all other similar works required for the purposes of the Project.</p>
<p>3. winamdebare `xelSekrulebis~ gaformebisa და „კომპენსაციის“ მიღების Semdeg, “adgilobriv mosaxleobas” ar eqneba araviTari pretenzia</p>	<p>3. Upon execution of this Agreement and receiving Compensation, the Local</p>

<p> `kompaniis~, misi aqcionerebis, Tanamdebobis pirebis, direktorebis, an misi romelime kontraqtoris, qve-kontraqtoris, TanamSromlis, agentis, Svilobili an afilirebuli kompaniis (SemdgomSi erToblivad moxseniebuli, rogorc `gaTavisuflebuli pirebi~) mimarT, `miwis nakveTebTan~ da masze ganTavsebul Senoba- nagebobebTan da/an `kompensaciasTan~ dakavSirebiT, da isini Sesabamisad Seuqcevadad da upirobod uars acxadeben pretenziis gacxadebis uflebaze `gaTavisuflebuli pirebis~ mimarT, dakavSirebuls `miwis nakveTebTan~ da masze ganTavsebul Senoba-nagebobebTan, `kompensaciasTan~, an nebismier garemoebebTan dakavSirebiT, rac moicavs, magram ar Semoifargleba nebismieri pretenziiT axlad aRmoCenili garemoebebidan gamomdinare. Sesabamisad, “adgilobrivi mosaxleoba” sablood da Seuqcevadad aTavisuflebs `gaTavisuflebul pirebs~ nebismieri saxis procesis, pretenziis, samarTalwarmoebis, moTxovnis, valdebulebis, Tanxobrivi moTxovnis, aRsrulebis, pretenziis wayenebis, dayadaRebis da dapaTimrebis moTxovnisa Tu nebismieri sxva valdebulebebisagan, rac “mosaxleobas” da/an masTan dakavSirebul pirebs an mis uflebamonacvleebs an samarTalmemkvidreebs wauyenebiaT, SeeZloT waeyenebinaT an SeuZliaT wamoayenon `gaTavisuflebuli pirebis~ winaaRmdeg. </p>	<p> Residents shall have no claims whatsoever against the Company, its shareholders, officers, directors, or any of its contractors, sub-contractors, employees, agents, subsidiaries and affiliates (hereinafter, the “Released Parties”) in connection with the Land Plots and buildings/constructions fixed to it and/or the Compensation, and they hereby irrevocably and unconditionally waive any right to claim against the Released Parties with respect to the Land Plots and buildings/constructions fixed to it, the Compensation, or any matter whatsoever, including without limitation any claims on the basis of newly discovered circumstances. Accordingly, the Local Residents hereby irrevocably and finally release the Released Parties from any proceedings, claims, demands, obligations, monetary claims, executions, complaints, claims for lien or arrest and any other obligations that the Local Residents”and/or his/her related parties, their assignees or legal successors have filed, could have filed or may file against the Released Parties. </p>
<p> 4. “adgilobrivi mosaxleoba” upirobod da Seuqcevadad acxadebs da garantias iZleva, rom amJamindeli faqtiuri mdgomareoba `miwis nakveTebze` aris sruliad damakmayofilebeli da misaRebi `proeqtis~ ganxorcielebis miznebisatvis. </p>	<p> 4. The Local Residents hereby irrevocably and unconditionally represent and warrant that the current factual situation on the Land Plots is entirely acceptable and satisfactory for the purposes of implementation of the Project. </p>

<p>5. winamdebare `xelSekrulebis~ საფუძველზე, „კომპენსაციის“ მიღების სანაცვლოდ “adgilobrivi mosaxleoba” uars ambobs da kargavs ნებისმიერ და ყველა უფლებას „მიწის ნაკვეთებზე“ da masze ganTavsebul Senoba-nagebobebზე (ასეთის არსებობის შემთხვევაში) მათ შორის და არა მხოლოდ, sakuTrebis an sargeblobis raime formiT uflebis aRiarebis moTxovnis uflebas.</p>	<p>5. On the basis of this Agreement, in exchange for the Compensation the Local Residents hereby waive any and all their right to claim from the Company in connection with the Land Plots and buildings/constructions fixed to it (if any), including but not limited to the claims on recognition of legal title or any form of right to use the Land Plots.</p>
<p>6. “adgilobrivi mosaxleobam” gaforma winamdebare `xelSekruleba~ Tavisuflad da sakuTari nebiT, yovelgvari iZulebisa Tu Zaldatebis gareSe. amasTan, “adgilobrivi mosaxleoba” srulad gaecno, waikiTxa, gaacnobiera da daeTanxma winamdebare `xelSekrulebas~ da mis pirobebs. garda amisa, “adgilobrivi mosaxleoba” acxadebs, rom gaecno da yovelgvari daTqmebis gareSe eTanxmeba `kompensaciis~ odenobas.</p>	<p>6. the Local Residents have entered into this Agreement freely and willingly, without any duress or coercion. In addition, the Local Residents have fully become familiar with, have read, understood and agreed with this Agreement and its terms. In addition, the Local Residents represent that they are aware of and unconditionally agree with the amount of the Compensation.</p>
<p>7. “adgilobrivi mosaxleoba” acxadebs da iZleva garantias, rom ar arseboben mesame pirebi, romlebmაც SeiZleba waradginon raime saxis pretenzia `miwis nakveTebTan~ da masze ganTavsebul Senoba-nagebobebTan dakavSirebiT. amgvar mesame pirebSi sxvaTa garda moiazreba “adgilobrivi mosaxleobის” naTesavebi da ojaxis wevrebi.</p>	<p>7. The Local Residents represent and warrant that there are no third parties, which third parties shall be deemed to include without limitation any relatives and family members of the Local Residents, which may assert any claim of any nature in connection with the Land Plots and buildings/constructions fixed to it.</p>
<p>8. `kompensaciis~ gadaxda moxdeba [●] sabanko angariSze gadaricxvis gziT, romelsac `kompanias~ miawvdis [●]. Seuqcevadi gadaxdis orderi, romelsac gascems `kompania~ misi bankisadmi CaiTvleba `kompensaciis~ Tanxis gadaricxvis dasturad, xolo aseTi gadaricxvis TariRi CaiTvleba `kompensaciis~ Tanxis „ადგილობრივი მოსახლეობის“ მიერ მიღების TariRad.</p>	<p>8. Payment of the Compensation shall be made by way of wire transfer to the designated bank account of [●] notified by [●] to the Company. An irrevocable wire transfer order issued by the Company to its bank shall be deemed to be a proof for</p>

<p>წინამდებარე შეთანხმების საფუძველზე [●] იღებს ვალდებულებას „მოსახლეობას“ შორის გაანაწილოს „კომპენსაცია“ მათ შორის შეთანხმებული ოდენობით. [●] მიერ წინამდებარე ხელშეკრულების ფარგლებში და მის შესაბამისად „კომპენსაციის“ მიღების შემდგომ „კომპანიის“ მიერ „ადგილობრივი მოსახლეობისათვის“ „კომპენსაციის“ გადახდის ვალდებულება ჩაითვლება შესრულებულად და „მხარეები“ თანხმდებიან, რომ „ადგილობრივ მოსახლეობას“ შორის „კომპენსაციის“ განაწილებასთან დაკავშირებული დავის შემთხვევაში „კომპანია“ თავისუფალი იქნება ყოველგვარი ვალდებულებისა და პასუხისმგებლობისაგან.</p>	<p>transfer of the Compensation, and the date of such transfer shall be deemed to be the date of receipt of the Compensation by the Local Residents. On the basis of this Agreement, [●] undertakes to distribute "Compensation" to the Local Residents in the amount agreed between them. Upon receipt of the Compensation by [●] in the frame of and in accordance with this Agreement the Company's obligation regarding payment of the Compensation to the Local Residents shall be considered fulfilled and the Parties hereby agree, that in case of any dispute between the Local residents with regards to distribution of the Compensation the Company shall be free from any and all obligations and liabilities.</p>
<p>შენიშვნა: ეს პუნქტი ხელშეკრულებაში აისახება იმ შემთხვევაში თუკი დაკარგულ იქნა ხელმისაწვდომობას სახოვრებზე. და ასევე იმ შემთხვევაში თუკი ადგილობრივ მოსახლეობას ექნება სურვილი მიიღოს კომპენსაცია სასოფლო სამეურნეო საკვების სახით:</p> <p>გარდა კომპენსაციისა, ადგილობრივმა მოსახლეობამ უნდა მიიღოს გარდამავალი/ტრანზიციული კომპენსაცია სასოფლო სამეურნეო საკვების სახით, 7 (შვიდი) კალენდარული წლის განმავლობაში წინამდებარე შეთანხმების ხელმოწერის თარიღდან.</p>	<p>[Note: This clause shall be reflected in the agreement in case of loss of access to pasture and if the Local Residents wish to receive fodder in-kind:</p> <p>“In addition to the Compensation the Local Residents shall receive a transitional fodder supply on a free of charge basis during 7 (seven) calendar years from the date of this Agreement in the amount of [●].</p>
<p>შენიშვნა: ეს პუნქტი ხელშეკრულებაში აისახება იმ შემთხვევაში თუკი დაკარგულ იქნა ხელმისაწვდომობა სახოვრებზე. და ასევე იმ შემთხვევაში თუკი ადგილობრივ მოსახლეობას ექნება სურვილი მიიღოს ფულადი კომპენსაცია ისეთი დანაკარგებისათვის როგორიც არის:</p>	<p>[Note: This clause shall be reflected in the agreement in case of loss of access to pasture and if the Local Residents wish to receive cash compensation for such loss:</p>

<p>კომპენსაციის გარდა, ადგილობრივმა მოსახლეობამ უნდა მიიღოს [●] ლარი, წლიური კომპენსაციის სახით, საძოვრებზე ხელმისაწვდომობის დაკარგვის სანაცვლოდ. (შემდეგში მოხსენიებული როგორც, კომპენსაცია სასოფლო სამეურნეო საკვებზე) კომპენსაცია გადაიხდება წინამდებარე შეთანხმების დღიდან 7 (შვიდი) კალენდარული წლის განმავლობაში [●] არა უგვიანეს კალენდარული წლის შესაბამისი ბოლო თვისა.</p>	<p>“In addition to the Compensation the Local Residents shall receive [●] GEL as annual compensation for loss of access to pasture (hereinafter the “Fodder Compensation”). The Fodder Compensation shall be payable during 7 (seven) calendar years from the date of this Agreement by transfer to the bank account of [●] not later than within [●] calendar month from the end of respective year.</p>
<p>ადგილობრივი მოსახლეობა უზრუნველყოფილი იქნება შემდეგი დახმარებით: (i) თხილისა და ნიგვზის წარმოება და მიწოდება;</p>	<p>The Local Residents will be provided with assistance to develop: (i) nuts and hazelnuts production and supply;</p>
<p>13. “adgilobriv i mosaxleoba” winamdebariT upirobod da Seuqcevadad iRebs valdebulebas daicvas winamdebare `xelSekrulebis~ yvela piroba, iseve rogorc misi gaformebis faqti, mkacrad konfidencialurad. konfidencialobis Sesaxeb am puntis moTxovnebis darRveva CaiTvleba winamdebare `xelSekrulebis~ mniSvnelovan darRvevad.</p>	<p>13. The Local Residents hereby unconditionally and irrevocably undertake to keep any and all terms and conditions of this Agreement as well as the fact of its execution strictly confidential. Breach of this confidentiality clause shall constitute material breach of this Agreement.</p>
<p>14. am `xelSekrulebasTan~ dakavSirebul an misgan gamomdinare nebismier dasas `mxareebi~ gadawyveten urTierTSeTanxmebis gziT. SeTanxmebis miuRwevlobis SemTxvevaSi dasas gadawyvets saqarTvelos saerTo sasamarTloebi saqarTvelos kanonmdებlobis Sesabamisad.</p>	<p>14. Any and all disputes arising out of or in connection with this Agreement shall be resolved by the Parties on the basis of mutual agreement. In case of failure to achieve agreement, the disputes shall be resolved by the common courts of Georgia in accordance with the laws of Georgia.</p>
<p>15. `xelSekrulebaSi~ nebismier clileba-damateba SeiZleba Sevides mxolod `mxareTa~ werilobiTi SeTanxmebiT.</p>	<p>15. Any and all changes to this Agreement may be made only on the basis of written agreement of the Parties.</p>
<p>16. `xelSekruleba~ srulad gamoxatavs `mxareTa~ nebas, igi Sedgenilia qarTul da inglisur, 2 (ორი) Tanabari iuridiuli Zalis mqone egzempliarad. qarTul</p>	<p>16. The Agreement fully reflects the will of the Parties, it is compiled in Georgian</p>

<p>da inglisur teqstebs Soris winaaRmdegobis SemTxvevaSi upiratesoba mieniWebi inglisur teqsts.</p>	<p>and English languages in 2 (two) counterparts having the same legal force. In case of discrepancies between Georgian and English text, English version shall prevail.</p>
<p>17. winamdebare, `xelSekruleba~ ZalaSi Sedis `mxareTa~ mier xelmoweris dRidan.</p>	<p>17. This Agreement enters into force from the date of its execution by the Parties.</p>
<p><i>mxareTa xelmowerebi:</i></p>	<p>Signatures of the Parties:</p>
<p><i>„კომპანია“/the Company</i></p>	
<hr/> <p>ტაეკუონ სეო/Taekwon Seo აღმასრულებელი დირექტორის მოადგილე/Vice Chief Executive Officer</p>	<p>[•]</p> <hr/> <p>[•]</p> <hr/>



Industry



Infrastructure



Mining & Minerals



Oil & Gas



Planning & Development



Renewable & Low Carbon



Waste Management