Resettlement Policy Framework for the Turkey Geothermal Development Project Additional Financing

DEVELOPMENT AND INVESTMENT BANK OF TURKEY

Draft
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1. Project Description & Background

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

The proposed AF will add resources only to Component 2 of the Parent Project and add a Technical Assistance sub-component. The AF will recapitalize the existing credit lines under Component 2, which aims to address the financing gap that license holders face in the resource development stages of geothermal projects, by providing debt financing to encourage and support both license holders and financiers investing in (a) the capacity/production drilling stage and (b) the steam gathering and power plant and/or direct use facilities construction stage. It will also provide grants to developers of direct-use projects for flexibility studies. The two sub-components are described below.

- Subcomponent 2.1. Loan Facility for Resource Development. This sub-component will recapitalize the two credit lines with the FIs. The FIs will on lend at market rates but offer longer maturity than available in the market to geothermal developers at the capacity drilling and constructions stages.

- Sub-component 2.2. Technical assistance for direct-use applications (grant from the Energy Sector Management Assistance Program (ESMAP)). To encourage direct use developers to demonstrate the technical and/or financial viability of their projects, this grant will support preparation of pre-feasibility reports, business plans, market analysis and feasibility reports.

This Resettlement Policy Framework (RPF) concerns the additional loan project and is applicable to the Financial Intermediary (FI) that will be the PIU for this component, Türkiye Kalkınma ve Yatırım Bankası (TKYB) A.Ş.

TKYB is responsible for due diligence to ensure that investments are sound and that borrowers comply with legal and financial requirements, including World Bank safeguards, particularly Operational Policy 4.12 (OP), Involuntary Resettlement. The OP aims to mitigate the impact on third parties who are affected by resettlement, the acquisition of private land for public use, and the loss of private assets due to investments funded by the Bank. In its assessments to identify the social impacts of the subprojects, TKYB will show best effort to benefit from the new Environmental and Social Framework of the World Bank although the additional financing will be subject to the formal operational policies.

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

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

2. LESSONS LEARNED

- Participatory and timely engagement during the ‘negotiation process’ for land acquisition is an effective way of securing land acquisition results in minimal impact to land-based livelihoods while minimizing issues with local communities. Majority of the sub-borrowers in the parent project have chosen to negotiate with the landowners as they acknowledge the long-term relationship they will have with local communities and PAPs. Efforts have been made to propose above market compensation fees (even above the Bank required replacement cost) for the lands and other assets lost to the sub-projects. Owners of such assets have expressed satisfaction towards efforts made to restore losses. Though majority of the land requirements for geothermal investments (well locations, pipeline routes and even for power plant location) emerge after the drilling phase, it is also important to closely manage and monitor the land requirements during the drilling of exploration wells. TKYB’s review and screening process assesses the approach of the investor during this period, including how negotiations took place and if there was a system in place to collect any grievances on land use requirements of exploration wells. The process includes interviews with local people and village headman, investigation of the amount/percentage of lands acquired, the utilization of lands prior to acquisition or rental agreement, compensation of rental fee paid per m² and etc. For land acquisition processes that took place prior to TKYB’s involvement, though there may be difficulties in gathering data or contacting landowners, a detailed ex-post study is put into practice to define land-based impacts that may have occurred in previous actions.

- Previously financed sub projects have established a project GRM in line with the project’s Stakeholder Engagement Plans in order to collect grievances of PAPs in particular and other stakeholders. Sub borrowers have been encouraged to have designated communications officers on site to enhance and maintain continuous dialogue with local community. While the GRMs employ various tools to collect grievances it has been observed in majority of the sub projects that written communication is not preferred that much in Turkish culture. The local people in sub-projects prefer to transmit their suggestions or complaints verbally since people think it is time-consuming as the feedback would not be immediate. Thus, grievance forms or grievance boxes installed have not been used as anticipated. Having a community liaison officer or a public relations staff on board has been preferred in many of the sub projects financed up to date. Still, TKYB and sponsors show utmost effort to create awareness on other means of communication and encourage written communication via announcements, grievance boxes, forms, dedicated
staff etc. TKYB requires that, all grievances received (including ones verbally communicated) by the sponsors are all recorded in a grievance log for proper and timely monitoring.

- Employment opportunities created by previously financed sub projects have targeted recruiting people from relevant skill sets; majority being among unskilled work forced required on the project. No gender discrimination was made however required skill sets were held among male population whereas women employed from local communities where assigned to either housekeeping or clerical positions, very few for technical and skilled work force. Investors are encouraged to make vacancies available primarily to local communities and then to nationwide expertise.

- All sub projects financed by TKYB have shown efforts to include corporate social responsibility (CSR) projects within their investments. Project sponsors are generally receptive to community needs that would benefit a certain vulnerable group (children, farmers, people with limited access to certain services etc.) and provide support in areas that create a value added in local development. Though these activities may mostly have target groups there are also activities that are designed for the entire community. Such projects consider inclusion of women however it is not always possible to encourage women (villagers) to participate and voice their needs. Thus, to the extent possible, such obstacles are overcome with robust stakeholder engagement strategies. Focus groups meetings and discussion held for particular groups have proven to succeed in involving vulnerable groups including women of rural communities. Hence, targeted and repetitive consultation with such groups are key for inclusion.

3. **Principles & Objectives**

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

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

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

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

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

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

Additional finance loan will cover permanent or temporary physical and economic displacement resulting from the following types of land acquisition or restrictions on land use undertaken or imposed in connection with project implementation:

- (a) Land rights or land use rights acquired or restricted through expropriation or other compulsory procedures in accordance with national law;
- (b) Land rights or land use rights acquired or restricted through negotiated settlements with property owners or those with legal rights to the land, if failure to reach settlement would have resulted in expropriation or other compulsory procedures;
- (c) Restrictions on land use and access to natural resources that cause a community or groups within a community to lose access to resource usage where they have traditional or customary tenure, or recognizable usage rights. This may include situations where legally designated protected areas, forests, biodiversity areas, or buffer zones are established in connection with the project
- (d) Relocation of people without formal, traditional, or recognizable usage rights, who are occupying or utilizing land prior to a project-specific cut-off date;
- (e) Displacement of people as a result of project impacts that render their land unusable or inaccessible;
- (f) Restriction on access to land or use of other resources including communal property and natural resources such as marine and aquatic resources, timber and non-timber forest products, fresh water, medicinal plants, hunting and gathering grounds, and grazing and cropping areas;
- (g) Land rights or claims to land or resources relinquished by individuals or communities without full payment of compensation;
- (h) Land acquisition or land use restrictions occurring prior to the project, but which were undertaken or initiated in anticipation of, or in preparation for, the project.

4. Process for Preparing and Approving Resettlement Plans

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

The Environmental and Social Policy, including the Environmental and Social Exclusion List, applicable to all TKYB operations and financial services, approved by TKYB Board of Directors on January 17th, 2020

This RPF, which is prepared by TKYB in accordance with the Bank’s safeguards policy on OP 4.12, serves as a set of procedures for mitigating resettlement risks and impacts, under the ESMS of TKYB. Besides the application of all necessary requirements within the WB OP 4.12, TKYB ESMS contains all necessary elements as required by respective WB ESF ESSs, and thus, can be used for the assessment and management of environmental and social risks of sub-projects. The ESMS provides screening of all sub-project applications and assigning risk ratings; identification and preparation of appropriate site-specific environmental and social assessment (ESA) instruments, such as ESMP, to address site-specific impacts as well as impacts of associated facilities (if any). Site-specific ESAs will duly incorporate and comply with the provisions of national legislation, World Bank Group Environmental Health and Safety General and Industry Specific Guidelines (EHSG) and Good International Industry Practices (GIIP) as well as relevant sectoral guidelines will be used. Required actions including social risks management and resettlement issues will be handled via TKYB PIU with the support of third-party consultants.

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

Required Information for the Acquisition of Private Land

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

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

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

Required Information for the Acquisition of Public Land

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

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

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

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

When land acquisition or restrictions on land use (whether permanent or temporary) cannot be
avoided, the Borrower will offer affected persons compensation at replacement cost, and other
assistance as may be necessary to help them improve or at least restore their standards of living
or livelihoods in line with World Bank operational policies.
Livelihood restoration strategy aims to provide PAPs with assistance in their efforts to restore the livelihoods of PAPs who were impacted by permanent land acquisition.

Should a Livelihoods Restoration Plan be deemed necessary, the goal of this will be to achieve an equitable and sustainable outcome for the people and communities transferring or surrendering their ownership or use of land and livelihood assets in order for the geothermal development to proceed. This includes ensuring directly affected communities by the development activities are involved in the planning and have opportunities to participate in devising and implementing livelihoods impact mitigations and enhancements.

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

TKYB has the responsibility to ensure that the project implementation is fully consistent with the RAP and also to provide for adequate monitoring and reporting of the activities set out in the RAP. As part of RAP implementation, TKYB will provide a summary report of land acquisition activities, starting from the day land acquisition activities are initiated, to the World Bank every six months, to be included in the overall project progress report, indicating the number and ownership of parcels affected and their current status, the progress of negotiations and appeals, and the price offered and finally paid (reported as number of square meters of the original whole plot and the size of the specific area acquired, and amount per square meter). At the end of the project and as part of project completion report, TKYB will provide the Bank with RAP completion report.

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

Geothermal licensed areas are mostly at the scale to provide a potential up to 100 MW or higher installed electricity generation capacity. License holders with the objective of utilizing the whole potential of the reserve area, develop projects in several steps with a need for new land acquisitions at each step. Even the acquisitions are carried out with mutual agreements between buyers and sellers on a willing basis, with higher prices than would be in selling to locals, agricultural lands can be used for power plant installation or well drilling purposes. This is due to nature of Aydın and Gediz grabens, being agricultural areas as well as being high potential geothermal reserves. Good practices are needed to increase the benefits of locals and to remove their concerns. Care has been given to provide finance to such investments, this care will continue in Additional Financing to allocate loan to well managed projects who are in good relations with stakeholders, providing benefits to locals by means of new job creation, heating the residential areas or greenhouses, by corporate social responsibility or specifically developed
projects. Some elements of projects developed by the investors for providing facilities to communities or minimizing adverse impacts in scope of the main projects could be evaluated for financing out of the loan source.

5. **ANTICIPATED IMPACTS AND AFFECTED PERSONS**

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

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

6. **CUT-OFF DATE & ELIGIBILITY CRITERIA FOR AFFECTED PERSONS**

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

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

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

Turkish Expropriation Law No: 2942 includes the announcement date of public benefit decision as well as the full asset inventory which is regarded as cut off dates regarding application and eligibility to entitlement. Article 25 of the law stipulates that, for the large-scale projects where land acquisition takes more than one year, “public benefit decision” is announced for 15 days in the office of village head where the immovable to be expropriated are located. Following the end of this notification date costs of structures constructed after that date and the trees planted
are not taken into account. However, in practice, there may be a long time (usually 1-2 or sometimes 3 years) between the announcement of the public benefit decision and the asset inventory in some cases. Therefore, the cut-off date is generally considered by Turkish authorities as the date when asset inventory is made. As specified in the previous paragraph, cut-off date for this Project will be also considered as the last day during which the census/inventory of assets is completed. On the other hand, Turkey is moving into the digital cadastre system countrywide. Also, population registry system depends on the current addresses of persons. So, fraudulent claims and population influx are prevented through this system. Further to that, the provincial governorships hinder those claims upon the application of project sponsor.

**PROOF OF ELIGIBILITY**

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

- Project affected persons with formal legal rights, documented in the form of land title registration certificates, leasehold indentures, tenancy agreements, rent receipts, building and planning permits, business operating licenses, and utility bills among others: unprocessed/unregistered formal legal documents will be established in the RAP.

-Project affected persons with no formal or recognized legal rights—criteria for establishing non-formal, undocumented or unrecognized claims to eligibility shall be established through paying particular attention to each situation and its peculiarities.

-Alternative means of proof of eligibility will include: Affidavit signed by landowners and tenants; witnessing or evidence by recognized administrative authority.

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

**ENTITLEMENT POLICY**

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

1. **Project Affected Persons Losing Land or Structures (or losing access to those assets) and/or having to physically relocate due to loss of livelihood, or losing access to income sources or means of livelihood:** Generally, all project affected persons with legal rights of land use. There will be compensation for land, structures and economic assets on land at full replacement value. Resettlement assistance in line with the World Bank policy requirements will be provided for them.

2. **Project Affected Persons with loss of crops or economic trees:** It is assumed that affected persons would be able to harvest any crops planted prior to the confiscation date. If land must be taken before crops are harvested, compensation will be paid for the estimated crop value. Full compensation will be paid for the replacement value of the economic tree, based on cumulative value (calculated on specifically determined balance sheet by
taking into bare land value) of the fruit crop for its productive life.

3. **Project Affected Persons losing rental land**: Renters will be assisted to find alternative land to rent. Transitional assistance may be necessary to ensure that renter livelihoods are not affected.

4. **Project Affected People who are illegal Users**: Those who have no recognizable legal rights or claim to the land they are occupying. There will be no land compensation, but the structures and other assets (trees) on land will be compensated based on replacement value. Those using land unofficially for agricultural or grazing purposes will be assisted to find alternative areas available for use.

5. **Project Affected Persons without any immovable property, losing their livelihoods due to land acquisition**: Those are also entitled to Government Assisted Resettlement upon their request, if they are determined as eligible by the local resettlement commission.

6. **Turkish Legal Framework for Land Acquisition, Resettlement & Gap Analysis**

**Overall Turkish Legal Framework**

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

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

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

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

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

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

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

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

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

Non-agreement: If an agreement is not reached during negotiations, a memorandum of non-agreement is signed by two sides and the agency/sponsor responsible for land acquisition applies to the Civil Court of First Instance with needed documents. The court assigns a day for a trial within 30 days following this application and calls the parties (agency and property owner) for conciliation on a value on the trial day. If the parties cannot reach an agreement upon a value at this first hearing, the judge assigns a date for land survey by a commission, which consists of independent experts, within 15 days, and a new trial date within 30 days. The evaluation process of the immovable property is undertaken by this independent expert commission with the participation of all parties and the village headman. Following the field visit regarding land survey, the expert commission submits its report to the court within 15 days. The report explicitly states the determined value for the property. Then, the court sends this report to both parties. If the parties cannot reach an agreement on this value at the trial again, the judge can assign a new expert commission to finalize the same procedure within 15 days and determines the expropriation value at the next trial day. The Court takes the final decision about the compensation of immovable property in question and alienation/registration of the
land in the name of government. Then, both sides still have the right to appeal to the “Supreme Court” about the valuation. Finally, the property ownership transfer (alienation) and payment of expropriation compensation are completed within 15 days in line with the decision of the court.

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

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

In case of owner cannot be determined, Article10 of the Law reads that the needed measures shall be taken by the court for the aim of providing interest for the amount of expropriation compensation through depositing the amount into a time deposit account with a term of 3 months. In addition, if a land is partially expropriated and in case of the remaining part is not usable, this part shall also be expropriated upon the request of the owner within 30 days following receiving expropriation decision (article 12 of Expropriation Law).

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

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

According to the decision of 5th Civil/Legal Department of Supreme Court/High Court of Appeal in 2008 (No: E 2008/1494, K 2008/3602) the amount of compensation determined according to the article 27 of Expropriation Law is not the final amount of compensation. If a land owner disagrees with the organization responsible for land acquisition on the compensation amount he can refuse to alienate his land. In this case, the Responsible organization has to take the matter to the court according to article 10 of the Expropriation Law. Under those
circumstances the responsible organization has to invite all owners regardless they agreed and disagreed with the initial compensation to finalize the expropriation process.

**Turkish Legal Framework for Resettlement**

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

“ARTICLE 3 – (1)

a) **Agricultural resettlement:** Agricultural resettlement is implemented through providing a family with the following; agricultural land at the amount of envisaged in special resettlement project prepared by Ministry of Environment and Urban Planning (MEUP), house, management building, animal, agricultural devices and tools, workbench and credits one or more.

b) **Non-agricultural resettlement:** This type of resettlement is implemented through providing a family with the following; building plot at the amount provisioned in special resettlement project, house, devices, tools, workbench and loans one or more.

c) **Physical settlement:** This type of resettlement is implemented through providing construction credit support to a family within the amount of loan determined by the Ministry (MEUP) for the aim of re-building (moving) of villages because of unsuitability of a village centers or consolidating of villages because of dispersed settlement or villages which are fragmented as a result of disasters; after selling land (house plot) from village development areas to people in need.”

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

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

a) The families who have to leave their locations/places as a result of partial or full expropriation of their immovable properties,

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

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

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

(4) Among the families included in the scope of this article, and requested to be resettled by the Government;
- The families who do not apply within the ninety day following the ending date of the announcement of resettlement\(^1\), and
- the families who do not commit to deposit the amount determined by the Ministry (MEUP) from their expropriation compensation they received or will receive, or their full expropriation compensation and additional increase awarded by court in the case that the amount of expropriation compensation is lower than the amount (determined by the Ministry) into the account of the Central Account Unit of the Ministry, shall not be resettled. “

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

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

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

b) For craftsmen, artisans and tradesmen: work place and its’ building plot and operation credit to enable them providing for their livelihood,

c) For farmers, land, necessary agricultural inputs, agricultural structures or plot of structure, and in kind and in cash operation and equipment credits as envisaged in agricultural resettlement project (specific),

d) In case of the request of the right holder families (entitled to resettlement), resettlement credits can be given to the families collectively or individually, if the house, work place and agricultural land are found by themselves and their suggestions are approved by MEUP.”

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\(^1\) When the duration of 30 days for notification has been taken into account, the total application time corresponds to 120 days.
Other assistances can be summarized as follows; “Transportation (moving) of those entitled families to the resettlement areas (sites) shall be provided free of charge by the government according to the “Transportation (moving) Project” to be prepared (specifically) by the Ministry,”

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

Physical Settlement (Article 3.1.c)  
According to the Resettlement Law the settlement of families within the boundaries of the same village is possible through providing a plot and a loan for the construction of a new house. This is generally implemented in the villages fragmented by development projects such as dams. So, residential area of the village is partially affected. Eligibility criteria for this option are different from the criteria of “agricultural” and “non-agricultural” full resettlement options aforementioned (mentioned in the Article 3.1.a and 3.1.b of the Law). Family should have been living there at least for one year. This activity does not include income restoration. For this reason, if income restoration is needed, related governorship requests supports of other provincial agencies such as provincial directorate of Food, Agriculture and Livestock (and other related agencies) for providing priorities to canalize the government-support programs to resettlement site.
<table>
<thead>
<tr>
<th>Category of Family (Livelihood loss)</th>
<th>Entitlements</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family loosing livelihood due to project expropriations (house and land, land, house)</td>
<td>Agricultural Resettlement</td>
<td>Non Agricultural Resettlement</td>
</tr>
<tr>
<td>Family without any immovable property but losing livelihood due to expropriations</td>
<td>Agricultural Resettlement</td>
<td>Non Agricultural Resettlement</td>
</tr>
<tr>
<td>Family losing only house (residential)</td>
<td></td>
<td>Physical Settlement</td>
</tr>
</tbody>
</table>

When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods. Livelihood restoration plan will play crucial role to mitigate loss of income.

**Turkish Legal Framework for Geothermal Projects**

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

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

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

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

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

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

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

**GAP Analysis**

<table>
<thead>
<tr>
<th>GAP</th>
<th>Turkish Legal Framework</th>
<th>World Bank Policy Requirements</th>
<th>Measures to bridge the GAPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Information during urgent expropriation.</td>
<td>Article 27 of Expropriation Law permits urgent expropriation without informing right holders,</td>
<td>WB policy documents necessitate public information/consultation and participation regarding all activities of land acquisition and resettlement</td>
<td>If urgent expropriation is unavoidable, public information and consultation meetings will be added this process. Awareness of affected persons about their rights against expropriation procedure will be insured.</td>
</tr>
<tr>
<td>Replacement Cost Land</td>
<td>Valuation of agricultural lands depends on capitalization of annual net income which is calculated by taking into account the market prices.</td>
<td>Full replacement cost will be applied</td>
<td>As the capitalization takes into account the value of equal productive potential (such as: distance to location centers and access roads, irrigation status and easiness of irrigation, health conditions, shape and size of the land, pieces composition of the land, cadastre, location/position of the land) during valuation, and complementary parts on the land are separately valued and added on the land value, there is no gap at this point, but the cost of any registration and transfer taxes regarding new land will be added to reach full replacement cost.</td>
</tr>
<tr>
<td>Replacement cost House plots</td>
<td>Market value</td>
<td>Full replacement cost</td>
<td>Interaction cost regarding any registration and transfer taxes regarding new plot will be added to reach full replacement cost.</td>
</tr>
<tr>
<td>Replacement cost Buildings/structure</td>
<td>Construction cost approach is used and depreciation (for wear and tear) of the building/structure is deducted. Valuation methodology is the same</td>
<td><strong>Full replacement cost</strong>&lt;br&gt;OP 4.12, Annex A, Involuntary Resettlement Sourcebook.&lt;br&gt;(Compensation is evaluated in net terms, and should allow the</td>
<td>Depreciation will not be deducted&lt;br&gt;Since the Expropriation Law entails deduction of depreciation, replacement cost will be sought to secure</td>
</tr>
<tr>
<td>GAP</td>
<td>Turkish Legal Framework</td>
<td>World Bank Policy Requirements</td>
<td>Measures to bridge the GAPs</td>
</tr>
<tr>
<td>-------------------------------------------------------------------</td>
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</tr>
<tr>
<td>both in rural and urban area.</td>
<td>affected person to obtain replacement assets of equivalent value. In areas with functioning secondary markets, this does not imply compensation at the cost of new structures. Depreciation is not appropriate if it would result in under-compensation. In these cases, some combination of supplemental devices can be used to reach replacement value. Salvage material should be left the owner.</td>
<td>replacement assets of equivalent value. Within the content of the RAP, a project specific mechanism will include supplemental devices that are mentioned in WB documents. Salvage material will be left the owner without charge.</td>
<td></td>
</tr>
<tr>
<td>Entitlement to Expropriation Compensation</td>
<td>Renters of houses and/or work places, tenant users of the land, legal/illegal users of forest areas and merchants without immovable property are not entitled to expropriation compensation.</td>
<td>They should be compensated for immovable assets, in addition assisted in their efforts to restore (if possible improve) their livelihoods. In this respect, OP 4.12 states that lack of full legal title should not be a barrier to assistance.</td>
<td>Assistance by the RAP will be provided for them. It is essential that all persons adversely affected are identified, and that resettlement plans will provide a context-specific description of relevant issues relating to compensation and, if relevant, livelihoods restoration measures. For these assistances, project specific mechanisms e.g., alternative forms of assistance will also be provided.</td>
</tr>
<tr>
<td>Entitlement to Expropriation compensation</td>
<td>Persons building structures or planting trees on the land titled in the name of other persons or ownerless, and/or has not been acquired by its customary owner are entitled to receive expropriation compensation as the minimum material value and valuated value of trees.</td>
<td>Full replacement cost</td>
<td>Difference will be paid by project to reach full replacement cost.</td>
</tr>
<tr>
<td>Pasture land Compensation</td>
<td>Displaced persons benefiting from public properties area are not being compensated since the compensation is paid by the organization (or sponsor) to the Ministry of Food Agriculture and Livestock</td>
<td>They should be provided assistance within the content of RAP.</td>
<td>Local resettlement plans will provide Project specific mechanisms for those persons. Such as providing alternative pasture land.</td>
</tr>
<tr>
<td>Resettlement planning</td>
<td>There is no statutory arrangement for preparation of a Resettlement Plan</td>
<td>World Bank policy requires preparation of RAP.</td>
<td>Preparation of a RAP by the Responsible body/or sponsor. This will be a full or abbreviated RAP depending on the number of people</td>
</tr>
<tr>
<td>GAP</td>
<td>Turkish Legal Framework</td>
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<td></td>
<td>covering all displaced persons and host families.</td>
<td>affected and whether physical relocation involved. If land is acquired before financial assistance is sought, ex-post (retroactively) reporting procedures will be carried out. Also, for the projects that entail additional and acquisition in the future, proactive study and reporting will be carried out.</td>
<td></td>
</tr>
<tr>
<td>Institutional Status, Capacity and Coordination, Training</td>
<td>A number of different private and government institutions legally deal with one segment (e.g. cadastre/land registry, drillings, operations, power generation, land acquisition and resettlement; activities of various ministries, local governorates and private bodies) of the land acquisition and involuntary resettlement processes, with a lack of co-ordination between all agencies involved.</td>
<td>World Bank Policy requests a coordinated organizational framework for resettlement implementation between all agencies involved.</td>
<td>Responsible organizations and sponsors will provide such co-ordination under Project Implementation Unit Technical assistance, in the form of training and on-the-job support will be provided.</td>
</tr>
<tr>
<td>Public information, consultation, participation</td>
<td>There are inadequate provisions regarding public information, consultation and participation in the Expropriation procedure while Resettlement procedure includes more activities on public information, consultation and participation.</td>
<td>PAPs, their communities, and any host communities are to be provided with timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement.</td>
<td>This will be done by the Responsible organization/sponsor</td>
</tr>
<tr>
<td>Moving Allowance</td>
<td>A “moving allowance“ is provided for the families who are entitled to government assisted resettlement</td>
<td>Assistances such as moving allowances should be provided for displaced persons during relocation</td>
<td>Assistance to cover actual costs will also be provided to self resettlers through a special RAP fund set up by the project sponsor.</td>
</tr>
<tr>
<td>Monitoring</td>
<td>There are no provisions for monitoring in the Turkish legal framework</td>
<td>Arrangements for monitoring, implementation of RAPs and an evaluation of its impacts should be developed in line with the World Bank policy requirements</td>
<td>Project specific monitoring and evaluation program will be established and included in RAP. Also, monitoring and grievance redress mechanism will include information on how grievances were addressed.</td>
</tr>
<tr>
<td>Grievance Redress Mechanism</td>
<td>The existing system does not match World Bank requirements</td>
<td>Appropriate and accessible grievance mechanisms are to be established.</td>
<td>Mechanism will be established by responsible organization/sponsor. Also the RAP will include a detailed GRM.</td>
</tr>
</tbody>
</table>
7. METHODS FOR VALUATION OF ASSETS

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

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

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

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

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

8. IMPLEMENTATION PROCESS

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

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

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

Special support and concern in resettlement process and during complete Project implementation under this RPF is provided for affected vulnerable groups according to their specific vulnerability. Also, inclusion of women, part of affected households, in all public consultation, specific mitigation measures gender tailored, and other measures with the goal to provide women the possibility to participate in mitigation measures provided for resettlement impact. Sponsors will conduct women-focused consultations, meetings in culturally appropriate places accessible to women. These consultations will be documented in subproject E&S documents, as well as in the E&S monitoring reports, which will also cover RAP monitoring. During the consultation process, women's views will be taken into account and women's interests will be included in the implementation phase of the resettlement process. When considering impacts on livelihoods, household level analysis may be required, as livelihoods of men and women are affected in different ways.

Women frequently suffer disproportionately when resettlement is badly planned or executed, as they are often a disproportionately large number of the poor; have more limited access to resources, opportunities, and public services than men; and as a result, rely more heavily on informal support networks within their existing communities. The resettlement planning process needs to consider the situation of women and to adapt the engagement process as necessary to ensure that women have a role in decision making. During the environmental and social risk studies; social risks and vulnerability related with the women will be identified by the independent consultants and relevant mitigation measures will be defined. When women are considered to be among vulnerable groups specific actions will be defined within the stakeholder engagement process to ensure their involvement and feedback including any grievances they may have. Grievances will be monitored continuously within the Grievance mechanism throughout project implementation.

Cumulative social impacts are significant to manage geothermal power plant development especially in Denizli, Manisa and Aydin districts. Since geothermal resources are generally located on agricultural production lands, land acquisition may cause economic livelihood loss. Changing the permanent status of agricultural lands to industrial land use in the long run may have a negative impact on livelihoods. On the other hand, 32% of the Aydın’s population consist of vulnerable groups such as elderly people, woman-led households. This ratio is 30% and 33% for Denizli and Manisa, respectively2. Since vulnerable groups may have limited opportunities to compensate for the loss of land and livelihood caused by GPP investments, they may be further affected economically. Grievance mechanism and ex-post social reviews generally indicate loss of income concerns in nearby communities of geothermal power plants due to air quality related environmental issues. Land acquisition process are generally applied via willing buyer – willing seller method in Turkey in geothermal power plant projects.

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

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

TKYB will forward the RAP along with all supporting documentation in appropriate format for sub-projects that trigger OP 4.12 to the World Bank for prior review and no objection. According to the OP 4.12, all RAPs will be disclosed in country, and submitted to the Bank for disclosure in the Bank’s Info shop. Further, TKYB will report semi-annually to the Bank on the land acquisition status of new and ongoing investments. For sub-projects where land acquisition may have already been initiated without the prior knowledge of TKYB or have been completed some time ago, TKYB will forward the ex-post social review documents assessing past land acquisition and social impact to the Bank for approval. All social audit documents for sub-projects that trigger OP 4.12 will be forwarded to the Bank for prior review and no objection. TKYB Environmental and Social Risk Manager and Specialists will be responsible for carrying out the tasks given below:

**Environmental and Social Risk Manager:**
- Represents Technical Manager(s) of the Sustainability and Environmental and Social Risk Management Department.
- Responsible for controlling the environmental and social risk management practices in the credit processes and communicating them to the Environmental and Social Management Representative.
- Responsible for the communication with sponsors/investors to develop, implement and monitor land acquisition plans and ensures their regular reporting to the TKYB on RAP implementation progress
- Responsible for timely monitoring and reporting (to the WB) activities related to the RAP implementation for each sub-project

**Environmental and Social Risk Specialist:**
- Represents the person responsible for monitoring and recording of the data required for the implementation of the final categorization of the environmental and social preliminary assessment carried out by the Technical Specialist working under the Sustainability and Environmental and Social Risk Management Department.
- Responsible person for the TKYB’s GRM submitting feedbacks to the WB
- Sustains regular communication and follow up activities with sponsors/investors to develop, implement and monitor land acquisition plans and ensures their regular reporting to the TKYB on RAP implementation progress

- Conducts regular monitoring activities and prepares semi-annual monitoring reports for the WB on activities related to the RAP implementation for each sub-project.

8.1. Implementation Process for Due Diligence of Past Land Acquisition

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

In addition, on the TKYB’s website there is an “Environmental Grievance Mechanism” tab where PAPs can submit their complaints/concerns/recommendations by filling out a form. Means of communication including information on the address, telephone and e-mail address of TKYB is also displayed on the official web page for all stakeholders to utilize to submit grievances, opinions or suggestions that are regarding or influential to the project. TKYB’s Environmental and Social Risk Specialist will also be the designated contact to follow up, monitor and report on grievances.

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

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

- Project description and key components
- A census of project affected people listed in a Land Acquisition table with, parcel number, % of that parcel affected or acquired under the sub-project, land type (dry land, fig tree etc.), any assets on land, compensation unit price and compensation amount etc. The land acquisition table (in excel format) will be an annex to the social review.
- Methodology of land valuation in order to indicate how the compensation prices were determined and demonstrate if the compensations are at replacement cost of not. According to World Bank OP 4.12, “replacement cost” would be calculated taking into account any taxes and fees that would be required for PAPs to purchase/register replacement land or assets.
- Impact categories according to Entitlement Matrix
- Socio-economic information should be collected on the project affected people regarding their main livelihoods, whether the land-based activity is a significant source of income for them and whether there are any adverse impacts on their livelihoods resulted from the related sub-project.
- Information at the household level that would enable to identify any specific individuals who fall into vulnerability categories and/or suffer livelihood impacts
that are not fully compensated by receiving cash at the replacement value for land and assets. Vulnerable people could be; (but not limited to)

- Households headed by women with no local extended family support
- Households where the head of household is unemployed
- Households living below the poverty line and thus eligible for social assistance payments
- Households headed by a pensioner with no local extended family support
- Households where the head of the household is chronically sick or disabled, and
- Households owning/using land that may be removed, permanently or temporarily, from use so that individuals are considered to be project-affected people (PAP) (severely impacted).

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

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

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

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

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

TKYB is aiming to accelerate more women specific engagements and ensuring functionality of GRMs and ways of continuous communication as now the public has good knowledge of geothermal impacts and its importance if the resources are utilized in an environmentally and socially sustainable manner.

If needed, TKYB (or external consultants depending on the risk categorization) will prepare sub project specific land acquisition plans in line with project RPF for possible land impacts of investments. In addition, ex post social audits in line with project RPF for investments that have completed any kind of land acquisition process will be designed.

TKYB (or external consultants depending on the risk categorization) will assess potential land-
based livelihood impacts to take additional measures for livelihood restoration, if necessary.

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

### Additional Categories

<table>
<thead>
<tr>
<th>Category of PAP</th>
<th>Compensation</th>
<th>Principle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal and informal users of land in both public and private lands</td>
<td>Structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.</td>
<td>Assist PAPs to ensure that livelihoods are restored</td>
</tr>
<tr>
<td>People who have lost less than 20% of their land</td>
<td>Replacement cost of the loss of land/assets; market value of crops and discounted net income of tree, plus total transaction cost (on behalf of the seller to the authorities; approx. 2.1 percent) plus next transaction cost (approx. 2.1 percent), relocation costs (if applicable).</td>
<td>Assist PAPs to ensure that livelihoods are restored</td>
</tr>
<tr>
<td>Among those who have lost 20% or more of their land, people who demonstrate they have suffered negative livelihood impact</td>
<td>Replacement cost and an income restoration assistance package equivalent of 6 months of minimum wage (or depending on case, a job opportunity)</td>
<td>Assist PAPs to ensure that livelihoods are restored</td>
</tr>
<tr>
<td>Vulnerable groups (such as single women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance) who demonstrate they have suffered negative livelihood impact</td>
<td>Depending on case, livelihood restoration package such as Equivalent of 6 months of minimum wage</td>
<td>Assist PAPs to ensure that livelihoods are restored</td>
</tr>
</tbody>
</table>

9. **FUNDING**

All project related land acquisition costs and supplemental RAP costs will be covered by the sponsors.

10. **Entitlement Matrix**

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

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

<table>
<thead>
<tr>
<th>Type of Impact</th>
<th>Ownership Status</th>
<th>Entitlement</th>
<th>Compensation</th>
<th>Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent loss of Vacant/non-Residential Land</td>
<td>Private</td>
<td></td>
<td></td>
<td>Payment of cash compensation for lost assets might be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets. Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition through national legislation will be followed; if there is any gap between requirements of national legislation and OP 4.12, the requirements of OP 4.12 will prevail. PAPs, especially vulnerable groups, will be provided with income restoration assistance if necessary. Regarding to livelihood, income restoration assistance can be in way of paying the replacement cost of the agricultural land and buying directly a replacement land for the PAP. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost.</td>
</tr>
</tbody>
</table>

1. Owners of land and economic assets  
2. Both formal and informal users of land  

Owners: Land and economic assets (including trees etc.) will be compensated at full replacement cost, market value for lost crops (considering the value of time needed to reproduce such a crop, and the replacement cost for any investment made (input, labor etc.), discounted net income of economic trees (considering the type/age of trees, rest of their economic lives, productivity, price, annual total income and coefficient according to income) etc.

Users: Formal and informal users will be compensated for standing crops at market value and economic trees at discounted net income.
<table>
<thead>
<tr>
<th>Type of Impact</th>
<th>Ownership Status</th>
<th>Entitlement</th>
<th>Compensation</th>
<th>Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public</td>
<td>1. Relevant state authority</td>
<td>State Authority: Value agreed by state authority, or permission</td>
<td>The relevant state authority shall provide a permit for the utilization of land or full compensation will be made to the authority. PAPs will be provided with income restoration assistance if the subject land is used for livelihood activities and if the activities of formal/informal users are disturbed/negatively affected. Income restoration assistance can be in the form of cash compensation, fodder provision, agricultural/livestock equipment provision or permanent and temporary employment opportunities.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Both formal and informal users of land</td>
<td>Users: Formal and informal users will be compensated (Hay fee of 20 years) for standing crops at market value and economic trees at discounted net income. Livelihood assistance; such as cash compensation (6 months equivalent of minimum wage, one time allowances equal to rental fee), provision of agricultural/livestock equipment, permanent and temporary employment opportunities.</td>
<td></td>
</tr>
<tr>
<td>Permanent loss of land with houses (and other immovables)</td>
<td>Private</td>
<td>1. Owners of Land and other immovables</td>
<td>Owners: Land and all above ground assets will be compensated at full replacement cost, relocation allowance or assistance, market value for lost crops (considering the value of time needed to reproduce such a crop, and the replacement cost for any investment made (input, labor etc.), discounted net income of economic trees (considering the type/age of trees, rest of their economic lives,</td>
<td>Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition will take place through national legislation ensuring that OP 4.12 (where there are gaps between requirements) requirements are met. PAPs will be assisted for relocation and relevant costs will be covered in addition to income restoration assistance if</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Both formal and informal users of immovables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Impact</td>
<td>Ownership Status</td>
<td>Entitlement</td>
<td>Compensation</td>
<td>Principles</td>
</tr>
<tr>
<td>-----------------------------------</td>
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<td>-------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Permanent loss of land with</td>
<td>Private</td>
<td>Owners of Land and businesses</td>
<td>Land, businesses and all above ground assets at full replacement cost, temporary income loss of business and employees, relocation allowance or assistance</td>
<td>Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition will take place through national legislation ensuring that OP 4.12 (where there are gaps between requirements) requirements are met. Temporary income losses of business owners will be compensated whereas assistance for relocation of their businesses will be provided and relevant costs will be covered.</td>
</tr>
<tr>
<td></td>
<td>Public</td>
<td>Both formal and informal users of land of land</td>
<td>Formal and informal users will be compensated for only structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.</td>
<td>The relevant state authority shall provide a permit for the utilization of land or full compensation will be made to the authority. PAPs will be assisted for relocation and relevant costs will be covered in addition to income restoration assistance if necessary.</td>
</tr>
</tbody>
</table>

Users: Formal and informal users will be compensated for only structures at replacement cost, standing crops at market value and economic trees at discounted net income. They will also be given relocation allowance or assistance.

Sponsor will be responsible of any additional cost that may be borne to top off payments to reach replacement cost. Income restoration assistance and all other costs will be paid by the sponsor.

Livelihood assistance; such as cash compensation (6 months equivalent of minimum wage, one time allowances equal to rental fee), provision of agricultural/livestock equipment, permanent and temporary employment opportunities.

The sponsors will carry out a census to identify the persons who will be affected by the project to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The Sponsor also will develop a procedure for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. Assistance for the restoration of livelihoods of those PAPs who demonstrate they have suffered negative livelihood impact, and/or those who have lost 20% or more of their land, or vulnerable PAPs such as women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance will be provided with any additional compensation that is deemed necessary.
<table>
<thead>
<tr>
<th>Type of Impact</th>
<th>Ownership Status</th>
<th>Entitlement</th>
<th>Compensation</th>
<th>Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent loss of community land</td>
<td>Private</td>
<td>Village Legal Entity</td>
<td>Land, and economic assets (including trees etc.) at full replacement cost</td>
<td>Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Where negotiations fail, acquisition will take place through national legislation ensuring that OP 4.12 (where there are gaps between requirements) requirements are met.</td>
</tr>
<tr>
<td>Limited use of land due to easement</td>
<td>Private</td>
<td>1. Owners of land and economic assets</td>
<td>Owners: Land and economic assets at full replacement cost, market value for lost crops, discounted net income of economic trees etc. Users: Formal and informal users will be compensated (Hay fee of 20 years) for standing crops at market value and economic trees at discounted net income. Reinstatement of subject land after use Livelihood assistance; such as cash compensation (6 months equivalent of minimum wage, one time allowances equal to rental fee), provision of agricultural/livestock equipment, permanent and temporary employment opportunities.</td>
<td>Acquisition of land through negotiations. Negotiated payment cannot be less than full replacement cost. Here, permanent loss of assets such as structures will be compensated in full whereas a fair compensation for land that will be returned to owner shall be determined. Where negotiations fail, acquisition will take place through national legislation ensuring that OP 4.12 (where there are gaps between requirements) requirements are met. PAPs will be provided with income restoration assistance if necessary. Assistance for the restoration of livelihoods of those PAPs who demonstrate they have suffered negative livelihood impact, and/or those who have lost 20% or more of their land, or vulnerable PAPs such as women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance will be provided with additional compensation that is deemed necessary. Return of land to owner with certain restrictions.</td>
</tr>
<tr>
<td>Temporary loss of land (e.g rental agreements for temporary use of land)</td>
<td>Private</td>
<td>Owners of land</td>
<td>Cash compensation for specified duration and reinstatement of subject land after use</td>
<td>Negotiations will be made to determine the rental amount for the period land will be used. Landowners will be given back the land once it has been reinstated to its former conditions.</td>
</tr>
<tr>
<td>Type of Impact</td>
<td>Ownership Status</td>
<td>Entitlement</td>
<td>Compensation</td>
<td>Principles</td>
</tr>
<tr>
<td>--------------------------------------</td>
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<td>------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Permanent or temporary loss of income</td>
<td>Private</td>
<td>1. Owners of land</td>
<td>Livelihood assistance; such as cash compensation (6 months equivalent of minimum wage, one time allowances equal to rental fee), provision of agricultural/livestock equipment, permanent and temporary employment opportunities.</td>
<td>Assistance for the restoration of livelihoods of those PAPs who demonstrate they have suffered negative livelihood impact, and/or those who have lost 20% or more of their land, or vulnerable PAPs such as women headed households, households with disabled members, households under poverty line as determined by household receiving social assistance will be provided with any additional compensation that is deemed necessary.</td>
</tr>
</tbody>
</table>
11. Consultations, Communications, and Management of Grievances

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

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

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

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

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

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

In addition, TKYB has its own two GRMs in place and approved policy documents to regulate and address grievances of i) clients and all external stakeholders and ii) for its employees as internal GRM. The GRM accessible via TKYB’s official website aims to collect and address grievances of TKYB’s clients and all other external stakeholders. The responsible body governing this grievance process is TKYB’s Internal Control and Compliance Department. All external inquiries/grievances received are directed to the Internal Control and Compliance Department.
Department where then the relevant inquiry/grievance is directed to the related department to be replied within 30 days. This existing mechanism which has three different channels to receive grievances (via e-mail, fax and postal mail) will also be utilized for the project. Once a grievance is received, the Internal Control and Compliance Department is responsible for recording, directing, replying and reporting the grievances as well as to reporting to the Internal Audit Department, Audit Committee and CEO. In addition, on the Bank’s website there is an “Environmental Grievance Mechanism” tab where external stakeholders can submit their complaints/concerns/recommendations by filling out a form. Communication information including the address, telephone and e-mail address of the Bank is also displayed on the web page. The e-mail address surdurulebilirlik@kalkinma.com.tr is used to receive input from stakeholders, public opinions and suggestions on Bank’s environmental and social risk management approach in the credit processes and the environmental and social performance or impacts of the activities financed by the Bank. Opinions and suggestions submitted to this address are transmitted to the Environmental and Social Risk Specialist. Environmental and Social Risk Specialist documents the views/suggestions on Environmental and Social Risk Management Opinion / Recommendation Follow-up Form, shares with Technical Manager and if necessary engage with the Bank’s Client to seek further information. They then respond the query in line with the opinion of the Technical Manager and take necessary actions – if needed. The actions taken are recorded on the Environmental and Social Risk Management Opinion / Recommendation Follow-up Form by the Environmental and Social Risk Specialist.

The project GRM will utilize existing grievance channels of TKYB, but will also be improved through adjustments to collect, manage and monitor project specific grievances. The project PIU will be the designated department administering all project related inquiries that will be directed and shared by Internal Control and Compliance Department and will simultaneously keep the records and reports of all grievances.

As detailed in the Environmental and Social Management Framework, TKYB’s GRM will be adapted to receive any allegations or grievances on sexual abuse and exploitation/sexual harassment. TKYB PIU has received training on this and GRM procedures will be described in the Project operational manual.

Determination of corrective action;

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

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

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

Recently, a CIA study, namely “Turkey: Development of CIA of Geothermal Resources” has been conducted within the technical cooperation among the MoEU and the EBRD with the financial support of the EBRD. The study covers the CIA of geothermal resources in the Menderes and Gediz Grabens together with a “Best Practice Guide Report”, and expected to be finalized soon (in September/October 2020). TKYB will review this study and adapt it to its work according to the quality and applicability of the outputs regarding resettlement issues and cumulative social impacts. According to the Report, recommendations can be summarized as follows:

1) During the planning phase, it is recommended to carry out studies to assess the socio-economic background of the impacted communities where GPPs are planned. This will allow to plan ahead measures that will avoid or reduce the level of impact on local economy and living spaces. Assessments can be made through research, expert opinions, reports, field observations and interviews.

2) Lessons learnt from existing investments should be used to develop communication strategies to reduce / minimize effects of potential risks that may similarly be encountered in the future. The between investors and local people will thus be built on trust and possible opposition will be prevented.

3) During the planning and implementation of subprojects, both qualitative (focus group discussions, face-to-face interviews, workshops) and quantitative (survey studies to cover all stakeholder segments and to be conducted with an appropriate sampling size) data collection techniques should be used to investigate views and social attitudes towards technologies using geothermal resources. Data collected will make it easier to understand the level of knowledge and awareness of the public, the reasons for their concerns and their attitudes towards these technologies, and to determine the content and scope of the engagement activities to be prepared.

4) The attitudes and approaches of the people, the sub-projects can rise with various losses and cause long-term reactions at the regional level. For this reason, sharing information with the PAPs and community by the experts with regular public participation meetings at the beginning of the project about possible risks and measures to be taken in the communication process will enable a transparent communication between investors and the community. During these meetings, concerns and suggestions should be tracked and taken into account and detailed information should be given about the projects, planning mitigation measures regarding to environmental and social issues and technologies planning to be used. In order to measure the effectiveness and improve communication, questionnaires/surveys should be completed.

5) At every stage of the projects, a system that provides information and consultancy to the
6) Apart from energy generation, the use of geothermal resources for the direct benefit of the public through residential heating, tourism and other industrial and agricultural investments will also create trust among investors, public institutions and the public, and will positively affect the public's attitude towards renewable energy resources in terms of the benefit they provide.

7) Employment opportunities of GPP investments are temporary and limited during the construction. This side of employment should be clearly shared with the public.

8) In order to expand permanent job opportunities for the people affected by the projects, training opportunities that will enable the training of local human resources as technical staff should be created.

For the projects which have significant social risks; in line with TKYB E&S Policy 3rd party monitoring will be established for ESIA and RAP implementation for investors that have significant (substantial/high risks) in their projects.

There will be performance monitoring for each sub-project showing project activities (already done, done in this period, remaining to be done) and other related points. Sub-projects that impact more than 200 project affected people, will establish, an external monitoring (by third party) showing the activities are in compliance with the World Bank policy requirements and the RAP as well. In case of the suggestion of the World Bank, “completion audit” or “panel of experts” will be provided by sponsor.
APPENDIX 1- REPORTING FORMAT FOR ABBREVIATED RESETTLEMENT ACTION PLAN

(For application to all new sub-project investments)

1. INTRODUCTION

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

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

2. POTENTIAL IMPACTS AND AFFECTED PERSONS

2.1. PROJECT IMPACTS

What type of impacts will the Project and/or its component(s) have? Are these impacts temporary or permanent? What will be the types of acquisition for land; permanent, temporary, easement, rental etc.? Are there any anticipated impacts on livelihood? Or just land? Is there any economic displacement risk as a result of the project?

2.2. PROJECT AFFECTED PERSONS

Who are the PAPs? How and in which way are they affected? Are there any vulnerable groups (women, elderly, youth etc.) among PAPs? If so, provide info on vulnerable groups.

2.3. ELIGIBILITY CRITERIA

Information on eligibility

3. LEGAL FRAMEWORK AND GAP ANALYSIS

3.1. NATIONAL LAWS AND PROCEDURES FOR LAND ACQUISITION

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

3.2. WORLD BANK POLICIES AND REQUIRED MEASURES UNDER OP 4.12

Summary of Bank Policies and OP 4.12

3.3. GAP ANALYSIS

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

4. IMPLEMENTATION, COMPENSATION AND OTHER ASSISTANCE

Summary of land acquisition process:

- Who is responsible of the process?
- How will the land be acquired? (in line with the legislation and Project info –main investment and components if any- provided above)
- When will the process be commenced, after what actions will it be completed?

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

Description of the consultation process to be followed;

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

6. GRIEVANCE REDRESS MECHANISM

Description of the grievance redress mechanism (GRM);

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

7. MONITORING IMPLEMENTATION & REPORTING

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

8. TIMETABLE AND BUDGET

List the main issues of implementation and color the relevant boxes for their actualization.
Provide the budget for the RAP, showing financial responsibility and authority with regard to all land acquisition and resettlement activities including contingencies. Add or remove budget items as applicable, please note that costs are anticipated lumpsum figures and are not binding.

<table>
<thead>
<tr>
<th>Budget Item</th>
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<tr>
<td>Contingency</td>
<td>XXX</td>
</tr>
<tr>
<td>TOTAL BUDGET</td>
<td>XXX</td>
</tr>
</tbody>
</table>
APPENDIX 2 – EX-POST SOCIAL REVIEW FORMAT

1. Description of the project

General description of the project and identification of the project area (Should include at least the following)
- Name & Location of Sub-project and Project Sponsor
- Project cost
- Installed generation capacity
- Project components

2. Project’s land-based impacts and groups impacted

Brief assessment of the following:
- The project components or activities that gave rise to displacement, explaining why the selected land was acquired/rented;

Table: Number of parcels and PAPs subject to land acquisition

<table>
<thead>
<tr>
<th>Component</th>
<th>Permanent Purchased</th>
<th>Temporary Easement</th>
<th>Temporary Rental</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of parcels</td>
<td># of PAPs</td>
<td># of parcels</td>
<td># of PAPs</td>
</tr>
<tr>
<td>Component X</td>
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<td>Component Y</td>
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<td>Component Z</td>
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<tr>
<td>Total</td>
<td></td>
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</tr>
</tbody>
</table>

- Profile of PAPs and communities impacted by project’s land take requirements (including definition of vulnerable groups, if any)
- The scope and scale of land acquisition and impacts on structures and other fixed assets (if any);
- Any project-imposed restrictions on use of, or access to, land or natural resources;
- Alternatives considered to avoid or minimize displacement and why those were rejected; and
- The mechanisms established to minimize displacement, to the extent possible, during project implementation.
- Key dates of implementation (start and end dates of acquisition process, timing of negotiations etc.)

3. Applied land acquisition approach

Approach adopted and actions taken by sponsor to acquire land. Should provide details to at least the following.
- Any decisions obtained such as public interest decision for land acquisition
- Any practices of willing buyer/willing seller (WB/WS)
- Application of national law on expropriation (normal acquisition process, urgent expropriation)
- Arrangements made for rental lands
- Entitlement Matrix

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Project Impact</th>
<th>Category of Affected Person</th>
<th>Entitlement</th>
<th>Additional Provisions</th>
</tr>
</thead>
</table>

- Valuation method applied to determine compensation (include justification that payments were made at replacement cost, use comparative tables to showcase current market prices and compensation paid)
• Compensation arrangements and payments (information on how and when the payments were made, when the process finalized)
• Any additional measures taken to restore loss of livelihoods (include any CSR activities sponsor has carried out)

4. Public awareness and engagement activities carried out
• Stakeholder engagement strategy of the sponsor (is there a project SEP?)
• Any designated staff for engaging with stakeholders including PAPs
• Consultations with dates and purpose carried out up to date

5. Project’s grievance redress strategy
• Grievance management of the sponsor (is there a functioning project GRM?)
• Tools/methods employed by the sponsor for grievances collection
• Grievances received up to date (subject and number of grievances, open or resolved, gender disaggregated)

6. Non compliances and proposed suggestions
• Any non-compliances with governing national laws or Bank’s OP 4.12
• Suggestions and corrective actions to be considered

APPENDIX 3 - REPORTING FORMAT FOR FULL RESETTLEMENT ACTION PLAN

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

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

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

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

4. LEGAL FRAMEWORK

4.1. NATIONAL LAWS AND PROCEDURES FOR LAND ACQUISITION
Brief information on national law (only relevant laws/regulations that apply to the Project)

4.2. WORLD BANK POLICIES AND REQUIRED MEASURES UNDER OP 4.12
Summary of Bank Policies and OP 4.12

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

5. RESETTLEMENT SITES

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

6. ENTITLEMENTS AND INCOME RESTORATION

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

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Project Impact</th>
<th>Category of Affected Person</th>
<th>Entitlement</th>
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7. INSTITUTIONAL ARRANGEMENTS

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

8. PARTICIPATION AND CONSULTATION

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

9. GRIEVANCE REDRESS

- Describe the process of registering and addressing grievances related to land acquisition, resettlement or other project impacts on the local community.
- Ensure that this process is cost-free with a reasonable response in short time.
- Involve an independent mutually respected third party in resolving grievances.
- Prepare sample grievance registry (logging) forms and close out forms and inform stakeholders about how GRM works and monitored during participation and consultation studies.
- Keep records of all grievances or issues raised and how resolved or managed to minimize affected parties resorting to the law courts, also report beneficiary feedback indicators.

10. MONITORING AND EVALUATION

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

11. IMPLEMENTATION SCHEDULE AND BUDGET
List the chronological steps in implementation of the RAP; ensure that entitlements are given before civil works.

<table>
<thead>
<tr>
<th>Key Implementation Issues</th>
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<td>XXX</td>
</tr>
<tr>
<td>TOTAL BUDGET</td>
<td>XXX</td>
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</tbody>
</table>
Page 1 part must be shared in the project site and village headmen's office in order to collect written complaints from the locals.

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

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

### GRIEVANCE FORM

*If you wish to submit an anonymous complaint, you are kindly requested to fill out the (*) denotes required fields.*

<table>
<thead>
<tr>
<th>Date*</th>
<th>Reference Number</th>
</tr>
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<tbody>
<tr>
<td>Way of Receiving Grievance</td>
<td>Phone □ Meetings □ Application to Office □ Mail/email □ Field visit □</td>
</tr>
<tr>
<td>Compliant Full Name (optional and can be left blank)</td>
<td></td>
</tr>
<tr>
<td>Compliant ID Number: (optional and can be left blank)</td>
<td></td>
</tr>
<tr>
<td>Compliant Contact Information (optional and can be left blank)</td>
<td>Address - Village: * Postal Code: Phone: Email:</td>
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<tr>
<td>Content of Grievance or Complaint *</td>
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<td>On abandonment (public housing)</td>
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<td>On assets/properties impacted by the project</td>
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<td>On infrastructure</td>
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<td>On decrease or complete loss of sources of income</td>
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<td>On environmental issues (ex. pollution)</td>
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<td>On employment</td>
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<td>On traffic, transportation and other risks</td>
<td></td>
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<tr>
<td>Other (Please specify):</td>
<td></td>
</tr>
<tr>
<td>Description of the Grievance *</td>
<td>What did happen? When did it happen? Where did it happen? What is the result of the problem?</td>
</tr>
</tbody>
</table>
### GRIEVANCE CLOSE OUT FORM

Close out form must be filled by the company responsible.

<table>
<thead>
<tr>
<th>GRIEVANCE CLOSE OUT FORM</th>
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<tbody>
<tr>
<td>Grievance closeout number:</td>
</tr>
<tr>
<td>Define immediate action required:</td>
</tr>
<tr>
<td>Define long term action required (if necessary):</td>
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<tr>
<td>Compensation Required?</td>
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### CONTROL OF THE REMEDIATE ACTION AND THE DECISION

<table>
<thead>
<tr>
<th>Stages of the RemEDIATE ACTION</th>
<th>Deadline and Responsible Institutions</th>
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<tbody>
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<td>8.</td>
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### COMPENSATION AND FINAL STAGES

This part will be filled and signed by the complainant after s/he receives the compensation fees and his/her complaint has been remediated.
<table>
<thead>
<tr>
<th>Complainant</th>
<th>Notes</th>
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<tbody>
<tr>
<td></td>
<td>Name &amp; Surname</td>
</tr>
<tr>
<td></td>
<td>Signature</td>
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<td></td>
<td>Date</td>
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<thead>
<tr>
<th>Representative of the Responsible Institution / Company</th>
<th>Title:</th>
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<tbody>
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<td>Name &amp; Surname</td>
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