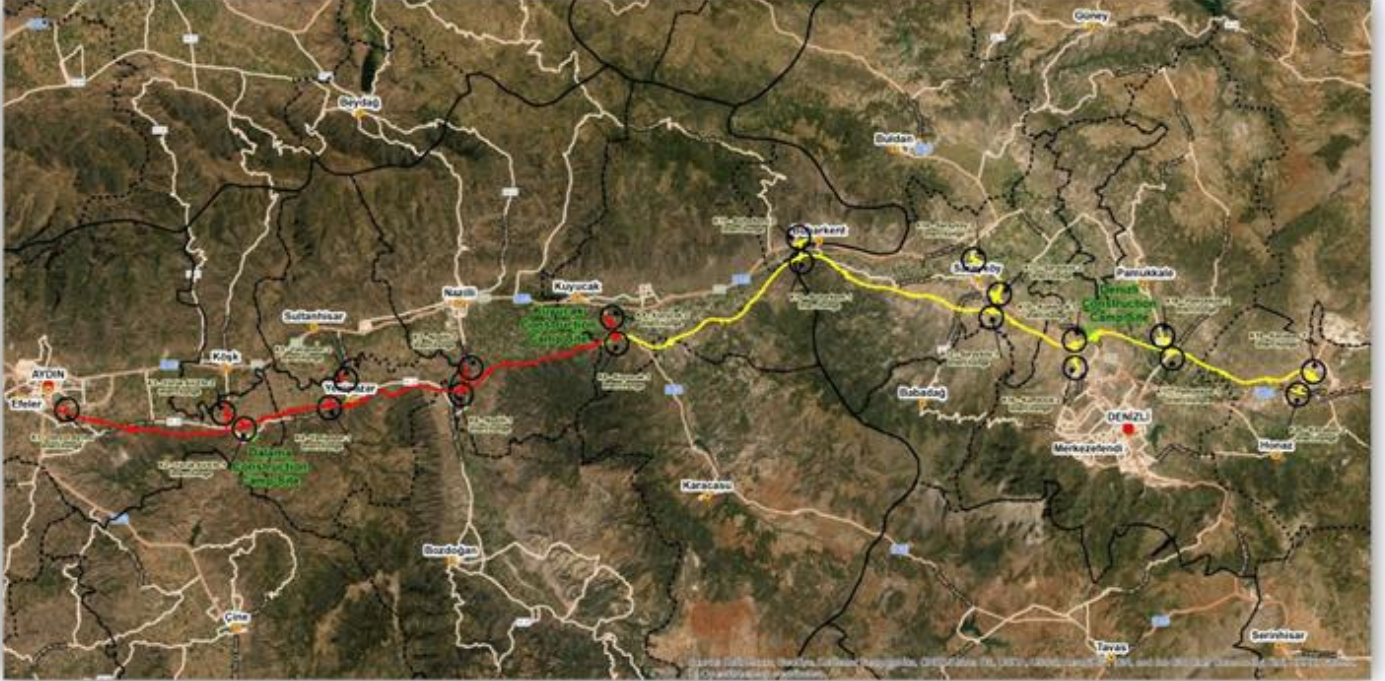


AYDIN-DENİZLİ MOTORWAY PROJECT



LAND ACQUISITION COMPENSATION AND RESETTLEMENT PLAN



ENCON ENVIRONMENTAL CONSULTANCY CO.

APRIL 2022

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Glossary and Abbreviations of Key Terms

Key definitions and abbreviation of terms used in the LACR Plan are presented below
(*Note: Some of the definitions are taken from the IFC Handbook for Preparing a Resettlement Action Plan, 2002*):

2B-Land: Lands considered under Article 2B of Forest Law are those excluded from forest boundaries and include the following:

- Various agricultural lands like croplands, vineyards, gardens, orchards, olive groves, hazelnut and pine-nut groves, and peanut gardens that are among areas which had lost their forest character before December 31, 1981:
- Lands like meadows, pastures and wintering lands whose use in husbandry is considered beneficial
- Settlement areas where city, town and village structures are found together.

Compensation: Payment in cash or in kind for an asset or a resource that is acquired or affected by the ADMP at the time the asset needs to be replaced.

Co-owners: refers to those people who jointly hold title to a single plot of land, e.g. as is common when a plot is inherited by several siblings in a family.

Economic Displacement: Loss of income streams or means of livelihood resulting from land acquisition or obstructed/restricted access to resources (land, water or forest), regardless of impacts on residence.

Field Social Survey – FSS: The FSS is a series of interviews that will be undertaken in the selected settlements of the Project Area in the context of the LACRP in order to obtain broad information about project affected groups and their specific socio-economic settings, including the identification of vulnerable groups.

ADM Project: The Aydın-Denizli Motorway Project, comprises all associated structures of the Project, not only the Motorway. This means all access roads, bridges interchanges, service facilities, quarries, etc.

International Requirements: The term international requirement is used in the sense of the standards for managing projects required by Equator Principle Banks/EPFIs, and IFC. Particularly relevant to this LACRP are the IFC Performance Standard 5.

LACRP Implementation Unit: The LIU comprises all staff that will implant this LACRF and LACRP, e.g. Community Liaison Officers, monitoring staff, etc.

Land Owner: The term land owner is used for people who hold legal land titles/title deeds (land owners, co-owners [see **Co-owners**] and people with **zilyet** rights [see **Zilyet Rights**]).

Land User: Land users are people who use land without legal title, in an informal way, with or without agreement of the legal owner of the land.

Moving Assistance:

This supplemental assistance comprises:

Assistance in finding preferred new sites and obtaining building plots.

Coverage of all costs related to moving: registration, certificates moving costs etc.

Assistance in finding remaining property if moving is due to loss land

Facilitation of access to credit

Minimum moving assistance package (see below): Relocation allowance, free transport of all belongings and household members.

Minimum moving assistance package this is part of the Moving Assistance, but can also be applied to tenants that do not own the land or house.

Mukhtar: the Turkish term for the local “headman”, an elected leader and main spokesperson of small village or neighborhood within a larger town (the larger towns also have Mayors).

Physical Displacement: Loss of the residential property resulting from the acquisition of land associated with the ADMP that requires a person to move to another location.

Project Affected Area: The area which is subject to a change in current use due to the ADMP implementation, including temporary areas affected by quarry activities, transport, etc.

Project Affected Persons - PAPs: A PAP is any person who, as a result of the implementation of the ADMP Project, loses (or restricted) the right to own, use, or otherwise benefit from a built structure, land (residential, agricultural, pasture or undeveloped/unused land), annual or perennial crops and trees, or any other fixed or moveable asset, any other livelihood resources, either in full or in part, permanently or temporarily.

Project Supplemental Measures– PSM: PSMs are any compensation or mitigation measures (monetary and non-monetary) provided to the PAPs to conform to PS5 which are supplemental to the measures provided by Turkish legislation. In this context, the LACRP also uses the term “additional support measures”; these can include e.g. legal assistance, skills training, loan facilitation, etc.

Replacement value/Full Replacement Value - FRV: The rate of compensation for lost assets must be calculated at full replacement value, that is, the market value of the assets plus transaction costs (taxes, registration fees, cost of transport associated with registration of new land and land transfer, etc.). The FRV must reflect the cost at the time the item must be replaced. With regard to land and structures, “replacement value” is defined as follows:

Agricultural land: the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, plus the cost of any transaction/registration and transfer taxes;

Land in urban areas: the market value of land of equal size and use, with similar or improved public infrastructure facilities and services, preferably located in the vicinity of the affected land, plus the cost of any transaction/registration and transfer taxes;

Household and public buildings /structures: the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labor and contractors’ fees and any transaction/registration and transfer taxes.

In determining the Full Replacement Value, PS 5 footnote 4 states (mainly quoted);

“Replacement cost is defined as the market value of the assets plus transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. Market value is defined as the value required to allow affected

communities and persons to replace lost assets with assets of similar value. The valuation method for determining replacement cost should be documented and included in applicable Resettlement and/or Livelihood Restoration plans”

Resettlement assistance: Support provided to people who have to be physically displaced (incl. physically displacement due to economic displacement) due to the ADMP. Assistance may include transportation, shelter and social services that are provided during the relocation of PAPs. Assistance may also include cash allowance that compensate PAP for the inconvenience associated with the resettlement and defray the expenses of a transition to new location, such as moving expenses or lost working days.

Settlement: The term settlement refers to all villages, towns and their neighborhoods or quarters.

Vulnerable groups: People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by the project/ by displacement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. Vulnerability is considered with regard to the Project context.

Zilyet Rights: Occupiers or users of treasury or un-registered land who use the land for more than 20 years. These people have customary rights for this land and have the same rights as legal users following the completion of legal proceedings.

ABBREVIATIONS

ABPRS	Address Based Population Registration System database
ADMP	Aydın-Denizli Motorway Project
BOT	Build Operate and Transfer
CORINE	Coordination of Information on the Environment
DC	Design Changes
DCM	Design Change Management/ DCM Procedure
EM	Entitlement Matrix
EP	Equator Principles
EPC	Engineering Procurement and Construction (type of contractor)
EPFI	Equator Principles Financial Institutions (those banks who apply the EP to their lending)
ESIA	Environmental and Social Impact Assessment
FOIAS	FERNAS Otoyol İşletme AŞ. (the Turkish company contracted to build the Motorway)
FRV	Full Replacement Value – see definitions above for Replacement Value
FSS	Field Social Survey
GLAC	Guide to Land Acquisition and Compensation
GM	Grievance Mechanism
GP	Grievance Procedure
ha	Hectare, unit of land area = 10,000 square meters (1 ha = 10 decare, the common land area unit in Turkey)
IFC	International Finance Corporation
KGM	Karayolları Genel Müdürlüğü = General Directorate of Highways of the Ministry of Transportation and Infrastructure
Km	Kilometer
LA	Land Acquisition
LACRF	Land Acquisition, Compensation and Resettlement Framework
LACRP	Land Acquisition, Compensation and Resettlement Plan
LIU	LACRP Implementation Unit
m	Meter
MoEU	Ministry of Environment, Urbanization and Climate Change
MoNE	Ministry of National Education
MoTI	Ministry of Transportation and Infrastructure
N/A	Not applicable
NGOs	Non-governmental Organizations
PAPs	Project Affected Persons
PCM	Public Consultation Meeting
PR Chief	Public Relations Chief
PR Specialist	Public Relations Specialist
PS	Performance Standard of the IFC
PSM	Project Supplemental Measures
SEP	Stakeholder Engagement Plan
tbd.	To be determined
TL	Turkish Lira
TURKSTAT	Turkish Statistical Institute

1. INTRODUCTION

1.1 Background to the LACRP

The Turkish company (FOIAS) has been contracted by the Turkish Ministry of Transportation and Infrastructure (MoTI) General Directorate for Highways (KGM - *Türkiye Cumhuriyeti Ulaştırma ve Altyapı Bakanlığı Karayolları Genel Müdürlüğü*), to construct the Aydın-Denizli Motorway Project ("ADMP" or the "Project"). The Motorway will have a total length of about 163 km. This represents the one of the largest on-going infrastructure project in Turkey. FOIAS has engaged a team of reputable international and Turkish consulting firms to conduct a comprehensive Environmental and Social Impact Assessment (ESIA) of the Project.

The Project implementation will require permanent expropriation and temporary land-take of numerous properties along the route, and will otherwise impact many residents and land users during construction and operation in around 70 Settlements between Aydın and Denizli.

The Project will be financed by international banks; these banks include multi-lateral lending institutions such as the International Finance Corporation (IFC) and the other banks that apply the Equator Principles¹ to their lending procedures. Therefore, FOIAS is committed to meet the international environmental and social requirements ("International Requirements") of these institutions. This includes an appropriate Land Acquisition, Compensation and Resettlement Plan (LACRP) that covers these topics (land acquisition, compensation and resettlement) with respect to the specific Turkish legal requirements and the broader international standards of the lending institutions.

The LACRP for the ADMP is based on IFC'S Performance Standard 5 (PS5)¹ and EPFI (Equator Principles IV) Principle 3² are designed to conform to the international lenders objective, where displacement is unavoidable, appropriate measures to mitigate adverse impacts on displaced persons should be carefully planned and implemented such that their socio-economic situation is not worsened by the project. The LACRP aims to ensure that all affected parties are compensated and assisted in restoring their livelihoods.

The LACRP, which is being prepared in this direction within the scope of the Project, aims to provide appropriate compensation to all people who are likely to be affected by the Project and to provide the necessary support for them to continue their livelihoods.

The International Requirements include a formal public disclosure period of 60 days, during which a Guide to Land Acquisition and Compensation (GLAC), which is a summary of this LACRP, will be available to all Project Affected People and interested stakeholders in all affected Settlements to provide an overview of the LACR process in a condensed manner. This in hand complete LACRP will be available in all 12 district municipality offices of the districts traversed by the Project in Aydın and Denizli and also on Project website.

1 IFC PS 5: Land Acquisition and Involuntary Resettlement (2012): https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps5

2 The Equator Principles refer to the IFC Performance Standards (PSs) under Principle 3." Applicable Environmental and Social Standards" <https://equator-principles.com/wp-content/uploads/2020/05/The-Equator-Principles-July-2020-v2.pdf>

1.2 Uncertainty and Data Limitations

The preparation of this Land Acquisition, Compensation and Resettlement Plan for Aydın – Denizli Motorway Project has been subject to various data limitations for different reasons. While this data limitation is not in the overall structure of the LACRP, it risks creating possible inconsistencies in the data presented in the different sections. Addressing these uncertainty and limitations provides corrections in terms of preventing possible information flow problems.

Uncertainty and limitation situations can be briefly summarized as follows:

- It should be noted that land preparation and construction works have already started in certain sections of the Motorway. Thus, the baseline conditions along the Motorway corridor are subject to progressive change.
- The expropriation process of the project is still being implemented by KGM. The data obtained on the expropriation status, land acquisition, land ownership and entitlement may differ due to the fact that the current data was obtained in different times. It should also be noted that the number of parcels included in the expropriation plans and the number of parcels during implementation of expropriation may differ for various reasons.
- The international standards analyze the entitlement in the expropriation process on a household basis and explain the measures to be taken and processes on the basis of the household analysis unit. Turkish legislation, on the other hand, considers the household title deed owner as an entitled unit during the expropriation process. Within the framework of the information obtained, it should be noted that “the number of the owners” is not sufficient data to derive the data about number of households that affected from the project in different manner, and in this context, there are some deficiencies due to data limitation while quantifying the Project Affected Persons (PAPs) within this document.

1.3 Responsibilities for Land Acquisition

Construction of the Project will require the acquisition of land for the roadway, bridge approaches and related structures such as interchanges, toll areas, viaduct, bridges and service stations and all other operational facilities. This land will be acquired from the current landowners by KGM and then handed over to FOIAS for construction and operation of the Aydın – Denizli Motorway Project. This means that for the duration of the Built Operate and Transfer (BOT) contract between KGM and FOIAS, The Project Sponsor will hold the full responsibility for the acquired land.

As such, the acquisition of land and other assets to facilitate the construction and operation of the Project will be the responsibility of KGM. Consultation with affected parties and valuation and negotiation of compensation has been and will continue to be conducted by KGM in accordance with the provisions of the relevant Turkish Expropriation Law (Law No. 2942, amended in 2001 by Law No. 4650). In addition, other land acquisitions other than expropriation will be carried out by KGM in accordance with the relevant laws. This is the standard procedure for land expropriation that is applied with other such highway and infrastructure projects in Turkey for which the responsible Ministry declares the project as being of “public interest” according to Article 6 of the above mentioned law. Due to this decision, the land acquisition is deemed to be involuntary under IFC and Equator Principles Requirements and thus the above referenced PS5 and Principle 3 are applied.

Whilst the evaluation and compensation process will involve KGM for statutory land take as described above, FOIAS will be responsible for the *supplemental* mitigation and compensation measures for other types of displacement and impacts to meet International Requirements of IFC which may not be wholly addressed by Turkish legal framework. The provisions of the LACR Plan thus cover compensation – and other mitigation – or enhancement measures for all types of project-affected persons (PAPs), whether under the Turkish statutory framework or under the International Requirements.

The expropriation process is currently on-going at various portions of the Motorway route by KGM teams in accordance with the above-referenced Turkish law and KGM standard procedures. The supplemental compensation measures of FOIAS as described in the LACRP has not yet begun to be implemented; this will commence after disclosure, public comment, receiving the consent of KGM and approval by the lenders of this LACRP document.

In summary, the implementation of land acquisition and compensation for this Project will take place in two interconnected work-streams:

- (i) Turkish procedures conducted by KGM and
- (ii) The implementation of the additional procedures as per the LACRP by FOIAS to bridge the gaps between national entitlements and International Requirements.

1.4 Objectives of the LACRP

The intent of the LACRP process is to identify the PAPs and to provide appropriate mitigation, compensation and other forms of support, referred to in this Project as “Project-Supplemental Measures - PSMs”, which go beyond the statutory compensation for land take available via KGM and aim to achieve “livelihood restoration” of the PAPs – even for those who are not landowners or otherwise entitled to compensation under Turkish statutory provisions. The proposed PSMs include other forms of support, besides cash compensation for land, such as consultation services with finding and acquiring new land or housing, moving costs, job skills training, etc.

This LACR Plan provides further information on:

- Potential Project impacts and PAPs;
- Provisions, processes and actions to implement in the LACRP;
- The Entitlement Matrix to compensation measures and proposed PSMs under the provisions of this LACRP, referring to different impacts and the respective PAPs.

One main objective of both KGM and FOIAS has been to avoid or minimize the need for both physical and economic displacement of PAPs³. In this respect, the following meaningful overall approach has been applied, which will be further enhanced through the provisions of this LACRP:

- To minimize Project land use, reclaim land during and after construction and reinstate the land for use by the original land owners and users;
- To design the routing to avoid physical displacement and to minimize both permanent and temporary expropriation, including establishment of easement rights;

3 See Glossary for definitions of physical and economic displacement

- To determine compensation values under consideration of market studies and provide compensation as required by Turkish legislation before the start of construction;
- To establish a process of consultation with the affected populations and with local public and civic organizations to maximize understanding of Turkish legislation relevant for expropriation, the overall compensation – and mitigation policy of the Project and the provisions of the LACR Plan;
- To consider to the extent possible the concerns and preferences expressed during consultations with local populations and government agencies, non-governmental organizations and other stakeholders;
- To design the PSMs as central mitigation measures in consultation with the PAPs to ensure a meaningful mitigation of any gaps between Turkish entitlement and International Requirements to restore or enhance the livelihood of all PAPs; and
- To establish a LACR Plan budget, administered by FOIAS to implement fair measures of compensation of those PAPs who are not entitled under Turkish legislations and vulnerable groups which will be defined in the next sections.

In addition, another objective of the LACR Plan is to demonstrate that FOIAS has developed efficient mechanisms of monitoring compliance with the International Requirements, and will allocate sufficient monetary resources to cover the costs of mitigation and monitoring.

This should also be noted that, since this report relevant to land acquisition and resettlement, this is a living document and will be updated when deemed necessary.

1.5 Summary of the LACR Process

The LACRP provides the overall approach for livelihood restoration, the respective provisions in the frame of compensation measures and PSMs, and the related set of procedures for implementation and monitoring of these measures. The LACR process for this Project is divided in two stages:

- 1. STAGE 1: The LACRP of the Project** (i.e. this in hand document). This document has been developed to present the key components required by the international lender institutions with objectives set out above (see *Section 1.3*).⁴
- 2. STAGE 2: Implementation of this LACRP.** Implementation will take place in a series of six steps (see details in *Section 7.3.7*), with LACR Implementation Sub-Plans which will be produced. These Sub-Plans will be finalized in future when the census & survey data are available for the Motorway route. These Sub-Plans will contain basic LACR information, but mainly specifics related to the magnitude of displacement and associated socio-economic information related to the relevant stretches and more specific PSMs. This will form the main baseline against which the monitoring of the LACRP implementation will be performed. These Sub-Plans will be followed by periodic Implementation Status Reports which will provide information of the status of overall LACRP implementation per Project Section 1 and Section 2. (Further details are provided in Chapter 7).

⁴ Key components that are not part of the in hand LACRF/P and will be performed later in the Stage 2 process include the census of the assets and PAPs and the therewith related detail property enumeration data and corresponding displacement details.

An important part of the LACRP is the establishment of a transparent internal and external monitoring and evaluation process to ensure continuous improvements and documentation of the Project throughout the entire implementation process to the completion of Stage 2.

Note: In this document, Chapters 1 through 6 are related specifically to the current Stage 1 of the process (culminating in the Entitlement Matrix in Section 6.3, whilst Chapters 7 through 9 describes the planned activities related to the implementation and monitoring in Stage 2. The management procedures described in Chapter 10 apply to both Stages 1 and 2.

1.6 Overview of Project Impacts

As a major road project, the Aydın-Denizli Motorway has a significant potential to create positive impacts and socio-economic benefits for the local and regional population. The key socio-economic effects of the Project relate *inter alia* to the following benefits:

- Overall provision of access to markets, to job opportunities and to education through faster transport conditions for the entire region;
- Generation of employment during construction of the project;
- Aspects related to construction activities (positive effects on local supply chain); and
- Social support, training and capacity building.

A major road project requires the take up of land areas both permanently and temporarily. Both types of land impact are described below:

1.6.1. Permanent Land Take

The Aydın – Denizli Motorway will require on average an 80 m wide strip of land along its 163 km length. The estimated permanent land take for the main Motorway and for ancillary facilities is about 1653.13 ha of which about 1362 ha is from privately owned lands and 295 (200 + 95) ha from public lands.

The key impacts of the Project on peoples' lives in the affected Project Area can be categorized as follows:

- Loss of agricultural lands;
- Loss of land for grazing and pastureland;
- Reduced livelihood or productivity losses;
- Loss of man-made structures and infrastructure;
- Loss of place of residence/loss of homestead;
- Reduced access to agricultural land, to pastures and forests;
- Loss of community assets and infrastructure.

Out of the total of about 3,600 affected parcels along the Motorway route, only about 390 privately owned parcels have been identified to have buildings or other structures on them; as such the overall need for physical displacement is expected to be limited.

1.6.2. Temporary Land Take

Temporary land take will be required for the three construction sites along the Motorway. FOIAS will be responsible for such temporary land acquisition, which will be organized through agreed lease contracts with the private land owners covering all compensation and livelihood restoration measures. Hence, two private parties – the land owner and FOIAS – will have specific lease/rental contracts for the period of the temporary land take on a mutual consensual basis, i.e. no land owner will be obliged to enter into such a contract if they do not wish. As this type of contractual procedure does not fall under the category of involuntary land acquisitions under PS5, it will not be subject to LACRP. Further, all land required for the quarries is owned by the Treasury or the Forest Authorities. Therefore, this land take will not be subject to LACRP, too, as it involves only transfer of land between public institutions.

2. THE PROJECT

2.1 Overview

The Project will be undertaken in two sections, with summarized below and KM Chainage (indicating kilometer distance from the starting point at Aydın):

- Section I: Aydın-Kuyucak (Km 0+000 - Km 60+865)
- Section II: Kuyucak-Denizli (Km 60+865 - Km 140+650)

2.2 The Alignment

The proposed Motorway will provide a toll road connection between Aydın and Denizli over a total length of about “163 km (including about 23 km of access roads to main carriageway. A brief overview of each section is given below.

Section I: Aydın to Kuyucak: Section 1 (Aydın–Kuyucak) has a length of around 60 km. The section starts from Otoyol Ayırım Interchange which connects the project to the existing Aydın Ring Road and ends at Km 60+865 which is close to the Karapınar neighborhood of Kuyucak district of Aydın province.

Section II: Kuyucak to Denizli: Section 2 (Kuyucak–Denizli) has a length of around 80 km. The section starts at Km 60+865 which is close to the Karapınar neighborhood of Kuyucak district of Aydın province and ends at Kocabaş Interchange which connects the project to the Denizli-Afyon State Road.

2.3 Motorway Design and Associated Infrastructure

The Motorway will be a dual carriageway having 3 lanes in each direction (2 x 3). Each of the 6 lanes will have a width of 3.75 meters (3.75 m x 6). The central reserve will be 5 meters (2.5 m x 2) plus 2 meters of lined shoulder (1 m in each side of the reserve). At the outer side of the traffic lanes in each direction, there will be 3 meters of lined shoulders that will serve as emergency strips. Thus, the total width of the platform (consisting of traffic lanes, central reserve and the lined shoulder for both directions) will be 35.5 meters (17.75 m x 2). There will be also ditches as required in both sides of the main carriageway.

Access roads will have a different design when compared to main carriageway. Access roads will be composed of 2 lanes in each direction (2 x 2). Each of the 4 lanes will have a width of 3.5 meters (3.5 m x 4). The central reserve in access roads will be 3 meters (1.5 m x 2) plus 2 meters of lined shoulder (1 m in each side of the reserve). At the outer side of the traffic lanes in each direction, there will be 3 meters of lined shoulders that will serve as emergency strips. Thus, the total width of the access roads' platform (consisting of traffic lanes, central reserve and the lined shoulder for both directions) will be 25 meters (12.5 m x 2).

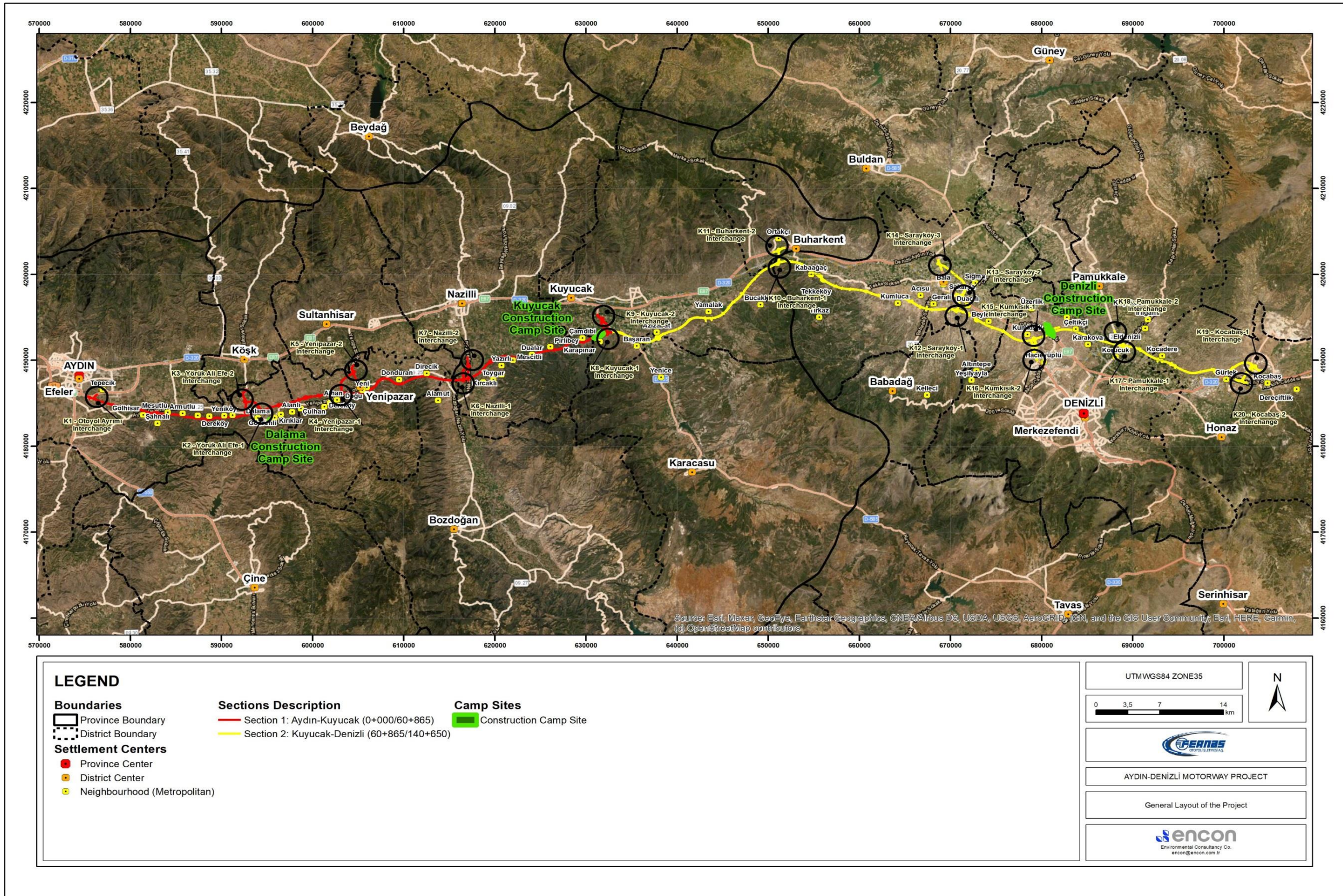


Figure 2.1. General Layout of the Project

Summary of Project's Engineering structures is explained below:

Table 2.1. Engineering Structures of Project

Component	Section 1	Section 2
Viaduct (13)	4	9
Interchange (20)	9	11
Overpass (26)	14	12
Underpass (92)	37	55
Bridge (68)	32	36
Culvert (395)	174	221

2.4 Project Construction

The project contract date is January 14, 2021. The maximum construction period from the contract date is 3 years for both sections and the operation period is 17 years.

In accordance with the terms of the BOT Contract signed between the KGM and the Project Sponsor, the Project includes financing, planning/design, building/construction, operation, full range of maintenance and repair works during the operation period and transfer of the Motorway to the KGM at the end of the Contract Duration free from any debt or commitment and in a well-maintained, operating, in-service condition, without any charge. The rights of the Project Sponsor to operate, maintain and repair the Motorway will expire at the end of the Contract Duration.

2.5 Summary of Land Take by the Project

The Project will in some way affect the mainly agricultural land (more than 80% of the total land take) of about 70 settlements.

According to present status 9,254,299 m² of project parcel area is located in Aydın and 7,277,015 m² is located in Denizli Province. Total project parcel area 16,531,314 m².

Table 2.2. Summary of Project Land Ownership

Land Ownership Type		Project Parcel Area (m ²)	Number of Project Parcels	Project Parcel Rate (%)
AYDIN	Private Property	7,634,809.00	2,122	82.50
	Private+Legal Entity	7,111.00	2	0.08
	Legal Entity	396,030.00	162	4.28
	Treasury Real Estates	347,776.00	75	3.76
	Pasturelands	354,852.00	34	3.83
	Forest lands	513,721.00	11	5.55
Total for Aydın		9,254,299.00	2,406	100.00
DENİZLİ	Private Property	5,977,081.00	1,117	82.14
	Private+Legal Entity	13,303.00	2	0.18
	Legal Entity	526,635.00	84	7.24
	Treasury Real Estates	358,557.00	27	4.93
	Pasturelands	153,946.00	9	2.12
	Forest lands	247,493.00	3	3.40
Total for Denizli		7,277,015.00	1,242	100.00
Total for Aydın + Denizli		16,531,314.00	3,648	

3. SOCIO-ECONOMIC CONDITIONS OF THE PROJECT AFFECTED AREA AND OVERVIEW OF PROJECT AFFECTED POPULATIONS

3.1 Information Sources

Information on the general socio-economic setting of the Project Area in the national context is drawn from the Socio-Economic baseline study which was conducted in 5 different neighborhoods along the motorway route and 3 different camp sites within the scope of ESIA studies, Public Consultation Meetings in 5 different locations, and secondary data mainly of the Turkish Statistical Institute (TURKSTAT).

All information given throughout this section was given in the light of the above-mentioned sources, and enriched with data following the Field Social Survey (FSS) and Road Trip/Public Consultation Meeting(s). A Field Social Survey (FSS) within the context of LACR Process was undertaken by the LACRP team within the scope of works for the LACR Plan for the Motorway in order to identify types of project affected people – especially vulnerable persons, potential impacts on these PAPs and potentially feasible mitigation measures. The FSS and PCM comprised interviews and data gathering at neighborhoods in the Project Area, as listed in Table 3.1.

The FSS and PCM delivered useful information on project affected populations with regard to:

- Household characteristics;
- Land use and land ownership;
- Socio-economic settings on the household- and the village levels; and
- Strategies for income generation.

The FSS included visits by a team of trained male and female interviewers to the selected neighborhoods, with the neighborhoods selected on the basis of their being most directly affected by the Motorway route or otherwise unique regarding land use/economy.

Interviews were held with the neighborhood Mukhtars, as well as with representatives of local women, farmers (e.g. olive growers, vegetable farmers or other typical groups of farmers) as well as with local commercial/shop owners.

Table 3.1 shows the settlements within the scope of Project area which was the universe for FSS sampling.

Table 3.1. Affected Settlements (TURKSTAT 2020)

Provinces	AYDIN								DENİZLİ			
Districts	Efeler	Çine	Yenipazar	Bozdoğan	Nazilli	Kuyucak	Karacasu	Buharkent	Sarayköy	Merkezefendi	Pamukkale	Honaz
Neighborhoods	Tepecik	Kasar	Hamzabali	Alamut	Hamidiye	Çamdibi (Uzgur)	Yenice	Ortakçı	Kabaağaç	Hacıyüplü	Karakova	Gürleyik
	Göhlisar		Dereköy		Kırcaklı	Karapınar			Tekkeköy	Kumkısıık	Eldenizli	Kocabaş
	Şahnalı		Çulhan		Toygar	Başaran(Çiftlik)			Tırkaz	Çeltikçi	İrdoğanlı	Dereçiftlik
	Mesutlu		Alhan		Yazırlı	Azizabat			Acısu	Salihağa	Goncalı	
	Armutlu		Yenimahalle		Mescitli	Yamalak			Kumluca	Yeşilyayla	Korucuk	
	Kozalaklı		Donduran		Dualar	Bucakköy			Gerali		Küçükdere	
	Karahayit		Direcik		Piribey				Sarayköy		Kocadere	
	Yeniköy		Doğu						Bala			
	Dereköy		Karaçakal						Duacılı			
	Dalama		Çarşıo						Altıntepe			
	Kırklar								Beylerbeyi			
	Gödrenli											
	Alanlı											
	Baltaköy											
	Kasar											

3.2 General Socio-Economic Setting

3.2.1 Regional Economy: Overview on the Province Level

The following information is taken from Environmental Status Reports of the Provinces Aydın (2019) and Denizli (2019).

Aydın Province

Aydın Province is located in the Büyük Menderes River Basin, which is the source of life of the region, flowing for 584 km and extending to the Aegean Sea. Büyük Menderes Basin has an area of 25,000 km². 19,846 km² of the basin remains within the borders of Aydın province. On the fertile plains irrigated by the Büyük Menderes river, agriculture is carried out on 365,794.8 hectares, 46% of the 800,700 ha area. Aydın is suitable for polyculture agriculture with its soil, climate, topographic structure and ecological features. It has a high potential in every branch of agriculture. Among the 365,794 hectares of agricultural land owned by Aydın Province, fruits, beverage and spice crops occupy the largest area with 214,371 hectares and 59% share of total agricultural areas.

Denizli Province

Denizli city center is located on the platform at the foot of Karcı Mountain. In general, the first reason for settlement depends on protection, transportation facilities and having fertile soils. Denizli, which dominates the roads leading to Central Anatolia and Antalya, has been the scene of settlements of great historical importance in its vicinity.

The surface area of Denizli Province is 1,213,400 ha. 376,738 ha of this; that is, 31% is agricultural land, 21,640 ha (2%) is meadows and pastures, 588,672 ha (49%) is forest heathland and the remaining 226,350 ha (18%) is used as non-agricultural, residential.

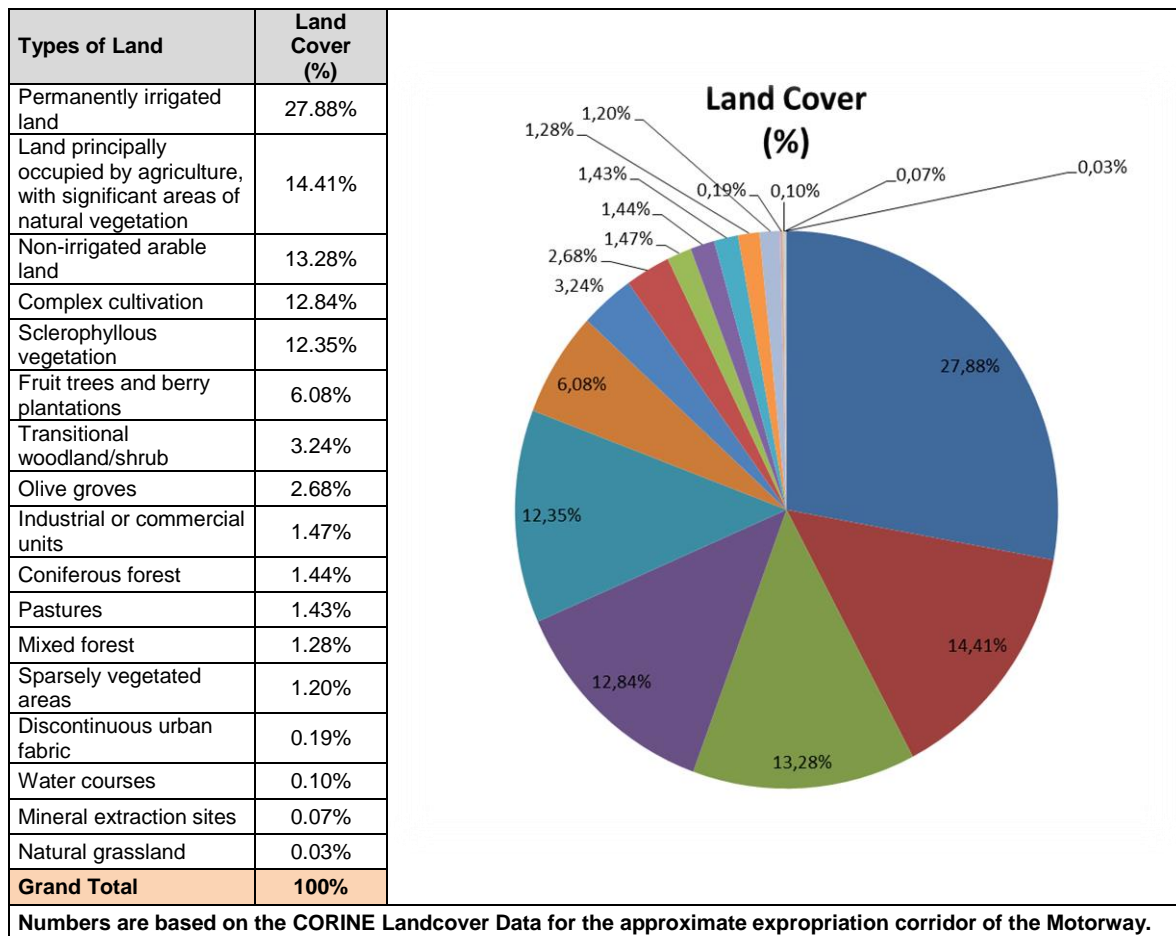
The industry, which has an important place in the economy of the province, is developing more rapidly with each passing day. Weaving is at the forefront among the existing branches of industry and constitutes the driving force of the industry in Denizli. Today, Denizli has a large-scale cotton-based textile industry, rolling mills, metal industry, food industry, cable and construction materials industry, travertine and marble industry.

3.2.2 Land Cover: Overview

The land uses along the Motorway route can be summarized as being of predominantly rural or semi-rural character dominated by a range of agricultural uses of different intensity, from irrigated agriculture and rain fed agriculture to fruit plantations and olive groves to pasture land.

Table 3.2 below presents the land cover classifications along the route, based on CORINE 2018 database.

Table 3.2. Land cover for Motorway Route



According to the table, agricultural lands dominate on the highway route. Its agricultural lands cover 77% of the highway route. These agricultural lands are namely; permanently irrigated land, land principally occupied by agriculture with significant areas of natural vegetation, non-irrigated arable land, complex cultivation, fruit trees and berry plantations and olive groves. Irrigated agricultural lands constitute the largest share in agricultural lands with 27.88% of total area. In addition, pasture lands constitute 2.68% of the total area.

According to Table 3.3, 68% of the Section 1 consists of agricultural lands. The largest share in these agricultural lands belongs to irrigated agricultural lands with 40.5%. In addition, the rate of pasture in the Section 1 is seen as 3.33%.

Section 2 consists of 84% agricultural lands. The highest share in these lands is non-irrigated agricultural lands with 23.28%.

Table 3.3. Land cover for Section 1

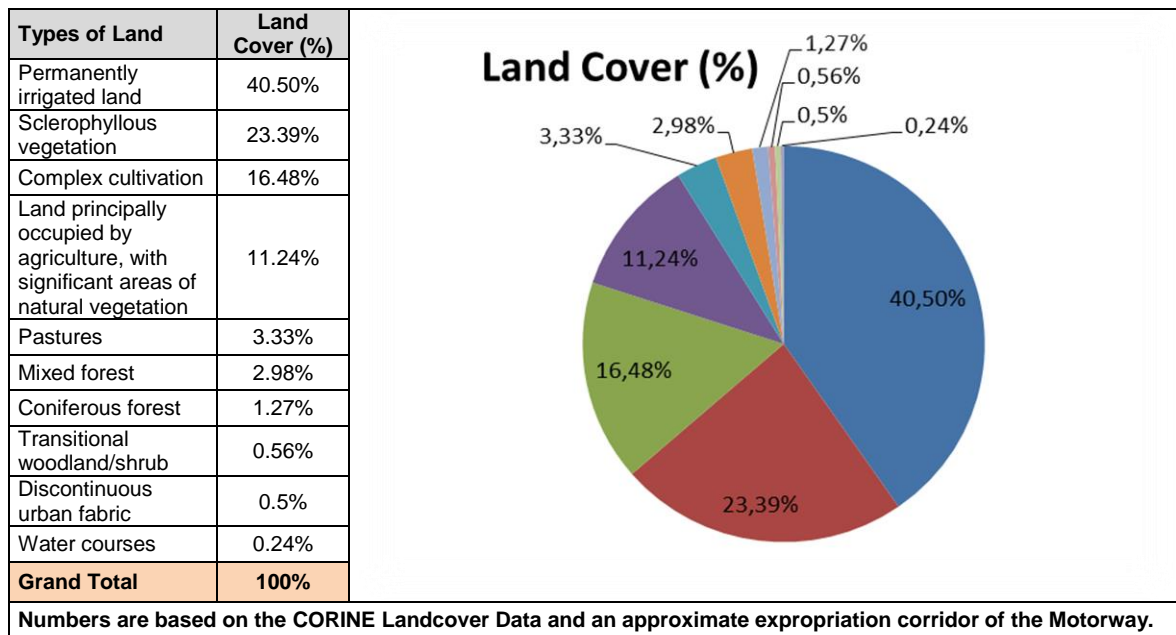
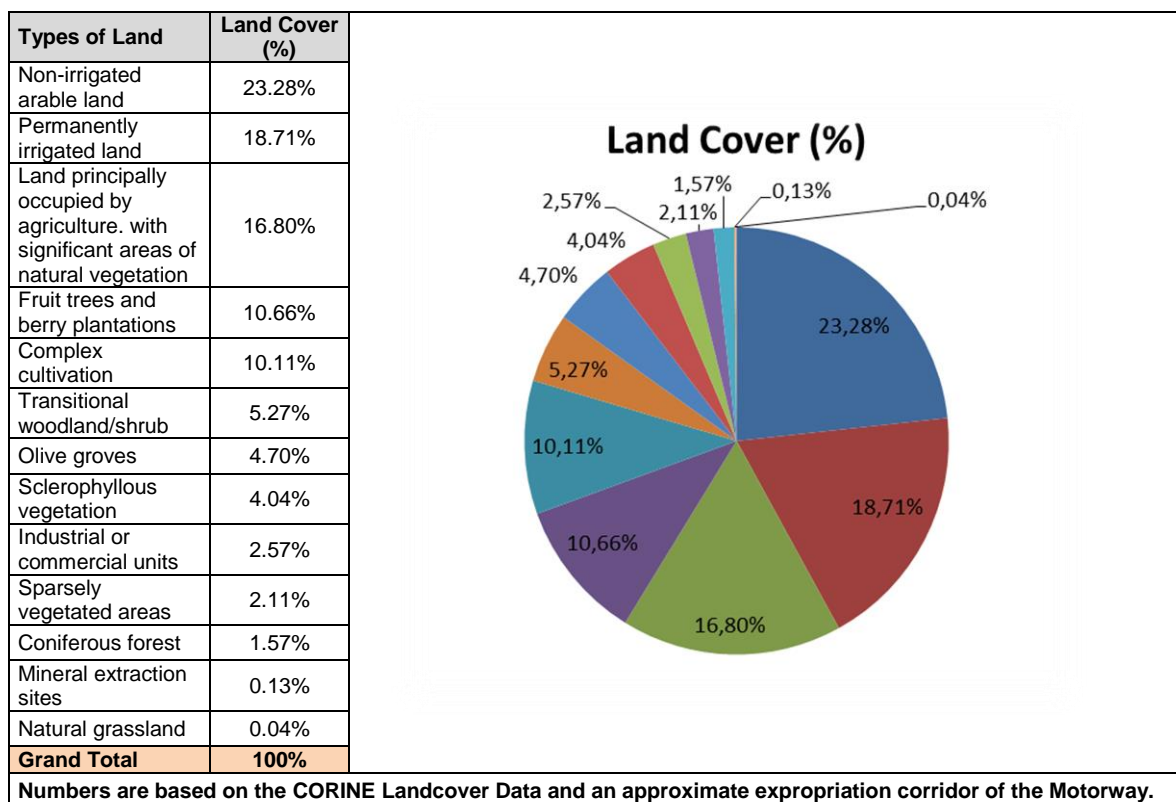


Table 3.4. Land cover for Section 2



3.2.3 Population

3.2.3.1 Population on the Province Level

The total population data for the two affected provinces is presented in Table 3.5 below. Total population of Aydın is 1,134,031 and Denizli 1,051,056 according to TURKSTAT 2021 data.

Table 3.5. Population on the Province Level by Gender (TURKSTAT 2020)

Province	Female	Male	Total
Aydın	563,037	570,994	1,134,031
Denizli	523,498	527,558	1,051,056

3.2.3.2 Population of Project Affected Settlements

According to the TURKSTAT 2021 total population of the affected neighborhoods is around 150,000 with including district centers mentioned in list the below, namely Yenipazar, Buharkent, Sarayköy and Honaz, Bala neighborhood of Sarayköy District in Denizli has the highest population with 4,894 in 2021; while Kırcaklı neighborhood of Nazilli District in Aydın has the lowest with 73 at the same year.

Most of the settlements are in fact much smaller, around 50 out of 70 settlements having fewer than 1,000 inhabitants. On the other hand, the “typical” person likely to be most directly affected by the Project is a farmer/orchard/olive grower or other resident in one of the many small neighborhoods along the route.

Ethnic Groups

In three of the neighborhood studied, the information of the small number of Syrian/Afghan refugee population was obtained from Key Informant Interviews. However, no evidence for ethnic tensions or conflicts was identified during the Socio-Economic Baseline Study.

Seasonal Population

It has been learned that the population of the neighborhoods where the baseline study was conducted, changes seasonally due to education and other reasons, However, in the neighborhoods it was also learned that the population generally works in their own neighborhoods or in the surrounding neighborhoods, and that seasonal labor migration is not significant,

3.2.4 Demographic Characteristics

3.2.4.1 Household Size

According to TURKSTAT 2021 data, the average household size in Turkey is 3.23, while this average is 2.81 for Aydın, this figure is 2.89 for Denizli. In the neighborhoods where socio-economic baseline studies were conducted, the household size varies between 1.93 and 3.25 but the average of these household sizes is 2.79. Average household sizes of these neighborhoods are given in Table 3.6.

Table 3.6. Average Household Size of the Neighborhoods included in the Socio-Economic Baseline Study

Neighborhood	Average Household Size
Kocadere	3.25
Duacılı	3.33
Yamalak	3.07
Yazırlı	1.93
Yeniköy	2.39
Total	2.79

3.2.4.2 Age Groups on Province Level

The distribution of the population of the provinces by age groups and gender is presented in Table 3.7, and Table 3.8.

Table 3.7. Age Groups and Male-Female Population Distribution of Aydın Province (TURKSTAT 2021)

Aydın				
Age Group	Female	Male	Total	Percentage (%)
0-4	31,500	33,264	64,764	5.71%
5-9	35,110	37,055	72,165	6.36%
10-14	34,649	36,158	70,807	6.24%
15-19	39,307	39,591	78,898	6.96%
20-24	37,080	38,594	75,674	6.67%
25-29	37,081	37,827	74,908	6.61%
30-34	39,715	40,006	79,721	7.03%
35-39	42,737	42,390	85,127	7.51%
40-44	39,463	38,946	78,409	6.91%
45-49	36,838	36,889	73,727	6.50%
50-54	38,651	38,247	76,898	6.78%
55-59	35,737	37,762	73,499	6.48%
60-64	35,030	33,965	68,995	6.08%
65-69	30,971	29,044	60,015	5.29%
70-74	22,348	19,484	41,832	3.69%
75-79	15,244	11,989	27,233	2.40%
80-84	10,455	7,068	17,523	1.55%
85-89	6,236	3,637	9,873	0.87%
90+	2,842	1,121	3,963	0.35%
Total	570,994	563,037	1,134,031	100%

Table 3.8. Age Groups and Male-Female Population Distribution of Denizli Province (TURKSTAT, 2021)

Denizli				
Age Groups	Female	Male	Total	Percentage (%)
0-4	30,027	31,361	61,388	5.84
5-9	34,564	36,401	70,965	6.75
10-14	34,455	36,447	70,902	6.75
15-19	38,230	38,891	77,121	7.34
20-24	35,178	36,495	71,673	6.82
25-29	36,534	36,703	73,237	6.97
30-34	40,129	40,429	80,558	7.66
35-39	43,791	44,065	87,856	8.36
40-44	37,558	38,598	76,156	7.25
45-49	33,579	34,689	68,268	6.50
50-54	32,981	32,513	65,494	6.23
55-59	34,733	36,597	71,330	6.79
60-64	27,104	25,867	52,971	5.04
65-69	23,712	21,996	45,708	4.35
70-74	17,556	14,519	32,075	3.05
75-79	12,331	8,814	21,145	2.01
80-84	8,369	5,547	13,916	1.32
85-89	4,738	2,710	7,448	0.71
90+	1,989	856	2,845	0.27
Total	527,558	523,498	1,051,056	100%

While the age range of 15-64, defined as the economically active population, constitutes 68,95 % of the total population in Denizli, it constitutes 67.53% of the population in Aydın. The population over the age of 65, on the other hand, constitutes 11.72% of the total population in Denizli and 14.15% in Aydın. In this context, considering the age distribution of the population of the cities, it is observed that Denizli is lower in terms of economically dependent population (the population outside the 15-64 age range) compared to Aydın.

According to the information obtained from the neighborhoods where the Socio-Economic baseline study was conducted, the age group distribution in the neighborhoods is similar to the average age distribution of the provinces.

3.3 Migration

3.3.1 Information on the Province Level

The migration rates of the districts affected by the project can be examined in the light of TURKSTAT 2020 data. These net migration numbers, varied for each of the project's 12 districts; Sarayköy and Merkezefendi in Denizli, as well as Nazilli and Buharkent in Aydın, have positive net migration rates among the 12 districts within the Project route. Except for these four districts, all other districts in the Project area have a negative net migration rate. Only the Nazilli and Merkezefendi districts have a greater net migration rate than the city's average net migration rate. Table 3.9 below describes the Provinces'/Districts' Net migration rate.

Table 3.9. Net Migration Rates of Provinces/Districts (TURKSTAT, 2020)

Province/District	Aydın	Bozdoğan	Buharkent	Çine	Didim	Efeler	Germencik	İncirliova	Karacasu	Karpuzlu	Koçarlı	Köşk	Kuşadası	Kuyucak	Nazilli	Söke	Sultanhisar	Yenipazar		
Population	1,134,031	32,963	12,951	48,734	93,876	300,225	43,713	54,806	18,003	10,755	22,155	28,101	125,812	26,393	160,581	122,708	20,272	11,983		
Net Migration Rate (‰)	7.3	-17.1	0.2	-4.3	42.2	-3.8	6.5	27.1	-14.2	-2.2	-33.8	-0.6	38.0	-1.8	8.3	3.8	-21.1	-19.6		
Province/District	Denizli	Acıpayam	Babadağ	Baklan	Bekilli	Beyağaç	Bozkurt	Buldan	Çal	Çameli	Çardak	Çivril	Güney	Honaz	Kale	Merkezefendi	Pamukkale	Sarayköy	Serinhisar	Tavas
Population	1,051,056	55,141	6,404	5,387	6,464	6,263	12,192	26,781	18,107	17,749	8,578	60,362	9,506	34,103	19,396	329,451	347,621	30,696	14,349	42,506
Net Migration Rate (‰)	3.6	0.1	-1.1	-3.8	-24.6	-12.1	-42.2	1.6	-15.5	-1.7	-18.7	0.2	-5.7	-17.0	-16.5	32.8	-11.7	2.0	-9.0	-9.2

3.4 Economic Settings in the Project Affected Area

3.4.1 Overview

In the light of the socio-economic baseline study and the data obtained from secondary sources, it can be concluded that the main economic activity along the Project route is agricultural activity. The dominance of agricultural activities on the regional economy is also reflected in the distribution of agricultural lands within the project area. According to the data presented in Chapter 3.2.2 approximately 80% of the total area on the project route is agricultural lands. Agricultural activities in the region generally consist of olive growing, cotton growing, fruit growing and vegetable growing. In addition, greenhouse, cultivation is another agricultural/commercial activity that is seen at a small rate compared to these agricultural activities. Olive cultivation in agricultural activities takes place in two ways as table olives and olives for oil. In addition, fruit and vegetable production and cotton production activities are sold to commercial enterprises and become an important source of income for the people of the region.

Another part of the agricultural activities in the region is agricultural activities for animal husbandry. Livestock farming, which is the secondary economic activity in the region has developed as barn livestock rather than pasture land use and continues based on meat and milk production. In the neighborhoods where cattle breeding activity is common, agricultural products such as silage corn and trefoil are also grown to be used as animal feed.

Apart from agriculture and animal husbandry activities in the region, it is seen that activities such as forestry and beekeeping are not significantly higher. The density of fertile agricultural lands in the region, which was built on the Büyük Menderes plain, shifted the center of economic activity in the affected neighborhoods to farming. The table below shows the main sources of income, in the locations where the socio-economic baseline study was carried out.

Table 3.10. Main Sources of Income in the Surveyed Settlements (Social Field Survey, September, 2021)

Neighborhood	Primary Income Source	Secondary Income Source	Tertiary Income Source
Kocadere	Agricultural Activities	Livestock	Retirement Pension
Duacılı	Agricultural Activities	Livestock	Retirement Pension
Yamalak	Livestock	Agricultural Activities	Retirement Pension
Yazırlı	Agricultural Activities	Livestock	Retirement Pension
Yeniköy	Livestock	Agricultural Activities	Retirement Pension

3.4.2 Employment

According to the Nomenclature of Units for Territorial Statistics Level 2 (NUTS-2). Aydın and Denizli together with Muğla constitute the TR32 region. According to TurkStat statistics from 2020, the region's labor force participation rate is 51%. This percentage is higher than the Turkey average of 49.3%. Furthermore, the region's unemployment rate of 9.6 percent is far below Turkey's average of 13.2 percent.

When the distribution of employment in the region by sectors is analyzed, results different from those in Turkey are observed. The ratio of those working in the Industry and Service sector is lower in the TR32 region (22% and 54%, respectively) than in Turkey in

general. The ratio of those working in the agricultural sector is higher than the overall rate in Turkey. 23% of those employed in the TR32 region work in the agricultural sector.

In Table, 3.11 and Table 3.12, labor force and employment statistics are given for Turkey in general, TR10 (Istanbul) Region and TR32 (Aydın, Denizli, Muğla).

Table 3.11. Distribution of Employment in Different Sectors according to NUTS Level 2 (TURKSTAT, 2020)

NUTS-2	Agriculture (%)	Industry (%)	Services (%)
Turkey	17.6	26.2	56.2
TR10 (Istanbul)	0.9	31.2	67.9
TR32 (Aydın, Denizli, Muğla)	23.0	22.2	54.7

Table 3.12. Labor and Employment Data for TR32 (Aydın, Denizli, Muğla) (TURKSTAT, 2020)

NUTS-2	Labor Force Participation (%)	Unemployment (%)	Non-agricultural Unemployment Rate (%)	Employment Rate (%)
Turkey	49.3	13.2	15.3	42.8
TR10 (Istanbul)	52.6	14.7	14.8	44.8
TR32 (Aydın, Denizli, Muğla)	51.1	9.6	11.8	47.2

Poverty

According to the most recent poverty study of Turkey, the poverty rate⁵ is continuously decreasing in the last ten years. According to TURKSTAT data, poverty rate (50% of median income⁶) for 2006 was around 18.6 % and for 2020 it is 15%.

Average poverty rates (50% of median income) taken from Income and Living Conditions Research for TR32 regions (Aydın, Denizli, Muğla) is 11.7%. It is less than Turkey's general poverty rate.

According to the observations of the baseline study, the majority of the people in the surveyed settlements could be classified as "middle income" households. During the field work for the socio-economic baseline study, poverty was not raised as a general problem or as prominent issue by the key informants. In the FSS and consultation program during the disclosure period for the ESIA/LACRP, poverty was not raised again as a general problem.

5 **Relative Poverty:** Relative poverty: Individuals or households that have income or expenditures below a certain limit according to the general level of society are considered relatively poor. As a measure of welfare, expenditure or income level can be selected according to the purpose. In this study, the relative poverty calculation based on income is made. (TURKSTAT, General Explanation on the Methodology of Income and Living Conditions Research)

6 According to the equivalent household disposable median income, 4 different relative poverty lines were calculated, 40% of Median income, 50% of Median income, 60% of Median income and 70% of Median income. (TURKSTAT, General Explanation on the Methodology of Income and Living Conditions Research)

3.5 Land Ownership in the Project Affected Area

The residents living in the affected settlements might have different ways to obtain house ownership with inheritance being the most probably followed by purchase and construction of houses.

Turkish Law concerning the property acquisition consists of the Turkish Civil Code providing for the equality of women and men in terms of rights and the inheritance law recognizing the equal rights of all legitimate parties. In this context, the common inheritance practices in the affected settlements refer to Turkish Law rather than relying on other practices such as oral or written agreements. In this respect, inheritance distribution is officialized by means of title deed transactions.

3.6 Education and Health

3.6.1. Education

The table below gives the net schooling rate at primary, secondary and high school levels by province. Net schooling ratios for primary, secondary and high school education are respectively 93%, 88% and 87% in Turkey. The net schooling rate in Aydın and Denizli provinces is very similar to the Turkey average for primary and secondary school levels. At the high school level, Aydın is above the overall rate of Turkey with a 90% rate, and Denizli is also above the rate in Turkey with a net schooling rate of 93%.

Table 3.13. Net Schooling Rates in terms of Primary, Secondary and High School Education (MoNE). Statistical Yearbook, 2020-2021)

Provinces	Primary Education (%)	Secondary Education (%)	High School (%)
Turkey	93.23	88.85	87.93
Aydın	93.75	89.79	90.08
Denizli	93.67	89.37	93.38

In the five neighborhoods where the socio-economic baseline study was conducted. It was learned during the key informant interviews that almost all of the school-age children continue their education.

3.6.2. Health

During the Key informant interviews conducted within the scope of socio-economic baseline studies. It was learned that primary health care services are available in the affected neighborhoods, while family practitioner visit these neighborhoods at regular intervals (once or twice a week). In the interviewed neighborhoods, it was learned that the closest provincial or district state hospitals are used as secondary health care services and that there is no significant problem regarding the service received in these hospitals.

Table 3.14 below presents the private and public hospitals around the Project area and Table 3.15 present some public health indicators for Aydın and Denizli.

Table 3.14. Health Facilities in the Vicinity of the Project

Section	Province	District	State and Private Hospitals
Section 1	Aydın	Efeler	Adnan Menderes University Training and Research Hospital
			Aydın State Hospital
			Aydın Atatürk State Hospital
			Private Medinova Hospital
			Private Ege Liva Hospital
		Nazilli	Nazilli District State Hospital
			Private Referans Hospital
		Kuyucak	Kuyucak District State Hospital
Section 2	Aydın	Buharkent	Buharkent District State Hospital
	Denizli	Sarayköy	Denizli State Hospital Sarayköy Additional Service Building Hospital
		Merkezefendi	Denizli State Hospital
			Servergazi State Hospital
			Private Tekden Hospital
			Private Denipol Hospital
			Private Odak Hospital
			Private MediKlinik Hospital
			Private Ege Hospital
		Pamukkale	Pamukkale University Research and Training Hospital
		Honaz	Honaz District State Hospital

*Source: <https://aydinism.saglik.gov.tr/>, <https://denizliism.saglik.gov.tr/>, <https://shgmozelsasdb.saglik.gov.tr/>

Table 3.15. Indicators of Public Health in Project Provinces (TURKSTAT, 2019)

Indicator	Aydın	Denizli	Turkey
Physicians per 1,000 population	1.9	1.9	1.9
Number of Hospital	24	23	1.538
Number of Hospital Beds per 100.000 population	285	313	286

3.7. Summary of Project Affected People

3.7.1. PAPs of the Aydın Denizli Motorway Project

The Aydın-Denizli Motorway will affect about 7,000 land and property owners/co-owners and, in addition estimated thousands of additional persons who rent or use affected land or are otherwise temporarily or permanently affected by the Project according to available information as of this current.

Chapter 7 of this LACRP describes those actions that will be taken in the subsequent Stage 2 of the LACR process.

3.7.2. Vulnerable Groups

Vulnerable groups/people are defined as individuals, groups, households, or communities who by virtue of gender, locality, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by the Project than others, and/or who may be limited in their ability to claim or take advantage of PSMs. Vulnerable people have been considered during the FSS focus group meetings and through the guidance of the Mukhtars, with reference to the following criteria:

- **Livelihood status:** low diversity of income sources, high reliance on a single source of income as principle livelihood (e.g: agriculture, livestock). with limited or no access to different sources of income;
- **Community- and social inclusion and cohesion:** subject to discrimination or marginalization;
- **Health status:** disabilities, chronic illness; and
- **Skills and education status:** low literacy level/illiteracy, low level of skills.

As a result, the following types of vulnerable groups/people were identified for this Project as shown in the table below.

Table 3.16. Vulnerable Groups in the Project Context

Vulnerable People	Reference to indicators/project context
Women headed households	Women who experience loss of income through the project, are expected to have limited access to alternative sources of income (due to the situation on the labor market and due to low skills levels)
Female land owners	In the given socio-cultural environment, female land owners might experience problems in the context of their compensation claims for loss of land (i.e. conflicts over access to compensation money with male members of extended family)
Female employees with low skills levels	Women with low skills levels, losing their job through the Project are expected to have significantly limited or no access to alternative sources of income
Female community members	Women are expected to be exposed to specific health and safety risks in the context of the presence of construction workforce; the overall construction related environment is expected to affect the freedom of movement of women
Elderly, ill or infirm people	Elderly, infirm or ill people affected by the Project, will not be able or willing to benefit from or participate in PSMs such as construction employment or agricultural extension/training Elderly, infirm or ill people might have limited access to project related information, unless they are considered with specific measures
Illiterate people	Illiterate people, affected by loss of income through the Project, will have very limited access to alternative sources of income Illiterate people will have limited access to project related information unless they are considered with specific measures
Poor people	People depending on social support (state/community members), losing an additional source of income through the Project

Further information on vulnerable groups have been obtained during the FSS and Road Trip activities, namely the survey and assets assessment within the further development of the LACR Implementation Sub-Plans.

During these studies, vulnerable groups were reached within the framework of the criteria stated above. Two examples of these vulnerable groups are as follows:

- (i) Women headed/Elderly headed household: Household owners who learn that the house they have built on the treasury lands in Mescitli for more than 17 years will be demolished because it is in the Aydın - Denizli Highway Project area can be included in the definition of a vulnerable group in many respects. In this case, there is women-headed and elderly-headed household; moreover, their income level is low. They reported that after the house was demolished within the scope of the road, they would not be able to build or buy a new house in the village.
- (ii) In the village of Duacılı, it has been determined that the number of households in which women are the head of the household is high. As a result of the participation of women in the Public Consultation Meetings, there has been an opportunity to communicate with them.

4. Legal and Institutional Framework

4.1. Turkish Legal Background

The following section describes the legal background and process in Turkey with respect to land expropriation.

Land Acquisition

There are a large number of laws and regulations relevant to the implementation of land acquisition in Turkey. Those can be cited as follows; Expropriation Law (Law No: 2942 changed by the Law no 4650), Resettlement Law (Law No: 5543), Code of Civil Law (Law No: 4721), Cadaster Law (Law No: 3402), Forest Law (Law No: 6831), Environment Law (Law No: 2872), Municipalities Law (Law No: 5393), Pasture Law (Law No: 4342), Village Law (Law No: 442), Public Finance Management and Control Law (Law no 5018) and several implementation regulations pertaining to the above-mentioned laws.

Land acquisition ways can be cited as follows;

- (i) expropriation including establishment of easement (servitude) right
- (ii) transfer of immovable assets
- (iii) bartering
- (iv) allocation
- (v) renting
- (vi) temporary occupancy
- (vii) donation

Before describing the process under the Turkish Expropriation Law, it should be underlined that according to the BOT Contract and in accordance with the relevant provisions of the Expropriation Law, expropriation works for the Aydın-Denizli Motorway Project will be conducted by the KGM as the related responsible competent governmental agency. Project Sponsor does not have any responsibility or authority regarding the execution of expropriation works.

4.2. Expropriation Law

4.2.1. Overview of Scope and Application

Expropriation is the most widely used method for land acquisition in Turkey. 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 (servitude) rights on these immovable properties in compliance with the procedures and principles set by expropriation law.

As it is above mentioned, the Expropriation Law applies in cases of land acquisition and compensation, regardless of the magnitude of the project influence area. Mainly, the Expropriation Law particularly provides monetary compensation for the acquired land and buildings/structures of title deed owners (right owners), and the affected persons are then free to choose how and where they will arrange their resettlement. The expropriation process is essentially conceived as a procedure of land acquisition without permission of title deed owner. Accordingly, monetary allowance is required as major prerequisite for the authority to commence the process. This monetary amount should be sufficient to pay all expropriation compensations in planned stage of expropriation area.

The expropriation process is conducted by legal authorities by taken into consideration the fair market value. The owner has to bear the costs for the evacuation of the expropriated immovable property, such as costs for moving of personal goods, legal fees for purchase new land and/or new houses or related structures.

Pursuant to Article 10, the owner of the immovable property subject to expropriation can file lawsuit for annulment in administrative jurisdiction against expropriation process and correction in judicial jurisdiction against material errors within thirty days from the day of notification made by the court, instead of notification to those who could not be served from the date of the announcement made by the court in the newspaper.

Expropriation implementation activities based on Expropriation Law and related regulations can be summarized in line with the following stages:

- Project approval (public benefit decision)
- Preparation of expropriation plans
- Identification of property owners and address investigation
- Expropriation decision (regional-local)
- Establishment of a “Valuation Commission” and the Valuation Process
- Establishment of a “Negotiation Commission” and purchasing process
- Other processes (legal and/or administrative) such as annotations. Registrations, payments etc.

4.2.1.1. Commencement of Expropriation

Expropriation/land acquisition process starts following the approval of “public benefit decision” by competent authority stated in the articles 5 and 6 of Expropriation Law. Sub clause 11 of article 5 states that Presidential decision is needed for the expropriations which are implemented in the boundaries of more than one province, and for the benefit of Government. Also, article 6 of the same law states that approval of the “public benefit” decisions taken by the President or by the ministries is not required.

4.2.1.2. Preparation of Plans

After the approval of the Project, expropriation plans are prepared by KGM. The actual size and boundaries of the immovable assets and resources are determined by land surveys and a scaled (usually with a scale of 1/5,000) expropriation map is also prepared. Expropriation maps demonstrate the boundaries, surface area and types of immovable assets and resources to be expropriated. These plans (with expropriation maps) may be awarded to professional contractors.

4.2.1.3. Identification of the Property/Right Owners

As the responsible authority (KGM) determines and documents the owners of each immovable property being expropriated, or actual occupants of the assets without title deed. Addresses of above mentioned persons are determined and documented by asking of the title deed offices, tax offices or district civil registry offices, or by the way of having an external search done separately. In case there is no registration or cadastral records at the title deed offices, the responsible authority applies to the local administrative chief for appointing four experts, (Consisting of two principal and two substitute members), to

undertake a land survey in the expropriation area with village/neighborhood head, according to Article 9 of Expropriation Law. On the other hand, land users who are not entitled to compensation are not documented according to Turkish legal framework regarding expropriation.

4.2.1.4. Announcement of Public Benefit Decision

According to the Article 25 of the Expropriation Law, public benefit decision is made public at the office of village/neighborhood head for 15 days and then it is regarded as “cut-off date”. The values of planted trees and fixed facilities made on the immovable properties to be expropriated as from the end of above mentioned 15 days are not taken into account during determination of expropriation compensation. This can be considered as “cut-off date”. Duration of this limitation is 5 years as from the end of mentioned proclamation date.

According to this article, for the owner, expropriation process in terms of exercising the rights and fulfilling the debts starts with the notification made by the court in accordance with Article 10. Also, ownership of property passes to the administration upon the registration decision by the court.

4.2.1.5. Expropriation Decision

In accordance with the expropriation priority of required immovable properties in the Project region, the agency responsible for expropriation (KGM) stage by stage takes the “expropriation decision” for designated areas within the scope of sufficient monetary allocation and requests to the local Land Titling and Cadaster Directorate to put an annotation on the register of the immovable property to be expropriated. Title deed office records are considered as public record (principle of publicity). Hence, no additional public announcement is required. If the expropriation is not implemented within 6 months, mentioned annotation is removed ex officio.

4.2.1.6. Establishment of Valuation commission

According to the Article 8 of the Expropriation Law, the responsible agency establishes a Valuation Commission (or more than one) within its structure to determine the values of assets and resources to be expropriated. This commission is consisted of at least three experts. Following this establishment stage, valuation commission determines the unit and ceiling values of assets and resources to be expropriated.

This commission takes into account articles 8 and 11 of expropriation Law. On the other hand, commission requests/receives the reports from the relevant expert persons, institutions and organizations. Also, in case of need, the commission benefits from the information received from the chambers of commerce and industry, and from local real estate purchase and sale offices. It is not required that the commission comprises representatives of affected communities.

Also, the expert commission designated by the civil court of first instance takes into account below stated criteria indicated at Article 11 of Expropriation Law and prepares the report that complies with the valuation standards approved by the Capital Markets Board of Turkey:

- a) The nature and quality of immovable property/asset or resource

- b) The size of the immovable property or resource
- c) All the characteristics and elements which could affect the value of the immovable property or resource, and the individually value of each element
- d) Tax return (declaration), if any
- e) Valuations made by governmental authorities on expropriation date
- f) For land, net income to be obtained from an immovable property or a source, provided that the immovable property or the source is used at that location and under the same conditions, and is used in its original condition
- g) For house plots, values of sale of the peer house plots sold before the expropriation date without any special purpose
- h) For buildings: official unit prices (issued by the Ministry of Environment, Urbanization and Climate Change) cost calculations of construction (structure) and depreciation for wear and tear
- i) Any other objective measurements that could affect the value of the property or resource on condition that the effect of each measure is explained.

As mentioned above, Court Experts estimate the value of the property based on a prepared evaluation report that includes answers of all these elements taking place in criteria. In case a right of easement is in question, the decrease in the value of the immovable property or the source needs to be explained with its rationale in detail, and this can be considered as the compensation value of servitude/easement. Although not specifically indicated by the lawmakers, a sort of case-law regarding the material criteria employed during the valuation process has emerged as a result of verdicts by the Court of Cassation, essentially to safeguard the Constitutional guarantee that owners shall be compensated at the real value (i.e. market value) of expropriated assets. Courts are required to consider these material criteria, thus urging the court experts to act accordingly as well. Structures and vegetation, as components of land, bear considerable impact on the value of the expropriated asset. Thus, certain specific regulations govern the valuation of these components (based on case law).

Entitlement to Expropriation

Private statutory (with title deed) and customary land owners are entitled to cash compensation under the Expropriation Law No. 2942, amended by Law No. 4650. The compensation also considers trees and standing crops, irrigation structures, walls and fences are also considered in the valuation process.

Absentee owners: The court of first instance announces a summary of the expropriation and related documents at least once in one of the local newspapers on condition that a local newspaper is being published at the place where the immovable property in question is located, and in one of the newspapers published throughout Turkey.

Naturally, absentee owners do not attend since they are not reached by the agency responsible for expropriation (KGM). Their cases are taken to Court of First Instance. According to article 10 of the Law, following the determination of the compensation of immovable property by the court of first instance, expropriation compensation of the immovable property is deposited to the bank. When the absentee owner becomes aware of expropriation, then he/she applies to the relevant competent authorities and receives his/her compensation from the bank.

In case of the right owner could not be determined, Court of First Instance determines the compensation and takes required measures to invest the expropriation compensation in a three-month time deposit account for the interest of owner.

Ownership dispute is another case and it is not similar to “absentee owner” case. In this case, there is ownership dispute lawsuit in another court. So, the real owner of the land in question is not clear since the ownership case is in process in another court. In this circumstance, Court of First Instance determines the compensation and takes decision about the payment of compensation to right owner who will become clear in the future, following investing the expropriation compensation in a three-month time deposit account.

During the expropriation of land, that is registered in the name of another person, or without any owner and/or non-acquired by its customary owner, the minimum price of construction materials of buildings and compensation amount of the trees evaluated within the scope of Article 11 of the Law are paid to customary owner. This point was added to the end of Article 19 of Expropriation Law on May 26, 2004. This article implies that informal land users may receive the compensation with a consent letter from statutory right owner and/or from competent authority regarding the construction materials and planted trees, if they have any.

Valuation method of agricultural land can be stated as follows;

According to the Article 11 of the Expropriation Law, agricultural land is evaluated through the “**net income approach**”. The net income can be defined as the income of the land (subject to expropriation) that it would be probably brought if this land continued to be used without any change (much the same) according to the conditions (such as the type of crops, distance to marked places, local rotation system, climate-micro climate, soil structure, topography and the irrigation structures etc.) and location of the land and resources.

At the beginning, the Valuation Commission determines the annual average net income (**R**) from agricultural land in the area by taking into account crop pattern, production rotation system, production techniques in that area. Then, related investigations and researches in the expropriation region (as explained in Article 8 of the Expropriation Law) are carried out by this commission. Following these steps, the actual sale and purchase prices of similar lands are determined through market researches and investigations of the transfers of title deeds (sale/purchase) between land owners in the project region. In this way, the capitalization rate (**f**) is the ratio between annual average net income of the land and average market selling and purchase price of this agricultural land is determined. On the other hand, capitalization rate can also be defined in below mentioned formula as (f). Large number of sale prices and net incomes (rents) of lands in the region should be known for determination of reliable and accurate capitalization rate.

Finally, the net income is divided by the capitalization rate. In other words, the formula used by the commission for the valuation of agricultural land is $D=R/f$, where:

D= Value (consequently determined expropriation compensation).

R= Net income (gross average income from the land minus production costs that is found according to the crop pattern and rotation system and other conditions)

f= the capitalization rate the right of usage of the capital invested in agricultural land (to find this ratio necessitates detailed works of related experts having wide experience on this point)

Details of above mentioned “net income approach” includes the following steps:

Data Collection:

The Valuation Commission carries out field surveys in the expropriation area and determines the characteristics of the land or resource that affect the expropriation value such as (as aforementioned) soil structure, location of the land, access roads, access to common properties, local climate including micro-climate, crop rotation system in the region, distance to market places, cultivation easiness, crop patterns in the region, second crop production, topography of the land, irrigation and irrigation structures, land capability and other conditions. Moreover, the Commission also requests written information from local related organizations such as local directorate of soil products office, the chamber of agriculture in the region; local directorates of the Ministry of Agriculture and Forestry, about the yield and production capacity per decare (0.1 hectare) of the land, production costs and other related costs of unit prices and technical data required for valuation.

Net Income:

To determine the net income, the gross production rate is obtained by multiplying the product yield with the product unit price of that year, according to the existing agricultural production system (by taking into account rotation and second crop, if any) within the land that is subject to expropriation valuation. Then, all expenses made for that product (annual operation expenses such as 10% unknown expenses + 3% management share + agricultural capital interest) are deducted from the above-mentioned gross production value to reach the total net income. Calculated total net income is divided into the number of products within the agricultural production system to find the annual average net income. If there is a second product, the net income of this product is added to the net income obtained from the mentioned unit area. The bare value of the expropriated land is found by capitalizing the net income (through dividing the total net income by the capitalization interest rate).

Also, all the inseparable parts of the assets such as structures, walls, fences, wells, trees, and others are individually evaluated and added to the calculated bare land value.

Valuation of orchards:

Above mentioned income approach can be used during the calculation of values of vineyards and other fruit trees. During the valuation of a covered orchard (if the land is completely full of fruit trees, vineyard, olive trees etc.), expropriation value (compensation) is found by adding the values of trees on the bare land value that was found by using variances of balances⁷ (divergences of balance-sheets). After calculation of bare land value, “past values formula” or “future values formula” is used to find the value of orchard for a certain (requested) year. On the other hand, the cost approach can be used for the orchards which are in plant/nursery period. Implementation of this approach requires taking into account the calculation of annual expenditures and values of rent (for the bare land). Then the expropriation value is found by using the real interest rate that brings the values to valuation date.

⁷ Values of each year (production values minus expenditures) are accumulated to the end of economic life time of orchard (fruit plantation) , then the bare land value is found through the formula regarding the capitalization of periodical fixed incomes.

Valuation of structures/buildings and housing plots:

Cost approach: Article 11 of Expropriation Law states that the official unit prices and construction cost calculations and depreciation is taken into account during valuation of constructions/structures. Every year a communiqué is published by the Ministry of Environment, Urbanization and Climate Change on “Average Unit Costs of Buildings used for Calculation of Costs for Architecture and Engineering Works”. Commission takes into account this communiqué and depreciation during valuation.

The condition of the building/structure is taken into account by considering whether any maintenance and repair has been done.

The owners of residential structures are entitled to cash compensation under the Expropriation Law just like the land owners. This method can also be used for the valuation of uncompleted buildings/structures during construction phase and the evaluation of unintended reimbursements, i.e. unforeseen damages to property outside of the actual expropriation area.

This approach assumes the cost of building plus the value of the land (house plot).

The expropriation compensation amounts of the lands (house-plots) are determined through peer assessment. While making peer assessment, purchase and sale prices of comparable plots are taken into account.

4.2.1.7. Negotiation commission

Negotiation commission is internally established by the agency responsible for land acquisition to reach settlement with property owners. Each negotiation commission is comprised of at least three members. More than one commission can be established.

The commission sends an official invitation letter to each property owner without declaring the value for the asset that was previously estimated by this valuation commission. If the settlement on expropriation value is reached, the minutes of agreement is signed by two sides and payment (compensation) is done within **45 days**.

In case an agreement cannot be reached during negotiation, minutes of disagreement is signed by two sides and the responsible agency (KGM) takes the matter to the **Civil Court of First Instance**. By the end of judicial process, court takes final decision and payment is done within **15 days**. The costs of the court process are borne by the responsible agency/KGM.

4.2.1.8. Expropriation of residual parts

According to the Article 12 of Expropriation Law; In cases where no change occurs in the value of the residual part by virtue of the expropriation, the value of the expropriated part shall be determined in proportion to the total expropriation value of the whole immovable property in accordance with Article 11 of the Expropriation Law.

If a decrease in the value of the residual part occurs due to expropriation, this loss is estimated by the commission and added to the expropriation value of the expropriated part.

If an increase in the value of the residual part occurs as a result of expropriation, this increase is also estimated by the commission and deducted from the value of the expropriated part.

The decreased and increased amounts mentioned above are determined according to the valuation criteria under Article 11 of the Expropriation Law.

In case after expropriation, the remaining part of the expropriated property remains suitable for use in accordance with the legislation concerning construction, the expenses and costs for reinstatement of any buildings, surrounding walls, sewerage, water, electricity and gas lines that are damaged shall be determined and added to the expropriation value following assessment of the commission.

If a land is partially expropriated, in case the remaining part of the property is no longer suitable for use by its owner, and provided that the expropriation decision is not challenged in the courts, the owner can submit a written application to competent authority within 30 days following the date of notification of the expropriation decision. The residual part is also expropriated by necessity.

Particularly, these points are more important for linear projects.

4.2.1.9. Urgent Expropriation

Article 27 of the Expropriation Law states that; for the expropriation of immovable properties in situations for which President of the Republic takes decision regarding the urgency or need for national defense in the scope of the implementation of the Law on National Defense Obligations (Law No: 3634) or during emergencies foreseen by special laws, the immovable property subject to expropriation may be seized by the related administration on condition that the procedures other than valuation shall be completed afterwards. In this process, following the request of the related administration, compensation amount for the immovable property shall be appraised by the court within 7 days through the experts assigned as per Article 10 and 15 of the Expropriation Law. Seizure shall only be made following the invitation to be done in accordance with Article 10 and the amount is deposited to the bank specified in the announcement. The decision taken by the court for the seizure on immovable property is notified to the directorate of land registry. Then, it is annotated on land register that the immovable property cannot be transferred, alienated or assigned to other persons. Following the decision of seizure, immovable property is evacuated according to Article 20 of the Law.

In the scope of the Aydın-Denizli Motorway Project, **urgent expropriation was applied in accordance with Article 27 of the Expropriation Law.** In this context, Urgent Expropriation Decision was taken by the Presidency on September, 23rd, 2020 with the decision number 2973 for the urgent expropriation of the immovable assets.

As it was stated in the brochure of KGM, the amount given for seizure is not real expropriation value. Expropriation value (compensation) becomes definite by the end of court case according to Article 10 of the Expropriation Law.

4.2.1.10. Land Acquisition/Allocation

Allocation of an immovable property that belongs to any governmental organization is possible according to Law no 5018, free of charge. Article 47 of this Law and

regulations issued by the ministry of Environment, Urbanization and Climate Change explains the procedures regarding this implementation.

4.2.1.11. Transfer of an Immovable Property between Public Enterprises and Statutory Bodies

According to Article 30 of Expropriation Law, the immovable properties, resources and servitudes possessed by the public enterprises/institutions and statutory bodies/public legal entities cannot be expropriated by another public institution and public legal entity.

The authority needing the immovable property, resource or servitudes for its projects determines the compensation amount pursuant to the Article 8 of Expropriation Law. Then, this authority applies to the owning authority with an official petition stating the amount to be paid that is based on the determined expropriation value according to Article 30 of Law. If the owner authority does not give consent to transfer of immovable property and does not respond to this application within sixty days, this disagreement is resolved within two months through the assessment of the relevant administrative department of the Council of State upon the application of requesting administration.

4.2.1.12. Resettlement Process under Turkish Resettlement Law

In Turkey, resettlement activities of the government are regulated by Resettlement Law (No: 5543) and its regulations. The Resettlement Law deals with the project-affected families applying to related governmental agencies in the project region and requesting government assisted resettlement. Law also covers the procedure of resettlement of immigrant families coming from other countries, as well as that of nomadic families.

Resettlement assistance of the government is provided to entitled families, while expropriation compensation payments are made to all individuals holding immovable properties in the project area. Three types of resettlement can be provided in line with the choices and requests of affected families. Entitlement criteria and other operational aspects are defined by Resettlement Law Implementation Regulations. PAPs requesting the resettlement must be residing at the project affected area (if they have not any asset to be expropriated, they must be living there at least for three years), and they must commit depositing 60 times of gross minimum wage from their expropriation compensation (received or will be received by them), and they should be seen as a family. Other conditions are stated in detail by Implementation Regulations of the Law.

4.2.1.13. Agricultural Resettlement

Agricultural resettlement is implemented through providing a family with the following; agricultural land at the amount of envisaged in its special resettlement project, house, management building, animals (for income generation), agricultural devices and tools, workbench and credits one or more.

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

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 (MoEU) with the aim of re-building (moving) of villages because of unsuitability of a village center 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 Resettlement Law refers to the resettlement of persons/families whose immovable properties are expropriated and specifies eligibility criteria for government assisted resettlement as follows:

1. For the purposes of 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 that will be done/erected by public institutions and organizations, protecting historical and natural valuables; and due to the implementation of special laws;

a) The families who have to leave their locations/places as a result of partial or full expropriation of their immobile 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 MoEU 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 (MoEU) 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, on condition that the proposal of relevant Governorate and the approval of the Ministry of Interior are obtained.

(4) Among the families included in the scope of the 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 and the families who do not commit to deposit the amount determined by the MoEU 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.

Article 9 of Resettlement Law explains the resettlement assistance (which is similar to international requirements) as follows:

(1) The immigrants, nomads, the persons whose places/grounds are expropriated and persons who are decided to be relocated by the reason of the national security shall be resettled in cities, towns and villages by means of providing the following

through debiting/repayment according to the provisions of this Law, and pursuant to the plan and the specific project prepared by the MoEU;

- 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 its agricultural resettlement project (specific).
- d) (ç) In case of the request of the right holder families, resettlement credits can be given to the families collectively or individually, provided that the house, work place and agricultural land are found by themselves and their suggestions/applications are approved by the Ministry (MoEU).

(2) Annual operation and equipment credits provisioned in its agricultural resettlement projects (specific) shall not be made available for the families who did not request the mentioned credits within two years following the transfer of their agricultural lands.

(3) For immigrants accepted to enter the country according to this Law, as of the date they pass (enter) the border gates with their used goods which are exempt of customs; and for the people whose grounds(immovable properties) are expropriated and for those who are resettled due to national security and for the nomads, as of time when they are transferred to their resettlement areas; they shall be provided the support of medical help, accommodation, food, fuel and the support of clothing (for once only) for persons in need and gratuitous assistances for temporary re-settlement for those whose immovable properties are expropriated; these supports shall be provided according to the time, amount and the conditions specified in the regulations of the Resettlement Law.

(4) Transportation (moving) of those families mentioned above to the resettlement areas (sites) shall be provided free of charge by the government according to the "Transportation (moving) Project" to be specifically prepared by the Ministry (MoEU). From the point of view of international standards, another important point is the allocation of expenditures regarding land acquisition and resettlement under the same budget item.

Article 33 of the Resettlement Law explains that the resettlement allowance will be allocated in the budget of the institution responsible for expropriation.

In comparison with international standards, the more positive and significant approach of Turkish resettlement framework is that the resettlement implementation takes into account the nuclear families in household separately.

It should be noted that in the selection of the Aydın-Denizli Motorway route, physical displacement has been avoided to the extent the highway design criteria allowed. In the scope of the land acquisition process to be conducted for the potentially limited number of parcels on which buildings/structures located within the expropriation corridor according to the current design, it is essential that the related authorities to aim the conduct acquisition process based on negotiated settlements to be established in accordance with the Expropriation Law, thus it is expected that the affected families may not apply to government and request government assisted resettlement.

4.2.2. IFC Performance Standard 5 & Equator Principles IV

4.2.2.1. Equator Principles

The Equator Principles (EPs) is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making. The EPs apply globally to all industry sectors.

Most of the large private international banks (so called Equator Principles Financial Institutions-EPFIs) have officially adopted these principles (According to EP IV, published November 2019 and came into force in October 2020), summarized below to ensure that the projects financed or advised by them are developed in a manner that is socially responsible and reflect sound environmental management practices.

Principle 3: Applicable Environmental and Social Standards

The Assessment process should, in the first instance, address compliance with relevant host country laws, regulations and permits that pertain to environmental and social issues.

According to the Principle 3, IFC Performance Standards are applicable standards in relevant issues for EPFI.

4.2.2.2. IFC Performance Standard 5: Land Acquisition and Involuntary Resettlement

IFC published its current Policy on Environmental and Social Sustainability in 2012. Within the framework of this Policy, it applies a comprehensive set of Performance Standards to manage social and environmental risks and impacts and to enhance development opportunities in its private sector financing in the member countries eligible for financing. The Performance Standards may also be applied by other financial institutions electing to apply them to projects in emerging markets.

The provisions of the IFC PS5 identified as relevant for the project are summarized (**mainly quoted**) as follows:

In the event of avoidance of displacement is not possible, both physical displacement and economic displacement are to be considered in the compensation and resettlement planning and compensation (monetary or in kind) must be provided for physical and economic displacement.

Stated objectives are:

- Avoid or at least minimize involuntary resettlement
- Mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of land by:
 - providing compensation for loss of assets at **replacement cost** and
 - ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected, and
 - Improve or at least restore the livelihoods and standards of living of displaced persons. Offer displaced persons and communities compensation for loss of

assets at **full replacement cost and other assistance** to help them improve or at least restore their standards of living or livelihoods. Consult with and facilitate the informed participation of affected persons and communities, in decision making processes related to resettlement. Consultation will continue during the implementation, monitoring, and evaluation.

- A Grievance Mechanism to be established in accordance with PS1 to receive and address in a timely fashion specific concerns about compensation and relocation that are raised by displaced persons, including a recourse mechanism designed to resolve disputes in an impartial manner.

- The procedures must establish the entitlements of affected persons or communities and will ensure that these are provided in a transparent, consistent and equitable manner.

- If land acquisition for the project causes loss of income or livelihood, regardless of whether or not the affected people are physically displaced, the client must meet the following requirements:

- i. Promptly compensate economically displaced persons for loss of assets or access to assets at full replacement cost,

- ii. In cases where land acquisition affects commercial structures, compensate the affected business owner for the cost of re-establishing commercial activities elsewhere for lost net income during the period of transition and for the costs of the transfer and reinstallation of the plant, machinery or other equipment,

- iii. Compensate economically displaced persons who have informal claims to land for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land at full replacement cost, The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date,

- iv. Provide additional targeted assistance (e.g. credit facilities, training, or job opportunities) and opportunities to improve or at least restore their income-earning capacity, production levels, and standards of living to economically displaced persons whose livelihoods or income levels are adversely affected.

- Provide transitional support to economically displaced persons, as necessary based on a reasonable estimate of the time required to restore their income earning capacity, production levels, and standards of living.

- Establish monitoring system

4.2.3. Gaps between Turkish Law and International Requirements

A comparison of the key points between International Requirements (PS5) and Turkish Expropriation law can be found in “Annex A”, The Gaps between Turkish Law and International Requirements” can be divided in two groups: The first group comprises actions that need to be taken to conduct the expropriation process in accordance with the international requirements. The second group comprises supplemental mitigations measures. The so-called PSMs that have to be provided by FOIAS in addition to the compensation provided by KGM to ensure that all PAPs are entitled in compliance with the key principles set out for this Project.

The main gaps between PS5 and Turkish requirements are summarized below: Table 4.1 describes the procedural aspects of Project implementation for closing certain gaps, and Table 4.2 lists the key PSMs.

Table 4.1. Actions to bridge the gaps between Turkish Law and International Requirements

International Requirement not covered under Turkish Law	Aydın-Denizli Motorway Project actions to bridge the gaps	Reference in this Document
Both physical and economic displacement are considered	As Turkish Law does only cover compensation for the expropriated asset. FOIAS, takes responsibility to identify and compensate all PAP as per definition of the International Requirements	Chapter 7
A Grievance Mechanism to be established in accordance with PS1/Equator Principles IV- Principle 6	FOIAS has establish a Grievance Mechanism during the ESIA Process and this will be expanded for the LACR Process with personnel responsible for LACR only	Chapter 10
Preparation of a Resettlement Action Plan or LACR Plan	This in hand document address this Gap	In hand LACRP and upcoming Sub-Plans
Prior consultation and participation in the land acquisition and resettlement planning process and on-going consultation and monitoring during implementation	A rapid FSS has been conducted with sampling in affected settlements to gain a first overview of PAPs and required mitigation measures. The consultation will be on-going during disclosure of the LACRP and any new and additional outcomes will be included as part of the Stage 2 in the LACR Implementation Sub-Plans. Ongoing consultations with the PAPs are conducting by Expropriation Unit on the site. The meetings will be reshaped considering SEP and all meeting records are kept by Community Relation Unit and Expropriation Unit. A monitoring schedule is outlined in this in hand document.	Chapter 7
Socio-economic baseline is required in terms of a census survey in order to obtain information on livelihood patterns	A rapid FSS has been conducted to provide a first overview and a detailed census will start after the disclosure of this LACRP in Stage 2 to determine all required baseline data.	Chapter 3 Chapter 7
Tenants and those who have no legal rights to land or occupy the land at the time of the cut-off date, as well as economic displaced persons (e.g. who lose their jobs or income due to expropriation).	These PAPs was identified through the census in Stage 2 and will be entitled according to the Entitlement Matrix.	Section 6.4 Chapter 7

Table 4.2. Basic PSMs to bridge the gaps between Turkish Law and International Requirements

International Requirement not covered under Turkish Law	Aydin Denizli Motorway Project Basic PSMs to bridge the gaps
Offer PAPs and communities compensation for the loss of assets at full replacement value	<p>Residential Buildings: The KGM valuation commission deducts depreciation from the value of a residential property when determining the compensation amount to the owner. If this compensation amount is below market value, then FOIAS will cover the gap to market value and full replacement value including transaction cost, any moving costs and assist in finding a new property through moving assistance if required.</p> <p>Land and Structures (e.g. irrigation systems): The value paid by KGM is based on market value. However no support is provided for buying new land. FOIAS will cover top up costs such as fees for obtaining the title deed, commission for the real estate agent (if any) moving costs and other relevant relocation expenses.</p>
Restore loss of income or livelihood	FOIAS will provide for restoration of livelihoods through: provision of additional compensation to PAP entitled under Turkish Law to cover gaps; provision of compensation to those PAP who are not entitled under Turkish Law (see Entitlement Matrix); assistance in finding new land/pasture, including payment of all transaction costs; provision of training- and capacity building measures in order to enhance PAP capacity for livelihood improvement; provision of priority access to construction employment in order to cover transition periods;
Compensate economically displaced persons who have informal claims or a not considered under local law (not to be considered after the cut-off date)	FOIAS will provide compensation for project related losses according to the Entitlement Matrix, Entitlement to PSMs will be provided accordingly.
Provide additional targeted assistance to improve or at least restore standard of living	FOIAS has developed specific PSMs in order to improve standard of living of PAP such as professional training measures, agricultural extension training and assistance and coaching in fish marketing. These measures will improve overall competitiveness of PAP on the labor market, in the agricultural production context or in the fish marketing context. FOIAS will assist in access to credit to mitigate limited access to credit due to lack of collateral.
Paying special attention to vulnerable groups	FOIAS will identify potential vulnerable groups and developed PSMs to address their needs in particular.

Whenever Turkish Law requirements are less favorable to affected people with regard to the restoration of livelihoods than the International Requirements, these latter more stringent requirements shall apply. The only main systematic gap compared to International Requirements that was identified in the valuation process is that depreciation is deducted from the offered price, which will be covered by FOIAS if there is gap between market price and the KGM compensation. FOIAS will ensure that compliance with International Requirements is achieved, including situations where certain steps of the land acquisition process are to be implemented by KGM. Compliance will be achieved through mitigation measures (including the PSMs) and a broad determination of entitlements, taking into consideration all groups of affected people.

5. Compensation Approach for the Aydın-Denizli Motorway Project

5.1. Key principles to Implement the Project

The key principles committed by FOIAS for the implementation of this LACRP in the ADMP are the following:

Applicable Requirements:

- Compensations of the PAPs will be carried out in compliance with Turkish Expropriation Law and IFC PS5,
- Where Turkish legislation is less favorable to PAPs than PS5 requirements or does not apply at all, these latter shall apply,
- FOIAS will ensure that compliance with IFC PS5 is reached, including situations where the main steps of the land acquisition process are implemented by KGM,
- Minimization of displacement and expropriation where possible through Project design,
- Consideration of both physical and economic displacement,
- Livelihood restoration: affected livelihoods and household living conditions will be restored at a minimum or preferably improved. This will mainly be achieved through the proposed PSMs.

In addition, FOIAS commits to:

- early and on-going consultation with PAPs and opportunity for participation in planning and implementation,
- provision of access to advisory services to all PAPs throughout the process to ensure an informed decision making,
- providing support and compensation measures remedy the losses of both owner-occupiers and tenants (see entitlement matrix in Chapter 6.3),
- providing compensation measures for informal occupiers of land and users of assets (see entitlement matrix in Chapter 6.3),
- extending the rights to compensation of non-owners to cover those who occupied or used land up to the cut-off date; providing other support to displaced persons to assist them in restoring their livelihoods and standards of living to pre-displacement levels or levels prevailing prior to the beginning of the Project in real terms, and improving them where possible,
- establishing a fair and impartial grievance process accessible to all, and
- monitoring and evaluating the process to ensure it is satisfactorily completed.

In the LACRF/P, these key principles apply to all people and businesses affected by involuntary land take and loss of other assets resulting in:

- relocation or loss of shelter,
- loss of assets or access to assets,
- loss of income sources or means of livelihood, whether or not the affected persons must move to another location, and
- restricted access to legally designated parks and protected areas that results in adverse impacts on the livelihood of displaced persons.
- fair easement fee, in case this kind of land take is encountered.

Removal of assets, displacement or restriction of access will not occur before necessary measures for compensation are agreed and in accordance with Turkish Law and in conformance with International Requirements. Measures will include all kinds of compensation and of other assistance prior to, during or after displacement/physical relocation.

All PAPs who are already involved in the on-going expropriation process or those who have already agreed and finalized the process with the KGM as per the Turkish expropriation legislation (and prior to the implementation of the LACR Plan) will be considered equally in the LACRP Process. This will allow the handling of each particular situation to ensure no disadvantages would occur for all those previously expropriated PAPs.

The Grievance Mechanism provides affected parties with a mechanism to express any issues and problems that they may have with the expropriation and resettlement process for the Project in a way which is free of cost. Affected parties will also have ultimate recourse to the courts in accordance with the provisions of Turkish law.

6. Project Impacts and Mitigation Measures (Entitlement Matrix)

6.1. General

This Chapter summarizes the key impacts of the Project due to permanent land take and loss of access (including restrictions) to land as affecting the above-described types of PAPs and describes the proposed PSMs to mitigate each type of impact. At the end of the Chapter in Section 6.3 everything is presented in a consolidated Entitlement Matrix.

The magnitude of the Project impacts on individual PAPs will be identified in detail after the survey conducted later in Stage 2 (Implementation of the LACRP).

It is expected that after the full application of the additional proposed PSMs – the residual impacts to PAPs will be minor to negligible.

It is emphasized that all estimates stated in this document with respect to numbers of PAPs impacted in various ways are based on the currently available information and assumptions; these estimates will be updated and refined progressively during the execution of the future census/survey work in the Stage 2 LACRP implementation.

6.2. Project Impacts

6.2.1. Impacts of Land Take

More reliable information regarding the impact significance has been available after the Field Social Survey and Road Trip.

The change in land use due to the Project's land take will result in a spatial and functional interruption of the existing fabric of land uses. With regard to agricultural use (this includes generally agricultural land, olive groves, vineyards, fruit plantations, and others) around 1,653 ha is located on the Motorway's footprint (a corridor of 100 m on average) and is potentially affected by the Project by permanent land take.

Land take of agricultural land including olive groves will affect individual owners and users by reducing the economic size of productive area available to them. Over 80% of the area under the Project route is non-irrigated, irrigated agricultural land, fruit plantation and olive groves etc.

Loss of agricultural land typically goes along with the loss of growing crops and trees. If not mitigated, the respective impacts are expected to range between minor and moderate, depending on the size and the importance of the affected land as economic resource for the affected household. Where the loss of land due to the Project would jeopardize the overall or a significant portion of the livelihood of the land users (economic displacement) impacts would have to be considered as major.

Note: Whereas agricultural/cultivated land may be either under private ownership or treasury lands, the grazing lands are either registered as community land or as official pasture land (this is pasture land under the administration of the Ministry of Agriculture and Forestry) or they are treasury land. Grazing lands registered to private owners are very rare.

6.2.2. Impacts from Loss of Built Structures

There are 7,739 owners in a total of 3,648 parcels of private property within the project expropriation area. There are various types of immovable in approximately 390 parcels on these 3,648 parcels. About 170 of these properties are residential buildings. 119 of the 170 buildings are in the first section and 51 of them are in the second section. These 170 residential buildings are located within a total of 125 parcels. It is seen that 125 of the 3,239 parcels in the expropriation area are residential buildings. This corresponds to 3% of the total number of parcels which are privately owned within the project area. In addition, in the “Key Informant” interviews conducted as socioeconomic baseline studies within the scope of ESIA studies. It was seen that the average of households in the project area is approximately 2.5. In this context, around 400 people are affected by the project due to the loss of residential buildings and they may subject to the physical displacement.

The table below shows the residential buildings and greenhouses within the Project expropriation corridor.

Table 6.1. Residential Buildings and Greenhouses within the Project Expropriation Corridor

	Number of Parcels (for residential buildings)	Residential Buildings	Commercial Buildings (Greenhouses)
Section 1	82	119	10
Section 2	43	61	19
Total	125	170	29

6.2.3. Impacts of Loss of Employment

Potential negative impacts on employment are likely to occur as a consequence of the expropriation of a small number of commercial premises as well as agricultural land. Seasonal workers in agriculture and permanent employees of the affected commercial premises might thus lose their jobs and there with their incomes.

In addition, commercial buildings within the expropriation area will lose their economic activity. In this context, it has been determined that 29 greenhouses remained in expropriation area (see Table 6.1 above). When these greenhouse parcels are compared with the number of privately owned parcels in the expropriation area, the ratio is encountered less than 1%. In this context, it is seen that the greenhouse areas within the expropriation corridor are relatively low in number. In addition, a workshop and a fruit trading facility are other commercial structures within this expropriation area. In this regard, a total of around 30 business owners may subject to the economic displacement in the worst case scenario due to the realization of the project.

The respective socio-economic impacts on affected businesses and employees of these businesses are rated as “*moderate*” due to alternative business/employment opportunities arising with the project and in the regions.

6.2.4. Loss of Access to the Use of Forest Resources

About 4% of the land along the Project route is used as forest. Based on the size of the affected area, impacts related to the loss of hunting ground or gathering area are considered as of minor significance as no hunting activities were reported during the socio-economic baseline studies. There are no entitlements under Turkish Law for the loss of access to forest resources.

6.2.5. Severance Issues

The Motorway will cause severance and fragmentation of agricultural and possibly other holdings making them less viable through limited access.

6.2.6. Provisions for Orphan Land

An example would be if a plot of land was split by the Motorway, thus requiring the land/plot owner (or user) to now cross the Motorway to access their remaining land or where an orchard or olive grove was potentially separated from processing plant by the Motorway (see Figure 6.1) In the Key Informant Interviews during the Socio-economic baseline studies, informants expressed their concerns with regard to severance issues. Concerns were only referring to change of access/loss of access to agricultural land, not to loss of relations to neighboring villages as result of spatial interruption of connections. If not mitigated, impacts related to the change of access are considered to be “moderate”.

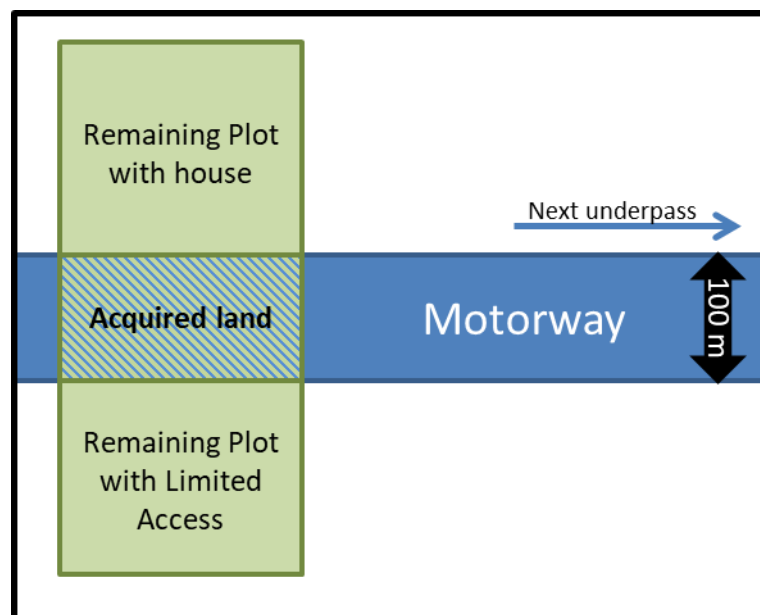


Figure 6.1. Overview of an Orphan Land

The minimization of severance impacts is one of the main issues that will be addressed by appropriate design of the Project (e.g. numerous underpasses; use of viaducts instead of solid raised berms). In any case, all existing roads that will be crossed by the Motorway will be maintained through underpasses or other appropriate design solutions to ensure the free passage. FOIAS confirmed that the installation of additional

underpasses will be considered, if requested by PAPs. KGM will evaluate the request and FOIAS will adapt the design if approved.

The term “Orphan Land” refers to (usually small) portions of properties that are not to be expropriated because it is not located within the Project corridor but would be made uneconomic by expropriation of another part of the same plot, or by expropriation of an adjacent plot, with which it was aggregated, or by permanent severance associated to the project.

As per current status of knowledge, these bits of land will be relatively few in number and FOIAS will be responsible for the caretaking of this land during the period of the BOT contract. However, if in certain cases the land is of valuable size/location, then KGM can hand the land over to the Treasury for valuation and the Treasury can then put the land up for sale (KGM is not allowed to sell land directly), FOIAS confirmed that such Orphan Land will be enclosed within the fence-line of the Motorway property and will be included in the property management scope.

6.3. Project Supplemental Measures (PSMs)

The LACRP is entirely designed to meet the provisions of Turkish Law as well as the requirements of International Standards, namely, IFC’s PS5 in the context of the Project’s anticipated impacts. In this respect, the proposed PSMs provide a wide range of support measures to affected populations in addition to cash compensation provided by KGM.

The proposed PSMs are fully supported by FOIAS and aim to bridge the gap between the cash compensation provided under Turkish law and the provision of restoration of livelihood and full replacement value to ensure that no PAP suffers hardship after expropriation as set out in the International Requirements. Therefore, the overall purpose is to achieve the restoration of affected livelihoods at least to the level prior to the Project or even the improvement of affected livelihoods and the special consideration of affected vulnerable groups.

The proposed PSMs have been developed under consideration of the results of consultations in the context of the ESIA and the LACRP and with reference to the overall results of the FSS as all interviewees were asked to propose mitigation measures.

Basic proposed PSMs were developed to bridge the gaps between the compensation paid by KGM and full replacement cost through:

- Compensating for depreciation for built structures, which is not taken into consideration by the valuation commission if KGM compensation amount is below than real market value,
- Paying top-up cost for the cost arising from buying new land/structures such as: any fees and transaction costs, commission for the real estate agent (if any). Any relocation costs for movable assets related to physical, non – residential structures, moving costs for the move from the affected residential structure to the new residential structure and other relevant relocation expenses excluding some mobbing/transportation costs already paid by KGM,
- Provision of compensation for project related losses to PAPs who are not entitled under Turkish Law: informal land users, government pasture users, holders of organic production certificates,

- Provision of access to alternative sources of income to cover the period of livelihood restoration and to support restoration of living standards through provision of priority access to construction employment,
- Enhancement of access to alternative sources of income through tailored professional training measures for more competitiveness on the labor market, tailored agricultural extension services for enhanced productivity/competitiveness on the market. Assistance and coaching for better marketing of fishing catches,
- One-off payments for PAPs losing permanent jobs for loss of income in addition to the professional skills training, and
- Provision of access to credit for PAPs who would not get credit due to the lack of collateral for their property as result of the project.

PAPs who will not be able to benefit fully from these overall proposed PSMs are considered as vulnerable people and tailored PSMs have been proposed and developed to address the needs of these groups. This includes:

- For women headed households and for female employees with low skills levels: Provision of tailored capacity building courses in order to improve access to alternative sources of income through better overall personal qualification (in addition to training measures for professional skills and/or one-off payments as indicated above),
- For illiterate PAPs: Provision of a capacity building package, comprising literacy courses and capacity building courses in order to improve access to alternative sources of income through better personal qualification,
- For female land owners: Provision of access to advisory service in order to ensure full implementation of entitlement to compensation; agricultural extension training tailored for women,
- For poor people: Provision of tailored capacity building courses in order to improve access to alternative sources of income through better general qualification (in addition to training measures for professional skills as indicated above),
- For elderly people: targeted assistance in buying new land or new structures (in addition to paying of top-up costs); improvement of facilities and services for elderly people on the local level (e.g. meeting facilities, services for enhancement of mobility), and
- For handicapped, ill or infirm people: targeted assistance in buying new land or new structures (in addition to paying of top-up costs), improvement of infrastructure and services on the local level according to the specific needs of this group.

6.4. Entitlement Matrix

The Entitlement Matrix (EM) shown below as Table describes the proposed compensation for each type of identified PAP including (i) the compensation provided by KGM and (ii) the proposed supplemental mitigation measures (PSMs) provided in addition by FOIAS.

The headings of the EM columns have the following meaning:

- **PAPs – Project Affected Person(s):** describes to whom the entitlement will be delivered,
- **Eligible under Turkish Law:** states if the PAP will be compensated under Turkish Law,
- **Eligibility Condition:** describes the conditions that must be met to qualify for the entitlement. A PAP can fulfill different eligibility conditions,
- **PSM:** describes the proposed supplemental compensation measures for eligible PAPs.

Table 6.2. Aydın-Denizli Motorway Project Entitlement Matrix

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
Title Deed Holder (private Owner, shareholder) and Formal Land User/ Customary Owner (possessor -zilyet)	Land and integral parts. (crops, trees, other non-residential structures)	YES; Cash compensation	Those PAPs who buy new land evidence of costs needs to be provided.	<ul style="list-style-type: none"> Fees for obtaining the title deed (2.00%). Commission for the real estate agent (if any). Any transaction costs that occur Any costs for moving of movable assets related to the loss of non-residential structure if those are not already paid by KGM under the scope of Expropriation Law.
			In the event that the landtake results in a potential irreversible loss of livelihood.	<ul style="list-style-type: none"> preferred consideration for employment during construction of the ADMP. facilitation of access to credit (= mitigation of loss of credit worthiness due to loss of land). participation in agricultural extension training (increase of efficiency of production), and or participation in training for more productive livestock breeding and other trainings such as bee keeping, skill courses etc.
			PAP loses livelihood due to loss of land and as a consequences is obliged to move to another location in order to be able to restore livelihood (land owners, land users)	<ul style="list-style-type: none"> Moving Assistance will be provided to the PAP (see below under PAP –Title Deed Holder; Type of asset – Loss of Residential Building)
	Organic Production Certificate	NO	Documented holder of organic production certificate related to expropriated land. Provide evidence that the loss of certificate is due to Motorway construction/presence	<ul style="list-style-type: none"> Payment of income difference between conventional and organic farming with the intention to regain the organic production certificate
	Residential Buildings/structures	YES; Cash compensation	Depreciation has been deducted from the valuated price and the paid price by KGM is below marketvalue.	<ul style="list-style-type: none"> The deducted depreciation amount and the gap to market value will be covered by the Project sponsor to achieve full replacement cost
			Residential building will be expropriated and the PAP requests moving assistance from the Project sponsor.	<p>Moving Assistance:</p> <ul style="list-style-type: none"> Assistance in finding preferred new sites and building plots. Finding a location according to group preferences (if any) and to preferred sites. Coverage of all costs related to moving: registration, certificated moving costs etc. facilitation of access to credit (=

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
				mitigation of loss of credit worthiness due to loss of collaterals). <ul style="list-style-type: none"> Minimum moving assistance package: relocation allowance, free transport of all belongings and household members.
Business Owner	Land and structures	YES; for cash compensation	Depreciation has been deducted from the valuated price and the paid price by KGM is below market value	<ul style="list-style-type: none"> The deducted depreciation amount and the gap to market value will be covered by the Project sponsor to achieve full replacement cost
			PAP will move his/her business to another location in the Project vicinity	<ul style="list-style-type: none"> Compensation for the cost of re-establishing commercial activities elsewhere in the Project vicinity (to be determined on a case by case basis), such as for the costs of the transfer and reinstallation of the plant/facility, machinery or other equipment excluding some of those costs already paid by KGM. Moving Assistance (see above under PAP –Title Deed Holder; Type of asset – Loss of Residential Building) Compensation for lost net income during the period of transition based on tax registration records (but maximum for 3 months).
Sharecroppers and tenants with formal agreements and Informal land users without arrangements with owner or users of treasury land for less than 20 years at the time of the cut-off date	Land and crops	NO	In case the loss of land creates a loss of livelihood	<ul style="list-style-type: none"> preferred consideration for employment during construction extension training for improved production techniques participation in capacity building programs for the generation of alternative income. Moving Assistance; if PAP wishes to move, due to the loss of livelihood in the area. (see below under PAP –Title Deed Holder; Type of asset – Loss of Residential Building) Assistance in finding new land for rent
	Trees	YES; if planted by the user.	In case that PAP are not compensated by the land owner, or KGM or not compensated in a fair manner	<ul style="list-style-type: none"> Cash compensation at market value for loss of crops and trees, if planted by PAP Cash compensation at full replacement value for loss of structures (e.g.

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
	non-residential structures	YES; if constructed by the user.		barns, huts), if these belong to PAP <ul style="list-style-type: none"> Compensation will be calculated according to the valuation approach of the KGM valuation process and according to the results of the Market Study
Tenant/Squatter and informal user of a Residential Property	Living in residential property	NO.	PAP who rents or lives in a residential property to be expropriated.	<ul style="list-style-type: none"> Cash allowance for loss of rented or used accommodation in order to cover 3 months transition period for restoration of living standard based on the amount of the rental contract or the corresponding rental cost. Cash allowance to cover 3 months for informal users (if existing) in residential buildings, having lived there prior to the cut-off date, in order to re-establish housing at another location based on rental contracts rates of similar residential in the neighborhood. Moving Assistance (see below under PAP –Title Deed Holder; Type of asset – Loss of Residential Building)
Community (owning community land)	Land, Asset, Corps	YES; for cash compensation	Community losing land which is used by the public /which is of any value/meaning for the public	<ul style="list-style-type: none"> community development measures will be developed depending on the proportion of the loss of community land. Measures will be developed through consultation and in agreement with affected communities, performed by the LACRP Implementation Unit. i.e. allocation of new land, improvement of community facilities, infrastructure or services, depending on expressed needs during consultation) individual users of the land will be compensated, See below Users of community owned grazing lands and Users of Government Pasture Lands
Government (owning governmental pasture lands)	Land	YES; transfer between public Institutions is possible, Change of pasture land qualification by the Ministry of Agriculture and Forestry then allocation by Treasury to the project (KGM),		<ul style="list-style-type: none"> PSM will only compensate the users of the land, See below Users of community owned grazing lands and Users of Government Pasture Lands.

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
Users of community owned grazing lands and Users of Pasture Lands (mainly herders or livestock breeders-grazers)	Access to grazing land	NO	User of the grazing land that will be taken by the project	<ul style="list-style-type: none"> The Project will seek for possibilities to allocate treasury land to affected herders in order to provide new livelihood resources. Proportional cash compensation for loss of fodder for up to 3 months (yet to be calculated according to market prices) Compensation according to replacement values for loss of assets on land, in case these belong to the user excluding on the lands belonging pasture.
			In case that more than 50% of grazing land is lost. PAPs in addition to compensation above, are entitled to	<ul style="list-style-type: none"> Preferred consideration for employment during construction. Extension training for better production techniques participation in capacity building programs for the generation of alternative income
Users of forest resources	Access to use of forest resources	NO	PAPs who earn their livelihood with forest related activities such as woodcutting and gathering forest products such as herbs (medical and/or aromatic) and mushrooms etc.	<ul style="list-style-type: none"> Further attention will be paid during forthcoming consultations. In case that it will be proven that forest resources are only used for home consumption, the Project Sponsor will not set up entitlements for compensation because potential impacts are considered as minor assuming that other forest resources still exist nearby, (If home-user is a vulnerable person, then assistance may be provided as per the Vulnerable Group PAPs. However losses will be assessed and compensated on a case-by-case basis
Agricultural laborers and Business employees	Employment	NO	Agricultural laborers or business employees who lost employment as a result of project land acquisition.	<ul style="list-style-type: none"> provision of employment opportunities during construction and/or operation facilitation of access to new employment through capacity building: training opportunities for alternative income
Any PAP affected by Severance	Severance	No. Yes. cash compensation for partial expropriation (if any)	PAPs provide evidence for a negative impact on their livelihood or daily living patterns (e.g. children on the way to school, herder paths, women going to the market)	<ul style="list-style-type: none"> additional underpasses will be provided if technically feasible and approved by KGM

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
Vulnerable groups:	Disadvantages accessing PSMs and generally benefitting from PSMs; disadvantages in access to stakeholder engagement	See above (Chapter 3.7.2.)	<p>Identification through the LACRP Implementation Unit during the census and forthcoming stakeholder engagement/consultation.</p> <p>The PR Specialists will have specific responsibilities to further identify vulnerable people/groups and to provide them with appropriate assistance too.</p> <p>The targeted measures for the vulnerable people/groups will be performed by the PR Specialists and the LACRP Implementation Unit.</p>	<ul style="list-style-type: none"> Generally the PAPs considered as vulnerable will receive the general compensation and the PSMs as described above for their respective PAP column. But in addition special consideration will be provided to them in order to support livelihood restoration/improvement of living standard as outlined below. Vulnerable individuals may belong to different groups of vulnerable people (i.e. a woman head of household might at the same be a low skill employee or an elderly person); hence professional capacity building might not be appropriate for an elderly female household head, so in a case like this measures listed under "elderly people" would be more appropriate; decisions for the most supportive PSM combination will be made depending on the respective PAP situation Typical PSMs for vulnerable people/groups will be: <ul style="list-style-type: none"> assistance in understanding KGM's expropriation process. assistance in understanding the PSMs available under this LACRP special support in finding new accommodations. Provision of tailored capacity building courses in order to improve access to alternative sources of income through better general performance, and other measures which will be identified during targeted consultation.

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
Women headed households, female employees with low skills level				<ul style="list-style-type: none"> will receive special consideration in order to facilitate their participation in consultation meetings in order to identify the best options to support this affected group. Provision of tailored capacity building courses in order to improve access to alternative sources of income through better personal performance
Female land owners				<ul style="list-style-type: none"> Provision of access to advisory service in order to ensure full implementation of entitlement to compensation; agricultural extension training tailored for women
Elderly people				<ul style="list-style-type: none"> will receive special consideration in order to facilitate their participation in consultation meetings in order to identify the best options to support this affected group. targeted assistance in buying new land or new structures (in addition to paying of top-up costs) targeted assistance and support in finding access to alternative income (if still working) improvement of facilities and services for elderly people on the local level (i.e. meeting facilities, services for enhancement of mobility) facilitation of access to support services and support programs for elderly elderly, who are still professionally active will be provided with priority access to such construction employment which is NOT related to hard physical work
Poor people				<ul style="list-style-type: none"> will receive special consideration in order to facilitate their participation in consultation meetings in order to identify the best options to support this affected group. Provision of tailored capacity building courses in order to improve access to alternative sources of income through better general performance

PAP	Type of Asset	Eligible under Turkish Law for;	Eligibility Condition for PSMs	PSM *
Handicapped, ill or infirm people				<ul style="list-style-type: none"> will receive special consideration in order to facilitate their participation in consultation meetings in order to identify the best options to support this affected group. targeted assistance in buying new land or new structures (in addition to paying of top-up costs) improvement of infrastructure and services on the local level according to the specific needs of this group
Illiterate People				<ul style="list-style-type: none"> Provision of a capacity building package, comprising literacy courses and capacity building courses in order to improve access to alternative sources of income through better personal performance
Refugees				<ul style="list-style-type: none"> Information on refugees has yet to be obtained in order to identify this potential group of affected people: the LACRP Implementation Unit will follow up this issue.

* describes the proposed supplemental compensation measures for eligible PAPs.

7. Procedure for Stage 2 detailed Planning and Implementation

7.1. Overview of key steps in Stage 2 of the LACRP

The Stage 2 of the LACRP process begins with public disclosure of the Stage 1 information as presented in Chapters 1 to 6 of this document and continues with the identification of the individual PAPs and agreement and implementation of the proposed PSMs for eligible PAPs. The objective of the Stage 2 process is this to ensure that the Entitlement Matrix shown in Chapter 6 will be applied on a PAP-specific basis throughout the construction and operational periods of the project.

The key steps for Stage 2 implementation are depicted in Figure 7.1 and further explained below.

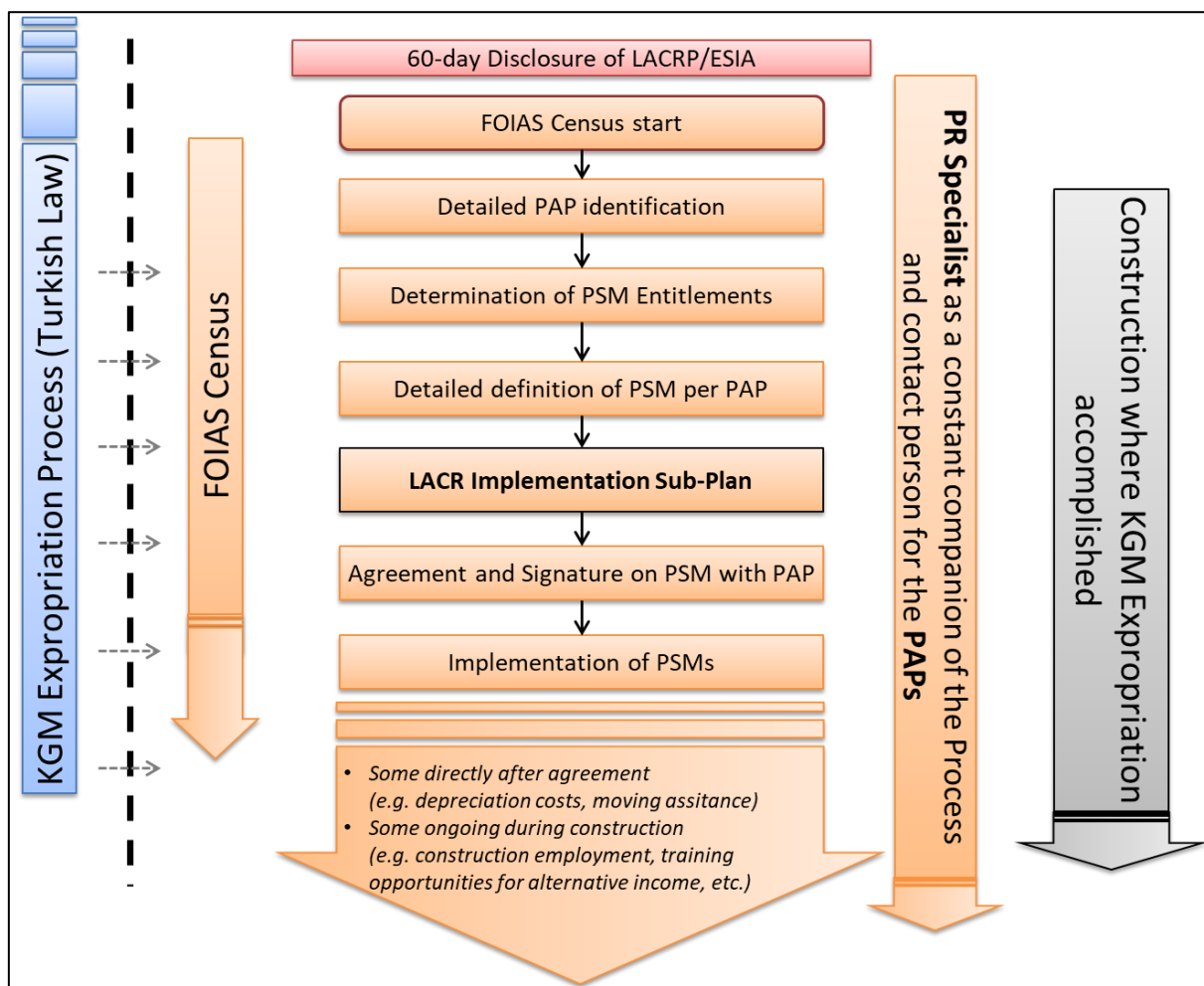


Figure 7.1. Key Steps for Stage 2 Implementation

The further data needed for Stage 2 to identify PAPs will be collected via a process of Surveys of the landowners, land-users and other PAPs (as defined in Chapter 6) to determine exactly who these PAPs are, and to what extent they may be eligible for one or more proposed PSMs as per the Entitlement Matrix. This process begins with the transfer of landowner data that KGM have obtained as part of their expropriation process to FOIAS (shown on left-hand side of the figure). This information will be consolidated in several LACR Implementation Sub-Plans.

The agreed PSMs will then be implemented, whereby some measures can be executed short-term in conjunction with the land-acquisition in the pre-construction stage of the Project, while others will depend on future actions and circumstances later in the Project.

As shown in Figure 7.1 above, the core activities of Stage 2 will be undertaken by the FOIAS LACRP Implementation Unit; in parallel, the team of PR Specialists will accompany the process and serve throughout the Stage 2 and beyond as the key points of contact for PAPs and the local public with respect to the Project (shown on right-side of the figure).

The organization setup of the Stage 2 LACRP and the key implementation steps mentioned above are described in the following sections.

7.2. Organization and Roles of the LACRP Implementation (Stage 2)

7.2.1. Overview of the Stage 2 Organization

FOIAS will establish a dedicated operational team “*LACRP Implementation Unit*” (LIU) within the company’s organizational structure to perform LACRP data collection and implementation according to the overall policy and implementation schedule. An overview of the organization of the LACRP Implementation Unit is depicted in Figure 7.2, and explained in the text below.

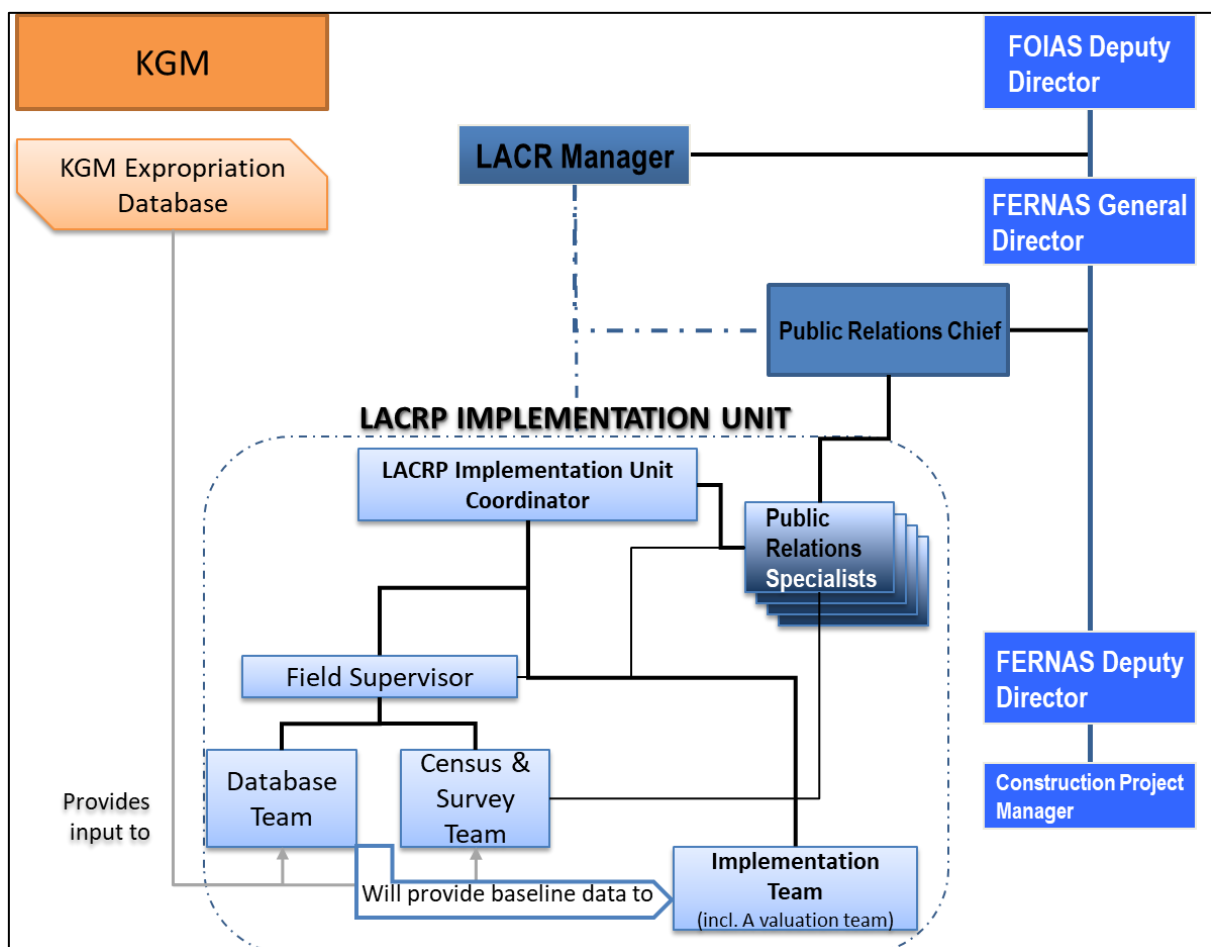


Figure 7.2. Organization of the LACRP Implementation Unit

The entire Stage 2 LACR process will be coordinated and directed by the **LACR Manager**, a full-time position reporting to the FOIAS Deputy Director. The LACR Manager will have direct oversight of the **LACRP Implementation Unit** which will be staffed with the following positions:

A **Coordinator of the LACRP Implementation Unit**, reporting to the LACR Manager,

A **Field Supervisor** to oversee the (planned) “Survey Teams” undertaking the census and survey work and a central **Database Team**.

Each Survey Team will be comprised of a **Team Leader and surveyors** (whereby a sufficient number of females will be part of the team); these teams will mainly be in the field at the settlements in their designated route segments.

The Database Team will consist of two database specialists based primarily at FOIAS headquarters in Ankara.

The Implementation Team will evaluate the baseline data collected during the census and survey develop the PSMs on a PAP-specific basis and ensure the implementation of the PSMs in collaboration with the PR Specialists.

The LACR Manager and the whole LACR process will be supported by the PR Specialists as described below:

A Public Relations Chief (PR Chief) will be appointed within the FERNAS and will report to the FERNAS General Director, working under the PR Chief will be an initial team of PR Specialist. The PR Specialists will work hand-in-hand with the LACR Implementation Unit during the approximately two-year period of extensive census, survey and other field work, thereafter the PR Specialists will remain as the primary points of contact for the PAPs with respect to the longer term aspects of LACRP implementation and community engagement during project construction and operations.

As shown in the Figure 7.2, the LACR Manager and the PR Chief will coordinate closely with each other in respect of the LACRP Implementation Unit whereby primary responsibility in this Stage 2 LACRP Implementation is with the LACR Manager.

7.2.2. Duties of the LACR Personnel (LACR Manager, PR Chief and LIU)

The LACR Manager will oversee the overall implementation of the LACRP Process in coordination with the PR Chief. Whereby the day to day tasks of the LIU will be managed by the LIU Coordinator; key tasks include:

- establish and follow up detailed short term implementation plan (monthly planning of activities) under the plan of the LACR,
- oversee all consultation activities, such as:
 - program of small community-level meetings for the different groups of affected people,
 - program of a limited number of large meetings for the wider public in the affected area at key stages of LACRP implementation, and
 - other activities (key informant interviews, focus group discussions, meetings of groups from different neighborhoods),

- oversee and supervise the census survey and asset assessment; in this context, organize regular meetings with KGM (to obtain their most recent ownership data) and the field supervisors of the census survey,
- liaise with all team members of the LACRP Implementation Unit, hold regular team meetings,
- decide upon corrective actions with regard to the overall implementation program of the LACRP (i.e. periodic feedback and lessons-learned integration),
- Forward decisions to take upon *major* corrective actions which might become necessary during LACRP Implementation to FOIAS management,
- Manage grievances, answer grievances which can be resolved on the level on the LACRP Implementation Unit,
- Forward grievances for resolution outside LACRP Implementation Unit,
- Identify local NGOs for integration into grievance monitoring and in monitoring of PAP satisfaction with the overall process; define jointly manner of cooperation, tasks and responsibilities, hold regular feedback meetings with monitoring team and NGOs,
- Produce LACR Implementation Sub-Plans and the periodic Implementation Status Reports.

The PR Specialist staff will work primarily in the field with the affected communities and the PR Specialist duties will include *inter alia*:

- To be accessible to relations with affected population per request especially for vulnerable groups,
- Perform the consultation program in the LACRP context,
- Assist affected people in issues related to the Project (answer questions about the process, delivery of grievances, information about consultation activities etc.),
- Facilitate access of PAPs to third party legal support, if necessary,
- Advise on avenues for the resolution of conflicts amongst land owners in case of multiple ownership,
- Follow up the tracking of absentee land owners and land users (e.g. seasonal users who might not live in the area),
- Assist as field supervisors and coordinators during performance of census survey and asset assessment,
- Assist within grievance management,
- Liaise with monitoring staff,
- Liaise with LACRP database management,
- Liaise with KGM field staff for coordination of field activities during the LA process,
- Document their activities; contribute to the LACR Implementation Sub-Plans and the periodic Implementation Status Reports.

The key personnel for LIU will be appointed and trained for the respective tasks. Such training (or respective previous experience) will include a range of relevant topics e.g. Turkish social system and statutory benefits for unemployed persons, local labor market and opportunities for worker skills training, local property markets/prices and offerings of professional realtors, social assistance to poor, elderly, handicapped persons; and needs of female-headed households.

7.2.3. Overall Roles and Responsibilities of KGM and FOIAS

The responsibility of KGM is to undertake the expropriation process in accordance with the Turkish statutory procedures as described above in Section 4.2.

FOIAS, as Project Sponsor is responsible for the implementation of the LACRP as described in this Chapter and as summarized below.

- Establish the LACRP Implementation Unit,
- Set up the LACRP Database,
- Conduct census and use of KGM expropriation data to identify PAPs,
- Conduct survey and define PSMs for each PAP,
- Sign agreement on PSMs with each eligible PAP,
- Implement the PSMs,
- Prepare the LACR Implementation Sub-Plans and the periodic Implementation Status Reports,
- On-going consultation,
- On-going internal and external monitoring,
- On-going Grievance Management,
- Provide supportive assistance to PAPs throughout the whole LACR process.

Also, KGM has assigned to FOIAS the task of preparation of the expropriation plans. Furthermore, FOIAS is responsible to ensure that all its EPC and other contractors are obliged to follow the applicable LACRP requirements (e.g. that all land take necessary for the construction and ancillary facilities of the Motorway used by contractors or sub-contractors will be handled as set-up by the LACRP).

7.3. LACRP Implementation Process (Stage 2)

7.3.1. Overview of Process

The process of identifying the individual PAPs begins with the evaluation of KGM data (mainly to ascertain the PAPs who are either land owners or land users, or both), followed by a series of census surveys and interviews, as shown in Figure 7.3 (mainly to identify other types of PAPs) and further explained below.

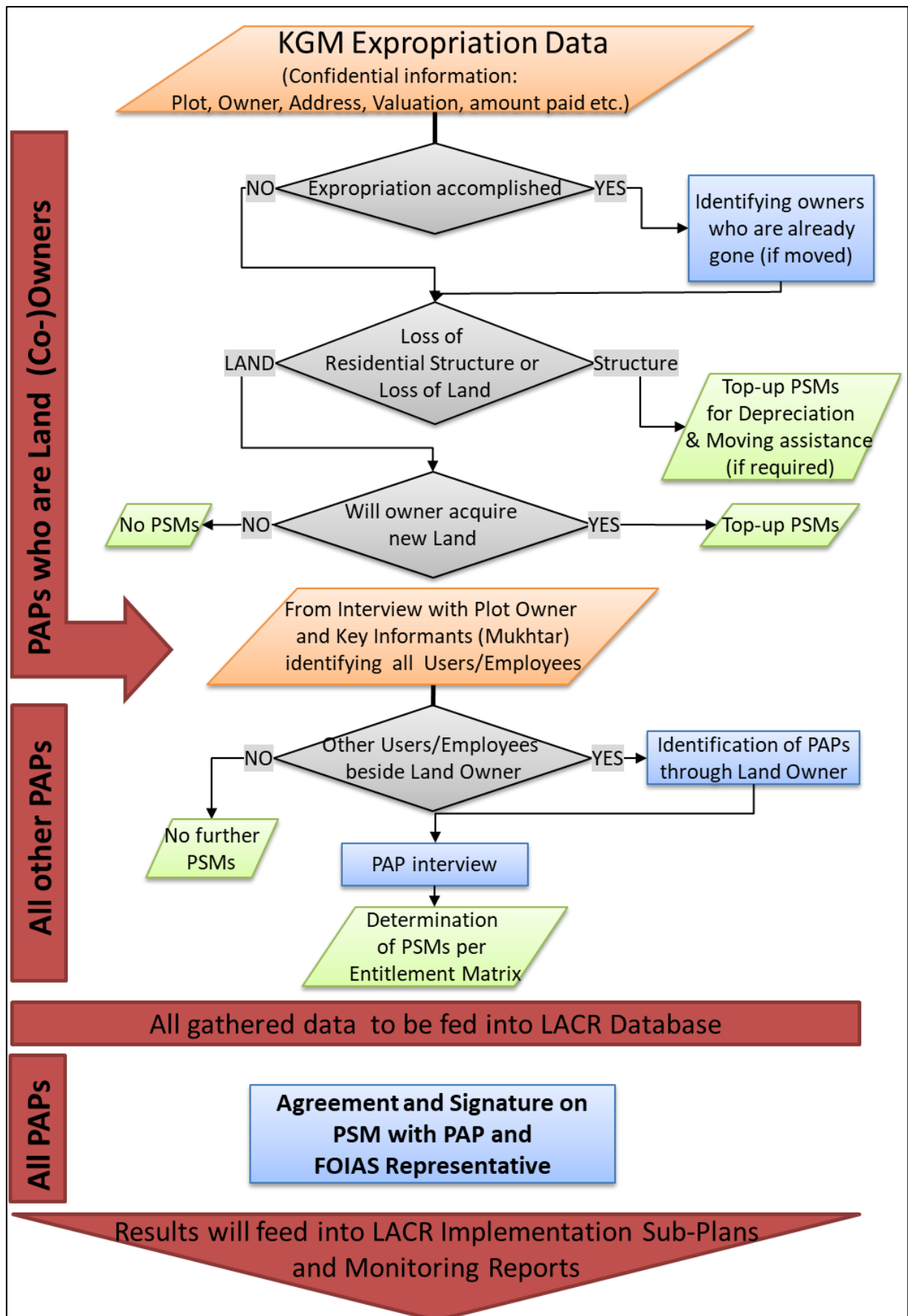


Figure 7.3. Expropriation Process

7.3.2. Evaluation of KGM Expropriation Data

KGM continues expropriation works. In this context, the area to be expropriated and the expropriation realization rates are given in the table below. The table below shows the expropriation status according to June 2021 data. According to the table below, the total expropriation rate is 24%. However, it should be noted that the data provided in Table is up to June 2021.

Table 7.1. Status of KGM's Expropriation Process

Expropriation Plan	KM Chainage	Total area of land to be expropriated [m ²]	Total number of Parcels	Total of expropriation realized [m ²]	% of area realized
Aydın Province, Efeler District, Tepecik, Gölhisar, Şahnalı, Mesutlu, Armutlu, Karahayıt, Kozalaklı Neighborhoods	0+900-16+000	1,356,023.93	420	-	-
Aydın Province, Efeler District, Yeniköy, Dereköy, Dalama, Kırıklar, Gödrenli, Alanlı Neighborhoods	16+000-37+500	1,883,371.75	684	-	-
Aydın Province, Yenipazar District, Hamzabali, Dereköy, Çulhan, Alhan, Çarşı, Yeni, Doğu, Donduran Neighborhoods	37+500-54+500	1,208,750.88	363	-	-
Aydın Province, Nazilli District, Hamidiye, Toygar, Kırçaklı, Yazırlı, Mescitli, Dualar, Pırlıbey/Atatürk, Pırlıbey/Cumhuriyet Neighborhoods	54+500-64+500	792,652.15	191	-	-
Aydın Province, Kuyucak District, Azizabat, Yamalak Neighborhoods	64+500-70+000	605,760.76	108	-	-
Aydın Province, Kuyucak District, Azizabat, Yamalak, Bucak Neighborhoods	70+000-76+500	740,264.06	102	-	-
Aydın Province, Kuyucak District, Bucak Neighborhood	76+500-82+500	625,566.05	8	-	-
Denizli Province, Sarayköy District, Kabaağaç ve Tekkeköy Neighborhoods	81+564-92+715	415,190.30	75	-	-
Denizli Province, Sarayköy District Tırkaz Kumluca Neighborhoods	92+599-99+318	649,291.60	150	-	-
Denizli Province, Sarayköy District, Acısu, Gerali, Duacılı, Beylerbeyi Neighborhoods	99+263-109+997	899,598.04	176	791,170.59	88%
Denizli Province, Babadağ District, Kelleci Neighborhood	103+255-103+435	3,162.67	2	2,537.51	80%
Denizli Province, Sarayköy District, Altıntepe Neighborhood	109+825-110+092	26,460.10	10	26,460.10	100%
Denizli Province, Merkezefendi District Yeşilyayla, Kumkısı, Hacıyüplü, Salihağa, Çeltikçi Neighborhoods	110+085 - 117+777	1,128,684.67	93	614,332.62	54%
Denizli Province, Pamukkale District, Karakova, Korucuk, Küçükdere, Irlıganlı, Eldenizli, Kocadere Neighborhoods	117+707-133+794	1,731,533.17	311	1,461,381.71	84%
Denizli Province, Honaz District, Gürlek, Kocabaş, Dereçiftlik, Honaz Neighborhoods	133+748-138+394	521,746.22	83	176,653.65	34%

KGM is compiling, as part of their expropriation procedures, a list of the landowners of each affected property parcel that is subject to expropriation for the project including, e.g. name and address of the property owner (and multiple “co-owners” if applicable), size of affected part of plot land uses of the plot, valuation of the plot and any structures on the parcels (as per the valuation procedures described in Chapter 4.

The FOIAS LIU will utilize this KGM data (and further updates thereof) as the “starting point” for development of the LACRP Database (further described below) and the identification of PAPs in the Stage 2 process. The Database will be continually expanded as new data are periodically obtained from KGM as their expropriation progresses.

Note: whilst the LACRP Implementation Unit is utilizing the property ownership data generated by KGM, the KGM expropriation procedures. Timing, organization, etc. is completely separate from that of the LACRP Implementation Unit. Ideally, the LIU will strive to rollout the Stage 2 in the field directly after the KGM teams have established the ownership data in a particular segment. The LIU can then effectively undertake the census and survey work independently of the KGM teams and regardless as to whether or not KGM has fully completed its negotiations with the property owners.

7.3.3. Census and Survey (Stage 2)

Note: the terms “census” and “survey” are used frequently in this Chapter separately or in combination. Generally, the term census is used to reflect those actions undertaken to determine who the individual PAPs are, (eg: Names and addresses of land users or persons losing their workplaces.) and the “survey” refers to the interviews and data-gathering on a PAP’s assets and socio-economic situation to determine the extent to which a PAP may be affected and eligible for PSMs.

7.3.3.1. Census and Identification of PAPs

As mentioned above and shown in Figure 7.3 the census process begins with the land owner identification through KGM and development of the LACRP Database by the LIU.

The PAPs will be identified by the LIU via a combination of contact with known owners, interviews of owners to determine formal and informal site users plus series of interviews with Mukhtars, companies/employers, known organizations and other key informants to determine other PAPs who may not be directly related to land ownership or use.

Experienced social development experts with field research skills will be used to ensure that all PAP groups are captured.

Further details on how various types of PAPs will be identified, is presented in table below.

Table 7.2 Methods for Identification of specific PAPs

PAP Type	Measures for Identification	Responsibility
Land owners with title deeds Customary Land Owners	Statutory expropriation process	KGM
Cases of multiple land ownership	Statutory expropriation process	KGM
Absentee land owners	Statutory expropriation process The Project will seek to establish early contact to absentee owners, encouraging them to issue a power of attorney so that their resident kin can participate in valuation negotiations and receive payments on their behalf.	KGM Support by FOIAS LIU
Land users without statutory rights	Census survey and asset assessment will be based on KGM data and complemented by <ul style="list-style-type: none"> public announcements in settlements key informant interviews (with land owners and with Mukhtars, with key informants on government pasture lands and on the use of treasury land) focus group discussions within overall consultation of PAP	FOIAS LIU
Labourers (permanent labor)	Census survey and asset assessment will be based on KGM data and complemented by <ul style="list-style-type: none"> public announcements in settlements key informant interviews (business owners, farmers as employers) focus group discussions within overall consultation of PAP 	
Land owners and land users	Support within registration process of unregistered lands or properties in order to facilitate land acquisition process <i>In case of arising disputes on land ownership during the expropriation process, the resolution of these disputes is the responsibility of the families and individuals concerned; the Project has no right to interfere. However, to facilitate the timely receipt of compensation to be paid to the individual owners of a given plot, guidance will be provided in the context of the LACRP consultation program to resolve conflicts and to gain timely access to compensation payments</i>	KGM FOIAS LIU

In order to comply with the requirements of PS5, a census survey and asset assessment will comprehensively obtain details with regard to household economy, land ownership/land use and related livelihood aspects, occupation and other socio-economic characteristics of affected households if not already collected by KGM.

For the areas where the KGM land acquisition process is already completed, the census survey will be performed retrospectively. In this context, a post-evaluation census will be conducted (a census survey using the same approach as the census survey and asset assessment) to ensure that PAPs are fully considered with regard to their entitlement to compensation measures in line with the Project Policy and would not be exposed to any disadvantages compared to other PAP along the alignment. The post evaluation census will also cover all types of land users. One main challenge for the retrospective census will be to determine the current contact information of land-owners, land-users and other PAPs who may have since changed their address since completion of the expropriation process; in this respect the LIU will need to undertake extra research to locate such PAPs. If required, special advertisements may need to be placed (e.g. in regional or national newspapers and the project website, etc.) to request that such PAPs contact the LIU.

For the areas where KGM has not yet contacted or visited the land owner, FOIAS will seek to join the field team to gather the relevant information in coordination with KGM.

The updated information on PAP identification will be continuously fed from the field teams into the LACRP database.

7.3.3.2. Survey of PAPs and implementation of PSMs

Within the overall process of land acquisition, especially with regard to compliance to PR5/PS5, the census survey is a key procedure as the results will serve as database for the identification of PAP-specific supplemental entitlements (referred to as PSMs). The scope and extent of the census and survey questioning for a specific PAP or PAP household will thus be tailored to the relevant types of impacts and eligibility for potential PSMs. In other words, the survey effort here is not for the purpose of determining overall baseline conditions of the project area, but rather to establish the eligibility of individual PAPs for certain PSMs.

The general PSMs are described in the Entitlement Matrix above. The next step in Stage 2 will be PSM implementation meaning that during the progressive implementation of the census and survey work the Entitlement Matrix will be integrated within the database to show exactly which PAPs are eligible for which PSMs, and then to subsequently track and confirm when the agreed PSMs are fulfilled (e.g. support efforts completed, or certain expenditures are reimbursed). Table 7.3 below provides an overview on activities towards the implementation of PSMs.

Table 7.3. Survey of PAPs and implementation of Basic PSMs

PSM	Intended impact on livelihood restoration and restoration of living standard	Steps towards the implementation of the basic PSMs	Responsibility
Payment for additional costs for land owner who buys new land	Support in cash to achieve Full Replacement Cost.	<ul style="list-style-type: none"> Setting up a list of entitled persons who want to buy new land. Collect evidence of land purchase or note the intent 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit
Payment for the deducted depreciation	Support in cash to achieve Full Replacement Value.	<ul style="list-style-type: none"> Setting up a list of entitled persons who lose their residential building. Evaluate the price paid by KGM and compare it to market value. 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit
Resettlement assistance	Support in cash and with regard to overall organization will enhance livelihood restoration and restoration of living standards as it facilitates the moving process and covers the costs.	<ul style="list-style-type: none"> Set up of lists of entitled persons with contact details who request moving assistance. Identifying structures or land for resettlement 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit
Payment for the loss of organic production certificate	Support to regain the organic certificate if loss is due to Motorway construction.	<ul style="list-style-type: none"> Set up a list of affected organic farmers Investigate the income differences between conventional and organic farming in the respective region. 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit
Construction employment	Provision of a temporary source of income to support the period of livelihood restoration and to support restoration of living standards through access to income	<ul style="list-style-type: none"> Set up of lists of entitled persons with contact details PR Specialists to work on neighborhood level, to set up lists jointly with affected people and Mukhtars make lists accessible to affected people on community level obtain definite information on ability and willingness of PAPs to join to construction employment set up a final list logistic planning: PAPs to go to which construction site liaise with contractors, hand over definite lists including clause in contracts on preferential employment of affected people and hand over lists of entitled people to contractor . PR Specialists to regularly cross check implementation and fulfilment of requirements through contractors 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists FOIAS to include obligation of PAP employment according to lists in contracts Contractors to work along employment lists
Professional skills training	<ul style="list-style-type: none"> Increase competitiveness on the labor market for PAP with low skills who wish to improve their skills to get better access to alternative sources of income Higher qualification leads to better opportunities for jobs and hereby supports restoration of livelihood on the long term Tailored professional skills training will also support the start of new businesses (e.g. for women) 	<ul style="list-style-type: none"> Identify entitled PAP liaise with PAPs and consult on preferred options liaise with labor agencies for the design of trainings and implementation Identify other partners for these measures, if necessary implement measures with partners, preferably from government agencies/public training institutions establish contact to labor agency for provision of access to employment for trained PAPs 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure FOIAS LACRP Implementation Unit to supervise implementation of measures FOIAS to contract partners for implementation (agencies, schools)

PSM	Intended impact on livelihood restoration and restoration of living standard	Steps towards the implementation of the basic PSMs	Responsibility
Facilitation of access to credit	<ul style="list-style-type: none"> Enhance access to credit after loss of land as collateral Enhance change to alternative livelihood setting Enhance change to more profitable livelihood setting Support to cope with transition period after relocation 	<ul style="list-style-type: none"> set up lists of entitled persons issue confirmation letters for entitlement to be used for contacts with banks liaise with banks in order to provide mechanisms 	FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure
Agricultural extension training for both, cultivation and livestock breeding	Support of livelihood restoration and restoration of living standards through improved production techniques, which will result in better yields and/or in higher prices for products and in overall higher income/agricultural area	<ul style="list-style-type: none"> set up lists of entitled people liaise with PAPs and consult on detailed design requirements liaise with agricultural marketing specialists in order to find out about market conditions and requirements liaise with agricultural government agencies (the Ministry of Agriculture and Forestry, Provincial Directorates) in order to set up series of trainings for different groups of affected people implement trainings for different groups with partners, preferably government institutions 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure; Implementation with partners
Allocation of alternative grazing land or agricultural land, if available (e.g, unused treasury land, community land)	Support of livelihood restoration and restoration of living standards through provision of access to land in order to continue land based livelihood activities	<ul style="list-style-type: none"> liaise with Treasury in order to identify the possible extent of this measure liaise with communities to identify the possible extent of this measure and liaise with Government Pasture Administration in order to identify the possible extent of this measure set up list of entitled persons after location and size of available land is identified consult with affected people on allocation process decide on next steps after identification of all options and after consultation 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure;
Facilitation of access to service contracts	Restoration of business	<ul style="list-style-type: none"> set up list of businesses affected by severance from favorable business location (gasoline stations, roadside restaurants) work along list with performance of meetings with businesses Find out about options for access to service contracts at new motorway route decide on next steps depending on outcome of process so far 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure;
Community development measures	Improve facilities, infrastructure and services in communities in order to provide benefits for the residents and to restore/improve quality of life after loss of community land.	<ul style="list-style-type: none"> decide on next steps depending on outcome of process so far 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure;
Severance Mitigation	Reduce the anticipated negative impacts on the PAPs daily living pattern due to severance by the Motorway and ancillary facilities	<ul style="list-style-type: none"> Identify pathways of the PAP Liaise with KGM regarding design of additional underpasses and other options on a case-by-case basis 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare lists and to work towards final design of measure;
Measures for vulnerable groups:	Vulnerable PAPs are generally entitled to compensation and PSMs according to the	<ul style="list-style-type: none"> set up list of affected vulnerable groups according to settlements work along the list with the performance of consultation meetings 	<ul style="list-style-type: none"> FOIAS LACRP Implementation Unit to prepare

PSM	Intended impact on livelihood restoration and restoration of living standard	Steps towards the implementation of the basic PSMs	Responsibility
<p>Women headed households</p> <p>Female land owners</p> <p>Female employees with low skills</p> <p>Elderly people</p> <p>Handicapped, ill or infirm people</p> <p>Poor people</p> <p>Illiterate people</p>	<p>Entitlement Matrix. In addition, tailored support measures will help them to benefit from compensation and PSMs (see Entitlement Matrix), Other tailored measures will address the specific needs, i.e. professional qualification and hereby will contribute to the restoration of livelihood through improved competitiveness and better access to jobs and income.</p> <p>Through additional measures for elderly, infirm, handicapped and ill people these groups will receive preferred access to benefits (i.e. light work during construction) or will benefit from improved facilities and services addressing their specific needs in their communities.</p>	<ul style="list-style-type: none"> • identify suitable measures with affected people • identify partners for implementation of these measures • decide on next steps depending on outcome of process so far 	<p>lists and to work towards final design of measure;</p>

7.3.4. Agreement on PSMs

The census and survey data collected by the LIU will be evaluated by the Implementation Team in collaboration with the PR Specialists and the LIU will propose the PAP-specific PSMs in agreement with the PR Chief and the LACR Manager. After approval by the LACR Manager the PR Specialists will contact the PAPs for negotiation and agreement on the proposed PSMs. A written agreement will be made in which the PSMs and the respective eligibility conditions are specified. This agreement needs to be signed by the PAP and an FOIAS representative (FOIAS will develop an internal procedure for the signature authority levels).

In the event that no agreement can be reached between FOIAS and the PAPs, the matter will be brought to an appropriate conflict resolution “committee” to help facilitate an agreement.

The relevant information of the agreement (specific PSMs, anticipated schedule, estimated cost implications, status of agreement, eligibility requirements, etc.) will be fed into the LACRP Database.

7.3.5. Implementation of PSMs

After the PSMs have been agreed with the PAP, the PSMs will be implemented depending on the specific timing and conditions. Each PR Specialist together with the Implementation Team will be responsible for implementation of PSM within their designated settlements. An indication how the various PSM will be implemented is given in Table 7.3. Some PSMs will be implemented on an individual PAP level (e.g. reimbursement for expenses related to moving of a household), whilst other PSMs may involve more of a group effort (e.g. agricultural extension/training to a group of farmers from several adjacent settlements).

Progress on the completion of the PSM and the success of the measures will be tracked in the database and will be described in the periodic LACR Implementation Status Reports.

7.3.6. LACRP Database

The LACRP database will be based on the KGM Expropriation Data and setup and maintained by the LIU as a central tool for implementing the Stage 2 LACR process. The database will facilitate the planning and tracking of LACR progress, monitoring of PSM implementation, tracking of on-going and project costs to FOIAS handling of grievances and other functions. In addition, it will be the basis for the generation of periodic reports. The database will comprise, *inter alia*, the following information:

Affected parcels and structure, PAPs affected by land take

- Parcel location, size and current land use,
- Details on owners and co-owners,
- Details on formal and informal users,
- Details on expropriation (including easements, if any), valuation and respective entitlements,
- Details on entitlements to compensation measures/PSMs,
- Up to date status of overall process with regard to affected plot,
- Any other issues of relevance (grievances, ownership conflicts. etc.),

Other groups of PAPs (not related to certain properties)

- Workers affected by loss of job: details and entitlements and status of overall compensation measures/PSM disbursement,
- Vulnerable groups/households: details and entitlements and status of overall compensation measures/PSM disbursement,

In total, the relevant information about all PAPs will be handled in the database, this will thus be a fundamentally important tool for managing and overseeing the entire LACR process. As shown in the Organization Chart above in Figure 7.2, FOIAS will appoint responsible staff for the establishment and management of the LACRP database, presently it is anticipated to engage a senior Database Manager support by a Database Technician. The team's duties will include the following tasks:

- establishing database in cooperation with LACRP Implementation Unit, KGM representatives (with respect to integrating KGM data) and other key persons involved in the LACR process - including external experts for database design,
- maintaining database, entering all relevant information,
- providing information required for LACRP implementation, and
- contributing to LACR Implementation Sub-Plans and the periodic Implementation Status Reports.

Once the main efforts of the LACR Process are completed (e.g. after about two years most of the KGM expropriation work is expected to be completed and similarly most of the census and survey work by the LIU). Then the database will continue to be an important tool for the PR Specialists to manage their liaison activities with the various PAPs and villagers throughout the Project life.

Note: The database will be set up in Turkish as this will be the primary working language of the LACRP implementation.

7.3.7. LACR Implementation Planning & Reporting (Stage 2)

This LACRP is conceptualized as **basis document** for a series of future **LACR Implementation Sub-Plans** and periodic **LACR Implementation Status Reports** which will continuously track and reflect the status of the LACRP implementation in Stage 2 for each of the two Sections: Section 1 (Km 0 to 60) and Section 2 (Km 60 to 140).

The Stage 2 LACRP will be ongoing at different parts along the route – both retrospectively where KGM has already completed expropriation and forward-looking in parallel to KGM. Thus the implementation will be a rolling, iterative process – just like that of KGM. As per summary of the above Sections, the key steps of Stage 2 implementation are:

- i. the Census (i.e. confirming exactly who the potential PAPs are, starting with KGMs data on landowners),
- ii. the Survey (i.e. interviews with the PAPs to understand if/how they are affected and their needs),
- iii. the identification of tentative PAP-specific PSMs,
- iv. FOIAS approval of the PSMs,
- v. the formal agreement (signed document between PAP and FOIAS about the PSMs to be implemented),
- vi. The implementation of the PSMs (followed by internal and external monitoring).

These six steps are then documented in two types of documents described hereafter.

LACR Implementation Sub-Plan

A LACR Implementation Sub-Plan will be prepared for a particular Stretch (or several Stretches combined) of the Motorway when the Census and Survey (i) and (ii) have been conducted and the tentative PAP-specific PSMs are identified (iii). Therefore, each Sub-Plan will provide details on:

- Baseline information: outcome of the census and survey,
- Exact numbers and type of PAPs,
- PAP-specific PSMs and estimated costs,
- Time schedule for the implementation of PSMs, and
- Setting up detailed Monitoring Indicators.

This iterative approach will allow the integrating of continuously feedback and lessons-learned within the LIU.

LACRP Implementation Status-Reports

To provide continuous information on the LACR implementation progress on the steps (iv) to (vi), periodic Implementation Status Reports will be prepared to provide details for both Sections on:

- Progress of KGM's expropriation process and results of FOIAS census, survey work and resulting implications for compensation and provision of PSMs,
- Status of agreement with PAPs,
- Status of PSM implementation,
- Outcomes of consultation activities (see Section 8.1),
- Any corrective actions taken on the overall design of the measures of the LACRP, resulting from new information or from lessons-learned within the implementation process of the LACRP.

The main information required for the reporting will be maintained and updated in the database. As such, the scope and output of the above mentioned reports (and other reports if required) can be modified as necessary.

Note: The periodic LACR Implementation Status Reports will be generated out of the database in Turkish language and then translated into English if needed.

8. Public Consultation & Stakeholder Engagement

The overall goal of stakeholder engagement and consultation is to establish an on-going, accessible and constructive dialogue with potentially affected parties and other interested organizations and individuals. So, their views and concerns can be taken into account in decisions about the Project in accordance with international good practice.

The consultation and stakeholder engagement activities of the LACRF/P are entirely interwoven with the Project's Stakeholder Engagement Plan (SEP) aiming at the same set of objectives, but with a focus on the land acquisition and compensation process with the related provision of measures in order to minimize adverse impacts from the Project.

8.1. Consultation and Stakeholder Engagement in the LACR Context

In line with the requirements of PS5/EP IV Principle 5 and related guidelines, consultation with and participation of affected communities and individuals are key elements of the LACRP development and implementation process. One essential aspect of this approach is the establishment of a robust process to redress the grievances of affected people (see Section 10.1). Consultation with the affected population and with officials of local government, civil society and other representatives of the affected population is essential in order to achieve an in-depth understanding of types and degrees of Project impacts as well as of required measures for mitigation and enhancement.

Public disclosure is the process by which FOIAS as Project sponsor provides an opportunity for the widest range of stakeholders to comment on the LACRP.

The process of public consultation will be accessible to all affected parties, from national to local level; emphasis is directed to engagement of local stakeholders namely people who are likely to experience the day-to-day impacts of a project. On a practical level, the objective is to ensure that

- All stakeholders will have access to overall project information and in detail to
 - plans for development of property or land,
 - their options and rights pertaining to compensation measures and PSMs,
 - the overall approach of the project to compensation measures and PSMs and the related procedures and processes, and
 - technically and economically feasible options for implementation of this approach.
- The information provided can be understood,
- The locations for consultation are accessible to all who want to attend, and
- Measures are put in place, which ensure that vulnerable or minority groups are consulted.

8.2. Provisions for Consultation and Stakeholder Engagement during LACRP Implementation

8.2.1. Information about LACR Process

An easy-to-understand information Guide to Land Acquisition and Compensation (GLAC) will be developed and widely distributed in the project area so that PAPs will get overall access to meaningful information about the LACR process with a focus on;

- The overall process of land acquisition,
- The census survey and asset assessment,
- Entitlements, compensation measures and PSMs,
- The grievance procedure, and
- Consultation activities.

8.2.2. Public Relation (PR) Specialists

FOIAS will initially hire Public Relations (PR) Specialists who will be stationed in the field to liaise closely with the affected public and other stakeholders. They will travel on a regular basis along the alignment and talk to the neighborhood residents to inform about the project, the ESIA and the LACRP activities and to collect their views and concerns. Furthermore, they will explain the expropriation process and grievance mechanism to the PAPs and help them to fill out application forms. The PR Specialists will work closely with the responsible Public Relations Chief (Environmental and Social Interaction Manager) at FOIAS who will be the main channel to communicate with KGM.

8.2.3. Means to Contact the Project Proponent

FOIAS offers different means to be contacted by the PAPs, so that everyone can chose the most comfortable and most appropriate way.

The following tools will be used:

- Telephone: [+90 256 221 1870](tel:+902562211870)
- Web site: www.aydindenizliotoyolu.com.tr/index.html
- e-mail of FOIAS: bilgi@aydindenizliotoyolu.com.tr
- Grievance boxes at different settlements along the motorway route,
- Direct contact with Unit Managers and Public Relations Specialist at construction sites,
- Meetings.

8.2.4. Means of Distributing Project Information to the PAPs

The program for engagement with the PAPs includes different ways of distributing project-related information to the PAPs and various opportunities for the PAPs to contact the project proponent with respect to land acquisition and expropriation in different stages of the project development:

- Distribution of relevant documents by mail (post), email, and through the Project website,
- Contact with the Mukhtars of the settlements via post and telephone, and

- via direct communication/meetings/discussions by the assigned PR Specialists.

In addition to the approach described above, direct contact will be made by the KGM land acquisition team with land owners, occupiers and users of land affected directly by the project. They will receive information about the land acquisition procedure and will be consulted about the options available to them.

8.3. Consultation Activities with relevance for the LACR

Within the scope of the EIA studies, two public consultation meetings were held alongside the route. The aim of the public participation meeting is to inform people who may be potentially affected about the project and to understand their concerns, opinions and suggestions about the project. This process is the only formal requirement for stakeholder participation according to Turkish legislation.

The first of the two Public Consultation Meetings (PCMs) was held in Denizli on 14.10.2014. Approximately 65 people attended the meeting including officials of the relevant official institutions and the local people. The Second Public Participation Meeting was held in Aydın on 15.10.2014. Approximately 150 people attended this meeting. During the meetings, presentations were made to inform the public about the project. After the presentations, the questions asked by the local people about the project were answered by both the project owner KGM and KGM 2nd Regional Directorate and the EIA working group officials. These issues were generally the project route, the private properties on the route and the views of the owners of these properties. Valuation of the lands and other issues related to expropriation were the main topics discussed at this meeting.

Another study carried out in September, 2021 as a part of the socio-economic baseline fieldwork of the project is the Key Informant Interviews. The local communities are among the most important external stakeholders of the project. Project Affected People (PAP) are people living in neighborhoods along the project route. Key Informant Interviews as part of ESIA studies were held in five neighborhoods expected to be some of the most affected settlements due to the project. These five neighborhoods studied were; Kocadere (Pamukkale-Denizli), Duacılı (Sarayköy-Denizli), Yamalak (Kuyucak-Aydın), Yazırlı (Nazilli-Aydın) and Yeniköy (Efeler-Aydın) neighborhoods respectively. In these neighborhoods, interviews were held with the neighborhood mukhtars as key informants. This study was carried out in order to obtain a foresight about the demographic, social, economic and cultural bases of the people involved in the PAP and their possible impact from the project. Moreover, at the Public Consultation Meetings held in the above five locations of the project-affected settlements within the scope of Road Trip in February 2022, it was possible to consult with the project-affected people.

Key aspects/results of the consultation activities are further discussed in the following subsections.

8.3.1. Level of Information about the Project

In the socio-economic baseline field study carried out within the scope of the baseline studies and interviews were held with the Mukhtars of five neighborhoods on the project route. During these interviews, the Mukhtars were also asked about their information about the project and their sources of information and it was learned that the Mukhtars were generally informed about the project and that they were in close contact with the project Sponsor as a source of information.

Also it was mentioned that different information (eg: regarding the route, starting date, expropriation) was spread from the different sources of information available to them, being mainly from:

- General Directorate of Highways/KGM,
- Regional KGM offices of the relevant region,
- Informal/Secondhand information,
- Engineers visiting the region,
- National and local press.

Also, during the Public Consultation Meetings held during the Road Trip, it was found the chance to communicate one-on-one with the Project Affected People. Thus, people had the opportunity to present their expectations, complaints or suggestions about the project at these meetings. Within the scope of the meetings, the participation of the representatives from the Project Owner and Project Sponsor to the meeting and their direct contact with the Project Affected People constitute an important output of the study.

8.3.2. Concerns and Expected Impacts

Amongst the neighborhoods which Key Informant interviews were conducted and the Public Consultation Meetings were held within the EIA process, there are some positive expectations about the project (e.g. the improvement of transportation and commercial issues) while the rest do not anticipate benefit for themselves. Table 8.1 below presents the statements and perceptions of stakeholders.

Table 8.1. Positive/Adverse Impacts of the Project on Livelihood

Area /Topic	Expected Impact	Statements from Stakeholders
Agriculture	Positive	The residents who do not lose their lands due to the project think that the Motorway will improve the transportation facilities People whose main economic activity depends on trade or manufacturing think that the project will lead to the establishment of various facilities, businesses
	Adverse	Loss of land/cropland/house of individuals and/or loss of community lands will lead to financial troubles The Motorway will hinder the access of the villagers to their lands/croplands and other resources (water resources and other lands) The project will adversely affect the irrigation facilities Noise/dust/exhaust gas will damage and reduce the quality of the agricultural products and green housing Pollution arising from the Motorway will hinder the organic agriculture Agricultural production will decrease along the Motorway route
Animal Husbandry	Positive	N/A
	Adverse	The project will lead to loss of or split of pasturelands
Trade	Positive	The project will lead to recovery of trade especially at toll booth locations
	Adverse	Trading will be adversely affected by the reduction in agricultural activities After the construction of the Motorway the commercial premises on the old route will be affected adversely due to customer loss
Manufacturing	Positive	Improvement of highways will improve trading and transportation facilities
	Adverse	N/A
Laborers	Positive	N/A
	Adverse	A loss of employment might occur if commercial premises are affected by the project
Greenhousing	Positive	N/A
	Adverse	Adversely affected irrigation facilities and exhaust gas will hinder green housing.
Gardening	Positive	N/A
	Adverse	Adversely affected irrigation facilities will hinder gardening

8.4. Lessons Learned from Stakeholder Engagement to date

Based on the experiences to date with the different approaches to the various stakeholders, several “lessons-learned” can be identified with respect to what approaches have appeared to work well under the circumstances and which have been less effective.

The following points will be considered during the design of further engagement programs for the LACRP and the SEP:

- All groups contacted during the Baseline Studies expressed their need for comprehensive and continuous information about the project and related procedures (e.g. expropriation),
- More frequent communication is needed with the Mukhtars to ensure that they are fully informed about the project and upcoming stakeholder events and can pass this information on to their neighborhoods,
- It is understood that local people are often more comfortable in providing opinions in smaller meetings/discussions at villages compared to the big meetings at district centers. For this reason, increasing the number of meetings in neighborhood and other neighborhood-level communication will help to have a better interaction with the local people and get their opinions. Also, the PR Specialists will need to maintain consistent communication with the villages,
- It is understood that the participants of the meetings were almost men and it was predominantly the men who spoke in the EIA PCMs. Thus, there should be specific efforts to reach women and vulnerable people for the Public Consultation Meetings within the road trip, focus group discussions and interviews planned in the next stages of consultation to be held during ESIA disclosure and regularly by the PR Specialists,
- In order to reach more people, the number of posters providing information on consultation activities will be increased at neighborhoods and hung up at several locations in the neighborhood by the PR Specialists,
- In order to reach more stakeholders, transportation will be provided to the meeting places to be selected for the five PCMs in the scope of road trip so that stakeholders from distant neighborhoods with limited access will also be able to participate in the consultation activities,
- Maps that are showing the route in detail at the section of the meeting place, will be duplicated at a certain number to be distributed among the stakeholders especially during the PCMs.

8.5. Next Steps: Consultation and Disclosure of the LACRP

The LACRP will be disclosed in parallel to the Environmental and Social Impact Assessment (ESIA). In the context of the LACRP, the main focus of the dialogue with PAPs will be given on the expropriation process, on compensation provisions and on the proposed PSMs for livelihood restoration. As part of the normal disclosure process, these proposed PSMs will be subject to public comment and if necessary to amend as part of the finalization of the LACRP.

There were five Public Consultation Meetings within the scope of “Road Trip”. For the Project, five Public Consultation Meetings (PCMs) locations were selected as Yeniköy (Efeler-Aydın), Yazırlı (Nazilli-Aydın), Yamalak (Kuyucak-Aydın), Duacılı District (Sarayköy-Denizli) and Kocadere (Pamukkale-Denizli). Principally local neighborhood teahouses were preferred as the meeting venue where they had proper capacity and physical conditions, as participation levels have been generally higher in such local venues from the previous experiences.

The GLAC with information of the overall process of land acquisition, compensation and PSMs will be disseminated amongst PAPs and other key stakeholders of the project in order to facilitate access to *easy - to - understand* information. A summary of the envisaged consultation activities are provided in the following table, for further information please refer to the Stakeholder Engagement Plan, which will be also available in all Mukhtar offices and on FOIAS website. Table 8.2 below presents the related activities for the ESIA/LACRP disclosure process.

Table 8.2. Public Consultation Activities for the ESIA/LACRP Disclosure Process

Activity	Details
Preparation and distribution of the disclosed Project Documents at least one week prior to start of disclosure period, at least two weeks prior to start of disclosure meetings	<p>Hardcopies of the all Project Documents (full ESIA and LACRP, SEP, ESIA Brochure & GLAC):</p> <ul style="list-style-type: none"> • 3 Construction Camp Sites (Dalama CCS, Kuyucak CCS, Denizli CCS) • Hardcopies of the SEP, NTS, the ESIA Brochure and GLAC: • 12 District Municipal Offices, • 70 Mukhtars offices of Project affected settlements, and • Other locations in project affected settlements, e.g. locations accessible for vulnerable groups, if stated as necessary during preparation of disclosure. <p>Electronic Versions (PDF) of all Project Documents in English and Turkish available on the Project Website for downloading.</p> <p>All other engaged stakeholders (see SEP, such as:</p> <ul style="list-style-type: none"> • National and Provincial Ministries, • NGOs, and • Media (newspapers, radio, TV) <p>will be contacted by mail or email (as appropriate) to announce the disclosure period and the download directory on the website for all Project Documents in Turkish and English.</p>
Announcement of availability of the Project Documents and on associated community meetings through media	<p>Means of communication will be</p> <ul style="list-style-type: none"> • Newspapers, • Radio stations, • Project website • Notice boards in the Mukhtar and municipal offices of the affected settlements etc.
Public Consultation Meetings	<p>Five Public Consultation Meetings within the Road Trip.</p> <ul style="list-style-type: none"> • Presentation of Project, summary of ESIA and LACRP findings and proposals related to land acquisition and compensation procedures and entitlements; • open ended question and answer feedback-session

9. Monitoring

9.1. Objectives and Overview

The overall objectives of monitoring in the LACRF/P context are to verify the following points:

- Actions and commitments described in the LACRP are implemented fully and on time,
- Project affected persons understand their rights,
- Eligible project affected persons (PAPs) receive their full compensation entitlements or other mitigation measures within the agreed time,
- LACRP compensation and PSMs are effective with regard to the enhancement or at least the restoration of livelihoods of PAPs,
- Complaints and grievances expressed/submitted by PAPs are followed up and resolved and that, where necessary, corrective actions are implemented,
- If necessary, changes in LACRP procedures are made to improve delivery of *compensation/assistance to PAPs*,
- All PAPs are considered according to their entitlements, including those who have already been subject to expropriation prior to implementation of this LACRP.

The overall responsibility of monitoring is with FOIAS. The monitoring will be performed by internal or external staff who will receive training with regard to monitoring techniques and recording of monitoring results. Additional experts may be included in monitoring activities on an as-needed basis; also, where applicable, local NGOs may assist in monitoring.

The monitoring is to assess the overall success of the LACRP and the effectiveness of the various processes and measures. Monitoring activities will comprise three main components:

- Internal monitoring and
- External monitoring

The internal monitoring process will run as part of day to day LACRP activities by the FOIAS team. External monitoring is intended to be provided by an independent third party. The objective of assessment of the on-going LACRP implementation is to ensure that the project is meeting international standards for compensation and resettlement.

Each of the key aspects of the M&E Mechanism is described below.

9.2. Internal Monitoring

Internal monitoring will verify progress and analyze relevant issues at regular intervals (e.g. quarterly) in order to provide information for necessary updates of the LACR process. Monitoring will be closely linked to the various stages of the implementation of this LACRP. Internal monitoring will focus on measuring progress of LACRP implementation against the schedule of actions defined in the LACRP. Activities in this context will include:

- Liaison with affected communities, with KGM land acquisition process, with construction contractors in order to review progress against the LACRP schedule,
- Verification that land acquisition and compensation entitlements are being provided in accordance with the LACRP,
- Verification that PSMs are implemented,

- Identification of any problems and issues in the LACRP context;
- Assessment of satisfaction with the process through interviews with key informants (mukhtars, representatives of different groups of affected people, special focus on vulnerable groups),
- Follow up records of grievances and verify that that these have been considered, that corrective actions have been taken and that outcomes have been satisfactory, and
- Preparation of quarterly reports for FOIAS management.

The monitoring program will have a strong component for monitoring the development of livelihoods of PAPs during the LACRP implementation through start of Project operation. Special consideration will be given to vulnerable groups and PAPs who are not considered for compensation under Turkish Law. The small number of people affected by physical displacement will also receive special consideration.

The monitoring reports are key parts of the LACR Implementation Status Reports of this LACRP. Consolidated quarterly reports with key findings from the on-going monitoring will be prepared and key findings discussed and suitable actions taken (see Monitoring Framework in Table 9.1. below). Any issues that arise from monitoring that have not been addressed and require intervention will be discussed by all the parties concerned. Reporting and respective review and discussion of reports will ensure that important issues are immediately addressed.

9.3. External Monitoring

In addition to the internal monitoring process, external assessment of the resettlement will be undertaken through an external monitoring party (e.g. an independent consulting firm with strong background in resettlement planning and implementation in Turkey). This party will carry out quarterly reviews, focusing on the assessment of compliance with social commitments contained in Turkish legislation and IFC's PS5 in this LACRP and any further related action plans proposed in the ESIA. The external evaluation process will be informed by the internal monitoring.

9.4. Summary

Further information about the above-described M&E reports is presented in the overview 9.1 below. An initial framework for monitoring indicators is given in 9.2.

Table 9.1 Overview on LACRP Monitoring Reports

Monitoring Report Type	Frequency	Prepared by	Comment
Internal Monitoring Report	Quarterly	FOIAS	Summary report (not more than 20 pages, plus annexes); summarizing progress against the schedule; summary schedule of grievances, minutes of any meetings/consultations; outline of issues and response actions and internal quality check.
External Monitoring Report	Quarterly	Independent Experts	Summarizing assessment of progress with regard to commitment to PS5; discussion of any PAP issues and concerns, identification of areas of non-compliance and of agreed corrective actions; summary of status of the LACRP process. A compliance check.
Regular Status Audit Report	Bi-annual during the first two years of construction; thereafter annually	Panel of FOIAS plus independent experts	Regular status report to verify constantly that the Project has complied with actions and measures defined in the LACRP with the overall policy and approach of the Project, and that land acquisition and compensation has been completed in compliance with PS5 and Turkish laws.

Table 9.2. LACRP Monitoring Framework – Basic Monitoring Indicators

Monitoring Aspect	Activity and specific monitoring parameters*	Monitoring Frequency	Monitoring Responsibility
Performance against LACRP schedule	Progress in signature of land acquisition (including easements) agreements: % complete (including areas used for construction, which will be permanently lost to owners/users of land)	Monthly	FOIAS in communication with KGM land acquisition team
	Payment of compensation and delivery of PSMs: % complete		KGM / FOIAS
	Land plots used temporarily during construction, number: - % of total land used for construction		FOIAS
	Plots used during construction: % re-instated and handed back to owners		
	Grievance process: no, of grievances received/responded/resolved		
	Consultation activities: records of meetings, discussions, phone calls, e-mails, etc.		
	Summary of monitoring activities, to be integrated into the LACR Implementation Status Reports		
Overall restoration of living standards, livelihoods and income	Was compensation paid to title deed holders (landowners, shareholders, customary land owners)? % of total payments/PSMs completed, in progress, not started, in appeal.	Monthly	KGM / FOIAS Independent Monitoring Experts
	Was compensation paid to informal land users, sharecroppers? % of total payments/PSMs completed, in progress, not started, in appeal.		FOIAS Independent Monitoring Experts
	Were assets on land (wells, irrigation infrastructure, fences) fully reinstated (for temporary used land and easements)? % of total reinstatements completed, in progress, not started.		KGM / FOIAS Independent Monitoring Experts
	Was compensation in general in line with agreed rates and in – time? % of total payments made at agreed rates % within agreed time frame.		KGM / FOIAS Independent Monitoring Experts
	Where PSMs delivered for all groups of affected people? % of total PSMs completed, in progress, not started.		FOIAS Independent Monitoring Experts
	Did affected businesses receive entitlements? % of total PSMs completed, in progress, not started, in appeal.		FOIAS Independent Monitoring Experts
	Did affected workers/employees receive entitlements? % of total PSMs completed, in progress, not started.		FOIAS Independent Monitoring Experts
	Have special needs of vulnerable groups been addressed? % of total PSMs completed, in progress, not started.		FOIAS Independent Monitoring Experts
	What changes have occurred in the costs for living/expenditures of PAPs? Factual description	Once a year	FOIAS Independent Monitoring Experts
	How have changes of income changed overall household economy of PAPs? Factual description		
	Number, of skilled and non- skilled PAPs engaged in construction workforce (or otherwise employed as part of Project)? Total no, of PAPs who applied for jobs, % employed part-time/full-time, % undergoing job training		
	Are PSMs for livelihood restoration proving effective? Summary professional opinion		
	Are any additional support measures required? Professional opinion based on all results to date		
Level of PAP satisfaction	How do PAPs perceive the extent to which their overall livelihood has been restored? Results of routine interviews with PAPs	Continuously	
	Have PAPs experienced any hardship as result of the Project? Results of routine interviews with PAPs		
Consultation and Grievances	Do PAPs understand the process of land acquisition/ compensation/ PSMs? Results of routine interviews with PAPs		
	Do PAPS understand avenues for expressing grievances? Results of routine interviews with PAPs		

Monitoring Aspect	Activity and specific monitoring parameters*	Monitoring Frequency	Monitoring Responsibility
	What types of grievances have been issued and how have these been resolved? Summary of input from Grievance Procedure and routine interviews with PAPs: factual information.		

*the detailed set up of indicators for monitoring will be established as next step within monitoring preparation

9.5. Overall Implementation Schedule

Figure 9.1 presents an overview implementation schedule for the LACRP, which provides a summary of the above Sections of Chapter 7

Activity	Starting	Ending	Months																																							
			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35				
Construction	Month 0	Month 36																																								
Public Disclosure ESIA & LACRP																																										
Mail Disclosure documents/notifications	Month 0	Month 0																																								
Disclosure Period 60 Days	Month 1	Month 3																																								
Road Trip	Month 1	Month 3																																								
Overall Land Acquisition Process																																										
KGM																																										
Official Land Acquisition Process	ongoing																																									
Delivery of Compensation (Turkish Law)	ongoing																																									
FOIAS																																										
Screening for Treasury Land (ongoing)																																										
Delivery for Compensation (PSMs)	Month 6	Month 36																																								
LACR Implementation																																										
Initial Planning	Month 0	Month 3																																								
Census/ Survey	Month 4	Month 10																																								
Ongoing Consultation	Month 3	Month 36																																								
LACRP Implementation Process	Month 4	Month 36																																								

Figure 9.1. Overall Implementation Time Schedule

10. Management Procedures

10.1. Grievance Procedure

In accordance with international good practice and specific International Requirements (especially IFC PS1 and Equator Principles IV, Principle 6, a Grievance Mechanism – GM) has been set up through which any person or organization can report complaints or other problems relating to any aspect of the Project freely without cost and without any threat of retaliation. It also offers an alternative to external dispute resolution process (e.g. legal or other public or civic mechanism). This grievance procedure will be used to address all Project Grievances which also includes concerns raised during the LACR process. To ease the process for people who want to raise a complaint the processes between ESIA, LACRP KGM will not be separated through different grievance forms. One form will be used and FOIAS will ensure that the grievance or comment runs through the right channels and gets hold of the right responsible (such as the Environmental and Social Interaction Manager, the PR Specialists or even KGM). An example of the Grievance Form is given in SEP.

The overall grievance management is performed by FOIAS' Environmental and Social Interaction Manager who will be supported for the LACRP process by the Public Relations Chief. As a transparent and legitimate mechanism, the GM will continuously be maintained, updated and publicized throughout the project as part of the Stakeholder Engagement Plan (SEP). The preliminary response to inform the complainant about the corrective action or the notice that no action will be undertaken and why will be within 14 days after the log-in. If the complainant agrees to the corrective action the case will be closed. If a long term corrective action is required the complainant will be kept advised of progress at regular intervals.

Key steps of the GP are described as follows, and are depicted in Figure 10.1:

- 1. Publicizing Grievance Management Procedure** – The public and especially PAPs need to be informed about the GP and how they can make use of this process. The public will be informed via the ESIA/LACRP disclosure process as described in the Stakeholder Engagement Plan (e.g. posters in public places, on the Project website),
- 2. Receiving and Keeping Track of Grievances** – Grievances will be recorded by using a Grievance Form (in Turkish language, also available on web-site in English) which every neighborhood Mukhtar will be received and will be available on the Project Website. Grievance Forms are available for recording complaints and will contain details regarding the grievance as well as the name and address of the applicant (voluntary info) application date, type of application and the name of the persons receiving the grievance. The form will be logged in a register where they will be tracked through to a suitable resolution,
- 3. Reviewing and Investigating Grievances** – Grievances will be reviewed and investigated differently depending on their subject and complexity. In general, a complete picture of the situation will be sought, and further investigation will be done as necessary. FOIAS and will have the management capacity in organizing the investigation process to validate the legitimacy of the complaints and arrange for investigation of details,
- 4. Developing Resolution Options and Preparing a Response** – Resolution options will be developed through unilateral proposal, bilateral discussion and/or third party mediation. If a complaint is not legitimate the case will be closed without agreement with the complainant. Any response will be communicated clearly either orally or in writing, and a grievance case will only be closed when an agreement with the complainant is reached. In case of complex grievance issues that cannot be directly resolved, an appropriate conflict resolution “committee” may be established to help facilitate an agreement (e.g. a committee might comprise the parties filing the grievance, representatives from FOIAS, the local Mukhtars and representatives from an NGO or labor union),

5. Monitoring, Reporting and Evaluation of Grievance Mechanism – The effectiveness of the GP will be measured by tracking the grievance statistics. The Environmental and Social Interactions Manager and the PR Specialists will be responsible for monitoring progress and tracking the grievance through to an acceptable resolution within an agreed deadline recorded in the Grievance Form. The person lodging the grievance will be kept advised of progress at regular intervals. The statistics will also be used to adjust and improve the existing GP, and to ensure continual improvement of FOIAS' operation and Project implementation.

For the LACRP, local third parties will be integrated in the management of grievances. These will be identified during the next phase of disclosure and consultation.

A summary of the operation of the GP will also be provided to the public (e.g. an annual report on the Project Website). This will maintain the confidentiality of individual persons/organizations involved.

The SEP sets out further details of operation of the Grievance Procedures for the duration of the Project.

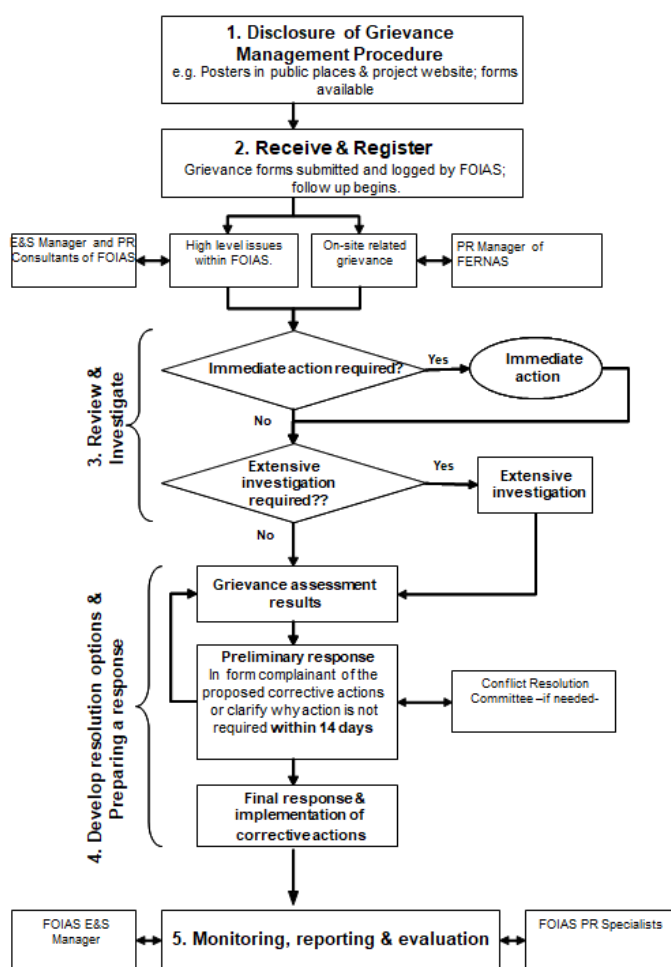


Figure 10.1.Flowchart Grievance Procedure (for public)

10.2. Design Change Management Procedure with respect to Land

As part of the ESIA process a Design Change Management (DCM) Procedure will be developed to cope with the any kind of Design Changes (DC) after design freeze for the finalization of the ESIA to ensure that due consideration is given of environmental, social, safety and other factors as described in the ESIA whenever Design Changes (DC) are made with respect to the project. The ESIA DCM Procedures will thus serve as a basic framework that must be further refined and then finally integrated into the overall DCM Procedures applicable to FOIAS.

The ESIA DCM Procedure screens potential environmental, social and safety impacts of a design change amongst others:

- any impacts on additional stakeholders (i.e. beyond that already considered in the ESIA/LACRP); and
- any expansion of Project footprint requiring additional land take and expropriation or (i.e: beyond that already reflected in the ESIA/LACRP); will be screened.

If significant potential impact will be assessed, the ESIA DCM Procedure will ensure that all measures, policies and principles described in the LACRP will be implemented for additional land to be expropriated and new PAP who might be identified.

ANNEX-A

Gap Analysis between International Standards (IFC PS 5)¹ and Turkish Law

¹ Issued on January 1, 2012

Introduction

The acquisition of land and other assets that will be needed for the construction and operation of the Aydın - Denizli Motorway Project is under the responsibility of KGM. The land acquisition activities related to the immovable properties that will be affected by the project are carried out by KGM in accordance with the Expropriation Law No. 2942 (amended by the Law No. 4650 dated 2001) and the other relevant legislations. These activities are carried out as a standard in the land acquisition/expropriation processes carried out within the scope of all infrastructure projects in Turkey.

KGM will only meet the requirements of the Expropriation Law in the expropriation procedures within the scope of the Project and will not be responsible for carrying out the provisions of the Settlement Law No. 5543 within the scope of this Project. Considering the size of the land to be acquired/expropriated within the scope of the project, It should be noted that the number of buildings to be affected will be quite low. The Ministry can also make case-specific evaluations regarding the implementation of the Settlement Law. Government assisted resettlement activities are implemented by the Resettlement Department of the General Directorate of Construction Affairs which is under the aegis of the Ministry of Environment, Urbanization and Climate Change

The purpose of the Expropriation Law is to provide cash compensation to title deed holders (and right owners as well) for the lands and other assets to be expropriated and to establish a general framework for all transactions to be carried out regarding expropriation. The Expropriation Law requires financial solutions for losses. The Settlement Law, on the other hand, deals with social issues related to the resettlement of people who are likely to be affected by expropriation. For this reason, while all expropriation procedures are subject to the provisions of the Expropriation Law, the Settlement Law can be applied as an additional legislation when necessary.

The table presented below evaluates the differences between PS 5 and the Expropriation Law.

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
Para 5: Performance Standard 5 applies to physical and/or economic displacement resulting from the following types of landrelated transactions: <ul style="list-style-type: none"> Acquisition of land rights or land use rights through expropriation or other mandatory procedures; Acquisition of land rights or land use rights through negotiated settlements with asset owners or those with legal rights to the land if failure to reach settlement would have resulted in expropriation or other mandatory procedures; In case of the situations where involuntary restrictions on land use and access to natural resources cause a community or groups within a community to lose access to resource usage where they have traditional and/or recognizable usage rights; In case of the project situations requiring evictions of people occupying land without formal, traditional, or recognizable usage rights; 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, freshwater, medicinal plants, hunting and gathering grounds and grazing and cropping areas etc.. 	<p>Expropriation Law 2942: The legal owners of the land or assets to be expropriated (including legal entities) will be compensated for their losses (or alternative land or assets will be allocated to them through exchange). This will also include the actual users of the lands called possessor.</p> <p>In the expropriation of the land titled on behalf of someone else, unclaimed and/or not acquired by the possessor, the minimum material cost of the buildings and the value of the trees as determined in accordance with Article 11 are paid to the possessor.</p>	<p>The Expropriation Law does not cover the issues of providing support for economic relocation or resettlement</p> <p>No replacement cost</p>
Para 7: Where project impacts on land, assets, or access to assets become significantly adverse at any stage of the project, the Project owner should consider applying the provisions of this Performance Standard 5, even where no land acquisition or land use restriction is involved	Turkish legislation does not have a specific provision in this regard.	Although there is no requirement defined by Turkish legislation in this context, this requirement is provided in the standard practices of KGM. Therefore, providing continuous access to assets and resources within the scope of the Project is a practice that will be fulfilled under the contract signed between KGM and the Project sponsor.
Para 8: The project owner will take into account feasible alternative project designs to avoid or minimize physical and/or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable	Turkish legislation does not have a specific provision in this regard.	Turkish legislation does not define a requirement to prevent or minimize the need for expropriation or resettlement of projects. However, this situation is taken into account in the project studies by the experts of project- owner organization.
Para 8:9 When displacement is unavoidable, the project owner will offer displaced/affected communities and persons compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods, as provided in this PS 5. Compensation standards will be transparent and applied consistently to all communities and persons affected by the displacement. Where livelihoods of displaced persons are land-based, or where land has multiple owners, the project owner will,	Losses within this scope of the legal owners of the land or assets to be expropriated will be compensated for the land or assets. Compensation fees are determined by valuation commissions within the scope of the administrative process and by the experts within the scope of the judicial processes. Evaluations made within the scope of both processes are carried out within the framework of certain criteria and based on relevant data. Depreciation is taken	In Turkish legislation, it is stated that measures such as improvement and providing additional income are the prerequisites of resettlement plans and projects in order to reach the determined living standards. However, there are no detailed provisions on plans and projects to improve living standards. There is not any provision about Replacement Cost: Depreciation (buildings, structures etc..) is deducted

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
where possible, offer the displaced land-based compensation. The client will take possession of acquired land and related assets only after compensation has been made available and, where applicable, resettlement sites and moving allowances	<p>into account in the valuation of the buildings on the land to be expropriated.</p> <p>Valuation of easement rights takes into account decrease in the value of affected assets.</p> <p>If the remaining part of the immovable property, part of which has been expropriated, is not suitable for use, and in cases where no lawsuit is filed against the expropriation process in administrative jurisdiction, this part must also be expropriated upon the written application of the owner within thirty days from the notification of the expropriation decision at the latest.</p> <p>After examining the living standards and general condition of the assets of the people whose assets will be partially expropriated (and those who do not own immovable property), it will be determined whether these people have lost their income sources or not (Regulations of Resettlement Law).</p> <p>According to Turkish Constitution, immovable properties cannot be confiscated unless their expropriation compensations are paid in advance.</p>	<p>during valuation. Accordingly, expropriation compensations (regarding lands, house plots and other assets such as buildings and structures) do not include transaction costs associated with asset replacement.</p> <p>There is no explanation for providing displaced persons and communities with opportunities to derive positive benefits from the project.</p>
Para 10: The project owner will engage with project-affected communities, including host communities, through the process of stakeholder engagement (as described in PS 1). Decision-making processes related to resettlement and livelihood restoration should include options and alternatives of project affected persons, where applicable. Disclosure of relevant information and participation of Project affected communities and persons will continue during the planning, implementation, monitoring, and evaluation of compensation payments, livelihood restoration activities, and resettlement to achieve outcomes that are consistent with the objectives of this Performance Standard. Additional provisions apply to consultations with Indigenous Peoples (if any), in accordance with PS 7.	<p>Turkish legislation requires notification to those who will be affected by expropriation when the need for expropriation arises and the valuation process is completed.</p> <p>Also, implementation of Re/settlement Law includes public information and participation activities all steps.</p>	<p>With regard to land acquisition/expropriation, Turkish legislation does not require prior information to the affected parties, their inclusion in the decision-making process, or the conduct of a consultation process that will ensure continuous communication with these individuals and communities. There is no requirement to monitor the results of the process.</p>
Para 12: In cases where involuntary resettlement is unavoidable, (either as a result of a negotiated settlement or expropriation), a census will be carried out to collect appropriate socioeconomic baseline data in order to identify the persons who will be displaced due to the project, determine who will be eligible for compensation and assistance, and eliminate ineligible persons, such as opportunistic settlers, from claiming benefits. In the absence of host government procedures, the client will establish a cut off date for eligibility. Information regarding the cut-off date will be well documented and disseminated throughout the project area.	<p>The administration that is responsible for the expropriation will have plans to scale showing the border, surface area and type of the immovable property to be expropriated.</p> <p>The administration that will make the expropriation will determine the owners of the expropriated immovable property by attaching documents. The administration will determine the owners by land surveys in places where no land registry or cadaster has been made.</p>	<p>Turkish legislation does not impose a requirement to investigate the current state of socio-economic conditions (However, plans describing expropriation limits and needs need to be prepared. Also, if preparation of Resettlement action plan is decided, mentioned socio-economic baseline study can be performed).</p>

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
	The administration that will make the expropriation announces the public interest decision in the neighborhood and/or village mukhtar for 15 days. As of the end of the announcement period of the public interest decision, the cost of the fixed facilities and trees planted on the immovables to be expropriated are not taken into account in the determination of the expropriation value. Also, resettlement implementation includes cut-off dates for entitlements.	
Para 19 : .In the case of physical displacement of persons, the project owner will prepare a Resettlement Action Plan that covers (at a minimum), the applicable requirements of this PS 5 regardless of the number of affected persons. This plan will include compensation at full replacement cost for land and other assets lost. This plan will also be designed to mitigate the negative impacts of displacement; identify development opportunities; develop a resettlement budget and time schedule; and determine the entitlements of all categories of affected persons (including host communities, if any). Particular attention will be paid for the poor and the vulnerable. The project owner will document all transactions to acquire land rights, as well as compensation measures and relocation activities.	Persons with a request for resettlement can apply in writing to the relevant governorship to initiate the resettlement process by transferring the matter to the Ministry of Environment, Urbanization and Climate Change. Some organizations prepare mentioned Resettlement Action Plans for the projects requesting of foreign credit. These plans will include compensation at full replacement cost for land and other assets lost.	Turkish legislation does not impose requirements for mitigating impacts from displacement, other than government-assisted resettlement, identifying development opportunities, and determining the entitlements of persons in each impact category (including host communities), with particular attention to poor and vulnerable groups. Turkish legislation does not require monitoring of the resettlement process. Turkish legislation does not require a final audit as to whether the resettlement process has been completed (under PS 5 it is defined as the management of adverse impacts in accordance with the objectives of this performance standard with the resettlement plan or framework). There is not any provision about Replacement Cost: Depreciation (buildings, structures etc..) is deducted during valuation. Accordingly, expropriation compensations (regarding lands, house plots and other assets such as buildings and structures) do not include transaction costs associated with asset replacement.
Para 13: .In cases where affected persons reject compensation offers that meet the requirements of this Performance Standard 5 and, as a result, expropriation or other legal procedures are initiated, the project owner will explore opportunities to collaborate with the responsible government agency, and, if permitted by the		Turkish legislation does not require compensation for persons who have lost their jobs or livelihoods as a result of expropriation.

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
agency, play an active role in resettlement planning, implementation, and monitoring.	As the government agency, KGM can collaborate with another government agency responsible for government assisted resettlement on some points to the extent that is permitted by this organization.	
Para 17: Displaced persons could be classified as persons (i) who are having legal rights to the land or assets they occupy or use; (ii) who do not have legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law; or (iii) who have no recognizable legal right or claim to the land or assets they occupy or use. The census will establish the status of the displaced persons.	The Expropriation Law only recognizes the rights of persons and possessors (zilyet) of land or immovable property. Resettlement offices evaluate petitions of all affected persons.	The Expropriation Law does not provide resettlement right to persons who do not own the property or land to be expropriated. This right can be provided by the Resettlement Law upon request.
Para 20: If people living in the project area are required to move to another location, the project owner will (i) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and (ii) provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites built for displaced persons must offer improved living conditions. The preferences of displaced persons related to relocating in preexisting communities and groups will be taken into consideration. Existing social and cultural institutions of the displaced persons and any host communities will be respected.	Turkish legislation on land acquisition does not have a specific provision in terms of resettlement assistance except Resettlement Law no 5543. However, Resettlement Law includes housing and livelihood restoration assistance envisaged by specific plans/project to entitled families in better conditions.. Also, resettlement law provides some subsidies (health, food, clothing) to needed persons entitled to resettlement.	Special attention to the needs of poor and vulnerable groups is not a requirement under Turkish legislation on land acquisition other than resettlement implementation.
Para 21: In the case of physically displaced persons under paragraph 17 (i) or (ii), the project owner will offer the choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate. Compensation in kind should be considered in lieu of cash. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.	Only legal owners of property and/or lands can receive cash compensation (expropriation value). In cases where the expropriated property or land is being used by the tenant, the tenant's contract ends with the realization of the expropriation. Tenants documenting their rights on the crops (or on some assets) can receive compensation.	The Expropriation Law provides compensation rights only to persons who own the property or land to be expropriated. Losses of tenants or users who do not have legal rights to the land will not be compensated. There is not any provision about Replacement Cost: depreciation (buildings, structures etc..) is deducted during valuation. Accordingly, expropriation compensations (regarding lands, house plots and other assets such as buildings and structures) do not include transaction costs associated with asset replacement.
Para 22: In the case of physically displaced persons under paragraph 17 (iii), the project owner will offer these persons a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction. Where these displaced persons own and occupy structures, the client will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at full replacement cost, provided that these persons have been occupying the	Legal owners of land or other immovable property, as well as persons recognized as actual users (possessors) of land and property, receive monetary compensation as mentioned above. However, the compensation to be given to the users of the places that are titled, unclaimed and/or not acquired by the possessor on behalf of someone else is lower than the legal land owners since they are paid for minimum	The Expropriation Law does not require any assistance within the scope of land acquisition. Similarly, there is no requirement in the law regarding the protection of living standards prior to resettlement. Compensation is not paid at full replacement cost. However, this issue is taken into account in detail during

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
project area prior to the cut-off date for eligibility. Based on consultation with such displaced persons, the client will provide relocation assistance sufficient for them to restore their standard of living at an adequate alternative site.	material values of structures. The Expropriation Law does not have a specific provision regarding resettlement assistance other than resettlement Law..	implementation of state-assisted resettlement according to the Resettlement Law and its Regulations..
Para 25 In the case of projects involving economic displacement of persons only, the client will develop a Livelihood Restoration Plan to compensate affected persons and/ or communities and offer other assistance that meet the objectives of this Performance Standard. The Livelihood Restoration Plan will establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner. The mitigation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance according to the requirements of the Livelihood Restoration Plan and this Performance Standard, and are deemed to have been provided with adequate opportunity to reestablish their livelihoods.	Turkish legislation on land acquisition/expropriation does not have a specific provision regarding economic displacement. Resettlement law takes into account the families without any immovable property to be expropriated, living in project influenced area at least three year since the date of the beginning of resettlement planning etudes started. This is for entitlement to government assisted resettlement.	Turkish legislation on land acquisition does not require compensation for persons who have lost their jobs or livelihoods as a result of expropriation.
Para 26: If land acquisition or restrictions on land use result in economic displacement defined as loss of assets and/or means of livelihood, regardless of whether or not the affected people are physically displaced, the client will meet the requirements in paragraphs 27–29 below, as applicable; (Economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost.) <ul style="list-style-type: none"> In cases where land acquisition/expropriation or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment. In cases affecting persons with legal rights or claims to land which are recognized or recognizable under national law (see paragraph 17 (i) and (ii), replacement property (e.g., agricultural or commercial sites) of equal or greater value will be provided, or, where appropriate, cash compensation at full replacement cost. Economically displaced persons who are without legally recognizable claims to land (see paragraph 17 (iii)) will be compensated for lost assets other than land (such as crops, irrigation infrastructure and other improvements made to the land), at full replacement cost. The client is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date for eligibility In addition to compensation for lost assets, if any, as required under paragraph 27, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least	Only legal owners of immovable property (structure) and/or land can receive cash compensation in scope of the Expropriation Law in case of their assets/properties are expropriated. In some cases, detaching and moving costs of machinery is compensated under this Law. Resettlement Law and its regulations deal with the families who have lost their livelihood, upon their petitions, in case of they are entitled to resettlement. In the expropriation of the land titled on behalf of someone else, unclaimed and/or not acquired by the possessor, the minimum material cost of the buildings and the value of the trees as determined in accordance with Article 11 are paid to the possessor. Income earning and alternative income earning activities are envisaged through resettlement law implementation. There are several cut-off date implementations within the course of Resettlement Law and Expropriation Law as well.	Turkish legislation does not impose a requirement on compensation for persons whose income is lost or their livelihood is affected (excluding resettlement Law implementation), or on the some other matters described under paragraphs 26,27,28,29. There is not any provision about Replacement Cost: depreciation (buildings, structures etc..) is deducted during valuation. Accordingly, expropriation compensations (regarding lands, house plots and other assets such as buildings and structures) do not include transaction costs associated with asset replacement.

Summary of Requirement Under Performance Standard (PS) 5 (Mainly quoted)	Important Points of Turkish Legislation Implemented by KGM	Gaps
<p>restore, their means of income-earning capacity, production levels, and standards of living:</p> <ul style="list-style-type: none"> • For persons whose livelihoods are landbased, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority. • For persons whose livelihoods are natural resource-based and where project related restrictions on access envisaged in paragraph 5 apply, implementation of measures will be made to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature rather than directly oriented towards individuals or households. • If circumstances prevent the client from providing land or similar resources as described above, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities. Cash compensation alone, however, is frequently insufficient to restore livelihoods. <p>Transitional support should be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their incomeearning capacity, production levels, and standards of living.</p>		