

Land Acquisition and Resettlement Plan

Kitob District Vineyard and Pomegranate Development Subprojects

Documentation Stage: Draft

Project Number: 53110-003

Horticultural Intensification and Productivity
Enhancement Project (HIPEP)

Feasibility Study

June 2023

ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected household
AP	–	affected person
ASO	–	Agroservis Operator
DED	–	detailed engineering design
DMS	–	detailed measurement survey
EA	–	executing agency
EMO	–	external monitoring organization
FGD	–	focus group discussion
FS	–	feasibility study
GOU	–	Government of the Republic of Uzbekistan
GRM	–	grievance redress mechanism
IA	–	implementing agency
IEE	–	initial environmental examination
IOL	–	inventory of losses
IP	–	indigenous people
IR	–	involuntary resettlement
ISC	–	implementation support consultant
ISCAD	–	International Center for Strategic Development and Research in the Field of Food and Agriculture
LA	–	land acquisition
LAC	–	land acquisition and compensation
LAR	–	land acquisition and resettlement
LARP	–	land acquisition and resettlement plan
LC	–	Land Code
MOA	–	Ministry of Agriculture
MOF	–	Ministry of Finance
PAM	–	Project Administration Manual
PIB	–	project information brochure
PIU	–	project implementation unit
PRF	–	project readiness facility
RCS	–	replacement cost survey
ROU	–	Republic of Uzbekistan
ROW	–	right of way
SESAH	–	socio-economic survey of affected households
SP	–	subproject
SPS	–	Safeguards Policy Statement (2009) of ADB
SSG	–	social safeguards
TA	–	technical assistance
TOR	–	terms of reference
TRTA	–	transactional technical assistance

TABLE OF CONTENTS

I.	EXECUTIVE SUMMARY	13
A.	Project and Subprojects	13
B.	Land Acquisition and Resettlement Requirements	13
C.	Socio-Economic Information on AHs	14
D.	Consultation, Participation and Information Disclosure	14
E.	Grievance Redress Mechanism	14
F.	Legal Framework	15
G.	Entitlements, Assistance and Benefits	15
H.	Relocation of Housing and Resettlement	15
I.	Income Restoration and Rehabilitation	15
J.	Resettlement Budget and Financing Plan	16
K.	Institutional Arrangements	16
L.	Implementing Schedule	16
M.	Monitoring and Reporting	17
N.	Conclusions	17
O.	Complementary Recommendation	17
II.	PROJECT DESCRIPTION	18
A.	The Project	18
B.	Project Description	20
C.	Subprojects in Kitob District under Output 1	22
III.	SCOPE OF LAND ACQUISITION AND RESETTLEMENT	23
A.	Affected Assets	23
B.	Not Affected Assets	24
C.	No Physical Displacement	24
IV.	SOCIO-ECONOMIC INFORMATION AND PROFILE	24
A.	Socio-economic Baseline of Project	24
B.	Social Impacts	27
C.	Socio-Economic Survey of Affected Households	27
V.	INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION	31
A.	Requirements	31
B.	Achievements	31
VI.	GRIEVANCE REDRESS MECHANISM	35
A.	Requirements	35
B.	Project GRM Approach	35
C.	Compliant Handling System of the Republic of Uzbekistan	39
D.	ADB's Accountability Mechanism	39
E.	Complaints	40
VII.	LEGAL FRAMEWORK	40
A.	National Laws, Regulations and Provisions Relating to LARC	40

B.	ADB Resettlement Related Policies	54
C.	Reconciliation of Government and ADB Policies to Framework Principles	56
VIII.	ENTITLEMENT, ASSISTANCE AND BENEFITS	60
A.	Eligibility and Categories of Affected Persons	60
B.	Entitlement Key-Requirements	61
C.	Specific Entitlement Conditions of the Subproject	61
IX.	RELOCATION OF HOUSING AND RESETTLEMENT	69
X.	INCOME RESTORATION AND REHABILITATION	69
A.	Livelihood and Income Measures	69
B.	Complementary Requirements for Mitigation Measures	71
XI.	RESETTLEMENT BUDGET AND FINANCING PLAN	71
A.	Preliminary Estimated LAR Cost Estimate	71
B.	Actual LAC Budget	72
XII.	INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION	72
A.	Project Structure	72
B.	LAR Involved Project Partners	77
XIII.	IMPLEMENTATION SCHEDULE	79
XIV.	MONITORING AND REPORTING	81
A.	Internal M&E	81
B.	External M&E	81

List of Tables

Table 1: Subprojects' Administrative Units.....	23
Table 2: Summary of Subproject Affected Assets and Households/Persons.....	24
Table 3: Age Distribution of Heads of AHs by Gender.....	27
Table 4: Age Distribution of AH Members by Gender.....	28
Table 5: Marital Status of Heads of AHs.....	28
Table 6: Marital Status of AH Members by Gender.....	28
Table 7: Education of Heads of AHs by Gender.....	28
Table 8: Education of AHs Members by Gender.....	29
Table 9: Employment Status of Heads of AHs by Gender.....	29
Table 10: Employment Status of AH Members by Gender.....	29
Table 11: AHs Sources of Incomes.....	30
Table 12: Overview on LAR related Meetings and Participation.....	32
Table 13: Summary of Questions and Answers and Discussion.....	33
Table 14: Contacts of the Grievances Redress Responsible Agencies.....	36
Table 15: ADB Accountability Mechanism Contact Information.....	40
Table 16: Legal Instruments Applicable to Land Acquisition and Resettlement.....	40
Table 17: SPS Involuntary Resettlement Safeguards.....	54
Table 18: Comparison of LAR Provisions between ADB Policy and GOU National Legislation.....	56
Table 19: Agreed Resettlement Key Principles for HIPEP.....	60
Table 20: Project Categories of Affected Persons.....	60
Table 21: Subproject Applied Entitlement Matrix.....	64
Table 22: Subproject Preliminary Estimated LAR Budget.....	72
Table 23: Roles and Responsibilities of Implementation Entities.....	75
Table 24: Preliminary M&E Indicators.....	82

List of Figures

Figure 1: Location of Pilot Districts.....	21
Figure 2: Procedure and Stages of the Grievance Redress Mechanism.....	37
Figure 3: Project Management Structure.....	73
Figure 4: Implementation Arrangements.....	74
Figure 5: Subproject's Performed and Scheduled LAC Activities.....	80

List of Annexes

A 1	LAR Fact Finding.....	82
A 2	Development Activities in Kitob District.....	85
A 3	Concept Design	91
A 4	Inventory of Losses.....	95
A 5	Consultation.....	96
A 6	Project Implementation Plan	109

WEIGHTS AND MEASURES

ha	–	hectare
km	–	kilometre
km ²	–	square kilometre
l	–	liter
l/sec	–	liters per second
m	–	meter
m ²	–	square meter
m ³	–	cubic meter
m ³ /day	–	cubic meters per day
sqm	–	square meter

Currency Equivalents

(as of 06 July, 2023)

Currency Unit	–	Uzbekistan Sum (UZS)
UZS 1.00	=	\$0.0000882
\$1.00	=	UZS 11,332.86

NOTES

- (i) The fiscal year (FY) of the Government of the Republic of Uzbekistan and its agencies ends on 31st December. “FY” before a calendar year denotes the year in which the fiscal year ends.
- (ii) In this report, “\$” refers to United States dollars.

DEFINITIONS

Affected Persons	<p>Affected persons (APs) who experience full or partial, permanent or temporary physical displacement and/or economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods).</p> <p>An AP indicates any juridical person being as it may an individual, a household, a firm or a private or public institution who, on account of the execution of the project and its subprojects or parts thereof would have their: (i) right, title or interest in any house, land (including residential, agricultural and grazing land), resources or any other fixed or moveable asset acquired, possessed, restricted or otherwise adversely affected; and/or (ii) business, occupation, place of work or residence or habitat adversely affected, with or without physical displacement; or, (iii) standard of living adversely affected.</p> <p>Land related APs could be of three types: (i) persons with formal legal rights to land lost in its entirety or part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claimed to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land.</p>
Affected Household	<p>An affected household (AH) includes all the affected people who occupy a housing unit. A housing unit can be a house, apartment, dwelling, a group of rooms, a single room, or others, where the one or more affected people (APs) are "living under one roof". In addition, the APs share meals or living accommodation, and may consist of a family, families or some other grouping of people. An AH may consist of a single, or several families. A single housing unit will be considered to contain multiple households if either meals or living space are not shared. In the project, the household is the unit for compensation and all the members in a household are considered as APs.</p>
Cadastral Document	<p>A set of materials (cadastral surveys, technical inventories and certification, quality and valuation of the object) necessary for the formation, accounting and subsequent state registration of rights to real property.</p>
Compensation	<p>Payment made in cash or in kind to APs at replacement cost for assets, resources and/or sources of livelihood and income acquired or adversely affected by the project.</p>
Cut-off-Date for Eligibility	<p>This refers to the date that establishes the eligibility of APs. If the country expropriation law does not specify a cut-off date, usually, the cut-off date is the date of the detailed measurement survey (DMS) which is based on the final engineering design in relation with the final day of the census of APs and Inventory of Losses (IOL). It also is preceded by a public consultation and/or announcement, through which those APs and the public was informed about the project and its locations. Persons not covered in said census are not eligible for compensation and other entitlements, unless they can show proof that:</p> <ul style="list-style-type: none"> (i) They have been inadvertently missed out during the census and the IOL; or (ii) They have lawfully acquired the affected assets following completion of the census and the IOL and prior to the conduct of the detailed measurement survey (DMS). In view thereof, the final list of APs is determined during the DMS. The establishment of cut-off date for eligibility is intended to prevent the influx of ineligible non-residents who might take advantage of project entitlements and speculate on land values and to prevent speculation by eligible APs.

DEFINITIONS

Displaced Persons	In the context of involuntary resettlement, displaced persons (DPs) are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. In the context of involuntary settlement, DPs are those who satisfy the condition of “Cut-off Date for Eligibility” (see definition) and are physically displaced (relocation, loss of residential land or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of involuntary acquisition of land, or involuntary restrictions on land use or on access to legally designated parks and protected areas in connection with the project.
Detailed Measurement Survey	With the aid of the approved detailed engineering design, this activity involves the finalization and/or validation of the results of the inventory of losses (IOL), the severity of impacts, and list of AHs earlier done during RP preparation. The final cost of resettlement can be determined following the completion of the detailed measurement survey (DMS). With the aid of the approved detailed engineering design, this activity involves the finalization and/or validation of the results of the Inventory of Losses (IOL), severity of impacts, and list of APs done earlier during the project’s feasibility studies. The final cost of resettlement for the subproject will be determined following completion of the DMS. At feasibility study level this can be regarded as a preliminary DMS.
Economic Displacement	Loss of income, access to income and/ or means of livelihoods because of project interventions on land, assets, access to assets, private and/or public services or other adverse impacts.
Eligibility	<p>Eligible APs may fall under any of the following groups:</p> <ul style="list-style-type: none"> (i) Those who have formal legal rights to land lost including customary and traditional rights; (ii) Those who do not have formal legal rights to land lost as of the cut-off date but have claims to such land or assets that are recognizable under national laws; and (iii) Informal settlers who satisfy the condition for eligibility to compensation as provided in the definition of “cut-off date for eligibility.” <p>Non-eligible APs include those making claims based on subsequent occupation after the cut-off date for eligibility.</p>
Entitlement	This refers to a range of measure comprising the cost of compensation, relocation cost, income rehabilitation assistance, transfer assistance, income/livelihood substitution, relocation support, a business restoration which are due to AH, depending on the type and degree nature of their losses, to restore their social and economic base. All entitlements are given to all affected households as per the entitlement matrix.
Eminent Domain	The right of the state, using its sovereign power, to acquire land for public purposes. National law establishes which public agencies have the prerogative to exercise eminent domain.
Hokimiyat	Local government authority that interfaces between local communities and the government at the regional and national level. It has ultimate administrative and legal authority over local populations residing within its jurisdiction.

DEFINITIONS

Illegal, (Non-legalizable, non-recognizable, non-titled HHs)	Households (HHs) that are not registered by their business, agriculture, residential and orchard and those who have no recognizable rights or claims to the land that they are occupying and includes people using private or state land without permission, permit or grant i.e. those people without legal lease to land and/or structures occupied or used by them. ADB's SPS explicitly states that such people are entitled to compensation for their non-land assets.
Income Restoration	This is the process to re-establish APs' income earning capacity, production levels and living standards in a longer term. It is the re-establishment of sources of income and livelihood of the affected households at least to their pre-project levels.
Independent Monitoring Organization	This is the entity hired by Executing Agency (EA) to monitor and evaluate the implementation of land acquisition, resettlement, compensation implementation, and livelihood restoration because of project impacts or the unchanged status of no impact through the project.
Inventory of Losses	The inventory of assets that are affected by project. This is the process where all fixed assets (i.e., lands used for residence, commerce, agriculture, including primary/main structures (such as houses, commercial buildings, or a combination of both, others.) and secondary structures (such separate kitchen, toilets, others), trees with commercial value; etc.) and sources of income and livelihood inside the COI are identified, measured, their owners identified, their exact location pinpointed.
Involuntary Resettlement	Involuntary resettlement (IR) is the displacement of people, not of their own preference, from their homes, assets, sources of income and livelihood in the project COI. Involuntary resettlement may result in any or a combination of the following: loss of land, and other fixed assets, loss of income and/or employment, relocation, separation of family members, disintegration of communities, etc. Unless appropriate and adequate mitigation measures are carried out, IR will result to further hardship and impoverishment among the APs, especially the marginal sectors of society (see definition of "vulnerable groups"). These adverse social impacts of development projects are often borne by APs not of their own desire but involuntarily. The SPS (2009) considers resettlement involuntary when the displaced persons have no right to refuse the land acquisition by the state that result in their displacement. This occurs when land is acquired through (i) expropriation by invoking the eminent domain power of the state, or (ii) land is acquired through negotiated settlement when the pricing is negotiated in a process where expropriation will be the consequence of a failure in the negotiation.
Land Acquisition	The process whereby a person/household is compelled by a public agency to alienate all or part of the land s/he owns or possesses, to the ownership and possession of that agency, for public purposes, in return for fair compensation. It refers to the process whereby an individual, household, firm or private institution is compelled to alienate all or part of the land s/he/it owns or is in the process of getting the ownership in favor of the government for the project in return for compensation at replacement costs.
Land Acquisition and Resettlement Plan	This is a time-bound action plan with budget setting out compensation and resettlement strategies, objectives, entitlement, actions, responsibilities, monitoring and evaluation which are all aimed at helping APs re-establish their pre-project standards of living.
Land Allocation	This term is used by the project to allocate the unused/unsettled State Reserve Land under the ownership of local hokimiyats to the Client for

DEFINITIONS

	permanently/temporarily period to implement construction works and other activities under the project.
Land Use Rights	According to Land Code (article 17), real persons can have the land plot under the right of lifelong inheritable possession and land parcel use transferred as descent. This right is given to individual residential housing construction and collective gardening and vineyard (orchards), peasant farms. Juridical persons (enterprises, stores, and business) can possess land parcels according to the right to permanent possession, permanent use, temporary use, lease, and property. In the above case when a person wants to sell the property (land and building), s/he will sell the building and structure and subsequently land parcel will be sold as an attachment (right is being sold).
Low Income	The low-income families are classified by makhalla committees as families where the monthly per capita income is less than the equivalent of 52.7% of minimum wage. The amount of the minimum wage since 1 February 2020 is UZS 679,330. Accordingly, the poverty line is UZS 358,007.
Makhalla	A local level community-based organization recognized official by the Government of the Republic of Uzbekistan (GRU) that serves as the interface between state and community and is responsible for facilitating a range of social support facilities and ensuring the internal social and cultural cohesiveness of its members. Mahalla leaders are elected by their local communities.
Meaningful Consultation	A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.
Non-Titled	Those who have no recognizable rights or claims to the land that they are occupying. In the context of Uzbekistan, this includes people using state land without a lease, permit, or grant, i.e., those people without legal titles to land and/or structures occupied or used by them.
Rehabilitation	This refers to additional support provided to AHs losing productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of pre-project living standards and quality of life. The process to restore income earning capacity, production levels and living standards in a longer term. Rehabilitation measures are provided in the entitlement matrix as an integral part of the entitlements.
Relocation	This is the physical relocation of an AH from her/his pre-project place of residence and/or business.
Replacement Costs	Replacement cost is the principle to be complied with in compensating for lost assets. Calculation of which should include: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. Where market conditions are absent or in a formative stage, APs and host populations will be consulted to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project

DEFINITIONS

area and region, and other related information. Baseline data on housing, house types, and construction materials is to be collected. Qualified and experienced experts will undertake the valuation of acquired assets. In applying this method of valuation, depreciation of structures and assets should not be taken into account.

It means the cost of replacing lost assets and income, including cost of transactions. The amount calculated before displacement which is needed to replace an affected asset without deductions for taxes, and costs of transaction as follows:

- (i) Productive land (agricultural, fishpond, garden, forest) based on market prices that reflect recent land sales, and in the absence of such recent sales, based on productive value;
- (ii) Residential land based on market prices that reflect recent land sales, and in the absence of such recent land sales, based on similar location attributes;
- (iii) Houses and other related structures based on current market prices of materials and labor without depreciation or deductions for salvaged building materials;
- (iv) Standing crops equivalent to the current market value of the crop at the time of compensation;
- (v) Perennial crops and trees, cash compensation equivalent to the current market value given the type, age and productive value (future production) at the time of compensation; and
- (vi) Timber trees, based on diameter at breast height at current market prices; and/or others.

The amount in cash or in kind needed to replace lost assets at the time of payment of compensation, including cost of transactions. If land, it means the cost of buying replacement land near the lost land with equal productive potential and same or better legal status, including transaction costs. If structures, the replacement cost is the current fair market price of building materials and required labor cost without depreciation or deductions for salvaged building material or other transaction cost. Market prices will be used for crops, trees and other commodities.

Replacement Cost Study	This refers to the process involved in determining replacement costs of affected assets based on empirical data.
Resettlement	<p>This includes all measures taken to mitigate any and all adverse social impacts of the project on AP property and/or livelihoods, including compensation, relocation (where relevant), and rehabilitation as needed.</p> <p>Means all social and economic impacts that are permanent or temporary and are (i) caused by the acquisition of land and other fixed assets, (ii) by change in the use of land, or (iii) restrictions imposed on land, as a result of a project.</p>
Resettlement Effects	Resettlement effects mean all negative situations directly caused by the project including loss of land, property, income generation opportunity, and cultural assets as triggered by the project.
Right-of-Way	The right-of-way (ROW) is a public available and governmental owned strip of land following a centerline (such as for roads, canals, etc.) providing an area of access. The project will use the complete area where necessary. In case some of the ROW has been encroached upon by informal occupiers/ formal users (for example people now living, doing business, or cultivating land within

DEFINITIONS

	the ROW), the project intends to adopt a COI within the ROW to avoid adverse land acquisition and resettlement related impacts.
Severely Affected Persons	Severely AP is a person who will: (i) lose 10% or more of their productive assets, such as agriculture / aquaculture landholding and/or be physically displaced from housing
Significant Resettlement Effects (Impacts)	Involuntary resettlement impacts of a subproject are considered significant if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating) as per OM Section F1.
Vulnerable Group	These are distinct groups of people who might suffer disproportionately or face the risk of being further marginalized due to the project and specifically include: (i) female-headed households (with dependents); (ii) household heads with disabilities; (iii) households falling under the generally accepted indicator for poverty as low-income families are classified by makhalla; see also definition of low income); (iv) elderly headed households who have no other means of support; (v) indigenous people who would have disadvantages because of their ethnicity, and (vi) landless households with no other means of support.

I. EXECUTIVE SUMMARY

A. Project and Subprojects

1. The overall outcome of the project readiness facility (PRF) financed project is “Alternate design and implementation arrangements tested and evaluated in pilot districts”. This pilot is to be implemented ahead of larger project intended to be financed by the Asian Development Bank (ADB) in the amount of \$100 million that is included in ADB’s pipeline of investments in its Business Plan for Uzbekistan 2020-2025. In view of the different nature of the proposed design and the limited experience of the government’s proposed implementing agencies, the government and ADB agreed to test these through a PRF loan in the amount of \$10 million.

2. The project is aligned with the government mitigation and adaptation priorities for promoting water efficient technologies. The project supports increased small-scale farmers’ incomes through intensive development programs and adoption of new farming technologies and is aligned with the Agriculture Development Strategy of Uzbekistan for 2020-2030, that calls for (i) improvement in the administration systems and strengthening value chain actors; (ii) provision of modern equipment to bolster the capacity of agricultural producers; (iii) improvement in the use of and sustainable management of land, water, and agricultural resources; and (iv) introducing resource saving technologies and attracting investments in agriculture.

3. Under Output 1 “Climate Resilient Horticulture Intensification Piloted,” the project will establish climate adaptive farming systems. Output 2 will support local entrepreneurs that provide critical functions to the local horticulture value chain (input suppliers, service providers, aggregators and processors). The project will be implemented in two districts, Kitob district of Kashkadarya region and Bakhmal district of Jizzakh region.

4. In Kitob, the project will (i) convert relatively unutilized farmland into sustainable and productive vineyard/orchard; (ii) operate and maintain the developed area using mechanized and climate-smart agricultural practices; (iii) pilot innovative financing mechanism by subdividing the vineyards and orchards into smaller plots to be leased to small-scale farmers through subloan agreements; and (iv) supervise subloan repayment. For the first three years of establishment, professional horticulture operators will be recruited to manage the vineyard/orchard as consolidated blocks. After plot allocation, either the same management contractor or a new contractor will be engaged to maintain and operate communal assets such as buildings, agricultural machinery, equipment and the irrigation system for which beneficiary farmers will pay a service fee.

B. Land Acquisition and Resettlement Requirements

5. There are two subprojects identified which are defined by plot development at scale for table grapes (including raisins) and pomegranates. They are located in Kashkadarya region within Kitob district and within or close by the village of Tupchok for a table grapes and raisins and the village of Varganza for pomegranates. These Tupchoq table grape/raisin subproject and the Varganza pomegranate subproject will involve physical changes to land use through establishing new orchards and vineyards with new irrigation infrastructure for which the impacts can be summarized as follows:

- (i) The land requirements amount to about 200 ha composed of 167.6 ha of rainfed arable land currently used by 11 private land user right holders (with 67 APs) and 32.4 ha unused state reserve land.
- (ii) No loss of private residential land.

- (iii) No loss of primary residential structures and thus no relocation of houses.
- (iv) No loss of secondary structures.
- (v) Loss of crops for the 11 AHs, but no loss of trees.
- (vi) There will be nine severely affected households because of loss of 10% or more of their productive land as part of their income generating assets, and
- (vii) Temporary land requirements for access and site installations will be designed by the contractor and approved during the construction phase by the resident site engineer. Where possible, public land will be used. Any land acquisition requirements shall follow the principles as set out in the LARP.

C. Socio-Economic Information on AHs

6. The results from the socio-economic survey of AHs as part of the LAR fieldwork can be concluded from a SSG perspective as follows:

- (i) The AHs features correspond with socio-economic characteristics of the project area.
- (ii) The impact on the AHs is not significant, and
- (iii) There are no households with a current vulnerable status or who will become vulnerable because of the project. The two female headed AHs have support from family members and there are no dependents on them.

D. Consultation, Participation and Information Disclosure

7. LAR information disclosure and consultations were mainly conducted (i) as part of the LAR reconnaissance visit on 11/12 Oct. 2022 where 11 district staff and some farmers could be contacted; (ii) followed by public consultation, undertaken jointly for social and environmental safeguards on 15 Nov. 2022 in the district headquarter with a total of 33 attendants; and (iii) individual consultation and survey meetings on 03 Dec. 2022. with the nine participating AHs (vi) meetings with the cadastral office and the hokimiyat of the district. In all meetings, an introduction to the project was given to the participants and social safeguards explained, in addition to explanation about surveys, consultation, land requirements and compensation. The discussions and questions from participants concerned general topics such as (i) project features (technical components) and conditions (location, participation and involvement); (ii) construction period; and (iii) procedure for complaints and suggestions. Only the topic 'compensation' required greater clarification from the attendees. There are no outstanding issues from this public meeting to report.

8. Concerning the consultation by the TRTA, continuous efforts were undertaken since September 2022 when the decision about type and location of subproject were taken. This included continuous communication with local authorities and follow-up with both executing and implementing agencies. In addition, consultation was an integrated part of technical survey and investigations from different technical team members between October 2022 and May 2023.

E. Grievance Redress Mechanism

9. The defined grievance approach aims at having complaints ideally passed through defined stages before they could be elevated to a court of law as a last resort. It should be noted that the grievance redress mechanism (GRM) concerns any complaint and can be regarded as joint GRM for safeguards and construction matters. The objective is to handle and resolve any complaints before a complainant approaches a court. Affected persons are entitled to lodge complaints

regarding any aspect of the preparation and implementation of the land acquisition and compensation without prejudice to their right to file complaints with the court of law at any point in the process.

10. The project proposes the following three levels of the GRM: (i) Level 1 involving District Coordination Officers (in Kitob district) together with the project beneficiary (makhalla) or Contractor; (ii) Level 2 at project implementation unit (PIU) ISCAD level in Tashkent; and (iii) Level 3 bringing to the Court of Law (Economic Court). The contacts of grievance redress responsible agencies and district and national level are presented in this document.

F. Legal Framework

11. Good and applicable provision of guidelines and principles on preparing LARP have been followed. Based on the legal review and assessments on involuntary resettlement (IR) this LARP has been prepared in this legal context.

G. Entitlements, Assistance and Benefits

12. An entitlement matrix has been prepared in line with the requirements of Government of Uzbekistan and ADB's SPS (2009) on involuntary resettlement. The project's proposed approach recognizes (i) re-allocation of AHs land in form of a land consolidation, and (ii) other priorities in project activities. This concerns the 11 AHs.

13. The LARP has been prepared to ensure that affected households will be no worse-off as a result of the subprojects. To achieve this, compensation, allowances, and assistance will be provided for the AHs based on the entitlement matrix and this LARP which has been prepared in line with the national requirements and the requirements of the ADB SPS (2009).

H. Relocation of Housing and Resettlement

14. There are no cases of relocation and resettlement caused by the project.

I. Income Restoration and Rehabilitation

15. The LARP has been prepared to ensure that AHs will improve or at least restore their affected livelihoods to pre-project conditions. To achieve this, compensation, allowances, and assistance will be provided for AHs in accordance with the entitlement matrix and requirements of this LARP.

16. The components for income restoration and rehabilitation are:

- (i) Provision of employment opportunities, mainly by the design and construction contractor and/or the management (maintenance and operation) contractor for AHs; as employment-based income generation would provide stable livelihood conditions during the 3-years establishment period.
- (ii) Provision of training and skill knowledge transfer by the same contractors as well as the project's implementation support consultant for AH members but also villagers from the nearby communities during these 3-years, as they would gain experience and understanding of the developed horticulture before cultivating their plots on their own responsibility or as specialized labor.

- (iii) Priority participation to the subproject benefitting income activities concerns the priority allocation of the developed land. This is the key income restoration and rehabilitation measure. The subprojects will change the land use on the contiguous developed areas from rainfed based cultivation to irrigated horticulture production. Participating farmers receive in-kind agricultural production support for which they must pay back the associated pro-rata development cost as a subloan for subsequent servicing. Affected households will receive priority allocation of developed orchard and vineyard plots of a size (i) commensurate with their individual loss of net incomes, (ii) to pay back their annual installments; and (iii) generate additional income, and
- (iv) Optional in-land allocation instead of in-cash allowances for severely AHs. Therefore, it is proposed that in-kind compensation through allocating additional 0.25 ha of developed horticulture land will be of interest to farmers, as they will have a sustainable income generation, which will be higher and better than a one time in-cash allowance payment.

J. Resettlement Budget and Financing Plan

17. The LARP has been prepared based on the surveys as part of the LAR fieldwork including inventory of loss (IOL) and socioeconomic survey (SES) of AHs. It includes a preliminary budget of rounded UZS 1,461 million (equivalent to rounded \$129,000) including 15% contingency. The costs include compensation to 11 AHs for loss of assets and allowances for nine severely AHs. This budget will be resourced from the ADB loan to ensure that sufficient funds are available for LAR tasks in each subproject. The costs for resettlement/compensation will not be passed on to beneficiary small-scale farmers as part of the development subloan they will be required to service. The responsibility for servicing this part of the loan will be borne by the government.

K. Institutional Arrangements

18. The executing agency will be the Ministry of Agriculture (MOA) while the implementing agency will be the International Centre for Strategic Development and Research in the Field of Food and Agriculture (ISCAD). It will be assisted by ASO that will be responsible for field activities through field coordination offices to be established in the target district hokimyat offices. The implementing agency has experience in implementing internationally financed development projects, particularly those involving on-lending to formal financial institutions. ISCAD will retain responsibility for procurement, financial management, social and environmental safeguards and monitoring whereas ASO will be responsible for field development activities. There is a need for close cooperation between the two organizations. Both will be supported by implementation support consultants (ISC) as capacity assessments indicate further strengthening is warranted, particularly for the recently established ASO.

L. Implementing Schedule

19. HIPEP is scheduled for implementation over 54 months from 3Q-2023 to 4Q-2027. After completion of the request for proposal phase for these subprojects, there will be a pre-construction phase of 0.5 years between July and December 2023. The social safeguards activities are included in the schedule of activities. The construction would need another 1.5 years from Q1-2024 to Q2-2025. The operation will be prepared during one year in 2025 and can start its testing year in Q1-2026. Plot allocation is not anticipated until Q1 2027.

M. Monitoring and Reporting

20. Monitoring and evaluation (M&E) allows the project owner to ensure smooth project implementation. In general, ISCAD's PIU performs M&E that is an important requirement for social safeguards. Monitoring will comprise internal and external monitoring. ISC will assist the PIU by preparing thematic areas to be evaluated and indicate monitoring performance and compliance indicators, for which a preliminary list has been prepared by this LARP.

N. Conclusions

21. At the current preparation stage, this Draft LARP indicated that these subprojects are considered category B of ADB's Involuntary Resettlement Safeguards.

22. At detailed design stage, this Draft LARP will be reviewed and updated by the ISC to a final LARP in order to confirm or revise the requirements for acquisition and resulting compensation. After approval by ADB this final LARP will be implemented, and a LARP implementation completion report (ICR) prepared. ADB's clearance of the ICR will be a condition to start civil works at the project site.

O. Complementary Recommendation

23. The project applies a pilot approach for which involuntary resettlement conditions have been defined. This can be regarded as a precautionary measure to protect against negative results of piloting of such horticulture development subprojects, but are subject to successful implementation. In case the project will duplicate such subprojects, the two pilot subprojects can serve as a reference in the planning approach to elaborate on social safeguards conditions, such as voluntary participation of interested farmers with limited impacts and reduced compensation measures.

II. PROJECT DESCRIPTION

A. The Project

1. Background

24. While agriculture's share in Uzbekistan's gross domestic product has been declining, it remains a priority sector given its importance in maintaining food security. It is the main source of employment for 3.4 million people and accounts for almost 17% of the 20.2 million people of working age out of a total population of 35.8 million.

25. Before 2015, cotton and wheat were the main strategic crops in Uzbekistan. Large-scale cotton and wheat farms, that averaged over 100 ha, received state support through preferential access to land, inputs and finance. Between 2015 and 2016, extensive consultations between the Government of Uzbekistan, the Asian Development Bank (ADB) and other development partners, led to the prioritization of the horticulture subsector (primarily fruit and vegetables) in agriculture. This was in response to the relatively low economic value of cotton and wheat and associated high water consumption, which is increasingly unsustainable given the water scarcity challenges faced by Uzbekistan.^{1 2}

26. From 2017, government priority has moved from centrally planned cotton and wheat cultivation to high value horticultural crops grown by private farmers. ADB has responded by supporting horticulture through a variety of projects.^{3 4} Restrictions on horticultural exports were removed in 2017 that resulted in a significant increase in horticultural production. In 2021, horticulture accounted for 50% of the value of agricultural output and 35% of the value of agricultural exports. Uzbekistan ranks among the top global exporters for several horticultural produce including apricots, cherries and grapes.

27. Despite the steps towards liberalizing the agriculture sector, the long-term prospect of horticulture is constrained by several factors. Agriculture accounts for an estimated 90% of all water resources used in Uzbekistan. Climate change and its impact on finite water resources is a key constraint to horticultural expansion. Uzbekistan has limited water resources, and only 9% of its water resources are generated within its borders, highlighting its transboundary water dependency. Water supply for irrigation will become more variable due to climate change impacts. The projected total water demand is expected to increase by at least 10% between 2020 and 2050, while water supply is expected to decrease by 9%.⁵

28. The arable land area has been in gradual decline from 3.78 million ha in 2000 to 3.47 million ha in 2017 and 3.26 million ha in 2021. The trend reflects limited water availability due to (i) the reduction of transboundary water resources, (ii) deteriorating irrigation systems, and (iii) soil exhaustion from improper soil management practices. These have resulted in an increased area of abandoned land. In the two districts to be supported by the proposed Project Readiness Finance (PRF) loan (Kitob district of Kashkadarya region and Bakhmal district of Jizzakh region),

¹ In 2018, the economic value of cotton is about \$460/ha, and that of cereals is \$333/ha. In comparison, the economic value of vegetables is \$5,650/ha, and that of grapes was \$7,225/ha.

² In Uzbekistan, 4,426 cubic meters of water is required to grow a ton of cotton and 2,068 cubic meters for a ton of wheat. By comparison, a ton of grapes requires only 2,400 cubic meters, and a ton of apple requires even less, at 820 cubic meters.

³ ADB. 2016. Report and Recommendation of the President to the Board of Directors: Horticulture Value Chain Development Project. Manila.

⁴ ADB. 2018. Report and Recommendation of the President to the Board of Directors: Horticulture Value Chain Infrastructure Project. Manila.

⁵ Projected decreases in glacial mass due to increases in temperatures can reduce river flow in downstream Syr Darya River and Amu Darya River by as much as 28% and 35% by 2050.

small-scale farmers report surface water shortage to be the greatest constraint to horticultural production. Surface water shortage translates to higher irrigation costs from resorting to alternative water sources, such as groundwater and water truck delivery. In the two districts, the groundwater table has lowered from 20-80 meters below ground level in 2012 to 120-150 meters below ground level in 2022. Diminishing groundwater highlights the need for water efficient technologies to avoid further depletion of finite water resources.

29. The combination of water scarcity and rising temperature will result in a significant increase in the number of days on which the heat threshold for several crops is exceeded, and crop growth is stunted. Farmers will require appropriate support to better cope with increased climate variability. Without intervention, many farms in the two proposed districts are likely to be abandoned.

30. Historically, most government resources for agriculture were channeled to large-scale, centrally planned cotton and wheat plantations with managed input supplies, production targets and state-run marketing organizations. Small-scale farmers received minimal government support, but were permitted to produce alternate crops, including horticultural crops - primarily for immediate household consumption. As a legacy of this policy, small-scale farms have come to dominate horticultural production. In 2017, small-scale farms represented 21% of the vineyard and orchard areas. They contributed 51% of horticultural production by volume and over 65% by value.

31. Low horticultural productivity of small-scale farms has remained a persistent constraint. Land fragmentation, with farmers cultivating multiple scattered plots, has led to diseconomies of scale. Investment decisions regarding the design and specifications of equipment, machinery, and other productive assets rest with individual farmers, and are not coordinated to exploit synergy opportunities. Furthermore, many farmers are confronted with limited access to finance, particularly amongst the small-scale farmers. In recent years, ADB and other development partners including the International Fund for Agricultural Development and the World Bank have supported the horticulture subsector through on-lending financial intermediation programs. Small-scale farmers however, are unable to access these credit lines because of (i) the relatively high cost of application in relation to loan size, (ii) limited collateral to provide security, (iii) lack of familiarity with financial institutions, and (iv) inability to substantiate credit references.

32. Private sector investment in horticulture production is also limited, as insecurity in lease tenure and the relevant legal framework are not conducive to attracting private agricultural land developers, that can otherwise modernize unproductive farmlands at scale using private capital or through public private partnership. Without a stable supply of quality produce from small-scale farms, the private sector refrains from making investments in the downstream of the value chain (for examples, processing plants and logistics centers) that are vital for preserving post-harvest quality, value-addition, marketing and branding of Uzbek horticultural produce.

33. The overall result is for a fragmented horticulture value chain, with low on-farm productivity, high water consumption and limited capacity to respond to climate change. Small-scale farms cannot invest in horticulture due to limited access to finance, and neither do private companies due to high policy risks and instable supply of quality produce.

34. The proposed project will pilot a new model of horticultural expansion and intensification, that can be scaled up with an ensuing investment project. To address climate impacts, irrigation water constraints and shrinking arable area, the model will modernize existing horticultural farms and convert abandoned farmland into productive vineyards and orchards. The development will focus on new vineyards and orchards and will incorporate climate resilient features including (i)

drip irrigation which can increase crop yields by 40% and reduce water consumption by 75%,⁶ (ii) fertigation systems and other technologies for better crop management,⁷ (iii) eco-engineering including shelterbelt to conserve biodiversity, reduce wind erosion and control moisture loss by blocking hot drying winds, and (iv) cold storage, handling and transport facilities. To support men and women small-scale farmers overcome challenges in securing financing, the project will pilot the transfer of new vineyards and orchards to small-scale farmers. They will repay the investment costs through subloan agreements over a period of seven years.

35. The project will support the government's efforts in productivity enhancement by way of developing land at scale and coordinating on-farm investments to maximize economies of scale. The investment costs will be recouped from the subloan serviced by men and women small-scale farmers. This new model is replicable and will achieve three objectives: (i) existing orchards upgraded and abandoned farmlands modernized to enhance climate resilience of the horticulture subsector, (ii) men and women small-scale farmer's access to finance and livelihoods improved, and (iii) the public fiscal burden reduced.

36. The project will also evaluate the performance of the Ministry of Agriculture's (MOA) Agroservis Operator (ASO) in managing small-scale horticultural intensification and expansion in two priority horticultural districts (i) in existing producing areas, and (ii) in currently un-developed (un-utilized) areas for subsequent allocation to small-scale farmers. Successful outcomes from the pilot will be replicated in future sector lending modality expected to be financed by ADB. The project is consistent with ADB's strategy of 'a vibrant and inclusive market economy including transformation of the State's role' as it supports private sector development, reduces socio-economic disparities while promoting regional cooperation and integration.

B. Project Description

37. The overall outcome of the project is 'Alternate design and implementation arrangements tested and evaluated in pilot districts.' This pilot is to be implemented ahead of larger project intended to be financed by ADB in the amount of \$100 million that is included in ADB's pipeline of investments in its Business Plan for Uzbekistan 2020-2025.⁸ In view of the different nature of the proposed design and the limited experience of the government's proposed implementing agencies, the government and ADB agreed to test these through a PRF loan in the amount of \$10 million.⁹

38. The project is aligned with the government mitigation and adaptation priorities for promoting water efficient technologies, as referenced in its Updated Nationally Determined Contribution Report,¹⁰ and Concept for the Development of Water Resources Sector 2020-2030.¹¹ The project supports increased small-scale farmers' incomes through intensive development programs and adoption of new farming technologies and is aligned with the Agriculture Development Strategy of Uzbekistan for 2020-2030, that calls for (i) improvement in the

⁶ With increasing river water shortages and more frequent droughts, optimized irrigation efficiency and rehabilitation of aging infrastructure will support climate adaptation.

⁷ Fertigation is the application of fertilizers or nutrients into a farming system via the irrigation network, wherein the chemical inputs are dissolved into water and then applied directly by plant rootzones where water mixture is absorbed by the plant.

⁸ Site Business Plan reference.

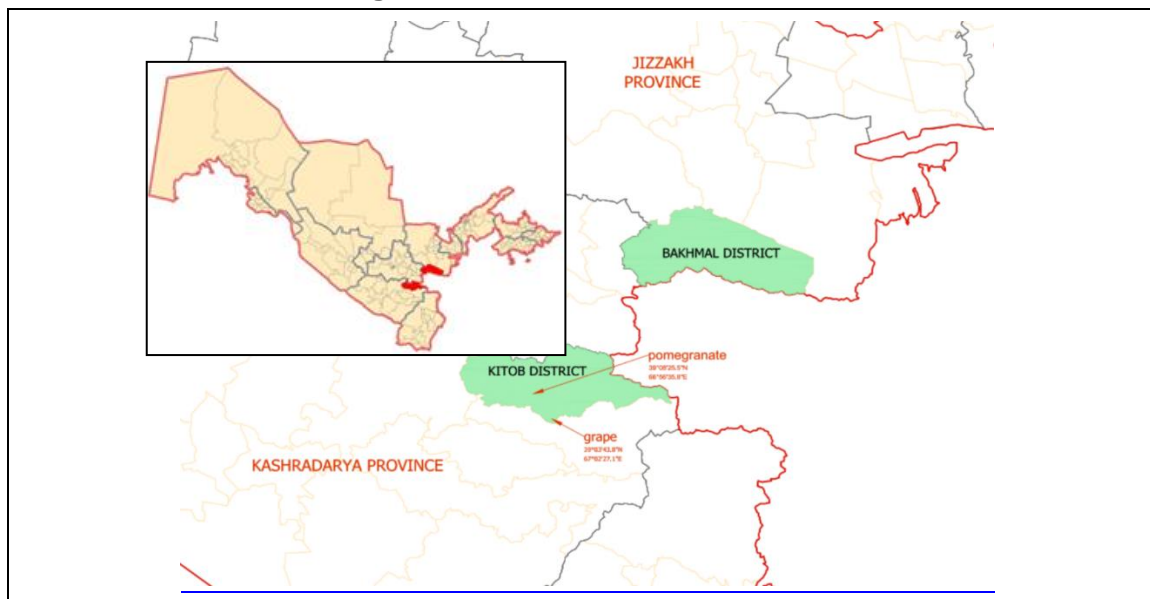
⁹ Site reference to the MOU from ADB's June 2022 Mission.

¹⁰ Government of Uzbekistan. 2021. Uzbekistan First NDC (updated submission). https://unfccc.int/sites/default/files/NDC/2022-06/Uzbekistan_Updated%20NDC_2021_EN.pdf (accessed 13 December 2022).

¹¹ Government of Uzbekistan. 2021. Concept for the Development of Water Resources Sector of Uzbekistan for 2020-2030.

administration systems and strengthening value chain actors; (ii) provision of modern equipment to bolster the capacity of agricultural producers; (iii) improvement in the use of and sustainable management of land, water, and agricultural resources; and (iv) introducing resource saving technologies and attracting investments in agriculture.¹²

Figure 1: Location of Pilot Districts



39. The project will cover two districts, Kitob district of Kashkadarya region and Bakhmal district of Jizzakh region.

1. Output 1: Climate Resilient Horticulture Intensification Piloted

40. This output will establish climate adaptive farming systems. Most investment under this output is of Type 2 adaptation and qualifies as climate financing.

41. In Kitob district, the project will (i) convert relatively unutilized farmland into sustainable and productive vineyard/orchard; (ii) operate and maintain the developed area using mechanized and climate-smart agricultural practices (in anticipation of rising temperature by 1.2°C as early as 2050),¹³ (iii) pilot innovative financing mechanism by subdividing the vineyards and orchards into smaller plots, to be transferred to small-scale farmers upon completion of the full repayment of the subloan agreements,¹⁴ and (iv) supervise subloan repayment.¹⁵ For the first three years of establishment, professional horticulture operators will be recruited (management contracts) to manage the vineyard/orchard as consolidated blocks. After plot allocation, either the same operators or new service providers will be engaged to maintain and operate communal assets

¹² Global Green Growth Institute. 2022. GGGI Uzbekistan Insight Brief: Agriculture sector in Uzbekistan and Karakalpakstan. Legal & Political Framework Review.

¹³ World Bank. Climate Change Knowledge Portal. <https://climateknowledgeportal.worldbank.org/> (accessed 13 December 2022). climate-smart agricultural practices include (i) water saving technologies, such as fertigation, to reduce crop water consumption; (ii) shade-cloth to protect crops against rising temperature and hail damage; and (iii) selection of heat tolerant varieties for replanting.

¹⁴ The vineyards and orchards will be designed, constructed and operated by contractors as consolidated blocks in the first three years of establishment. In the fourth year, small-scale farmers will manage allocated plots, but will contribute to the upkeep of communal assets (for example, water pumps or access road) that serve the entire blocks.

¹⁵ The proposal to subdivide plots was well received during field consultations.

such as buildings, agricultural machinery, equipment and the irrigation system for which beneficiary farmers will pay a service fee.

42. In Bakhmal district, the project will enhance productivity of existing small-scale horticultural farms. It will support farmers to (i) identify and screen eligible productivity investments, taking into consideration water security, soil quality and sensitivity of the farming system to climate risks and projected climate change, (ii) implement the investments, (iii) transfer assets ownership to small-scale farmers in exchange for subloan agreements; and (v) supervise subloan repayment.

43. In both districts, the project will provide capacity building in climate smart horticultural management to beneficiary farmers and those in nearby plots. Women will be adequately represented in capacity building training. The location and time schedule of the training will accommodate women's household responsibilities as caregivers. The topics to be covered will include drip irrigation, fertigation and other technologies that are typically considered as male's domain. In Kitob district, the allocation of new vineyards and orchards will be conducted to include women, and female farmers will be empowered by holding the subloan agreement in their name.

2. Output 2: Commodity Value-chains Consolidated and Strengthened for Value Addition

44. Output 2 will support local entrepreneurs that provide critical functions to the local horticulture value chain (input suppliers, service providers, aggregators and processors). The project will (i) identify and screen eligible investments to promote climate positive business model and reduce carbon footprint along the value chain, including activities undertaken by women,¹⁶ (ii) support civil works design for green infrastructure, equipment specifications and their procurement, (iii) transfer assets ownership in exchange for subloan agreements, and (v) supervise subloan repayment. A target number of female entrepreneurs to be supported under this output has been established. The project is to ensure small-scale farmers can receive adequate and affordable logistical support from local enterprises, as a precursor for horticultural expansion and intensification.

45. For both developments advanced production technologies, mechanized operations and management will be introduced. In both cases, there is an establishment phase after planting the requested perennial crop of 3 years. Management contracts will be procured (as a separate management contract from the design and build construction contract) during the establishment phase until the plots commence commercial fruiting at which stage, the plots will be divided into individual blocks and long-term user rights be granted to interested small-scale farmers who might take up the smaller blocks. In return, participating small-scale farmers will be required to enter into a sub-loan agreement with Agroservis Operator (ASO) to recover the beneficiary proportion of development costs. This will enable ASO to service the ADB loan in accordance with the loan agreement through the Ministry of Finance (MOF).

C. Subprojects in Kitob District under Output 1

1. Background

46. There are two subprojects identified for this output for plot development at scale for table grapes, raisins and pomegranates. The development activities in Kitob District are described under **Annex 2**.

¹⁶ Appropriate options to pilot test renewable energy sources for drying, storage and processing will be considered.

Table 1: Subprojects' Administrative Units

Administrative Units		Subproject	
Province	District	Village	Horticultural Development
Kashkadarya	Kitob	Tupchok	Table grapes and raisins
		Varganza	Pomegranates

III. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

A. Affected Assets

47. An assessment on land acquisition has been conducted in October and December 2022, combined with joint transect walks with farmers, village representatives, district representatives and the consultant to both subproject sites to indicate potential loss or impacts of private assets and assets under land use holdings quantifying it directly at the affected location.

48. The identification of affected land has been based on draft KMZ Google files that were superimposed on Google maps of the land users in order to identify the number of land parcels and their demarcation including the quantification within the defined location (see **Annexes 3** and **5**). The list of affected assets/parcels was developed based on Google maps data. The information on ownership status, type of lands (agricultural/non-agricultural), names of affected households was collected through consultations with the hokimiyats (local government) and local cadastral offices, and information/data sets from district hokimiyats documents.

49. At detailed engineering design (DED) stage this will have to be updated by the implementation support consultant (ISC) through a detailed measurement survey (DMS) and final confirming secondary data. LAR screening including photos has been prepared in **Annex 1** summarizing requirements for acquisition of land for this subproject.

50. These subprojects will involve physical changes through establishing new horticulture in the form of orchards and vineyards combined with new irrigation infrastructure. The description of concept design etc. is presented in **Annex 3**. Following details can be summarized:

- (i) The permanent land requirements add to 200 ha composed of 167.6 ha of rainfed arable land from 11 male land use right holders whose 11 households count 45 APs (see IOL in **Annex 4**).
- (ii) Related to the total area of 492 ha the 11 affected land right holder use, the project requires 167,6 ha which represent rounded 34% of the total area.
- (iii) Farmers apply a bi-annual rotation and use only 50% of their 167,6ha of their arable land for rainfed cultivation on the subproject required land.
- (iv) The data about the affected crops were collected through local cadastres and local hokimiyats information list the direct inventory in the field, as well as consultations with hokimiyat and land users.

Table 2: Summary of Subproject Affected Assets and Households/Persons

Type of Asset	Impacts					Affected Households		
	Sub-project	Effect		Affected		Quantity	Sex of head	APs
		Perm.	Temp.	Affected	Type			
	[name]	[tick]		[ha]	[description]	[No]	[f/m]	[no]
Prod. Land	Tupchok	x		67,6	Used rainfed arable	7	7 males	45
				32,4	Not used state reserve land	0		
	Varganza			100	Used rainfed arable	4	4 males	22
Crops	Tupchok	x		67,6	Used rainfed arable	Same 7 and 45		
				32,4	Not used state reserve land	0		
	Varganza			100	Used rainfed arable	Same 7 and 22		
Total	2	0	2	167,6	Rainfed arable land	11 AHs	11 Males	67 APs

51. For any temporary site installation and access roads the contractor will have to propose a site installation and access plan and obtain approval by the resident site engineer. Where possible, public land will be used. Through a transparent and contractual approach, the executing agency (EA) will provide the contractor with the project's land acquisition and compensation principles to ensure that (a) official compensation rates are applied, (b) re-instatement of affected assets contractually defined, (c) consultation taking place, (d) grievance mechanism followed, (e) EMP applied, (vi) and other items specified. The EA will have to monitor this. The item temporary site installation and access roads shall be covered in the General Conditions of Contract.

B. Not Affected Assets

52. The two subprojects will not lead to adverse impacts on residential land, structures and trees. There is also no impact expected on community resources including their access and use for villages.

C. No Physical Displacement

53. As no residential land and primary structures are affected, there is no requirement for physical relocation.

IV. SOCIO-ECONOMIC INFORMATION AND PROFILE

A. Socio-economic Baseline of Project

54. The following information has been collected from secondary data sources such as provincial statistical publications and makhalla administrative bodies as well as from the social and gender assessment conducted by the TRTA in September 2022. The full report can be accessed in Supplementary Annex No.04) to the feasibility study documents. The summary presented below covers both the Tupchoq table grape/raisin subproject and the Varganza pomegranate subproject which are located in close proximity to the villages of Tupchok and Varganza respectively.

1. Demographic Features

55. The population of Tupchoq is 5,880 from 1,727 families living in 1,222 households. The proportion of women and men is 61% and 39% respectively. The proportion of female headed households is 5% - twice that of Varganza at 2%. Mahalla leaders advised that several

households are composed entirely of women i.e., mothers and daughters without any male family members due to the high rate of male out-migration. Some 90% of Tupchoq mahalla population is Uzbek while in Varganza, the village is dominated by Tajiks (90%) who are fully integrated into local society yet retain their traditional culture and social traditions.

56. Women's Committee representatives confirmed that many female-headed households are made up of (i) elderly women living alone; (ii) widowed households, or (iii) households headed by women who are divorced, separated, or have been living alone from a young age. Recent national statistics indicate that women in Uzbekistan also have a longer life expectancy than men i.e., 76 years for women and 72 years for men. Elderly female-headed households face many economic difficulties. Living with disabilities pushes them even further into poverty, as social benefits are low compared to people's minimum needs. Without adequate incomes, and receiving only social allowances, people with disabilities must rely on the support of neighbors, relatives, family members and local authorities to survive.

2. Migration

57. In Tupchoq mahalla, approximately 10-12% of the population out-migrate in search of work (both women and men) to other regions of Uzbekistan, Russia and Kazakhstan. However, the number of female migrants from Tupchoq is small (only four women out of 452 migrants in 2021). During the COVID-19 pandemic, large numbers of migrants lost their jobs abroad and were obliged to return to their villages. More recently, because of the lack of employment opportunities in Tupchoq, they have since departed in search of work with the removal of travel restrictions post COVID-19. From focus group discussions in Tupchoq, returning women migrants found they spent the whole day carrying out household chores such as cooking and cleaning because of the lack of piped water, sewerage, cooking gas supply and central heating in their house. Increased numbers of mahalla women are moving away to cities or leaving the country altogether to improve their living standards, material well-being, social status and access to services and amenities. Women's attitude towards employment, traditions and life values are gradually changing in rural areas.

3. Poverty Rate

58. In 2022, poverty rates in Tupchoq mahalla slightly decreased compared to 2021, poverty rates being 2% and 5% of the total mahalla population. Mahalla leaders explained that since 2020, following the COVID-19 pandemic, poverty rates have now been steadily declining, mainly due to increased revenues from horticultural production on *dehkan* plots and land holdings. The proportion of poor women (from the Women's Notebook) in Tupchoq was 2.9% in 2021 and 3% in 2022.

59. The vast majority (60%) of Tupchoq inhabitants are involved in informal, unregulated, and part-time agricultural work. The human, financial and social capital constraints that hinder women's entrepreneurship and employment opportunities include (i) a lack of technical skills; (ii) a lack of business knowledge and financial literacy, and (iii) traditions and norms that typecast women as primary caregivers and take their household labor for granted.¹⁷ Female mahalla heads and Women's Committee representatives identified the following reasons for household poverty.

- (i) Large numbers of children and dependents in the family household,
- (ii) Households with elderly people who cannot work,

¹⁷ Gender Assessment of Project Uzbekistan: Power Sector Reform Program, Number: 54269-001 July 2020.

- (iii) Households with chronically ill members, unable to work and causing family labor shortages,
- (iv) No capital to invest in production or business,
- (v) No business knowledge / no accounting skills, and
- (vi) Female headed households with many children.

4. Socially Vulnerable Groups / Marginalized Groups

60. The social protection policy of Uzbekistan prioritizes providing benefits to the vulnerable groups of the population - specifically women and children (widows, low income, female headed households, single mothers, custodians of children with disabilities) at mahalla level. The focus of social assistance to women is explained by the fact that they are more exposed to risks than men - and more in need of professional support for solving problems in various aspects of day-to-day life. In 2021, Tupchoq mahalla had the largest number of households receiving social allowances. There were 1,448 households in total representing 24% of total households receiving monthly social allowances. In 2022, the number of households with children below the age of 14 years receiving benefits in Tupchoq was 884. The number of single-parent families in Tupchoq (48) is almost double that for Varganza (25).

61. Local female and male leaders explained that, after 2016, the new government recognized social protection of women and children as being one the main priorities for achieving gender equality, increasing their well-being, social status and socio-economic empowerment. Before 2016, only a small number of poor people received financial support based on a quota system. The percentage of people who now receive social allowances has significantly increased. The leader of Tupchoq mahalla affirmed that the mahalla is trying support those families who are in real need of assistance. In addition, community leaders explained that vulnerable groups and particularly female headed households are provided with basic food stuffs for 'Navruz' and religious holidays.

5. Economic Structure and Average Monthly Income

62. Agriculture and livestock production account for approximately 20% of the local economy; industry and construction represent 15%, and trade and services represent 60% of the economy. From interviews with community leaders and Women's Committee leaders it was explained that a small proportion of young workers (accounting for 20-30% of each community's labor force) are attracted to the formal employment sector. In many mahallas, teams of women have also been established, bringing together 15-20 women to work as hired labor on farms both inside and outside the mahalla, earning significant household income, particularly during harvest season.

63. Male and female *dehkan* farmers in Tupchoq stressed they lacked access to finance and had insufficient business development skills and collateral for obtaining bank loans. One of the farmers explained that he would like to take out a loan for the installation of a borehole estimated to cost approximately UZS 150,000,000 (\$13,400). However, the bank interest rate of 14% was considered too high. During focus group discussions, women and men *dehkan* farmers explained that because of their low incomes, they cannot afford to purchase large agricultural machinery and equipment, nor can they afford bank loans. Most men and women said that they needed mini-tractors and power tillers to prepare the land, to save time and to make the job easier. Currently, farm machinery to cultivate and prepare the land is leased and is considered expensive, and diesel fuel is an additional cost, at UZS15,000 per liter. Due to small farm incomes, *dehkan* farmers lack access to finance for buying special mini tractors, equipment, and fuel and fertilizers for growing grapes and pomegranates. During focus group discussions, farmers explained that

they cannot afford to buy modern equipment due to their current lack of sustainable adequate incomes from horticultural production.

B. Social Impacts

64. The subprojects will have an immediate and significant impact on the income levels of the beneficiary small-scale farming households. With the development initially being financed and managed by ASO, then being maintained by a professional contractor (that can be extended to manage joint farming operations after plot allocation) until the vineyard and orchard commence fruiting, the small-scale beneficiary farmers will be able to participate in modernized production systems at scale (with the associated improved productivity) whilst receiving training from the professional contractor on modern production techniques. The subprojects will enable (i) a change from rainfed to irrigated agriculture reducing the vulnerabilities from climate change), (ii) change to cash cropping from a perennial crop, (iii) increase production from modern horticultural management techniques, (iv) the production of higher quality products (grapes and pomegranates) to supply developing value chains, and (v) better marketing options as a result of the contiguous blocks developed.

65. During its LAR fieldwork the consultant noted widespread interest, high motivation and willingness to cooperate with the subprojects as the contacted farmers knew of the new development plan leading to the expectations to a better livelihood situation families and villages. Their hope extended to an increased demand for farm labor and employment opportunities from the construction process.

C. Socio-Economic Survey of Affected Households

66. Socio-Economic Survey of Affected Households (SESAH) is based on a questionnaire-based survey carried out in December 2022 for the 9 AHs with 55 APs (two heads of AHs did not participate) due to land requirements for the project.

1. Demographic Features

67. The APs have an average age of 29 years. The majority of APs 56.36% (males 16 APs, females 15 APs) are married. The details are presented in tables 3 to 6. The age distribution of the surveyed population shows that the 56-65 groups were the most represented group among the male-headed household (57.14%).

Table 3: Age Distribution of Heads of AHs by Gender

Age	Male AHs Heads		Female AHs Heads		Total	
	No.	%	No.	%	No.	%
18-25						
26-35						
36-45	1	14.29	-	-	1	11.11
46-55	2	28.57	2	100.00	4	44.44
56-65	4	57.14	-	-	4	44.44
66 and more						
Total	7	100	2	100	9	100%

Table 4: Age Distribution of AH Members by Gender

Age	Male		Female		Total	
	No.	%	No.	%	No.	%
0-5	7	22.58	3	12.50	10	18.18
6-15	2	6.45	4	16.67	6	10.91
16-25	7	22.58	4	16.67	11	20.00
26-35	6	19.35	4	16.67	10	18.18
36-45	1	3.23	3	12.50	4	7.27
46-55	3	9.68	3	12.50	6	10.91
56-65	5	16.13	3	12.50	8	14.55
66 and more	0	0.00	0	0.00	0	0.00
Total	31	100	24	100	55	100%

Table 5: Marital Status of Heads of AHs

Marital Status	Male AHs Heads		Female AHs Heads		Total	
	No.	%	No.	%	No.	%
Married	7	100.00	2	100.00	9	100.00
Single (not married)						
Widower						
Divorced						
Total	7	100	2	100	9	100%

Table 6: Marital Status of AH Members by Gender

Marital Status	Male		Female		Total	
	No.	%	No.	%	No.	%
1. Married	16	51.61	15	62.50	31	56.36
2. Unmarried	15	48.39	9	37.50	24	43.64
3. Widower						
4. Others						
Total	31	100	24	100	55	100%

2. Education and Employment Status

68. Concerning heads of AHs 55.56% of (males 3 AHs heads, and 2 female AHs heads) have secondary level education while 44.44% (males 4 AHs heads) have higher-level education among 9 AHs heads. There is the most presented percentage 4.64% (males 9 APs, females 15 APs) have secondary education while the least percentage 9.09% (males 3 APs, females 2 APs) gathered by primary among the 55 APs.

Table 7: Education of Heads of AHs by Gender

Educational Level	Male AHs Heads		Female AHs Heads		Total AH Heads	
	No.	%	No.	%	No.	%
1. Illiterate						
2. Primary						
3. Secondary	3	42.86	2	100	5	55.56
4. Higher	4	57.14	-	-	4	44.44
5. College						
6. University						
7. Kindergarten						
Total	7	100	2	100	9	100%

Table 8: Education of AHs Members by Gender

Educational Level	Male		Female		Total	
	No.	%	No.	%	No.	%
1. Illiterate						
2. Primary	3	9.68	2	8.33	5	9.09
3. Secondary	9	29.03	15	62.50	24	43.64
4. Higher	7	22.58	1	4.17	8	14.55
5. College						
6. University	8	25.81	1	4.17	9	16.36
7. Kindergarten	4	12.90	5	20.83	9	16.36
Total	31	100	24	100	55	100%

69. Heads of AHs are agriculture and others (simultaneously agriculture/daily wage/ government jobs) as the main type of employment and source of income. They practice rainfed wheat cultivation on their total land including the project required plots, but no cash crops. There is the most percentage of 77.78% of AHs heads (males 7 AHs heads and females 2 AHs heads) are involved in agriculture and while least percentage 22.22% (male 2 AHs) involved in others (simultaneously agriculture/daily wage/ government jobs). There is a percentage of 30.91% of APs heads (males 10 APs heads and females 7 APs heads) are under employment and while at least a percentage 1.82% (male 1 AP) involved in daily wage among the total 55 APs.

Table 9: Employment Status of Heads of AHs by Gender

Occupation Status	Male AH Heads		Female AH Heads		Total	
	No.	%	No.	%	No.	%
1. Agriculture	5	71.43	2	100.00	7	77.78
2. Business						
3. Government Jobs						
4. Private Jobs						
5. Daily Wage						
6. Retired						
7. Student						
8. Self Employed						
9. Housekeeping						
10. Under employment						
11. Unemployed						
12. Disabled						
13. Others (Simultaneously Agriculture/Daily wage/Government jobs)	2	28.57	-	-	2	22.22
Total	7	100	2	100	9	100%

Table 10: Employment Status of AH Members by Gender

Occupation Status	Male		Female		Total	
	No.	%	No.	%	No.	%
1. Agriculture	8	25.81	4	16.67	12	21.82
2. Business						
3. Government Jobs	3	9.68	1	4.17	4	7.27
4. Private Jobs						
5. Daily Wage	1	3.23	-	-	1	1.82
6. Retired	0	0.00	3	12.50	3	5.45
7. Student	6	19.35	1	4.17	7	12.73
8. Self Employed						
9. Housekeeping	-	-	7	29.17	7	12.73

Occupation Status	Male		Female		Total	
	No.	%	No.	%	No.	%
10. Under-employment	10	32.26	7	29.17	17	30.91
11. Unemployed	1	3.23	1	4.17	2	3.64
12. Disabled						
13. Others (Simultaneously Agriculture/Daily wage/Government jobs)	2	6.45	-	-	2	3.64
Total	31	100	24	100	55	100%

3. Education and Employment Status

70. Agriculture is the main source of income for the AHs (48.1%), others are (24.7%), government jobs (19.8%), pension (4.9%), followed by daily wage (2.5%). The average AH monthly income from agriculture is UZS 2,166,667, from other sources is UZS 1,111,111, from government jobs is UZS 888,889, from the pension is UZS 222,222 while from daily wage it amounts to UZS 111,111.

Table 11: AHs Sources of Incomes

Source of income	Average Percentage of Income per Type and Household (%)	Total Monthly Average Income per Type and Household (UZS)
Agriculture	48.1	2,166,667
Business, self-employed	-	-
Government Jobs	19.8	888,889
Private Jobs	-	-
Daily Wage	2.5	111,111
Pension	4.9	222,222
Social allowances by the Government	-	-
Other	24.7	1,111,111

71. According to survey results, the total average annual income of AHs is UZS 54,000,000 while the total average annual expenditure of the AHs is also UZS 54,000,000, which is equal to the total average annual income.

4. Vulnerable Households

72. The SESA results indicate there are no (i) female-headed households (with dependents); (ii) household heads with disabilities; (iii) households falling under the national poverty households; (iv) elderly headed households who have no other means of support; (v) indigenous people who would have disadvantages because of their ethnicity, and no (vi) landless households with no other means of support. Concerning the two female headed AHs, the women are married and have support from family members. Therefore, there are no vulnerable households among the AHs.

5. Severely AHs

73. During the SESA the information about total land the AHs use has been verified. The IOL (see **Annex 4**) shows 9 out of 11 AHs as severely affected by the loss of more than 10% of their productive land (see also **Chapter X Income Restoration and Rehabilitation**).

V. INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION

A. Requirements

74. In general, a meaningful consultation is a process that:

- (i) Begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle. This includes public consultation in relation with the preparation of both the Draft LARP and Final LARP;
- (ii) Provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people;
- (iii) Is undertaken in an atmosphere free of intimidation or coercion;
- (iv) Is gender inclusive;
- (v) Enables the incorporation of all relevant views of affected people and other stakeholders into project design and implementation; and
- (vi) Ensures the participation of AHs in planning, implementation, and monitoring and evaluation of LAR aspects.

75. The consultation is embedded in a transparent process with public meetings as required as part of the resettlement planning. Contacted potential AHs have participated throughout the various steps of LAR fieldwork and consultation, where they were properly informed of all LAR activities so far undertaken at current project readiness facility stage.

B. Achievements

1. Continuous Consultations with TRTA and Project Stakeholders

76. The project concept changed significantly from a rural infrastructure sector project prior to the COVID-19 pandemic and was refined at the request of the government and ADB in view of the mounting public debt level of the economy. The government sought to have project beneficiaries assume responsibility for servicing the ADB loan and the TRTA consultants were tasked to propose a revised scope to reflect this request. There were numerous stakeholder consultations at the initial stage of project design as a rural infrastructure sector project with three target regions – Jizzakh, Syrdarya and Tashkent. These have not been included in the consultation process as the nature of the revised concept differed significantly for the PRF financed loan under preparation. Furthermore, the target regions changed to include Jizzakh and Kashkadarya in consultation with government. This following summary describes the extent of consultation with Kitob district (Kashkadarya region) and Bakhmal district (Jizzakh region) and specifically excludes the consultation work carried out by the social and environmental safeguards specialists of the TRTA that have been reported in greater detail in the respective linked documents.

77. An investigatory visit was conducted in Bakhmal district in July 2022 to review scoping options during which discussions were conducted with ISCAD's Jizzakh representative, Bakhmal district governor and deputy governors together with officers of the Ministry of Agriculture. The mission also conducted consultations with individual farmers in the district who were engaged in horticultural pursuits. A similar visit was undertaken in September 2022 to Kitob district to identify the target district in Kashkadarya. Discussions were held with the Deputy Governor of Kashkadarya region, the governor of Kitob district and senior staff of the district governor's office in Kitob. Field visits were undertaken to Varganza area and Tupchoq area to inspect potential subproject sites. Discussions were held with a number of horticultural farmers in both locations as well as grape producers in the plain area of Kitob district. Numerous phone conversations were held with district contact points for the project in an attempt to obtain detailed data for the two

target districts. The TRTA national Team Leader also undertook three additional field visits to the area to discuss design issues with the local governors' offices and their staff. In addition, field surveys and focus discussion groups participated in workshops and gender awareness discussions conducted by the social specialist who made direct contact with some 60 horticultural farmers who were potential beneficiaries under the project. The findings of these consultations and focus group discussions have been presented in the paper entitled Gender Assessment for the HIPEP Project.

2. LAR Consultations

a. Typical LAR Topics

78. LAR information disclosure and consultation events are shown in **Table 12**.

Table 12: Overview on LAR Related Meetings and Participation

Type of Consultation	Venue	Date	Participants		
			Female	Male	Total
LAR reconnaissance visits	Kitob district office	11/12 Oct. 2022		7	7
	Subproject Tansect walks			4	4
Joint soc. and env. safeguards meeting	Kitob/Hokimiyat office	15 Nov. 2022	3	30	33
AH Individual surveys and consultation meetings	Kitob/Hokimiyat office	03 Dec. 2022		9	9

79. These listed consultation activities are documented in **Annexes 5.1 to 5.3**. In addition, consultation meetings were also carried out with the cadastral office and the hokimiyats of the participating districts.

80. During LAR reconnaissance visit and the SESA, contacted officials and land use right holders were informed about current status of the project, purpose of the visit as well as tasks and activities to be performed in relation with requirements of social safeguards from both ADB GoU. In separate consultations during the socio-economic survey, the AHs were information about project and explanation given to their request for information. They were also informed that the cut-off date will be announced at the time of the detailed measurement survey, and explained that the should not change their current use of land which is under discussion for the subproject unless the implementation of the orchard development will be confirmed.

81. Concerning the joint soc. and env. public meeting, 33 persons have participated in the public consultation meeting. As part of these activities, relevant information was distributed to the participants. The consultations with households with focus on possible impacts on the households such as, loss of assets and income and the compensation payment. The project's proposed entitlement matrix and grievance redress mechanism (GRM) were explained in the local language (Uzbek) along with a list (names, address and contact numbers) of crucial persons at Executive Agency to be contacted in case AHs have any grievance or complaint or concern.

82. Public consultations were organized with the project-affected communities and stakeholders to which the potentially affected households and persons were also invited. The main objectives of the public consultations were the following:

- (i) Informing the stakeholders and seek their opinions on the possible LAR requirement for the project implementation;

- (ii) Informing the beneficiaries about the positive outcome of the project, and reliable new employment opportunities in project-related activities;
- (iii) Disseminating information to the attending people about the project activities and scope of work;
- (iv) Seeking local peoples' views on minimizing probable adverse LAR impacts;
- (v) Making the attendants aware of the process of grievance redress mechanism;
- (vi) Assessing locals' willingness to get involved with the project, and enumerate the measures to be taken during the implementation of the project; and
- (vii) Making the participants aware of the relevant policy principles of national laws and ADB's Safeguard Policy Statement (SPS, 2009) related to land acquisition and resettlement and the entitlements of project-affected persons and households.

83. A PowerPoint presentation was given about the project in general but providing information of the subproject's features, scope, potential adverse impacts and compensating measures. In addition, during the meeting, the participants were given a project information brochure (see **Annex 5.4**).

84. During the discussions and consultations, the participants expressed on the one side their concerns about the land acquisition, land acquisition procedure and amount of compensation for land, other assets losses, and a potential loss of income. However, on the other side, all participants expressed their support for the project, as they are both highly interested and motivated to use the occasion of having a reliable improved irrigated horticulture combined with the expected hope for a better income situation.

85. As part of the questions and answers and discussion session, the major topics have been project, construction, compensation, and complains/suggestions as summarized in **Table 13**.

Table 13: Summary of Questions and Answers and Discussion

No.	Issues/Questions		Responses Provided by TRTA
1.	Project	When does the project start?	▪ The timing depends on the loan agreement between the Uzbek government and ADB.
2.		Who will finance the project?	▪ This project will be financed by Asian Development Bank.
3.		How long will the project last?	▪ In this stage of the project preliminary three years.
4.		Is there any chance to change the project area?	▪ This is a concept design for the location that was confirmed by the TRTA agronomist as suitable for the intended purpose. It was promoted by local hokimiyat.
5.	Construction	When will the construction work start?	▪ The construction works will start only after the final design and LARP are completed and after 100% compensation payment is paid.
6.		Are there new job / positions available for the persons from our village?	<ul style="list-style-type: none"> ▪ It depends on contractors, if they need new positions for worker, they could engage workers from the closest villages. ▪ As soon as more information ready EA and local hokimiyat will inform officially.

No.	Issues/Questions		Responses Provided by TRTA
7.	Compensation	What type of compensation will be paid to affected persons, if any?	<ul style="list-style-type: none"> For cases with impacts, then compensation would be provided for: <ul style="list-style-type: none"> - Loss of income from agriculture; - Vulnerability and severity allowance; - Professional valuation service cost; - Cost of trees etc.
8.		Is there any impact concerning houses or secondary structures?	<ul style="list-style-type: none"> In Kitob case in two project areas there is not any impact to houses or any secondary structures?
9.		The land for land compensation will be paid to affected land users?	<ul style="list-style-type: none"> According to legislation of the Republic of Uzbekistan especially resolution #146 dated 25.05.2011 for agriculture loss impact will be fully compensated. Additionally, loss in case of not harvested crops will be compensated
10.		Is there any impact on trees/ orchard and farmlands?	<ul style="list-style-type: none"> According to current design there are no impacts on orchard or trees expected.
11.	Complaints and Suggestions	To whom we need to address our concerns and suggestions?	<ul style="list-style-type: none"> You are provided with project brochure, where you can check the GRM and contact details.
12.		We would like to know, how to lodge a grievance in case of a complaint.	<ul style="list-style-type: none"> AHs can file grievances verbally by phone to the mahalla office, district hokimiyat, and the PIU. The AHs can also make written complaints to the address which is mentioned in the brochure.

b. Specific Issues on Status of AHs' Land User Rights

86. This item became an issue to be clarified during the preparatory phase.

87. Firstly, the TRTA resettlement team understood during their reconnaissance visit in October 2022 to Kitob district, Kashkadarya region, that the district administration, in its enthusiasm to support the proposed project at haste, has started a documented process to recover land from existing land-user-right holders (on a voluntary basis) to facilitate early subproject implementation. Therefore, the TRTA informed Director General of ISCAD in November 2022 about its concern, that, with the current state of subproject design, the government cannot precisely detail the potential orchard development area that will be required to conduct the pilot. Recovery of land activities has targeted areas likely to be within the subproject area and those that might lie outside the pilot area. Premature termination of land-user-rights in relation to the subproject can lead to resettlement problems. Furthermore, there is no need to change the use of future subproject land now or in early 2023, as physical development is scheduled to commence in 2024 if the project is approved. Independent of this process, there will probably be a need for compensation to affected farmers. Furthermore, some AHs mentioned to the TRTA that the district began recovering land in the identified areas so that the project could proceed at haste. Under these circumstances, the TRTA strongly recommended requesting district administrations to delay further recovery of land-user-right certificates until development areas are defined and confirmed. As the area of land for the development remained uncertain (funding availability), this advance action will require further review from a social safeguards' perspective.

88. Secondly, the ADB Fact Finding Mission in May 2023 obtained similar information during its site visit to Kitob as of the status of land acquisition. Contacted potential AHs mentioned that

they were in a process of returning land-user-rights back in agreement with local authorities. This seems to be an occurring experience for ADB, where executing or implementing agencies undertaking attempts to expedite implementation by making required areas for projects accessible without resettlement requirements. Therefore, there has been a need to re-assess the current status in terms of voluntary or involuntary provision of land, and actual formal status in this matter. The FFM proposed to review the land tenure status of all the AHs within the 200 ha of the subproject sites in Kitob.

89. Thirdly, this issue has been discussed by ADB and TRTA in several meetings during the preparation and review of this Draft LARP. As an agreed action between ADB and TRTA, the TRTA requested in May 2023 the district governor's office to confirm the status of the land planned to be used for the project to clarify the current status of the land with longterm-user-rights by affected households. This was followed-up through field investigations in Kashkadarya province in June 2023, which confirmed that the expected HIPEP affected land-user-right certificate holders had submitted (some of them are unsigned) and undated letters to the district/provincial authorities requesting amendment to the long-term land lease agreement for returning the concerned area (required for HIPEP subprojects) to the district land reserve. The district kengash (council) of people's representatives had not confirmed that the land would be returned and, as a result, the district had not issued any resolution confirming the acquisition of any land subject of compensation. According to the provided documents, land in both subproject sites is still in the control of farmers. The TRTA confirmed that the assessment in Nov./Dec. 2022 of land user rights to be compensated still correctly describes the situation of land tenure in the subproject areas.

VI. GRIEVANCE REDRESS MECHANISM

A. Requirements

90. These mechanisms aim at the participation of APs throughout the various stages of LAR planning and implementation. The information for APs about entitlements, compensation and supportive mitigation options and grievance mechanisms shall be provided by the project's relevant agencies and committees. Extensive meetings with APs also allow the implementing agencies to identify the needs and preferences of APs pertaining to compensation and rehabilitation assistance and to reduce any negative potential impacts caused by the PRI subprojects.

91. In terms of grievance redresses, the villagers have been briefed about rights to grievance and the procedures during all stages in case LAR items would become an issue. This shall be repeated combined with further consultation at the start of piloting phase followed by another consultation at construction start. Villagers need to know the bottom-up based steps and contact persons of authorities, administration and implementing agency. A complaint can be filed first at village level and elevated to the highest or provincial level if the complainants are not satisfied with decisions made by village and district levels/committees. APs will be exempted from all taxes, administrative and legal fees associated with their claims and grievance redress.

B. Project GRM Approach

92. This mechanism provides for the grievance of any actions and decisions that violate the rights and legitimate interests of citizens affected by the project and stipulates the procedure for dealing with grievance from individuals and legal entities within the framework of the project implementation.

93. In accordance with ADB SPS, the GRM will be established right after the project becomes effective. The main goals of the mechanism are ensuring the free submission and timely redress of grievances and concerns submitted by the project affected persons, as well as resolve grievance at the project level. Along with the ADB requirements on development and establishment of GRM in the processes of investment projects implementation, the grievance redress procedure in the country is also regulated by the national legislation of Uzbekistan by the law “On appeals of individuals and legal entities” (No. 445, 2017).

94. GRM will be established at the project level, considering the local legislation on the resolution of grievance, to ensure that the affected persons are provided with a timely resolution of issues arising because of the project.

95. Individuals and legal entities in the project areas will be fully informed of their rights and of the procedures for addressing grievance whether verbally or in writing during public consultations and through local media.

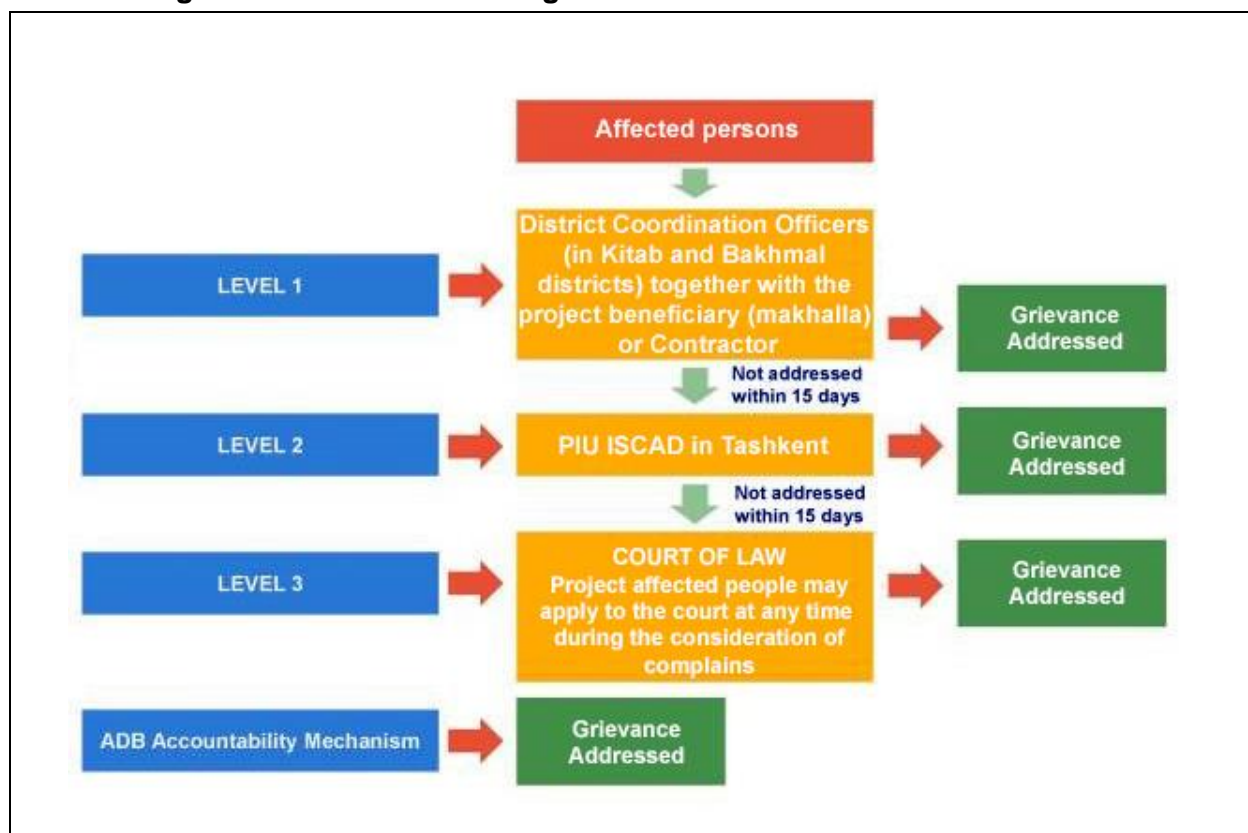
Table 14: Contacts of the Grievances Redress Responsible Agencies

Location	Position	Contacts
Bakhmal district	District Coordination Officers	Mustakillik St. 42, City: Usmat, Jizzakh region, 131000, Uzbekistan
Kitob district	Kitob District Coordination Office Hokimiyat of Kitob	Katta Yul St. 32, Ali Qushchi Makhalla, Kitob District, Kashkadarya Region
Tashkent	ISCAD-PIU	Tashkent, Navoi str. 1

96. GRM at the project level will not impede access to judicial or administrative remedies. Affected persons can approach a court at any time, independent of the project level grievance redress process.

97. The project proposes three levels of the GRM as listed below and shown in **Figure 2**:

- (i) Level-1: District Coordination Officers (in Kitob and Bakhmal districts) together with the project beneficiary (makhalla) or Contractor;
- (ii) Level-2: PIU ISCAD in Tashkent; and
- (iii) Level-3: Court of Law (Economic Court).

Figure 2: Procedure and Stages of the Grievance Redress Mechanism

1. Level 1: District Coordinated Facilitation

98. At this level, an applicant submit grievance directly to the District Coordination Officers, who, after the registration of received grievance (application, proposal, grievance), will notify the applicant of the receipt of the grievance and, if requested, will submit registration data according to the records of the registration card (including the registration number, date of registration, person who received the grievance, etc.). All grievances received from people will be registered in a logbook which will be available at each point of entry to the project plots.

99. District Coordination Officers will inform the applicant concerning the procedure and terms of the grievance redress, will study the nature and specifics of the grievance and, within its powers, will take measures for its redress. In parallel, District Coordination Officers will inform ISCAD-PIU and the relevant beneficiary of the project (cities hokimiyats, farmers) of the received grievance.

100. If necessary, District Coordination Officers will send grievance to the relevant party to resolve the issue in accordance with the established procedure. Depending on the nature of the grievance, it can be forwarded for redress to state authorities and local authorities (contractor, mahalla community council, hokimiyat, as well as to specially authorized state bodies (the Kitob branch of Ministry of Natural Resources, the State Architecture and Construction Inspectorate, the State Committee on Land Resources, Geodesy, Cartography and State Cadastre, etc.).

101. Also, affected person may approach the Contractor. A Grievance Redress Register must be maintained by the contractor and shared with ISCAD-PIU and District Coordination Officers for all such grievances. The contractor shall register the grievance and make efforts to resolve the grievance at that level in a consultative manner.

102. At this level, the grievance will be redressed within 15 days from the date of receipt with the adoption of a relevant decision.

103. Grievance redress will comply with the requirements of the legislation of the Republic of Uzbekistan.

104. Based on the results of the grievance redress, District Coordination Officers will inform the complainant and ISCAD-PIU concerning the redress results and the measures taken. At this level, District Coordination Officers will be a focal point for dealing with grievance and it will ensure close interaction with local state authorities and public administration bodies for timely and high-quality grievance redress.

2. Level 2: PIU

105. In case the grievance cannot be redressed at the first stage due to its specifics or the applicant is not satisfied with the decision made, he/she can submit the grievance directly to ISCAD-PIU who address the grievances at this level.

106. After the registration of received grievance (application, proposal, grievance), ISCAD-PIU will notify the applicant of the receipt of the grievance and, if requested, will submit registration data according to the records of the registration card (including the registration number, date of registration, person who received the grievance, etc.).

107. If the issue raised in the grievance is not directly related to the project, ISCAD-PIU will familiarize the applicant with the goals and objectives of the project, the measures provided for within the framework of the project implementation and provide an appropriate explanation of the reasons why this grievance cannot be redressed by ISCAD-PIU, after which the further instance will be recommended to the applicant where he/she should apply for the decision making.

108. When receiving grievance, ISCAD-PIU will take the following actions:

- (i) If necessary, it will establish grievance handling team, which will include the District Coordination Officers, ISC, representatives of Contractors, local state authorities and public administration bodies (hokimiyats);
- (ii) If necessary, it will arrange the reception of the applicant and consultation on issues of interest within the framework of the project, collection of information regarding the grievance, as well as monitoring for their complete, timely and high-quality redress;
- (iii) If necessary, it will arrange the reception of the applicant and consultation on issues of interest within the framework of the Project, collection of information regarding the grievance, as well as monitoring for their complete, timely and high-quality redress;
- (iv) The team will also ensure interaction with an independent appraiser (in case of grievances related to the assessment) to obtain an appropriate evaluation decision (report); and
- (v) The grievance will be redressed within 15 days from the date of receipt, and in the case when additional study is required, up to one month.

3. Level 3: Court of Law (Economic Court)

109. If the grievance raised was not solved or the applicant does not agree or is dissatisfied with the decision made, he/she may apply to a higher authority in the order of subordination or directly to the court for deciding in accordance with national legislation.

C. Compliant Handling System of the Republic of Uzbekistan

110. The National law on the appeals of individuals and legal entities obliges state authorities to deal with requests and provides a clear framework to handle the case. This law has recently replaced previous law on the requests of citizens and gives the right for individuals and legal entities to file requests. The requests can be in the form of applications, proposals and complaints and submitted in three ways: oral, written, and digital format. In addition to the GRM for the project, affected persons can submit their grievances through the Virtual Reception of the President of the Republic of Uzbekistan that contributes to the unquestioning implementation of the constitutional rights of citizens to appeal to the President of the Republic of Uzbekistan. Through this information system, any persons can send their applications, suggestions and complaints to the President of the Republic of Uzbekistan.

111. The online portal provides contact details of the persons of various agencies and state committees and the days and time at which they are available to resolve grievances, with an option of sending the grievance through an email also. The portal has provisions for checking the status of the grievance and further appeal if the appellant has been harassed for raising the grievance.

112. The Law of the Republic of Uzbekistan on the Appeals of Individuals and Legal Entities was introduced on 29 October 2014 and this law replaced the earlier law on Appeal of Citizens that was introduced on 13 December 2012. This law guarantees the right to appeal and prescribes the requirements of an appeal, its form and structure. Further, the timeline for addressing the appeal, the procedure for personal hearing, need for maintaining record of appeals and procedure for second appeal are prescribed.

D. ADB's Accountability Mechanism

113. In addition to the project level GRM required by ADB's SPS, ADB also has an Accountability Mechanism (AM) Policy (May 2012). However, while the project level GRM is the responsibility of the EA, the Accountability Mechanism is the responsibility of ADB. The accountability mechanism provides opportunities for people (2 or more complainants) that are adversely affected by ADB-financed projects to express their grievances, seek solutions, and report alleged violations of ADB's operational policies and procedures, including safeguards policy. ADB's accountability mechanism comprises (i) a consultation phase led by ADB's special project facilitator to assist people adversely affected by ADB-assisted projects in finding solutions to their concerns and (ii) providing a process through which those affected by projects can file requests for compliance review by ADB's Compliance Review Panel.

114. ADB's accountability mechanism can be considered a last resort mechanism. The affected people are first expected to exhaust grievance handling mechanisms described in this LARP preparation and the ADB operations department concerned (ADB Uzbekistan Resident Mission) before lodging a complaint with ADB's Accountability Mechanism.

Table 15: ADB Accountability Mechanism Contact Information

Contact Information
Complaint Receiving Officer (CRO), Accountability Mechanism Asian Development Bank ADB Headquarters, 6 ADB Avenue, Mandaluyong City 1550, Metro Manila, Philippines ☎ (+632) 632-4444 loc. 70309 ☎ (+632) 636 2086 ✉ amcro@adb.org
ADB Web page: https://www.adb.org/site/accountability-mechanism/how-file-complaint

E. Complaints

115. There have been no complaints made during the current project phase.

VII. LEGAL FRAMEWORK

116. The legal and policy framework of the project is based on national laws and legislation related to land acquisition and compensation policy in Uzbekistan and ADB Safeguard Policy Statement 2009 (SPS). Project-related LAR principles have been adopted by this Report based on the analysis of applicable laws and policies and ADB's Policy requirement. The policies below are to be applied for land acquisition, resettlement and compensation (LARC) related impacts during implementation.

A. National Laws, Regulations and Provisions Relating to LARC

117. This section includes national laws and legislation related to land acquisition and compensation policy in Uzbekistan. In Uzbekistan, a land expropriation takes place for the State and public needs under the Land Code (LC) and other legal documents. The expropriation in this context refers to the taking away of private land for a state and public purpose by the government with or without the owner's consent subject to laws of eminent domain, which stipulate prompt and adequate compensation. Recent legal documents issued by the Presidential Decrees and the Cabinet of Ministers of Uzbekistan foresee to protect citizen's and legal entities' private ownership to land and for the building and structures. Collectively, these regulations provide a sound basis for acquiring land for the State for public purposes and for compensating land users a replacement cost at market value for the affected structures. **Table 16** below includes a summary of the legal documents used in the development of a resettlement entitlement matrix for this project, followed by the details.

Table 16: Legal Instruments Applicable to Land Acquisition and Resettlement

No.	Legal Instruments	Explanation
1	The Constitution	The master-source of all legal provisions.
2	The Land Code (LC) dated 30 April 1998	Describes a condition for permanent land expropriation and temporary land acquisition.
3	Resolution of the Cabinet of Ministers (COM) № 911 of November 16, 2019	Regulates resettlement compensations for settlements.
4	Civil Code (CC) dated on 29 August 1996	Regulates general rules of property seizure, determination of property cost and rights for compensation, terms of rights termination.

No.	Legal Instruments	Explanation
5	The resolution of COM "On measures to improve the procedure for granting land plots for urban development activities and other non-agricultural purposes" dated on 25 May 2011 #146	Regulates resettlement compensations for the income loss, the value of agricultural loss belonging to landowners, users, tenants in case of land acquisition. Also, it regulates the provision of "land to land" compensation in case of agricultural and forest relates losses.
6	The resolution of COM "On amending and adding to some decrees of the Republic of Uzbekistan, aimed the further improvement of registration of cadastral document on a real property" No. 317 dated 21 September 2016	It defines the procedure of registration of titled and non-titled land users and real property owners. It also establishes the process and payment method for compensation in case of land acquisition.
7	Presidential resolution "On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations" dated on 16 Jul10y 2018 #3857	Confirms that the resettlement costs are paid based on assessment documents prepared by IFI by their methodology.
8	The Law of Uzbekistan on Protection of Private property and Guarantees of Ownership rights, No. ZRU-336, dated 24 September 2012 regulated the entitlement of property owner	The purpose of this Law is to regulate relations in the field of protection of private property and guarantees of property rights. It relates to full market value compensation in case of acquisition for the State needs.
9	Presidential Order F-5491(3 August 2019)	"On additional measures to provide unconditionally the property rights of citizens and business entities."
10	The resolution of COM "On the procedure for the formation and use of funds of centralized funds for the compensation to affected individuals and legal entities for the expropriation of land for the state or public needs" dated 26 December 2018 # 1047	It defines the source of compensation payments based on the type of projects. Establishes Republican Centralized Fund (RCF) as the main body which is responsible for the compensation payments to AHs. The Supervisory Board of RCF decides on the allocation of funds for compensation.
11	Presidential Decree on Additional measures for social support of citizens and implementation of a latest public campaign on the recognition of ownership rights to illegally built residential structures dated on 20 April 2018 # PF 5421	Residents of Uzbekistan are allowed to Legalize ownership rights to their unregistered and non-titled residential structures until 1st May 2019. The Decree defines the conditions for legalization.
12	Decree of the President of the Republic of Uzbekistan No. PF_ - 6243, "On measures to ensure equality and transparency in land relations, reliable protection of land rights and their transformation into a market asset" dated 08.06.2021	Purpose of the resolution is to introduce a transparent procedure for allocating land plots based on market principles; ensure stability in property and legal relations in the field of land use, land protection; guarantee property rights of landowners, as well as introducing property rights of landowners into free circulation as an object of civil law relations.
13	Resolution #543, Cabinet of Ministers of Republic, 27 August 2021	This Resolution defines the procedure for allocating the land plots for permanent use for state and public needs.
14	Tax Code of Uzbekistan	Regulates compensation for a vulnerable group of people regarding applying for discounts or exemption from property taxes, land tax, income tax, and other taxes.

No.	Legal Instruments	Explanation
15	Labor Code and Law on employment	Regulates labor relations of individuals employed with labor contract by enterprises, institutions, organizations of all type ownership forms, including contracted by individuals.
16	Presidential Decree "On measures on major improvement of the investment climate in the Republic of Uzbekistan" dated on 1 August 2018 #5495	Defines that land expropriation can be implemented only after meaningful consultation with PAPs. The resolution prohibits a land confiscation without the consent of the Republican Centralized Fund.
17	The resolution of COM "On the approval of the rules of protection of power transmission facility objects dated 26.12.2018 # 1050	This resolution defines safety zones for power transmission lines both horizontally and vertically. This resolution applies for all infrastructures and facilities in relation with power up to 500 kV.
18	KMK 2.10.08-97 – Land allocation norms for power transmission lines 0.4 – 750 kV	This set of norm regulates the land allocation for the temporary and permanent period during the construction of transmission lines.
19	Law on Valuation Activity (No. 811-I dated August 19, 1999, amended in 2017)	Valuation of assets, including real estate, business, etc., is carried out based on this law.
20	The Law "About Tomorka (Subsidiary Farming)" No. ZRU-681 dated 1 April 2021	"Tomorka" farming is an activity related to cultivation of agricultural produce on individual "tomorka" land plot.
21	The Law on Procedures of Land Acquisition for Public Needs, No. ZRU-781, 29 June 2022	This law defines and regulates the acquisition and compensation for land plots.
22	"About Privatization of Non-Agricultural Lands" No. ZRU – 728 dated 15 November 2021	This law allows acquisition of private land for public needs only through purchasing a private land plot.
23	Resolution of the President of Uzbekistan "On Measures to Reliably Protect the Inviolability of Property Rights, Prevent Unjustified Interference in to Property Relations, Increase Level of Capitalization of Private Property" No. UP-198 24 August 2022	This Resolution outlines measures to protect the property rights, prevent unjustified interference into property relations, and increase the level of capitalization of private property.

No. 1: Constitution

118. The Constitution of the Republic of Uzbekistan (December 8, 1992) provides that:

- (i) Everyone shall have the right to own property (Article 36). The economy of Uzbekistan, evolving towards market relations, is based on various forms of ownership. The state shall guarantee freedom of economic activity, entrepreneurship, and labor with due regard for the priority of consumers' rights, equality, and legal protection of all forms of ownership (Article 53).
- (ii) An owner, at his discretion, shall possess, use and dispose of his property. The use of any property must not be harmful to the ecological environment, nor shall it infringe on the rights and legally protected interests of citizens, juridical entities and the state (Article 54).

119. The land, its minerals, waters, fauna and flora, other natural resources shall constitute the national wealth and shall be rationally used and protected by the state (Article 55).

No.2: Land Code (30 April 1998)

120. The Land Code (LC) is the primary regulatory framework for land-related matters in Uzbekistan. The LC regulates allocation, transfer, and sale of land plots, defines ownership and rights on the land. It describes responsibilities of different state authorities (COM, province, district, city hokimiyat) in land management; rights and obligations of the land possessor, user, tenant, and owner; land category types, land acquisition, and compensation, resolution of land disputes and land protection. The LC also defines the terms of rights termination on the land plot, seizure and land acquisition of land plot for state and public needs, and conditions of confiscation of a land plot in violation of land legislation.

- (i) According to the new version of the LC, currently, the granted lands for the construction of infrastructure, business, and residential houses shall be carried out within the three years. After that, the land will be taken back by local municipalities.
- (ii) The land can be given for temporary use as a short-term period (up to three years) or long term (from three to 10 years).
- (iii) The Code clearly defines (i.e., Article 23) that the land for construction of power transmission line shall be allocated out of the low quality agricultural or non-agricultural lands. The legal entity to whom the land was allocated cannot use and take possession of the land until property deed has been issued.

No. 3: Resolution of the Cabinet of Ministers № 911 of November 16, 2019

121. On November 16, 2019, the COM approved the "Regulation on the procedure for the seizure of land and the provision of compensation to owners of real estate located on the seized land." This Regulation defines the procedure for the seizure of land for state and public needs. The regulation applies if the land is in the possession, use or temporary use of individuals or legal entities (individual entrepreneurs, citizens of Uzbekistan, foreign citizens, business entities, NGOs) and does not apply to land owned (physical right of private ownership) by physical and legal entities. In this regard, it is not clear whether this provision applies only to lands that will be privatized in accordance with the Law on the Privatization of Non-Agricultural Land No. 552 (August 13, 2019). This key document relating to the LAR provides for the introduction of new rules regarding the procedure for compensation for land acquisition for public use and replaces Cabinet Resolution No. 97 (May 29, 2006). To date, the process was not transparent and did not have adequate protection for property owners. This rule applies to cases where land occupied by real estate is property on the basis of rights of permanent or temporary use.

122. The document clearly defines the term "state and public needs", which, among other things, includes the implementation of investment projects aimed at improving infrastructure facilities, including the construction and reconstruction of energy systems and power lines.

123. In accordance with the procedure introduced in the document, land acquisition is allowed subject to both of the following conditions: (i) the owner / user / tenant expressly gives his consent and (ii) the project is approved by the local Council of People's Deputies, or the investment project is specifically mentioned in the Decree of the President or the Resolution of the COM.

124. According to this resolution, both local municipalities (hokimiyats) and investors can initiate the seizure of land in accordance with the procedures provided for in the rules. An open discussion is held with the representatives of the hokimiyat, investors and owners if land acquisition is necessary. A preliminary assessment of losses will be carried out by the hokimiyat

or cadastral authorities. The Regulation mentions that “a complete list of real estate objects located on the site should be prepared, as well as other information relating to real estate”. Trees and standing crops are not mentioned as a subject of assessment and additional compensation, therefore Cabinet of Ministers Resolution No. 146 (05/25/2011) will be applied to compensate for these assets. Kengashs of people's deputies will consider the benefits and costs of land grabbing, and if there are sufficient resources, as well as if the benefits and costs are exceeded, a decision will be taken to seize the land. The property that will be confiscated will be evaluated at the expense of the initiator. When 75% of the owners give their consent to the seizure of land, the initiator has the right to go to court to receive a binding order to sell the remaining portion of the 25% of the owners. In such cases, compensation should be determined by a court decision and not by an agreement on compensation. This procedure, in any case, guarantees the full cost of replacement. New items that are part of the compensation for confiscation must be provided within 2 years, otherwise fines are imposed for each day of delay. The demolition of real estate is permitted only after full compensation to its owner, as provided for in the compensation agreement (or by a court decision in the event of a dispute). The hokimiyats are not authorized to make decisions on the seizure of land. The hokimiyat or investor and owners, and this agreement is notarized. The initiator and the owner of the property must enter into an appropriate compensation agreement subject to notarization. The agreement should include the type(s) of compensation, its size and terms of payment and / or provision of other compensatory measures. Demolition of real estate without agreed compensation is not permitted.

125. After providing the agreed compensation to the owners: (i) the real estate / property is issued by the owner (ii) the draft resolution on the demolition is sent by the hokimiyats to the justice authorities to issue an opinion. The decision on the demolition of real estate is adopted only if there is a positive opinion of the justice authorities. (iii) The transfer of real estate located on the seized land to another person is allowed only with the written consent of the initiator after signing the Agreement or in case of termination of the Agreement (in the manner provided for by the Agreement, with the consent of the parties or in court). (iv) The owner who has acquired the property subject to demolition is the assignee of the rights and obligations of the previous owner arising from the Agreement concluded in accordance with this Regulation. (v) Monitoring the implementation of legal requirements for the seizure of land, the demolition of real estate, the resettlement of citizens, as well as the provision of compensation is carried out by prosecution authorities. (vi) The owner, by agreement with the initiator / investor, now has the right to carry out the demolition of property / structures at his own expense with the subsequent removal of all materials (recyclables) and construction waste, as well as with proper cleaning of the territory for the construction needs.

126. This procedure took effect on January 1, 2020. It is also important to note that in case of untimely or incomplete provision of compensation by the project initiator, the hokimiyat must provide compensation with a subsequent appeal to the court with a request to recover compensation from the perpetrators.

127. The ability to store recyclables is a very important issue for displaced households (as they can use lifesaving equipment to build new homes). Previous Ordinance No. 97 (May 25, 2006) determined that all rescue equipment is the property of the investor (after compensation has been fully provided to the displaced AH). However, even with this strict requirement, most of the projects supported by international financial organizations in Uzbekistan (including projects funded by ADB) allowed displaced APs to save salvage material as an additional measure of protection. This issue has been resolved by the new Law on Procedures of Land Acquisition for Public Needs, No. ZRU-781, 29 June 2022 that allows the project affected households to keep salvage materials.

128. This resolution defines the procedure for the appointment and payment of benefits for the makhalla for: a) low-income families with children under the age of 14, b) benefits for parents with low incomes for caring for a child until they reach the age of two and with allowance for low-income families. In accordance with this resolution, the following types of families are eligible for benefits:

- (i) Families where the average monthly income does not exceed 52.7% of the minimum wage per person over the past three months (Along with the income that family members receive officially, members of the makhalla committee must also take into account additional factors, including land availability, employment status of family members and the presence of people in need of care);
- (ii) Lost parents and children in the care of relatives;
- (iii) Families in which one or both parents are disabled;
- (iv) A widow raising two or more children under the age of 14 years living separately from other relatives;
- (v) A family with children with disabilities;
- (vi) Mothers or fathers raising children in a single-parent family. In this case, the fact of raising the child by the mother (father) in an incomplete family created by the makhalla;
- (vii) Families in which one or both parents are unemployed, who are registered with state employment agencies (regional and city departments of the Ministry of Employment and Labor Relations) as job seekers; and
- (viii) Single pensioners.

No. 4: Civil Code (29 August 1996)

129. The Civil Code (CC) defines the legal status of participants of public relations, the grounds, and procedure of implementation of property rights and other proprietary rights, rights of intellectual property, regulates the contractual and other obligations, as well as other property and related personal non-property relations. The CC defines general rules of property seizure, determination of property cost and rights for compensation, terms of rights termination.

130. The CC provides that: a person whose right has been violated may demand full compensation for damages unless the law or the contract provides compensation for losses in a smaller size (Article 14, Clause 1). The CC (Article 14, Clause 2) also specifies that losses are understood as:

- (i) expenses that the person whose right is violated, made or must make to restore the violated right;
- (ii) the loss of or damage to property;
- (iii) the revenues that this person would have received under normal conditions of civil turnover if his right had not been violated (lost incomes).

131. According to Article 14, Clause 3 “If the person has violated the law, revenues received as a result of this, the person whose rights were violated, has the right to demand compensation along with other losses, lost profits in the amount not less than such profits.”

No. 5: Resolution of COM № 146 (25 May 2011)

132. This Resolution is aimed to improve the procedure of granting land plots, protect the rights of legal entities and individuals on land, and improve the architecture of settlements and the efficient use of their land for construction by the Land Code and the Town Planning Code. This resolution has approved two Regulations: (i) Regulation on the procedure for granting land for urban development and other non-agricultural purposes, (ii) Regulation on the method of compensation for landowners, users, tenants, and proprietors (in case of residential land), as well as losses of agriculture and forestry.

133. The Regulation on the method of compensation for landowners, users, tenants, and proprietors, as well as losses of agriculture and forestry, includes the following:

- (i) Compensation for losses of landowners, users, tenants, and proprietors (hereinafter AHs);
- (ii) Compensation for losses of agriculture and forestry;
- (iii) Cost of irrigation and developing the equal new land plot in return for seized irrigated agricultural land;
- (iv) Cost of fundamental improvement of grassland and pasture;
- (v) Scheme for determination of losses of land possessors, users, tenants, and owners, as well as damages of agriculture and forestry; and
- (vi) Coefficients on the location of seized land plots.

134. In this LARP, the entitlements and compensation for AHs per resolution #146 have been included. According to this resolution, AHs are entitled to following compensation:

- (i) The cost of the land plot under the ownership of legal and physical entities.
- (ii) The cost of residential houses, structures, unfinished structures and structures that are not directly affected but unviable to use after land acquisition.
- (iii) The cost of fruit trees, windbreak forests and other perennial plantations.
- (iv) The cost of not harvested agricultural crops.
- (v) Agricultural income loss (in case of land for land development compensation provided to AHs, then agricultural income loss will not be provided).

135. Compensation for AHs is provided in case of:

- (i) Permanent acquisition of land
- (ii) Redemption of land
- (iii) Temporary acquisition of land

136. This resolution shall be implemented together with the Resolution of Cabinet of Ministers #317 dated 21 September 2016.

No. 6: Resolution of Cabinet Ministers №317 (21 September 2016)

137. The resolution “On amending and adding to some decrees of the Republic of Uzbekistan, aimed the further improvement of registration of cadastral document on real property” defines responsible design institution which calculates the agricultural and forest-related losses belonging to legal land users, tenants. This institute is “Uzdavyerloyiha” and its branches in the regions. It defines that in case of the following type of construction works, then compensation for agricultural and forest-related losses will not be compensated:

- (i) Construction of individual housing and maintenance of a residential house;

- (ii) Construction of pre-school, general secondary, secondary special, professional educational and medical institutions;
- (iii) Construction of water management facilities, land reclamation facilities and hydraulic structures;
- (iv) Formation of protected natural areas.

138. In resolution # 317, there is no indication that in case of above-mentioned purposes AHs will also not to be compensated. Based on this we consider that even though the land is being expropriated for public needs; still, the compensation for AHs shall be paid. By this resolution, the Government defined the procedure of legalization cadastral document of the titled and not titled (illegal) land users. The main requirements for the legalization of non-titled land users are to provide i) explanation of circumstances of unlawful use of land, ii) certificate from local self-governed bodies on possession of the last 15 years, iii) payment of land tax for the previous five years. This resolution updates compensation mechanism of agricultural and forest-related losses. Therefore, in the calculation of compensation, this resolution shall be used together with Resolution of Cabinet of Ministers #146 dated 25 May 2011.

No. 7: Resolution of Cabinet Ministers №3857 (16 July 2018)

139. The resolution “On measures to improve the effectiveness of training and realizing projects with participation of international financial institutions and foreign government financial organizations” partly provides that payment of compensation for the land acquisition, demolition of houses, structures, plantings within the framework of projects with the participation of International Financial Institutions (IFIs). If it is agreed and stated in agreements, then project implementation procedure will be followed by authorized bodies following the requirements of IFIs or Foreign Governmental Finance Organizations (FGFOs). This resolution gives, to Executing Agencies, power to implement ADB’s LAR or other principles in case of discrepancies between national legislation and ADB policies.

No. 8: Law of Uzbekistan on Protection of Private Property and Guarantees of Ownership Rights 336 (22 September 2012)

140. The purpose of this Law is to regulate relations in the field of protection of private property and guarantees of property rights. It regulates the entitlement of the property owner to full market value compensation in case of acquisition of the property and land for the State needs.

141. According to the Law, withdrawal of the property, including a privately owned land, in cases of nationalization and requisition, is carried out only after payment of full compensation to the owner at market value, as well as losses incurred to the owner in connection with such a withdrawal, unless otherwise provided by law. The owner has the right to appeal in court the decision on land expropriation, confiscation, and requisition of property in private ownership. According to Article 19, Demolition of building and structures before the payment of full compensation is not allowed.

No. 9: Presidential Order PF-5491 (3 August 2019)

142. The order “On additional measures to unconditionally provide guarantees of ownership rights of citizens and business entities” has been issued after a number of breaching the national legislation in connection with involuntary resettlement and land expropriation for the State needs by local authorities in Uzbekistan. The main requirements of the Order are the following:

- (i) All the Involuntary resettlement activities in connection with the expropriation for the public and the State needs must be consulted with the centralized fund that was established under the Cabinet of Ministers to compensate for the LAR activities.
- (ii) LAR Implementation can be carried out only after meaningful consultation with PAPs (residents and business entities) and valuation of compensation, and payment of the value of demolished buildings at replacement cost;
- (iii) Inappropriate/illegal issuance of the administrative documents by the respective authorities to residents and business entities will be firstly compensated by the special budget of the local respective authorities and sooner the compensation will be reimbursed by the guilty person who issued that document;
- (iv) Starting from August 5, 2019, all the LAR activities in connection with the expropriation for the public and the State needs shall be carried out in 3 stages. 1st stage includes that all the LAR documents shall be submitted to the Cabinet of Ministers (), 2nd stage includes the issuance of conclusion by the responsible persons at, and in 3rd stage, the prepared conclusions shall be submitted to the Prime Minister for review and issuance of final decisions.

143. In general, this Order fully complies with the ADB's SPS 2009 on Safeguard Requirements - Involuntary resettlement in regard to public consultation, compensation at replacement cost and provision of relocation costs. This Order clearly states that all the inappropriate documents that made property owners as illegal owners will be compensated as well. However, one discrepancy includes that property owner without any document (squatter) is not subject to compensation.

No. 10: Resolution of Cabinet of Ministers № 1047 (26 December 2018)

144. This full name of the resolution is called as "On the procedure for the formation and use of funds of centralized funds for the compensation to affected individuals and legal entities for the expropriation of land for the state and public needs." This resolution appoints Republican Centralized Fund (RCF) under the Cabinet of Ministers for calculation and distribution of compensation during the involuntary resettlements to affected households and affected entities. Involuntary resettlement can be done only for the public and the state needs. RCF will be responsible for the Governmental level and internationally funded projects. This resolution sets the procedure of compensation payments to affected physical and legal entities. The Supervisory Board under RCF has the right to decide, and the decisions are compulsory to execute. The Board will also monitor the allocation of funds to AHs during the resettlement implementation period. Local managing bodies (i.e., hokimiyats) should start the process by inquiring to RCF on the distribution of necessary funds for LAR. The Board will review this application, and the appropriate decisions will be accepted. Regional hokimiyats issue the Decree on the allocation of compensation based on the RCF's decision. The Decree serves as a legal instrument to provide compensation to affected physical and legal entities.

No. 11: Presidential Decree 5421 (20 April 2018)

145. The decree announced a one-time nationwide campaign for recognition of the ownership rights to the residential premises that were built illegally or built without proper documentation. The campaign ended on May 1, 2019.

146. To be eligible for the campaign and legalize ownership right to an illegally built or without a building permit structure following conditions shall be fulfilled:

- (i) The building should be built before the adoption of this Decree;
- (ii) A land plot or part of the land plot is not located on land which cannot be realized for housing purposes. These lands include the safety zones, protected areas, military zones;
- (iii) Shall meet requirements of urban planning norms and rules, as well as its possession will not violate the rights and legally protected interests of other persons or pose a threat to the lives and health of citizens.
- (iv) Specific cases in which the non-titled buildings cannot be recognized by the Cabinet of Ministers of the Republic of Uzbekistan.

147. Recognition of the non-titled rights to buildings is carried out by the decision of the hokim of the district (city) on the recommendation of the Commission after paying a one-time fee in the amount of five times minimum wages.

148. After legalization, the owner is granted a lifelong inheritable possession right to the land plot (part of the plot) on which the building was erected. The size of the legalized land shall not exceed the limits established by law. The legalization will be carried out without imposing a fine to the owner that was foreseen by Article 121 of the Tax Code of the Republic of Uzbekistan (see 5.2.12 Tax code).

No. 12: Decree #PF-6243 of the President of the Republic of Uzbekistan of June 8, 2021: "On the measures of the equality and transparency in land relations, reliable protection of land rights and making them market assets"

149. Under the given Decree, since August 1, 2021:

- (i) The procedure for allocating the land plots by virtue of the perpetual inheritance, permanent ownership and temporary use rights has been abolished, while the same rights have been preserved for the owners for the land plots allotted in the past under the law;
- (ii) In case of transferring the ownership of the real estate legally built on a rented land plot to another person under the law, in addition to the ownership right for the given object, the new owner will also receive the right to use the land plot;
- (iii) An agricultural land plot is allocated only on the basis of the relevant outcomes of open e-tenders. The tender is open to all persons producing agricultural products. The results of the tender are approved based on the decision of the Council of Ministers, the Council of Ministers of the Republic of Karakalpak and hokims of the regions and Tashkent;
- (iv) A non-agricultural land is sold through an electronic online auction based on the rights of ownership and lease;
- (v) Based on the right of permanent use, by the decision of the Council of Ministers of the Republic of Karakalpak and hokims of the regions and the city of Tashkent, the land plots are given to the state organizations for the state or public needs; and
- (vi) In the course of the implementation of state projects, the land plots are handed over to the state organizations under the right of permanent use. These plots may be subsequently leased by the owner to a private partner, as well as to profit organizations and other organizations of civil society for the term period specified by the contract.

No. 13: Resolution # 543 Cabinet of Ministers of Republic of 27 August 2021: “On the Approval of the Administrative Regulations for the provision of Permanent use of land for state and Public needs”

150. The regulation was developed in accordance with the requirements of Decree #PF-6243 of the President of the Republic of Uzbekistan of June 8, 2021: “On the measures of the equality and transparency of land cultivation, reliable protection of land rights and making them market assets.”

151. The regulation defines the procedure for allocating the land plots for permanent use for state and public needs. The land plots are allocated on the basis of the right of permanent use of state bodies, institutions, enterprises and citizens’ self-governing bodies by the decision of the Council of Ministers of the Republic of Karakalpakstan, regional hokims and the administration of the city of Tashkent.

No. 14: Tax Code

152. The Tax Code (TC) is a regulatory framework for taxation related matters of individuals and legal entities. This law regulates compensation for a vulnerable group of people regarding applying for discounts or exemption from property taxes, income tax and other taxes stipulated in this TC.

153. By article 121, the use of entire land plot or expanding the territory without documents or illegally is subject for sanctions in the amount equivalent to:

- (i) Four times of land taxes for legal entities,
- (ii) Three times of land taxes for physical bodies.

No. 15: Labor Code and Employment Law

154. These two documents are central legislation regulating labor relations of individuals employed with labor contract by enterprises, institutions, organizations of all type ownership forms, including contracted by individuals. These legislations are considering interests of employees and employers provide the efficient function of the labor market, just and secure labor conditions, protection of labor rights and employees health, promote the growth of labor productivity, an increase of work quality, rising on this matter welfare and social livelihood level of the population.

155. Both ADB policy and the Uzbek law provide for the indemnification of APs who lose a job because of land/assets acquisition under a public interest project. The two, however, differ substantially on how the matter is conceptualized and resolved in practice. ADB policy compounds the case as an income rehabilitation issue and thus requires that the actual job income lost by the APs is fully reimbursed to them. This approach covers temporary and permanent job losses and is generally implemented through an allowance providing the APs their declared monthly salary (what should be substantiated by the supporting documents) for the number of months of business stoppage up to a maximum of 12 months which is the benchmark for permanent job loss. For informal permanent jobs without declared salaries, the approach is the same but based on the national minimum wage. To guarantee proper policy application the payments of the job loss allowances are to be directly disbursed to the APs by the project proponent.

156. The national legislation, instead, limits the matter to the payment as mandated by the Labor Code of fixed employment termination indemnities due by an employer to his employees and to the obligation of the project proponent to reimburse the employer of the cost of those indemnities mandate by the Civil Code. Such an approach excludes from job loss compensation informal employees without a declared salary, applies only to permanently affected jobs and does not automatically guarantee that the APs receive their job termination dues.

No. 16: Presidential Decree “On measures on major improvement of the investment climate in the Republic of Uzbekistan” dated on 1 August 2018 #5495

157. The decree “On measures on cardinal improvement of the investment climate in the Republic of Uzbekistan” regulates that the seizure of land for state and public needs is allowed only after an open discussion with interested parties whose land plots are confiscated. It also sets that demolition of residential, industrial premises, other structures, and structures belonging to individuals and legal entities and seizure of land is allowed after the full compensation of the market value of immovable property and losses caused to owners in connection with such seizure.

No. 17: The resolution of COM “On the approval of the rules of protection of power transmission facility objects dated 26.12.2018 # 1050

158. This resolution defines safety zones for power transmission lines both horizontally and vertically. This resolution applies for all infrastructures and facilities in relation with power up to 500 kV.

No. 18: KMK 2.10.08-97 – Land allocation norms for power transmission lines 0.4 – 750 kV

159. This set of norms regulates the land allocation for the temporary and permanent period during the construction of transmission lines.

No. 19: Law on Valuation Activity

160. The Law on Valuation Activity (No. 811-I dated August 19, 1999, amended in 2017) stipulates regulations related to the implementation of valuation activities. Valuation of assets, including real estate, business, etc., is carried out based on this law and government standards, departmental regulations and other provisions of national legislation.

161. The sequence of legal acts and their content characterize the state and public understanding of the theory and practice of market valuation. This is confirmed by several definitions and norms stated in the Law on Valuation Activity. For example:

- (i) "Valuation activity is the activity of a valuation organization aimed at determining the cost of valuation," and
- (ii) "Valuation organization" - a legal entity licensed to carry out valuation activities. The valuation organization is independent in its activities. Client services (hereinafter referred to as the Client) or other interested parties do not interfere with the organization's valuation activities. Creation of a valuation organization and the implementation of valuation activities by state bodies and administrations is prohibited, unless otherwise provided by law."

162. Although valuation activities are carried out by independent organizations (private companies with certified valuers), the state plays an important role in regulating valuation activities. The State Asset Management Agency is responsible for (i) development and approval

of regulations, including property valuation standards, (ii) licensing of valuation activities, (iii) certification of expert valuers, as well as organization of their training and professional development.

163. The Society of Valuers of Uzbekistan protects the rights of valuers, increases their capabilities, upon request, requests an independent expert opinion to verify the conclusions of the valuation report, etc.

No. 20: The Law “About Tomorka (Subsidiary Farming)” No. ZRU-681 dated 1 April 2021

164. According to this law, “tomorka” farming is an activity related to cultivation of agricultural produce on individual “tomorka” land plot for family needs or for sale. Tomorka farming is not a business activity. Official registration is not required for such activity. An individual “tomorka” land plot is a land allocated for implementation of subsidiary farming activity or construct a private house. The following types of lands can be used for the implementation of “tomorka” activity:

- (i) agricultural land plots, forest lands and lands of residential settlements which had been allocated to people before adoption of this Law on the basis of lifelong inherited right possessing for growing agricultural produce for the needs of a family or for sale (usually less than 0.06 hectares); and
- (ii) land plots allocated to people based on lifelong inherited right possessing for housing construction (residential land plot where a family can use an area free from residential structures for agricultural activity).

165. This law does not cover privatized residential lands and lands of dehkan farms. Record of tomorka land plots is carried out by makhallas in special “Tomorka Lands Register Book” based on information voluntarily provided by tomorka land users. And Tomorka land user can pay social tax on voluntary basis. Such tax is paid for one year. After payment of the social tax one year, work record will be generated.

No. 21: The Law on Procedures of Land Acquisition for Public Needs, No. ZRU-781, 29 June 2022

166. This law, which became effective on 25 August 2022, regulates the acquisition and compensation for land plots which are used by individual persons and legal entities based on the right of lifelong inherited possession, permanent possession, permanent use, temporary use or lease. The law does not relate to private lands of individual persons and legal entities. And, if there is international agreement between the Government of Uzbekistan and a foreign entity, the land acquisition procedures will follow the procedure mentioned in the international agreement. This law defines “public needs” as the following:

- (i) provision of land for the needs of defense and state security, protected natural areas, creation and functioning of free economic zones, free trade zones;
- (ii) implementation of obligations arising from international treaties of the Republic of Uzbekistan;
- (iii) exploration and development of mineral deposits (with the exception of deposits of common spread minerals);
- (iv) construction (reconstruction) of roads and railways of national and local significance, airports, airfields, air navigation facilities and aviation technology centers, railway transport facilities, bridges, subways, tunnels, engineering facilities and lines of the

- energy and communications system, space activities, trunk pipelines, engineering and communication networks, irrigation and reclamation systems;
- (v) implementation of approved master plans of settlements in terms of construction of facilities at the expense of the State Budget of the Republic of Uzbekistan; and
- (vi) implementation of projects involving construction of buildings and structures of state education, health, culture and medical and social services institutions specified in government's investment programs at the expense of centralized investments. Acquisition of land plots for any other purposes with interpretation as for public needs is prohibited.

167. Main principles to be followed during acquisition of lands for public needs (Article 5) (i) legality, (ii) priority of ownership rights, (iii) openness and transparency, and (iv) guarantee of compensation. This law allows retention of salvage materials by the affected households.

No. 23: About Privatization of Non-Agricultural Lands, No. ZRU – 728 dated 15 November 2021

168. This law allows acquisition of private land for public needs only through purchasing a private land plot and only with written consent of the private landowner. The mechanism is to purchase land plots through a contract agreement made between province level hokimiyat and a landowner. Acquisition of private land is allowed only after 100% payment of amount agreed in a contract to AP. Private land plots owned by legal entities and individuals can be purchased and acquired for public needs only after conducting open discussions with owners of the private land plots as well as discussion and agreement with the Ministry of Finance. During open discussions with APs a contract amount and conditions of private land purchase shall be discussed. Disputes between APs and hokimiyats shall be settled in a court.

169. The purchase of private land for public needs is allowed only for the following purposes:

- (i) provision of land for the needs of defense and state security, protected natural areas, creation and functioning of free economic zones, free trade zones;
- (ii) implementation of obligations arising from international treaties of the Republic of Uzbekistan;
- (iii) exploration and development of mineral deposits (excluding deposits of commonly spread minerals);
- (iv) construction (reconstruction) of roads and railways of national and local significance, airports, airfields, air navigation facilities and aviation technology centers, railway transport facilities, bridges, subways, tunnels, engineering facilities and lines of the energy and communications system, space activities, trunk pipelines, engineering and communication networks, irrigation and reclamation systems;
- (v) implementation of approved master plans of settlements in terms of construction of facilities at the expense of the State Budget of the Republic of Uzbekistan; and
- (vi) implementation of projects for construction of buildings and structures of public education, health, culture and medical - social services' institutions specified in government's investment programs to be funded through centralized investments.

No. 23: Resolution of the President of Uzbekistan “On Measures to Reliably Protect the Inviolability of Property Rights, Prevent Unjustified Interference into Property

Relations, Increase Level of Capitalization of Private Property” No. UP-198, 24 August 2022

170. The President's Resolution No. 148 outlines measures to protect the property rights, prevent unjustified interference into property relations, and increase the level of capitalization of private property. The purpose is to (i) create a reliable protection of property rights mentioned during the open dialogue of the President of the Republic of Uzbekistan with entrepreneurs conducted on 22 August 2022, (ii) guarantee the fulfillment of tasks related to elimination the reasons limiting these rights as well as in accordance with the 'Development Strategy of the New Uzbekistan for the years 2022-2026'. Accordingly, the procedures, requirements and restrictions shall be cancelled starting from 1 September 2022 in land use right sphere, in sphere of use of buildings and structures, and vehicles owned by individuals and legal entities on the basis of ownership rights.

171. Moreover, this Presidential Resolution renames “Centralized Fund for Compensation of Losses to Individuals and Legal Entities Due to Acquisition of their Land Plots for Public Needs under the Cabinet of Ministers of the Republic of Uzbekistan” in to “Republican Trust Fund for Compensation of Property Damage Caused to Individuals and Legal Entities under the Cabinet of Ministers of the Republic of Uzbekistan” (hereinafter – republican compensation fund).

B. ADB Resettlement Related Policies

1. Safeguards Policy Statement

172. The objectives of the ADB's SPS with its three safeguard requirements - environment, involuntary resettlement (IR) and indigenous peoples - are to avoid adverse impacts on people and environment. The SPS requirement No. 2 concerns IR. ADB's SPS provides under Chapter V “Safeguard Policy Statement, Table 2” the IR requirements as extracted in **Table 17**.

2. Policy on Indigenous Peoples

173. The objective of SPS requirements on Indigenous Peoples is to design and implement projects in a way that fosters full respect for indigenous peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the indigenous peoples themselves so that they (i) receive culturally appropriate social and economic benefits, (ii) do not suffer adverse impacts as a result of projects, and (iii) can participate actively in projects that affect them.

Table 17: SPS Involuntary Resettlement Safeguards

ADB – SPS - IR Requirements	
Objectives: To avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.	
Scope and Triggers: The involuntary resettlement safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. It covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.	
Policy Principles	
1	Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, incl. a gender analysis, specifically related to resettlement impacts and risks.

ADB – SPS - IR Requirements	
2	Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
3	Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
4	Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
5	Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
6	Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
7	Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of nonland assets.
8	Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
9	Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
10	Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
11	Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the RP under close supervision throughout project implementation.
12	Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of IR monitoring. Disclose monitoring reports.

3. Policy on Gender and Development - 2006

174. The ADB Policy on Gender and Development (2006) adopts gender mainstreaming as a key strategy for promoting gender equity, and for ensuring women participation and that their needs are explicitly addressed in the decision-making process for development activities. For

projects that have the potential to have substantial gender impacts, a GAP is prepared to identify strategies to address gender concerns and the involvement of women in the design, implementation and monitoring of the project. The project includes the following specific actions to address gender issues:

- (i) Both men and women participated in public meetings during consultation on the BRP, and the same approach will continue throughout the project cycle, including the DRP stage.
- (ii) Women will be given equal chance in getting hired for skilled or unskilled work and receive equal remuneration for the same work by the men.
- (iii) FGDs with women and vulnerable groups must be conducted during the preparation of the LARP.
- (iv) A separate GAP has been prepared for the project and will be updated.

4. Other IR Related Policies

175. Other ADB policies on resettlement planning and implementation are the Access to Information Policy (2018) and Accountability Mechanism Policy (2012).

C. Reconciliation of Government and ADB Policies to Framework Principles

176. In general, the main principles of the government policies on land acquisition, compensation, assistance, resettlement, consultation, information dissemination, disclosure and grievance redress those reflected in ADB's SPS (2009). **Table 18** provides a gap analysis of selected Uzbek legal resettlement requirements and ADB social safeguard regulations. Where issues arise relating to compensation and assistance of APs that have not been specifically reconciled, the option most favorable for AHs shall prevail. Where gaps or inconsistencies are noted between the government's laws, regulations and procedures relating to land acquisition and involuntary resettlement and ADB's SPS (2009), they will be addressed as agreed in this RF.

Table 18: Comparison of LAR Provisions between ADB Policy and GOU National Legislation

Issues	ADB's SPS (2009) and ADB's practice (as applied in Uzbekistan)	Republic of Uzbekistan	Reconciliation Needs
Livelihood rehabilitation	ADB's involuntary resettlement policy requires rehabilitation and improvement of AP's livelihood standards.	Notion of livelihood rehabilitation not sanctioned by national law.	No policy reconciliation needed. Application already reconciled in previous ADB projects. Moreover, the Resolution of the President No. 3857, dated 17 July 2018 requires compensating in accordance with the provisions of the international funding agencies.
Compensation entitlements	A. APs with formal title have to be compensated for lost land/other assets. B. APs with legalizable title have right to be compensated for lost land and assets after the	A. APs with formal title are compensated for lost land/other assets. B/C. APs with legalizable or no legal title. Legalizable are not distinguished and considered nonlegal as legalization is a burden of	A. Same in principle/application. No reconciliation needed. B/C. Critically different in principle and application. However, application already reconciled in previous ADB projects. Moreover, the Resolution of the President No.

Issues	ADB's SPS (2009) and ADB's practice (as applied in Uzbekistan)	Republic of Uzbekistan	Reconciliation Needs
	<p>EAs helps them in legalizing their assets.</p> <p>C. APs with no legal title are compensated for lost non-land assets.</p>	<p>the APs. Non-legal APs have no right to be compensated for land and non-land assets.</p>	<p>3857, dated 17 July 2018 as well as the new law No. ZRU-781, 29 June 2022, require compensating in accordance with the provisions of the international funding agencies.</p>
Compensation	<p>Permanent loss of land. Replacement land as preferred option or cash compensation at replacement cost.</p> <p>B. Loss of structures/ buildings. Cash compensation at replacement cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>C. Business losses and loss of jobs. - Reimbursement of actual losses.</p> <p>D. Loss of trees, crops, and other improvements: irrespective of legal land occupancy status compensation at replacement cost.</p>	<p>A. Permanent loss of land. Replacement land for legal APs.</p> <p>B. Loss of structures / buildings. Cash compensation at replacement cost for lost item free of depreciation, transaction costs, and other deductions.</p> <p>C. Loss of business and jobs. - Cash compensation at market value for all damages / opportunity costs incurred. Burden of proving opportunity costs rest on the AP based on recognized documented evidence but no clear methodology. - Loss of employment is to be compensated with 2 months' average salary plus a severance pay of a maximum of 1 month average salary depending on the length of the employment lost. All losses (including real damage, lost profits) are to be compensated.</p> <p>D. Loss of unproductive and productive trees and crops. There are different approaches using evaluation of unproductive and productive trees and crops. Compensation for lost trees / uncompleted agriculture</p>	<p>A. Same in principle / application for legal APs. No reconciliation is needed as the new law No. ZRU-781, 29 June 2022 allows the compensation all non-land losses of legalizable and non-legal APs.</p> <p>B. No reconciliation of principles and application needed.</p> <p>C. Same in principle but ADB does not consider opportunity cost. Application has been already reconciled on a case-by-case basis for previous projects. Moreover, the Resolution of the President No. 3857, dated 17 July 2018 requires compensating in accordance with the provisions of the international funding agencies.</p> <p>D. Same in principle, different in application. Already adjusted for previous ADB projects. Moreover, the Resolution of the President No. 3857, dated 17 July 2018 requires compensating in accordance with the provisions of the international funding agencies.</p>

Issues	ADB's SPS (2009) and ADB's practice (as applied in Uzbekistan)	Republic of Uzbekistan	Reconciliation Needs
		production is separated from compensation for lost profits.	
Planning, assessment and valuation of impacts	A. Resettlement Plan (LARP). LARP preparation includes: a) impacts assessment (Measurement and inventory survey), AP census and socio-economic survey, valuation survey; b) definition of entitlements, income / livelihood restoration strategy, grievance redress mechanism, institutional arrangements; c) consultation and information disclosure; d) monitoring schemes; e) LARP budget and implementation schedule.	A. Resettlement Plan. There are no requirements to prepare integrated and stand-alone LARPs. LAR planning entails similar but less extensive / simpler assessment / survey efforts than ADB's policy requirements.	A. Partly different in principle and application. The relevant national laws/regulations are not explicit on this matter, but the SPS requirements have been already applied in previous ADB projects. The country has valuation requirements by licensed valuation firms, and there is a legal requirement for consultations and grievance redress. Moreover, the Resolution of the President No. 3857, dated 17 July 2018 requires compensating in accordance with the provisions of the international funding agencies.
Procedural mechanisms	A. Information disclosure. Resettlement-related documents to be timely disclosed in the AP language. B. Public consultation. Meaningful public consultations are to be held with the APs. APs should be informed about their entitlements and options, as well as resettlement alternatives. C. Grievance procedure. A Grievance Redress Mechanism (GRM) is to be established for each project. Information on GRM to be communicated to the APs D. Asset acquisition conditions. Property can be acquired only after	A/B. The provision in the new Law on Procedures of Land Acquisition for Public Needs, No. ZRU-781, 29 June 2022 regarding open discussions is consistent with SPS, policy principle 2 on carrying out meaningful consultations with the AP. C. Grievance Procedures. Each state agency / ministry must follow to detail instructions (approved by government) on registering and reviewing the concerns and claims from citizens. D. Asset acquisition conditions. Property can be acquired only after full	A. No reconciliation is needed. C. No reconciliation is needed. D. Same in principle and application.

Issues	ADB's SPS (2009) and ADB's practice (as applied in Uzbekistan)	Republic of Uzbekistan	Reconciliation Needs
	full compensation is paid to the APs	compensation is paid to APs	
Assistance to vulnerable AP	These APs are to be identified and special assistance is provided to restore/ improve their pre-project level of livelihoods.	There are no special laws or regulations for livelihood restoration due to land acquisition and involuntary resettlement impact. However, there are a number of legislative documents related to social support and livelihood improvement measures implemented by the government of Uzbekistan to consider social allowances for the needy families, such as Regulation No. UP-6277 (11 August 2021), resolution of Cabinet of Ministers No.122 (5 March 2021), Law No. ZRU-641 (15 October 2020). Thus, support of vulnerable segments of the population is provided on a regular basis by the Government at central and local levels.	Same in principle but different in application. Already reconciled for ADB projects.

177. In dealing with externally financed projects, the Government of Uzbekistan has adapted on a project-by-project basis the resettlement policies of donors under consideration of Uzbek laws. Based on the guiding Uzbek and ADB resettlement key references as described in this RF, the HIPEP has defined its key principles as shown in **Table 19** aiming at LAR objectives the subprojects shall achieve. The project's resettlement component is understood as an initiative for more social safeguards related to the rights of project affected citizens in respect of their livelihoods, possessions and living standards, so that they are not made worse off due to the proposed project. Should AHs be found to be non-titled and required to relocate, the project will ensure they are provided with replacement land at no cost to the AHs, or cash sufficient to purchase replacement land.

178. The main differences between the land related laws of Uzbekistan and ADB's SPS 2009 are outlined in the following table. However, it is noted that due to the introduction of a specific legislation in 2018, the Presidential Resolution # 3857 "On measures to Improve the Effectiveness of Development and Implementation of Projects With the Participation of International Financial Institutions (IFIs) and Foreign Governmental Financial Organizations (FGFOs)," which requires preparing and implementing projects funded by International Financial Institutions (IFIs) according to their requirements as well as carrying out meaningful consultations, all gaps have diminished.

Table 19: Agreed Resettlement Key Principles for HIPEP

No.	Topic	Description
1	Limiting impacts	Impacts on land, structures and other assets and incomes shall be avoided and/or minimized by exploring all alternative options.
2	Entitlement and Eligibility of Affected Owners/Users	APs working and cultivating project land as of the completion date of the census and detailed measurement survey will be entitled to compensation and/or rehabilitation assistance for improving, or at least maintaining their pre-project living standards and productive income.
3	Compensation for Affected Persons and/or Affected Households	All compensation will be based on the principle of replacement cost (free from taxes, registration and land transfer costs) based on replacement cost study conducted by independent agency and at current market price.
4		The process and timing of land and other asset acquisition will be determined in consultation with APs to minimize disturbance.
5	Consultation and Participation of AHs/APs	APs will be informed and consulted about the project, the rights and options available to them and proposed mitigating measures. The comments and suggestions of APs and communities will be taken into account.
6		The key information in the LARP, such as measurement of losses, detailed asset valuation, detailed entitlements, grievance procedures, timing of compensation payments and prioritized reallocation of horticulture land will be disclosed to APs in a timely manner and in an understandable form.
7	Free Access to Grievance Redress Mechanism	There will be effective mechanisms for hearing and resolving grievances during updating and implementation of the LACP without impeding access to the country's judicial or administrative remedies. Grievance redress mechanisms will include representation from the APs, especially women, minority ethnic groups, and other vulnerable groups.
8	LARP Budget	Adequate budgetary support will be fully committed and made available to cover compensation costs within the agreed implementation period.
9	Monitoring and Evaluation	Internal and external reporting, monitoring and evaluation mechanisms will be identified and set in place.

VIII. ENTITLEMENT, ASSISTANCE AND BENEFITS

A. Eligibility and Categories of Affected Persons

179. In general, the subproject defines eligibility as *“those people residing, cultivating and/or making a living within the area to be acquired for the project as of the formally recognized cut-off date should be considered as project affected persons for the purposes of entitlements to compensation, resettlement and rehabilitation assistance in accordance with the provisions of laws and regulations. Lack of legal land use certificate or any acceptable proof indicating land use right to the land or structure affected by the project should not bar any person from such entitlement/assistance”*. In accordance with this definition for the purpose of LAR planning the project includes affected people as shown in **Table 20**.

Table 20: Project Categories of Affected Persons

No.	Categorized APs/AHs
1	Persons/ households whose agricultural, residential, or commercial land is in part or in total affected (temporarily or permanently) by the subproject
2	Persons/households whose houses and other structures are in part or in total affected (temporarily or permanently) by the subproject
3	Persons/ households whose businesses or source of income (i.e. employment) are affected (temporarily or permanently) by the subproject

No.	Categorized APs/AHs
4	Persons/households whose crops (annual/perennial) and trees are affected by the subproject
5	Persons or households who stand to lose access to common property resources and community assets (temporarily or permanently) due to the subproject

B. Entitlement Key-Requirements

1. Cut-off Date

180. All APs who are identified in the project-impacted area at the cut-off date will be entitled to compensation for their affected assets and measures sufficient to assist them to improve their income-earning capacity and production levels. The cut-off date is normally set by host government procedures to establish displaced persons who are eligible to receive compensation and resettlement assistance by a project. The aim is not to inflict losses on people. In Uzbekistan, according to the procedures, there is no regulation on cut-off date. Therefore, following ADB's guidance, in this updated LARP the cut-off date for eligibility of receiving compensation is determined to be the last day of the project census of the AHs.

181. A preliminary census was conducted during December 2022. It will have to be reviewed during subproject implementation in connection with technical surveys and a verification of the DED. AHs will have to be informed in advance about LAR activities, which includes the cut-off date at DED stage as it represents the final day for verification of status of APs during the updated and final DMS and SESA where land requirement will be confirmed. Such an asset census shall be undertaken concurrently with the engineering survey and would be the cut-off date for entitlements under the subproject. Those who encroach into the subproject area after the cut-off date will not be entitled to compensation or any other mitigation, unless there has been a change in subproject design.

2. Compensation and Valuation of Assets

182. Entitlements for each AH are based on types and levels of losses for entitled compensation. Entitlements are based on the principles and policies on compensation, mitigation and other criteria. Compensation for permanently affected assets will be based on the principle of replacement cost. For temporary land impacts, no compensation for loss if returned to the owners and users to pre-project condition, and the land restored to pre-project condition. Any loss of income generated on the temporarily acquired land must be compensated. If the land is not returned and restored, the AP will receive compensation at replacement cost for the land.

C. Specific Entitlement Conditions of the Subproject

79. As part of the LAR fieldwork a preliminary DMS and SESA were carried out and an IOL prepared under **Annex 2**. All compensation estimates and assistance to be provided for these subprojects are based at the replacement cost. They are described in the proposed entitlement matrix (EM) under **Table 21**, which sets the eligibility and entitlement provisions. This preliminary EM is subject of review and updating when completing the implementation ready Final LARP. At that stage official valuating authorities/companies will be involved

1. Land

183. Land ownership in Uzbekistan is confined to the State. Land user rights are allocated by the relevant government authority to entities of different categories including cooperatives, clusters, companies, state owned enterprises, private entities and individuals. Agricultural land

user rights are allocated for up to 49 years. Those with formal land user rights are authorized to transfer user rights through inheritance but the original term of use will remain unaltered.

184. Two locations were identified by the Kitob district administration where the large-scale development has been proposed. Initially these were presented as unallocated and unused government land even though they had clearly been used for rainfed winter wheat by local land use right holders. This was subsequently confirmed through the reconnaissance visit of the TRTA resettlement team to the sites in Oct. 2022. The required land for the Tupchoq table grape/raisin subproject contains 67.6 ha from seven AHs with 45 APs while the Varganza pommegranate subproject concerns 100 ha from 4 AHs with 22 APs. This totals to 167.6 ha from 11 AHs with 67 APs. An additional 32.4 ha is not used state reserve land located in the Tupchog vineyard site. In total the two subprojects will develop an estimated 200 ha. The land-related compensation of permanent loss of land takes into calculation the full 167.7 ha affected by the two subprojects. The 11 AHs confirmed in individual consultations that they practice a bi-annual utilization rotation of their arable land, meaning 50% of the area (83.8) they use for annual rainfed cultivation. This means for the 11 AHs that the compensation approach is in their favor by compensating not half but the full area leading to “double income” for the applied period of four years.

2. Structures

185. There are no cases of loss of houses or other structures to report.

3. Crops and Trees

186. Concerning crops, the loss of rainfed wheat has been included in the compensation package. This concerns all 11 AHs.

187. With regard to trees, the AHs confirmed that there would be no loss of planted fruit trees or timer trees.

4. Livelihood and Income

188. In general, loss of income would relate to the loss of business income and the loss of income from agriculture. However, the 11 AHs are not using their rainfed cultivated plots for business reasons rather than for domestic consumption. There have been no cases of agricultural workers reported, so that no loss of agricultural jobs or employment occurs as a result of the land acquisition.

5. Allowance for Severely Affected Households

189. Applying the project definition of severely affected persons, there are nine AHs who will experience a loss of productive assets, specifically passing the 10% margin. For these cases the entitled one-time additional allowance equivalent to 5 times of the “Basic Estimated Value” which currently stands at UZS 1,500,000 has to be considered project specific. These AHs can alternatively also opt for the additional re-allocation of 0.25 ha developed orchard instead of an in-cash allowance.

6. Allowance for Vulnerable Affected Households

190. The SESA confirmed that there are no vulnerable AHs applying the Project definition of vulnerable groups. Therefore, no allowances have to be provided. The mahallas and village assembly of citizens maintain a record of all households in the communities and will be tapped in identifying and certifying vulnerable households. In addition, AHs will not become vulnerable, because of the subproject. Furthermore, these AHs will not suffer disproportionately and/or will not face the risk of being further marginalized due to the subproject. There are no cases occurring

requiring income restoration or special assistance. There is no need to bridge a gap covering period of vulnerability to manage livelihood. External and internal safeguards monitoring will have to continuously verify this topic in particular in combination with any unforeseen impacts.

7. Unanticipated Impacts and Unforeseen Losses

191. Such impacts and losses are not known but would have to be reacted upon through compensation, if the subproject would lead to such cases.

Table 21: Subproject Applied Entitlement Matrix

Code	Specification		Eligible Person	Entitlement
	Type	Loss		
A. Land				
A-1.1	Agricultural Land (agriculture, pasture, orchard, forestry, others)	Permanent	<ul style="list-style-type: none">All leaseholders with time-bound land use rights;All leaseholders with lifelong inheritable or officially recognized possession.PROJECT CASES EXPECTED: 11 AHs	<ol style="list-style-type: none">Monetary Compensation at replacement cost by providing compensation for loss of land use rights equivalent to 4 years of the net average income of the past 3 years (of the affected annual crops).Unaffected portions of an affected arable plot will also be compensated if the same becomes unviable after impact.Transaction cost, registration fee, related to new plot allotted will be borne by executing/implementing agencies;Independent valuator will be engaged during implementation phase when land acquisition will be based on DED and detailed scope of impacts can be defined.
A-1.2		Temporary	<ul style="list-style-type: none">Any potential affected householdPROJECT CASES: 0 AHs	<ol style="list-style-type: none">Monetary Compensation at replacement cost by providing compensation for loss of land use rights equivalent to temporary period years of the net average income of the past 3 years (of the affected annual crops.);Unaffected portions of an affected arable plot will also be compensated if the same becomes unviable after impact.
A-1.3			<ul style="list-style-type: none">Unregistered users without lease but willing to pay unpaid land taxes to become a leaseholder.PROJECT CASES: NOT EXPECTED	<ol style="list-style-type: none">Same as under A-1.1 and A-1.2
A-1.4			<ul style="list-style-type: none">Non-titled or non- legalizable affected land user.PROJECT CASES: NOT EXPECTED	<ol style="list-style-type: none">No compensation related to land.However, to private assets on such affected land.
A-2	Residential		<ul style="list-style-type: none">All leaseholders with time-bound land use rights;All leaseholders with lifelong inheritable or officially recognized possession.PROJECT CASES: NOT PROBABLE AS SITES SHOULD EXCLUDE RESIDENTIAL AREA.	<ol style="list-style-type: none">In-cash compensation at market replacement cost to be determined by the Independent Valuer; OrIn-kind compensation by land for land through provision of a plot comparable in value/location and with similar quality/productivity to the plot lost including services (or compensation to provide such services) to plots lost with registration and transfer charges if any to be borne by the hokimiyat region and districts at the expense of the relevant centralized fund and other sources not prohibited by law.Unaffected portions of a plot will also be compensated if they become unviable after impact occurs.
A-3	Residential cum commercial			

Code	Specification		Eligible Person	Entitlement
	Type	Loss		
				<p>4. All mandatory fees for registering the land, completion of required house design, surveys, acquiring permission for construction under the affected household name and any other related costs will be paid by the executing/implementing agencies.</p> <p>5. Independent valuator will be engaged during implementation phase when land acquisition will be based on DED and detailed scope of impacts can be defined.</p>
B. Structure				
B-1	Secondary structure including but not limited to fixed and moveable assets: fence, shelter, wells, pumps,	Fully or partly	<ul style="list-style-type: none"> Owner of the structure with recognized or recognizable proof with or without building permit. <i>PROJECT CASES: POSSIBLE, BUT CURRENT STAGE: 0 AHS.</i> 	<p>1. For entirely affected structures that will be completely destroyed:</p> <p>(i) In-cash compensation based on replacement market price that include costs of materials, materials transport and labor to build a structure of similar size and quality;</p> <p>or</p> <p>(ii) In kind compensation through structure-for-structure replacement with similar quality.</p> <p>2. In case of partial impacts on structures (structure wall, fences, etc.), monetary compensation at replacement rates to restore the remaining structure.</p> <p>3. Unaffected portions of the structure will be compensated as well, also at replacement value if they become unusable after impact.</p> <p>4. Compensation at inventory cost for affected structure/fixed assets free of depreciation and transaction cost.</p> <p>5. Owners must have right to salvage materials with no deduction from the compensation.</p> <p>6. Independent valuator will be engaged during implementation phase when land acquisition will be based on DED and detailed scope of impacts can be defined.</p>
B-2	Primary productive structure	Fully or partly	<ul style="list-style-type: none"> Owner of the structure with recognized or recognizable proof with or without building permit. <i>PROJECT CASES: NOT EXPECTED</i> 	<p>1. Same as under B-1.</p> <p>2. Minor loss for structures which are only demolished to an extent that allow further use:</p> <p>(i) In-cash compensation based on replacement market price that include costs of materials, materials transport and labor to build a structure of similar size and quality; and/or</p> <p>(ii) In-kind compensation through restoring remaining building, rebuilding the affected portion as new extension of the existing house or as separate structure in the premise.</p>

Code	Specification		Eligible Person	Entitlement
	Type	Loss		
B-3	Primary residential structure	Fully or partly	<ul style="list-style-type: none"> Owner of the structure with recognized or recognizable proof with or without building permit. <i>PROJECT CASES:</i> NOT PROBABLE AS SITES SHOULD EXCLUDE RESIDENTIAL AREA. 	<ol style="list-style-type: none"> Same as under B-2. To ensure same but preferably better access to standard infrastructure for water supply and sanitation facilities, electricity and gas, telecommunications or road and others.
C. Crops and Trees				
C-1	Crops		<ul style="list-style-type: none"> Owner. <i>PROJECT CASES EXPECTED:</i> 11 AHS. 	<ol style="list-style-type: none"> Advance notice to harvest the crops. Schedule of construction to avoid crop season. Cash compensation at replacement cost for primary (and secondary crops if any) on affected land, based on 1 year of production costs(inputs) plus an allowance equivalent to 1-year average net income based on the average income over the past 3 years. Cash compensation at replacement cost will be determined by a state institute / agricultural department at implementation stage.
C-2	Fruit trees		<ul style="list-style-type: none"> Owner. <i>PROJECT CASES:</i> POSSIBLE, BUT CURRENT STAGE: 0 AHS. 	<ol style="list-style-type: none"> Cash compensation for fruit trees will be based on the average income for past 3 years multiplied by the affected area and multiplied by the number of years to regrow a new tree up to the same productive age. Production costs (inputs) of trees till to cut date. Plus, cash compensation based on the market value of the wood as determined by an evaluation company. Felled trees will be kept by affected owner with no deduction from the compensation.
C-3	Timber trees		<ul style="list-style-type: none"> Owner. <i>PROJECT CASES:</i> POSSIBLE, BUT CURRENT STAGE: 0 AHS. 	<ol style="list-style-type: none"> Cash compensation for timber trees will be based on the market value of dry wood volume defined in an evaluation company report. Felled trees will be kept by affected owner with no deduction from the compensation.
D. Livelihood and Income				
D-1	Loss of income from affected agricultural land		<ul style="list-style-type: none"> Agr. employees / workers losing their contract/work. <i>PROJECT CASES:</i> POSSIBLE, BUT CURRENT STAGE: 0 AHS 	<ol style="list-style-type: none"> Compensation corresponding to their salary (in monetary terms or in kind) for the remaining part of the agricultural year/or contractual period whichever is higher in monetary value. In case of informal agricultural workers (working without any agreement) the allowance to 3 months of minimum wage will be paid.

Code	Specification		Eligible Person	Entitlement
	Type	Loss		
			<ul style="list-style-type: none"> Loss of agr. business. <i>PROJECT CASES:</i> NOT PROBABLE AS SITES ARE NO BUSINESS AREAS . 	<ol style="list-style-type: none"> Cash compensation for the permanent loss of business/income equivalent to 12 months' income. Income to be calculated based on the average net income of the past 3 years to be multiplied by the amount of time the business will be interrupted. In case of transitional/temporary loss of income from a business, cash compensation equivalent to up to 6 months' average income or the period of interruption, whichever is higher. For permanent business income loss, support will be provided to find an alternative viable location for a new business. All affected business holders will be exempted from all mandatory tax for a period of relocation up to 6 months. In cases wherein exemption is not be possible, the tax will be paid by the hokimiyat and/or districts at the expense of the relevant centralized fund and other sources.
D-2	Loss of livelihood		<ul style="list-style-type: none"> Loss of access to income sources and resources. <i>PROJECT CASES:</i> POSSIBLE, AT CURRENT STAGE: 11 AHs. 	<ol style="list-style-type: none"> In addition to compensation for loss of land use and loss of crops there are project specific measures to be verified on individual AH base. <ol style="list-style-type: none"> Priority for employment opportunity; Priority on re-allocation of sub-project developed land to previous land user right holders; In case AHs have no interest in participation in the subproject, then complementary mitigation measures are to be planned in the implementation phase, such as provision of alternatively rainfed land, training in the new developed orchards, others.
E. Severely Affected Households				
E-1	Loss of 10% or more of their productive assets, such as agriculture / aquaculture landholding and/or be physically displaced from housing		<ul style="list-style-type: none"> Any AP experiencing this scope pf impact. <i>PROJECT CASES:</i> POSSIBLE, AT CURRENT STAGE: 9 AHs. 	<ol style="list-style-type: none"> In-cash support: A one-time additional allowance equivalent to 5 times of the "Basic Estimated Value" which currently stands at 1,500,000 UZS, in accordance with proof provided by the Cadaster offices; or In-kind support: An additional 0.25ha to the re-allocated land for those AHs participating in the re-allocation of developed orchards. Access to entitlements under D-2.
F. Vulnerable Affected Households				
F-1	Economic Vulnerability		<ul style="list-style-type: none"> 5 categories: (i) female-headed AH (with dependents); (ii) AH heads with disabilities; (iii) AH falling under the national poverty 	<ol style="list-style-type: none"> Only applies for project caused vulnerable people who would suffer disproportionately of face the risk of being further marginalized. A one-time additional allowance equivalent to 5 times of the "Basic Estimated Value" of 300,000 UZs, which currently stands at 1,500,000 UZS, in accordance with proof provided by the Makhallas.

Code	Specification		Eligible Person	Entitlement
	Type	Loss		
F-2	Social Vulnerability		households; (iv) elderly headed AHs who have no other means of support; (v) indigenous people who would have disadvantages because of their ethnicity, and (vi) landless AH with no other means of support. ▪ <i>PROJECT CASES:</i> <i>POSSIBLE, AT CURRENT STAGE:</i> <i>0 AHs</i>	3. Support payment would be added to other compensation. 4. Access to entitlements under D-2.
G. Unanticipated Impacts and Unforeseen Loss				
G-1	Not expected impact areas			1. There are three impact areas, where the planning of subprojects does not expect impacts: (i) Public and private service provision; (ii) Physical displacement (relocation); and (iii) Access to natural resources 2. Should there nevertheless impacts occurring, then they will be treated in accordance with ADB SPS 2009.
G-2	Unpredicted losses			1. Any unanticipated impacts identified during project implementation will be compensated in accordance with requirements of SPS 2009 and UZB country system requirement. 2. Any unanticipated impacts occurring during pre-construction and construction phases will be mitigated through (i) in-cash compensation at full at replacement cost, or (ii) in-kind replacement at same or better quality, or (iii) a mix of both in-cash and in-kind compensations. 3. In case of damages to land and assets, caused by construction work, compensation has to be provided by the contractor in relation with the above outlined entitlements. 4. Injuries involving persons will be treated differently based on individual cases, mutually agreements and in reference to concerned laws.
H. General Appliances				
H-1	No acquisition of land/assets will be undertaken without justification by the project (i.e., unless or until the land is required by the project).			
H-2	Final details about quantity and quality of affected assets (i) are to be defined through DMS during the Project's implementation phase, (ii) to be confirmed by EA/IAs, (iii) concurred with by AHs, and (iv) clearance of LARP given by ADB.			
H-3	In-cash compensation amounts and allowances will have to be reviewed and updated for the actual year of implementing the LARP.			
H-4	Concerning any type of land, the indicated periods of notification prior to construction have to be reviewed and can be adjusted if necessary.			

IX. RELOCATION OF HOUSING AND RESETTLEMENT

192. It is expected that the subprojects will not cause any relocation of private houses or public utilities providing services. Likewise, there will be relocation of settlements.

X. INCOME RESTORATION AND REHABILITATION

A. Livelihood and Income Measures

193. As a reaction on the impact through permanent loss of agricultural land, the project has a set of measures to mitigate impacts on livelihood and income.

1. Provision of Mitigating Measures for Project Participating AHs

a. Provision of Employment Opportunities

194. Employment-based income generation can in general also include access to temporary job opportunities during the 3-years establishment period through the design and construction contractor, or for contiguous developed areas, or access to permanent employment by the management (site maintenance and operating) contractor entity. Priority for employment by horticulture developer during 3–4-year maintenance phase prior to fruiting would provide a stable livelihood conditions.

b. Provision of Training and Skill Knowledge Transfer

195. A specific interest would be the contracting of AH members and villagers from the nearby communities during these 3-years, as they would gain experience and understanding of the developed horticulture before cultivating their plots on their own responsibility or as specialized labor. In addition, this would lead to “their ownership of the allocated developed plot.” Therefore, technical training by the management contractor is of importance. Similarly, guidance for handing-over of individual plots with confirmed land user right agreements needs to be provided.

c. Priority Participation to the Subproject Benefitting Income Activities

196. Priority allocation of the developed land is the key income restoration and rehabilitation measure. The subprojects will change the land use on the contiguous developed areas from rainfed based cultivation to irrigated horticulture production. Participating farmers receive in-kind agricultural production support for which they must pay back the associated pro-rata development cost as a subloan for subsequent servicing. This approach defines allocation rates depending on the area forfeited for the development compared to the total land area held by the affected household. Participating farmers will receive a 4-year compensation for loss of income of their current net income. The expected increase of income through project supported horticulture will cover the annual payment for the development costs over 7-years and generate higher net-income compared with their rainfed non-irrigated cultivation.

197. The unit hectare gross income from winter wheat production is estimated at UZS 4 million per ha of which estimated costs would represent 30% giving a gross margin of UZS 2.8 million per ha. As winter wheat is grown every second year, the effective annual gross margin is UZS 1.4 million per annum.

198. In the case of grapes, annual revenue based on a yield of 12 ton/ha is UZS 48 million of which estimated costs would amount to say 50% of gross revenue in view of the extent of mechanized operations and irrigation utilized in its production giving an annual gross margin of

UZS 24 million per ha from grape production. This is a difference of 20-fold from the alternate production systems. Details are presented in **Annex 2.2-1**. In the case of pomegranates, anticipated returns are significantly higher than their previous farming activities providing an increase of an estimated 250 times greater than net returns from their current (bi-annual winter wheat rotation) land use activities. Details are presented in **Annex 2.2-2**.

199. The priority allocation of developed grapes should be based on the relative profitability from the two activities. Different allocation rates should be used depending on the area forfeited for the development compared to the total land area held by the affected household. For those affected households forfeiting less than 5 ha for the development, an allocation of one ha will adequately compensate in terms of a replacement income potential. For those forfeiting 5-10 ha for the development, an allocation of 2 ha will adequately compensate in terms of a replacement income potential. For those forfeiting in excess of 10 ha for the development, an allocation of 3 ha will adequately compensate in terms of a replacement income potential. The reallocation of developed horticulture would amount to 21 ha for the 11 AHs, so that the remaining area of 179 ha could be allocated to 120 farmers (assuming an average sized allocation of 1.5 ha of developed plots).

200. It intends to ensure that current land user right holders will be eligible for receiving land use rights for a portion of their pre-project holding but under subproject established new allocation conditions. Farmers surrendering their land tenure for development will receive priority for such an allocation of developed horticulture plots of a size commensurate with their individual loss of net income. This approach provides net income (i) to bear the annual debt to be paid over 7 years to ASO, but with a remaining portion of the new net income higher than the current net income. Furthermore, for the loss of net income during the 4-year implementation period these affected farmers will receive compensation payments. It is intended that compensation will be financed from the ADB loan but will not form part of the development cost that will be passed on to the beneficiary small-scale farmer as a loan for subsequent servicing.

d. Optional 'in-land' Allocation Instead of 'in-cash' Allowances for Severely AHs.

201. Following the project's approach for small-scale farming, the expected increase of agriculture income will provide a sustainable base for severely AHs. Therefore, it is proposed that in-kind compensation through allocating additional 0.25 ha of developed horticulture land will be of interest to farmers, as they will have a sustainable income generation, which will be higher and better than a one time in-cash allowance payment. This option shall be provided to such AHs and no obligatory acceptance of in-cash payments.

2. Provision of Other Measures for Non-participating AHs in the Project

202. During the LAR field work no case was noted where a current land use right holder showed no interest in such an opportunity to receive under subproject condition established horticulture plots, even knowing the obligation to repay development costs thereon. For the unexpected case that a land user right holder showed no interest in the project, a payment of compensation of net income covering a 4-year period would be paid, so that no specific livelihood program is required.

203. At preparation of the LARP, this assumption has been applied. However, this is subject to the preparation of the Final LARP. Updated information will show whether there would be cases of AHs, who will not have interest in their participation in the subprojects. For such a scenario, the Final LARP would have to prepare an additional livelihood and income restoration program which could include alternative land for same or similar rainfed based agriculture, or other support for income generating activities.

B. Complementary Requirements for Mitigation Measures

1. Need for Re-allocation

204. The process of plot allocation is not detailed in this Draft LARP. This has been presented in detail in the PAM. But as an understandable approach, there will be the need for the Final LARP to define and agree in a process to be applied in a transparent way on allocation and reallocation of developed agriculture land in form of a land consolidation based on existing and future agricultural productivity and returns. This will be subject of the pilot phase to provide detailed procedures probably included in a project specific decree to be issued. This will require the involvement of different ministries, the HIPEP executing and implementing agencies to define for HIPEP as an investment project with focus on small-scale farming as a new type of project in Uzbekistan and will require special project arrangements in the re-allocation of developed plots.

205. The rationale for the allocation of developed plots to beneficiary small-scale farmers should follow the following principles. As the subproject is testing the suitability of multiple small-scale farmers operating on the one contiguous developed area, the allocation should attempt to maximize the number of beneficiary small-scale farmers. That said, it must allocate priority plots to those existing farmers who surrendered land-user-rights for the development to take place so that their net income from historic cultivation practices would not be detrimentally affected.

2. Distribution of Project Developed Land Instead of Land Auction

206. The rationale for the allocation of developed plots to beneficiary small-scale farmers has to be based on proposed project principles. This includes the future use and users of project developed horticultural land:

- (i) **Re-allocation:** Provision of priority plots to those existing farmers who surrendered land user rights for the development to take place so that their net income from historic cultivation practices would not be detrimentally affected; and
- (ii) **Allocation:** Distribution of plots should attempt to maximize the number of beneficiary small-scale farmers, as the subproject is testing the suitability of multiple small-scale farmers operating on the one contiguous developed area.

XI. RESETTLEMENT BUDGET AND FINANCING PLAN

A. Preliminary Estimated LAR Cost Estimate

207. As part of the LAR fieldwork a preliminary DMS and SESA were carried out and an IOL prepared under **Annex 2**. Compensation unit rates as shown in the IOL have been verified with the district authorities and values discussed and agreed with owners for compensation. This information has been used for the preparation of the preliminary LAR budget under **Table 22**. It will have to be reviewed as part of the preparation of the Final LARP using updated information and data.

208. The preliminary planned LAR budget is composed of the different categories of entitlements and subproject specific conditions. The LARP includes those budget items which require entitled compensation. Other costs such as staffing and administrative costs are to be borne by a separate budget. The calculation leads to rounded UZS 1461 million (equivalent to rounded \$129,000). The LARP budget is included in the project loan to ensure that sufficient funds are available for LAR tasks in the two subprojects.

Table 22: Subproject Preliminary Estimated LAR Budget

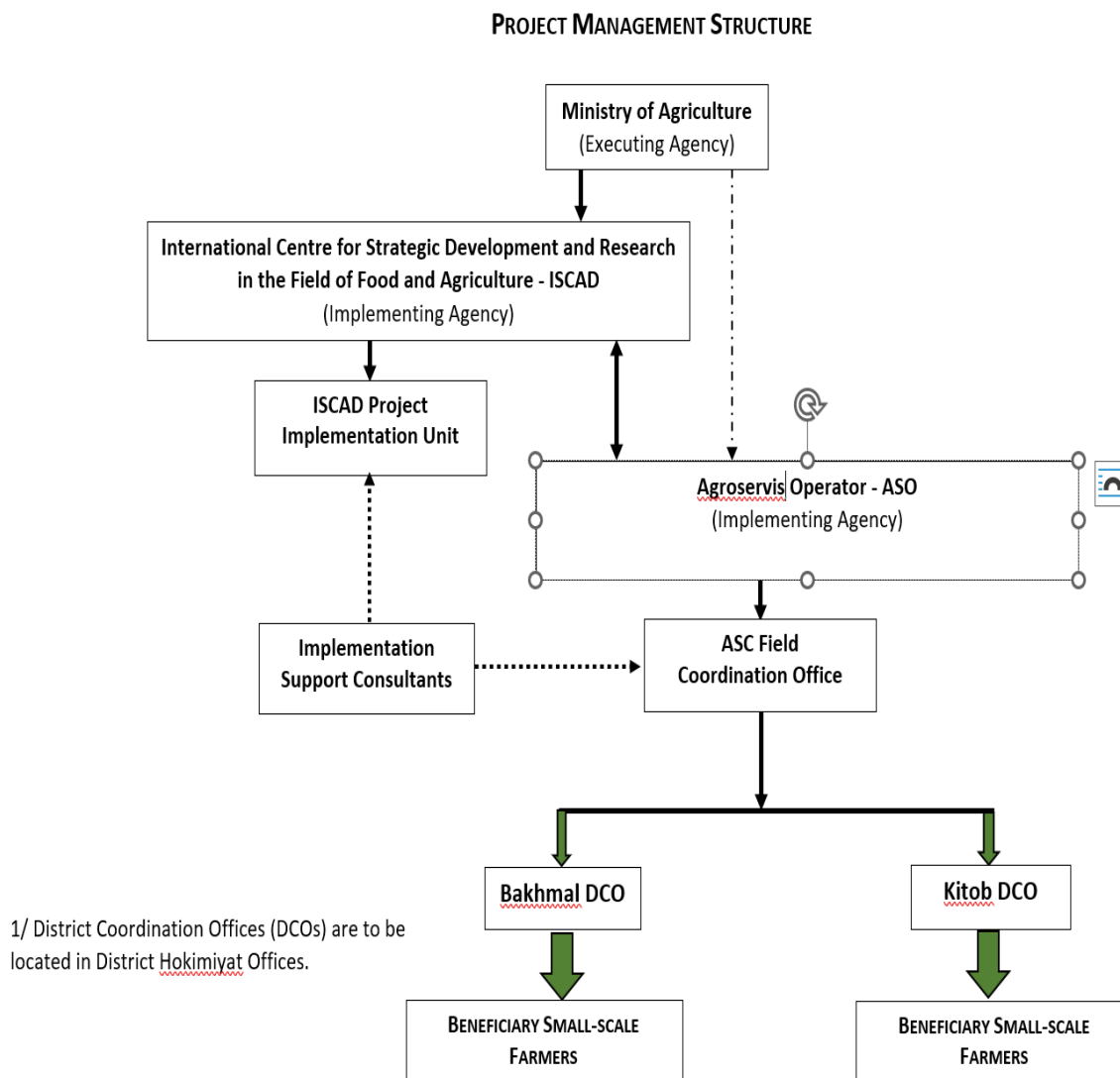
Description		Amounts	
		UZS	1:= 11.332,86 USD
Items of impacts			
Land	167,6 ha agr. rainfed land. 11 AHs	1.005.600.000	88.733,12
Crops	167,6 ha agr. rainfed land. 11 AHs	251.400.000	22.183,28
Vulnerability	Allowances (UZS 1,500,000/AH) 9 AHs	13.500.000	1.191,23
Planned Sub-Total 1: Mitigation		1.270.500.000	112.107,62
Implementation Requirements			
LARP implementation	Administrative matters Others	Costs are separately budgeted of GOU	
Safeguard implementation	External M&E Internal M&E		
Planned Sub-Total 2: Implementation		0	0
Planned Total 1+2		1.270.500.000	112.108
Contingency 15%		190.575.000	16.816,1
Planned Overall total		1.461.075.000	128.924

B. Actual LAC Budget

209. This draft LARP will be updated and finalized to an implementation ready Final LARP. This updated LARP will calculate the actual budget needed at detailed design stage. By the legal requirement of the country, the compensation amounts are to be calculated by licensed valuation firms.

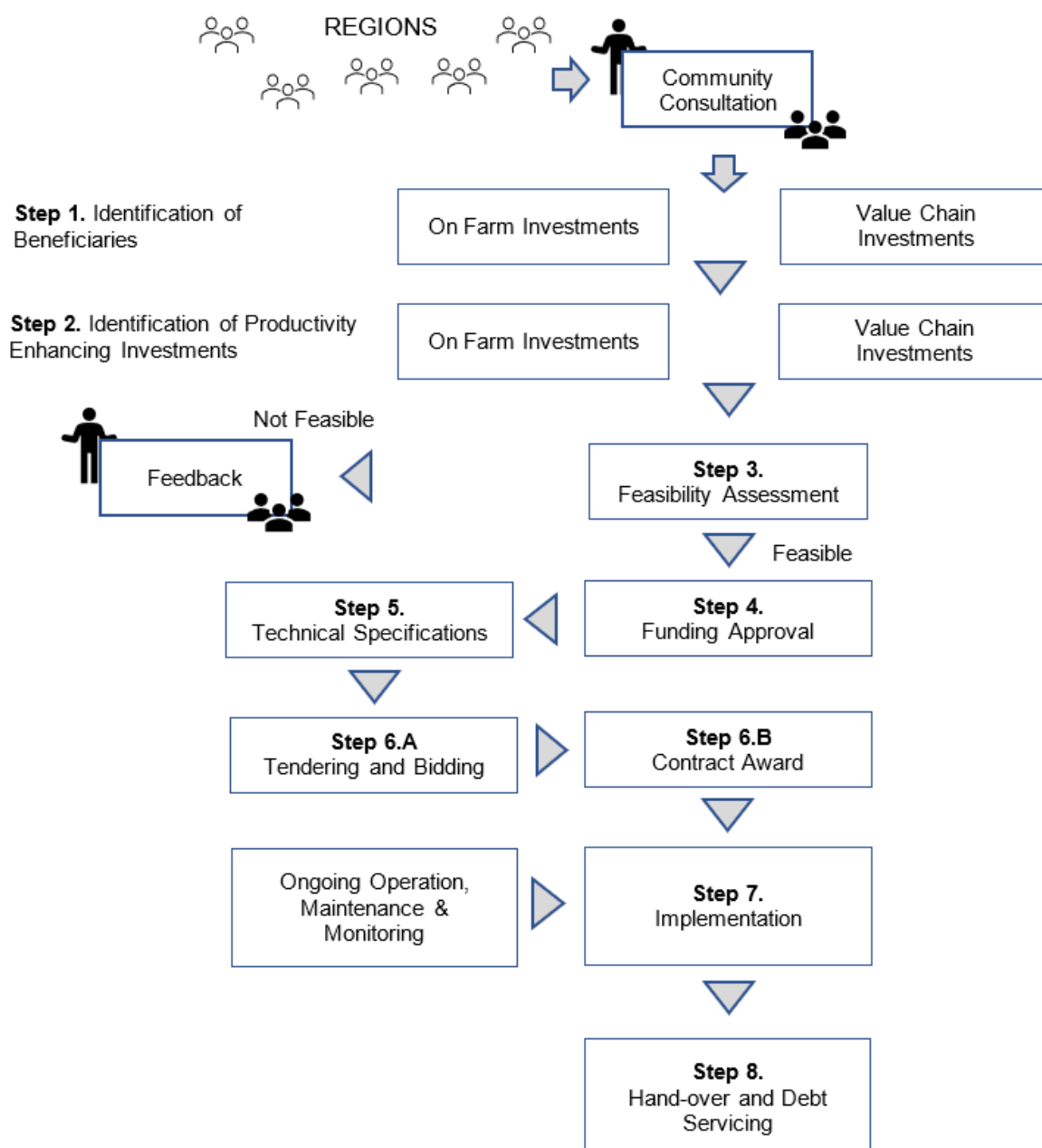
XII. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION**A. Project Structure**

210. The MOA will be the executing agency. It will delegate responsibility for implementation to ISCAD and ASO. ISCAD will establish a dedicated project implementation unit (PIU) to carry out day to day responsibilities required by the project but primarily for financial management of the advance account, procurement of contracts and recruitment of consulting services, social and environmental safeguard matters, monitoring and evaluation and progress reporting to government and ADB. ISCAD will be the primary point of contact for ADB on project related matters. ASO will establish a Field Coordination Unit nationally and district coordination offices (two) to assist with local implementation arrangements including the implementation of the resettlement activities in the field.

Figure 3: Project Management Structure

211. Implementation of project activities in the field will be carried out by ASO that will establish a field coordination unit (FCU) within ASO for the coordination of technical matters relating to project activities in the field. It will also establish district coordination offices to facilitate the monitoring of implementation progress and attend to the identification of beneficiaries, of potential on-farm investments and associated value chain investments, the review of investment feasibility, the preparation of technical specifications, the transfer of developed plots back to beneficiary farmers and commissioned works to value chain entrepreneurs, and the recovery of development funds through subloan agreements with beneficiaries. Diagrammatic representation of the management structure and implementation arrangements are presented in **Figure 3** above and **Figure 4** below.

Figure 4: Implementation Arrangements



1. Roles and Responsibilities of Implementing Organizations

212. The roles and responsibilities of the implementing institutions are presented below in tabular form.

Table 23: Roles and Responsibilities of Implementation Entities

project Project Implementation Organizations	Management Roles and Responsibilities
Executing Agency	Ministry of Agriculture (i) Oversee and monitor project implementation including: (ii) Adequacy of overall project funding, (iii) project progress reports, (iv) project financial management, and (v) Primary point of contact on project matters for ADB.
(i) Implementing Agencies	(ii) ISCAD (iii) Responsibilities include: (iv) Oversee day-to-day project execution, supervision and management, (v) Consultant recruitment and procurement of goods, works and non-consulting services, (vi) Collect necessary inputs to prepare quarterly and annual project progress reports environmental and social monitoring reports, and the project completion report, (vii) Carry out quality assurance review to ensure that subprojects meet established project standards, (viii) Open, operate and maintain the advance account and supervise subaccounts, prepare project accounts and financial statements for each and thereafter ISCAD's compilation of financial report and the audited project financial statements into one file, and process payments to contractors/consultants/suppliers, (ix) Conduct financial, environmental, and social due diligence for proposed subprojects as necessary in consultation with relevant government agencies and ADB, (x) Prepare LARP implementation report with support of the ISCs, (xi) Issue notice to proceed to start civil works at the project sites, (xii) Prepare semi-annual social safeguard monitoring reports" etc., (xiii) Administer the project grievance redress mechanisms, and (xiv) Supervise consultants' work and provide timely guidance.
Field assistance Implementing agency	Agroservis Operator Responsible for day-to-day project implementation including: (i) Identify small-scaled farmers interested in participating in the project and their associated on-farm investments, (ii) Identify potential horticultural value chains to be supported that are active in the target districts, (iii) Prepare horticultural development plans for small-scale horticulture farmers and value chain operators identifying investments to be financed by the project, (iv) Develop detailed design and technical specifications, bidding documents for procuring the investment items identified, (v) Forward detailed design and technical specifications, bidding documents to ISCAD to procure goods and works, (vi) Update the draft LARP and draft SDDR at detailed engineering design stage with the assistance of ISCs. (vii) Provide compensation and allowance to the AHs based on the final LARP with the support of ISCAD, (viii) Appoint field managers to maintain developed plots until bearing age is achieved (Kitob only), (ix) Return management of existing plots to the original owners with a debt servicing agreement to repay the development capital

project Project Implementation Organizations	Management Roles and Responsibilities
	<p>investment made on individual farms and associated infrastructure as appropriate,</p> <p>(x) Lease newly developed areas to interested parties with an associated debt servicing agreement to repay the development funds used in developing the area and including a contribution to associated on-farm infrastructure developed, and</p> <p>(xi) Collect beneficiary loan repayments to service ADB loan through the Ministry of Finance in accordance with the loan agreement.</p>
	<p>District Coordination Offices</p> <p>(i) Coordinate project activities in the district,</p> <p>(ii) Assist in the identification of beneficiary farmers and enterprises,</p> <p>(iii) Assist in identifying investments to be financed by the project,</p> <p>(iv) Provide field support for the implementation of the LARP and compensation together with GRM processes,</p> <p>(v) Support contractors as they construct project funded investments,</p> <p>(vi) Monitor compliance with social and environmental safeguards,</p> <p>(vii) Provide a channel of access for grievance redress under the project, and</p> <p>(viii) Provide routine reports on implementation progress and overall impact.</p>
District Hokimiyat Offices	<p>The district hokimiyat office will actively participate in the consideration and implementation of LARP and establish a Land Allocation and Assessment Commission with the following functions:</p> <p>(i) Indicate the location of fixed assets affected by the subproject;</p> <p>(ii) Select land for establishing horticulture development area at scale;</p> <p>(iii) Prepare and approve legislative acts on the right (lease) to use land plots; and</p> <p>(iv) Approve resolutions on land use rights.</p>

project Project Implementation Organizations	Management Roles and Responsibilities
Consultants	<p>Implementation Support Consultants</p> <p>Support will be provided in two areas (a) technical aspects to ASO, and (b) safeguards, financial management, procurement and monitoring to ISCAD.</p> <p><i>Responsibilities in respect of ASO include:</i></p> <ul style="list-style-type: none"> (i) Support day-to-day implementation of the project, (ii) Prepare subproject detailed designs and supervise construction, (iii) Develop operation and maintenance plans for developed plots, (iv) Assist in the identification of beneficiaries under the project, (v) Support ISCAD and ASO in the implementation of the LARP with the associated reporting and monitoring requirements, (vi) Develop procedures to aggregate development costs and apportion these as sub-loans to project beneficiaries, (vii) Develop on-lending agreements for ASO to recover development costs for loan servicing, and (viii) Recover beneficiary repayments in accordance with sub-loan agreements. <p><i>Responsibilities in respect of ISCAD include:</i></p> <ul style="list-style-type: none"> (i) Support overall implementation of the project, (ii) Ensure that social and environmental safeguard requirements are incorporated into all project activities as required by ADB and government, (iii) Support the establishment of a grievance redress mechanism developed for the project, (iv) Support the procurement of works and services and recruitment of consultants as required, (v) Support the establishment of a financial management system for project activities, (vi) Support the preparation of progress and monitoring reports to government and ADB.
ADB	<ul style="list-style-type: none"> (i) Monitor and review overall implementation of the project in consultation with the EA and IAs including the following: (ii) project implementation schedule, (iii) Progress with procurement and disbursement, (iv) Monitor effectiveness of safeguard procedures and ensure full social and environmental safeguards compliance, (v) Timeliness of budgetary allocation and counterpart funding, (vi) project expenditure, (vii) Review compliance with loan covenants, and (viii) Monitor conformity with ADB anticorruption policies.

B. LAR Involved Project Partners

1. Executing and Implementing Agency

213. The EA will bear overall responsibility for the preparation of DDRs and LARPs and implementation of the LARPs. EA is also responsible for the provision of the LAR budget. At implementing level there are the DCOs as well as other relevant government agencies such as the local hokimiyats of the respective regions and the branches / divisions of the National Cadaster Committee.

214. The EA and IAs (assisted by the ISCs) will be responsible for planning, preparation implementation and monitoring of social safeguard reports, which are DDRs and LARPs, and other LAR activities.

2. Implementation Support Consultants

215. Social safeguards specialists are part of the ISC team that will support the resettlement and compensation activities of the ISCAD and ASO in the implementation of the LARP. This team will provide sufficient in-house expertise on resettlement planning, implementation and supervision. They will analyze the cadastral maps, carry out the DMS, identify vulnerable groups, and prepare subproject LARPs, in close collaboration and consultation with the district administration and relevant line agency staff.

3. District Office of Land and State Cadastre

216. This is a permanent government body at the district level which plays an important role throughout the implementation of the project. It is responsible for:

- (i) Identification of land losses by landowners and land users, as well as losses of agricultural production;
- (ii) Determining the extent and area of land restitution, including the removal and temporary storage of the productive soil layer; and
- (iii) Amending government orders on land use and land ownership, as well as other cadastre documents.

4. District Hokimiyats

217. If there is a need for land acquisition or requisition, the district hokimiyats will actively participate in the consideration and implementation of LARP(s) and establishment of a Land Allocation and Assessment Commission. They will participate in the establishment of District Land Allocation and Resettlement Commission (DLARC) with the following functions:

- (i) Indicate the location of fixed assets affected by the subproject;
- (ii) Select land for establishing horticulture development area at scale;
- (iii) Prepare and approve legislative acts on the right (lease) to use land plots; and
- (iv) Approve resolutions on land use rights.

218. In addition to the permanent members, the Commission may include representatives of EA as well as affected persons including legal entities and individuals. The Land Allocation and Assessment Commission, as part of the District Land Allocation and Resettlement Commission is expected to consist of the following members:

- (i) EA;
- (ii) Local Department of Agriculture and Water;
- (iii) Local Environmental Protection Agency;
- (iv) Uzbekistan Farmers Council;
- (v) Chairmen of the Makhalla Committees; and
- (vi) Representatives of APs.

5. Local Government Agencies

219. Local government agencies involved in the LARP activities are, as relevant, the cadaster, road, water, gas, architecture, telecommunication, and in some cases, the irrigation departments.

6. Independent Valuation Companies

220. Independent valuation companies are accredited private companies with a valid valuation license. These companies will be involved in estimating the replacement cost of affected assets if needed (none identified in the draft LARP) while the MOA will review all compensation estimates under the finalized LARP after detailed design to ratify levels of compensation proposed in the draft LARP.

7. LARP Implementation Process

221. Setting up relevant institutions for the LAR activities will be a major task during the detailed design for the project. The LARP implementation process will be set in motion when the district level hokimiyat sends a messenger to the proposed AP whose land will be affected by the project for information sharing. While the PIU may engage a national level consultant for the LARP preparation, a licensed valuation firm (see above) may be engaged for valuing the individual losses for compensation payment. The PIU safeguards team will establish and announce the cut-off date based on the start date of the DMS for a proposed subproject. The APs of affected assets will be paid their due compensation at least one month prior to the acquisition of their assets. The LARPs will detail the implementation schedule.

222. The PIU will carry out a compliance reporting after the LARP(s) implementation to certify that APs have been compensated and their assets have been completely removed from the site. This is subject to verification by ADB. Civil works can commence only after this process.

8. Safeguards Capacity

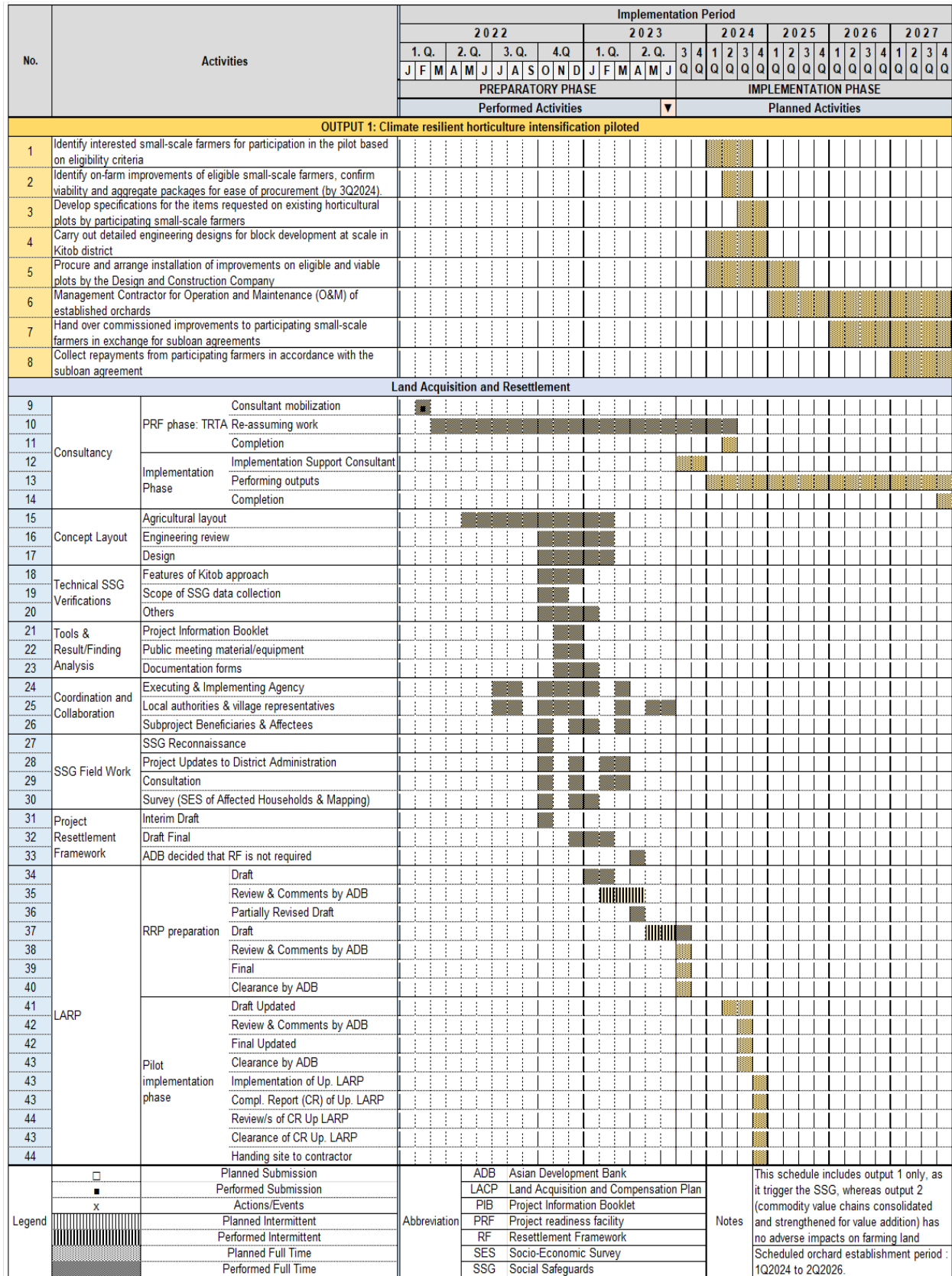
223. There is a need for a comprehensive assessment of institutional capacity and resource capability for preparing, implementing, and monitoring resettlement activities for both EA and IAs regarding resettlement issues and social impacts as well as their commitment to plan, implement, monitor, and report on the safeguard measures.

XIII. IMPLEMENTATION SCHEDULE

224. The implementation plan for project readiness financing has been included under **Annex 6**. HIPEP is scheduled for implementation over 54 months from 3Q-2023 to 4Q-2027. During the preparatory phase, the LAR tasks have been performed between October 2022 and June 2023 as shown by **Figure 5**. It also shows the planned LAC activities including (i) clearance of the Draft LARP, (ii) updating the LARP to a final version, (iii) implementation of the Final LARP (compensation payments), and (iv) approval of completion report of Final LARP, before start of the construction phase.

225. Next immediate steps are (i) after completion of the TRTA preparation phase for these subprojects a period of 0.5 years between July 2023 and December 2023 as a pre-construction phase, (ii) the construction would need another 1.0 years from Q2-2024 to Q2-2025.

Figure 5: Subproject's Performed and Scheduled LAC Activities



XIV. MONITORING AND REPORTING

226. Monitoring and Evaluation (M&E) allows the project owner to ensure smooth project implementation. In general, ISCAD's PIU performs M&E of project implementation which is an important requirement for social safeguards.

227. Monitoring will comprise internal and external monitoring. The ISCs will assist the PIU by preparing thematic areas to be evaluated and a list of monitoring performance and compliance indicators.

A. Internal M&E

228. Internal M&E concerns both compliance and performance. The ISCs will support the IA's PIU in this task. The objective is to ensure that the project outputs comply with the agreed SSG requirements as well as to verify the performance status versus planned schedules of activities. The consolidation of IA reports will be conducted by the PIU who will be responsible for submitting consolidated reports to the EA (MOA) and ensuring all input documents are archived.

229. The IA's PIU is responsible for internal monitoring. The PIU will report on SSG reviews concerning activities carried out at the regional, but also district, commune and village levels. The PIU will submit progress monitoring reports to the EA who will review and prepare semi-annual social safeguard monitoring report for submission to ADB (supported by the ISC). The submission will be within the following month of the end of the reporting period i.e., monitoring report from July to December will be submitted by end-January, report covering January to June will be submitted by end-July. The semi-annual social safeguards monitoring reports, once cleared by ADB, will be disclosed on ADB's website.

230. The internal monitoring includes the verification of subproject category at DED stage and implementation to either confirm that classified categories remain unchanged or must be regrouped because of layout changes of contiguous horticultural development at scale.

B. External M&E

231. As there will be adverse impacts for Output 1 such external M&E will be required. It is recommended to perform project specific external M&E for the following reasons:

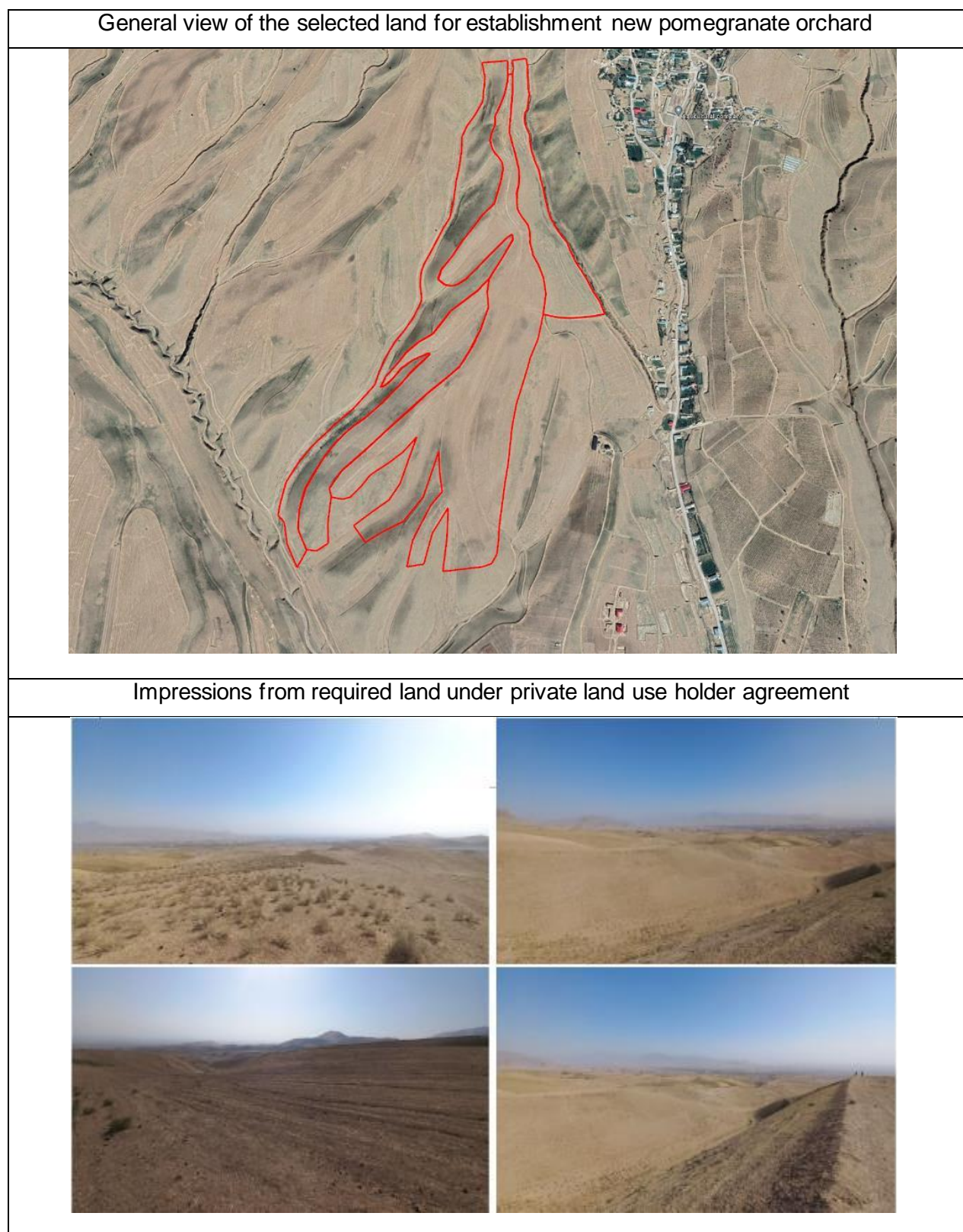
- (i) Evaluation of livelihood status of the AHs and participating farmers.
- (iii) Review of SSG requirements during implementation.
- (iii) Providing an independent due diligence; and
- (iv) Others as required.

232. An independent national external monitoring organization (EMO) (can also be a SSG specialist) shall be contracted for regular review missions (including special field missions, verification and consultation missions) as deemed necessary. The contents, monitoring indicators and formats for progress reporting will be developed at the commencement of implementation after the recruitment of ISC. A list of preliminary M&E indicators is shown in **Table 24**, which can serve as a first orientation in this matter. The system proposed by the ISC (in consultation with the IA) must be approved by both EA and ADB. In addition, ADB will also monitor these activities in its regular review missions during project implementation.

Table 24: Preliminary M&E Indicators

Type	Indicator	Examples of Data
INPUT INDICATORS	Staffing and Equipment	<ul style="list-style-type: none"> • Number of staff with resettlement skills in PIU. • Formation of committees. • Involvement of evaluator or institutes or departments. • Adequate equipment for performing functions (including grievance recording). • Training and capacity needs identified for EA and IA implementing agencies. • External monitor contracted and mobilized. • Others.
	Finance	<ul style="list-style-type: none"> • Availability and accessibility of LAR funds. • Government funds for LARP and safeguards implementation. • Others.
PROCESS INDICATORS	Consultation, Participation, and Grievance Resolution	<ul style="list-style-type: none"> • Distribution of PIB to all APs. • Summary of LARP available in districts. • Consultations/participation undertaken as scheduled in LARP. • Grievances by type and resolution. • Others.
	Procedures in Operations	<ul style="list-style-type: none"> • DMS and asset verification procedures in place. • Effectiveness of compensation delivery system. • Number of land transfers effected (public and private land) • Coordination among PIU and provincial, district and village officials and mass organizations. • Others.
OUTPUT INDICATORS	Acquisition of Land	<ul style="list-style-type: none"> • Area of agricultural (cultivation) land acquired. • Areas of land affected temporarily. • Others.
	Trees and Crops	<ul style="list-style-type: none"> • Number and type of private trees acquired. • Number and type of private crops acquired. • Crops destroyed by area, type and number of owners. • Others.
	Compensation payment	<ul style="list-style-type: none"> • Number of households affected (land, trees, crops). • Number of owners compensated by type of loss. • Amount compensated by type and owner. • Number and amount of payment. • Compensation payments made on time. • Others.
	Livelihood and Rehabilitation	<ul style="list-style-type: none"> • Number of households participating in HIPEP. • Documenting pre-project conditions of these households. • Analyzing income changes before-after project conditions. • Evaluating livelihood before-after project conditions. • Complementary support provided if needed. • Others.

ANNEX 1.1-1: FACT FINDING: PHOTO DOCUMENTATION VARGANZA



ANNEX 1.1-2: FACT FINDING: PHOTO DOCUMENTATION TUPCHOK

General view of the selected land for establishment new vineyard



Impressions from required land under private land use holder agreement



ANNEX 1.2: FACT FINDING SCREENING: INVOLUNTARY RESETTLEMENT

The following checklist serves for the identification and selection of project component / subprojects in combination with the objective to ensure that only Category B or C project component / subprojects are selected according to project selection criteria.

No.	Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
1	Will the activity require land acquisition?	x			Permanent
2	Is the site and land needed for acquisition known?	x			Land user right holders of gov. land
3	Is the ownership and current usage of land to be acquired known?	x			
4	Is the area of land required from each affected HH known?	x			
5	Will land be acquired involuntarily?	x			
6	Will land be acquired voluntarily?		x		
7	Will easement be utilized within an existing Right of Way (ROW)?		x		
8	Was any facility constructed recently on new land in anticipation of obtaining further assistance for the facility from this ADB project?		x		
9	Was the land acquired legally (unknown = No)	x			
10	Are there any outstanding complaints about the land used or acquired for the existing facilities?		x		
11	Will the activity require permanent or temporary relocation or displacement of any people (titled or non-titled)?		x		
12	Are there any non-titled people (squatters) who live at the site or within the COI / Right of Way / public land?		x		
13	Will there be any loss of housing or accommodation or other residential structures?		x		
14	Will there be any loss of residential land?		x		
15	Will there be any loss of vegetable gardens?		x		
16	Will there be any losses of crops, fruit trees or private structures?	x			Crops
17	Will there be loss of income sources and means of livelihoods due to land acquisition?	x			Land
18	Will any small or informal businesses have to be moved or closed temporarily or permanently?		x		
19	Will there be temporary or permanent loss of employment as a result of the closure of any businesses resulting from the renovation?		x		
Involuntary restrictions on land use or on access to legally designated parks and protected areas					
20	Will people lose access to natural resources, communal facilities and services?		x		
21	If land use is changed, will it have an adverse impact on social and economic activities?		x		
22	Will access to land and resources owned communally or by the state be restricted?		x		
Information on Displaced Persons:					
23	Any estimate of the likely number of persons that will be displaced by the project?	x			AH: 11 AP: 67
24	Are any of them poor, female-heads of households, or vulnerable to poverty risks?		x		
25	Are any displaced persons from indigenous or ethnic minority groups?		x		
Categorization					
B	✓	Involuntary resettlement impacts that are not deemed significant. A RP, which includes assessment of social impacts, is required.			
C		No involuntary resettlement impacts. No further action required.			

ANNEX 2.1-1: DEVELOPMENT ACTIVITIES IN KITOB DISTRICT**Output 1: Kitob District - Climate Resilient Horticulture Intensification Piloted**

The Concept. Two subprojects were identified by the TRTA in consultation with the local government authorities (i) a plot for development at scale to be planted to table grapes, and (ii) a plot to be planted at scale to pomegranates - both with associated machinery and equipment and buildings required for their development. Both will incorporate modern production technologies, mechanized operations and be managed in accordance with good agricultural practices in Uzbekistan. In both cases, there is a non-productive period following planting of about 3 years. Management contracts will be procured (as a separate management contract) during the establishment phase until the plots commence commercial fruiting at which stage, the plots will be divided into individual blocks and long- term user rights be granted to interested small-scale farmers who might take up the smaller blocks. In return, participating small-scale farmers will be required to enter into a subloan agreement with ASO to recover the beneficiary proportion of development costs. This will enable ASO to service the ADB loan in accordance with the loan agreement through the Ministry of Finance.

Potential Beneficiaries. It is unlikely that individual small-scale farmers will commit to participation in the distribution of developed land plots prior to seeing the area over which they will receive long term user rights. It is therefore unlikely that beneficiaries can be identified ahead of the investment. There is considerable benefit to be gained by involving intending beneficiaries in the establishment phase as hired labor where they can learn how to manage the vineyard/orchard. Their participation as development labor force may also give them priority in the allocation of blocks when the time comes for distribution. Beneficiaries are likely to come from local small-scale farmers who wish to expand their farming activities. A key feature of this arrangement is that beneficiary farmers will not receive cash to develop their own areas but will receive developed plots as a productive asset about to generate income.

Criteria for individual small-scale farmers to be allocated plots are proposed as follows:

- (i) Beneficiaries must be small-scaled farmers,
- (ii) Beneficiaries must have experience in horticultural production,
- (iii) Beneficiaries can only receive one plot under the allocation per household,
- (iv) Agree to enter into a subloan repayment agreement with ASO,
- (v) Agree to share in joint operational costs performed on the larger area, and
- (vi) Agree to dispose of produce through a joint marketing strategy should they wish to participate in the subproject.

Distribution Process. Because of geographic proximity, farmers from nearby villages would be strong contenders to become priority beneficiaries. Depending on the level of interest (and acceptance of the associated debt), the distribution process might be conducted in an iterative manner. Invitations could be extended in the following order: (i) farmer residents from the neighboring village, (ii) farmer residents from villages within say 5 km of the development site, (iii) farmer residents from other villages in the district beyond 5 km from the site, and (iv) interested farmers wishing to establish farming activities in Kitob district. This allocation process should be conducted in an open and objective manner but take into account those individuals most likely to succeed in this farming venture.

ANNEX 2.1-2: DEVELOPMENT ACTIVITIES IN KITOB DISTRICT

The allocation of plots will be undertaken by a district committee to be chaired by the district governor or their representative. The committee will be authorized to allocate land developed by the project to small-scale farmers based on their interest and conformity with criteria above. The committee will recommend individual parcel allocations to the district governor who will in turn, instruct the district cadaster department to issue the necessary long term user right certificates as appropriate.

On-going Operations. The advantage of developing land at scale is that there are significant economies from the use of mechanized farming operations – pest and disease control spraying, weed control and irrigation etc. including capacity building for same. To preserve the efficiencies that have been designed in the site layout plans, beneficiary farmers must agree to allow a service provider to enter their allocated plots to provide such services (such as spraying for fungus control) and pay the service provider any reasonable fees in respect of this service. During the establishment phase, all necessary machinery and equipment will be procured to undertake these operations. The machinery and equipment will continue to be used on the developed area after establishment and can be operated by either ASO in its capacity as an agricultural service provider or leased/sold to a private operator to operate and maintain the equipment and provided needed services to the beneficiary farmers. This can be determined as the area approaches its commercial fruiting stage of development. The choice will depend on the performance of the contractor engaged to operate the area during the establishment phase.

Subloan Amount and Conditions. Beneficiary small-scale farmers will be required to enter into a subloan agreement between themselves and ASO. The amount of the subloan will be estimated based on (i) detailed design and supervision costs (pro rata basis, to as design will be done for whole lad at once), (ii) direct development costs for the entire area adjusted on a pro-rata basis for individual plots, (iii) the cost of maintaining the area until it achieves commercial production (estimated for three to four years in the case of both crops), (iv) an amount to cover management costs incurred by ASO to supervise development, (v) the cost for insuring the assets (and possibly against force majeure), (vii) the cost of loan funds provided to MOF by ADB (estimated at 2%), and (viii) the cost to cover any foreign exchange risk as MOF will borrow in US dollars while farmer subloan repayments will be made in UZS to ASO. These items will be estimated on a pro-rata basis – calculated on the area of each beneficiary farmer plot.

Whatever the resultant cost, this sum will be repaid by the beneficiary farmer to ASO over a period of seven years with equalized bi-annual instalments beginning as the crop starts commercial yielding. Two scenarios are possible for the repayment of subloans (i) for farmers identified prior to the development of the site, and (ii) for farmers allocated plots only after yields are achieved. In the first case, there is some advantage for farmers to commit to the investment as it will reduce the risk for ASO but more critically, it will allow beneficiary farmers to participate in farming operations on their plots and learn modern management systems. For these, a grace period of three years (equivalent to the establishment phase) will be granted, and the subloan amount repaid over the subsequent seven years. For those electing to defer their decision to participate, plot allocations will be made after the non-productive establishment phase - those farmers will enjoy an established income stream. Under these circumstances, the grace period is not required, and the subloan will be repaid over the ensuing seven years with equalized bi-annual payments. The capacity of beneficiary farmers to honor subloan repayments has been assessed in the financial assessment of the project (Supplementary Annexes No.1 and 2). This includes an assessment of their capacity to repay subloan funds - not their willingness.

ANNEX 2.1-3: DEVELOPMENT ACTIVITIES IN KITOB DISTRICT

In the case of repayment default (not evident until after implementation is completed), the subloan agreement will have provision to extend the repayment period in cases where the farmer has made every attempt to service the subloan, or to re-possess the land and fixed improvements for reallocation to another small-scale farmer. To protect against difficulties in recovering the asset, it is recommended that transfer of the long-term user rights over the asset will not be affected until after the subloan has been repaid in full.

Output 2: Value-chain Initiatives

The Concept. Activities under this output will be implemented in the same manner as for Bakhmal district, and independent of on-farm interventions. The project will first identify potential investments to resolve missing elements in horticulture value chains in target districts. These may not relate directly to the immediate focus of on-farm initiatives developed under the project, provided they are consistent with the development of the sector. The TRTA has undertaken initial investigations in pilot districts to identify potential subprojects. The project will work with identified entrepreneurs whose commercial activities are consistent with horticulture value-chain enhancement. It will assist the entrepreneur to develop a feasibility study for the investment and submit these to the project as a subproject investment proposal. The project will confirm the eligibility of the proposal and review the technical and financial feasibility of the investment before proceeding. The project will confirm the proposal as eligible and feasible then have detailed designs prepared for the investment. It will procure the necessary works contracts in accordance with ADB and local government requirements. Upon commissioning, the project will calculate the costs incurred from the development that will establish the amount of the subloan to be serviced by the beneficiary entrepreneur. It will prepare a subloan agreement to transfer ownership of the asset to the beneficiary in return for their commitment to service the subloan.

Eligible Investments. Based on the field interviews in the two districts, the list of eligible investments shall include:

- (i) Construction of premises for the operations of a value addition enterprises,
- (ii) Machinery and equipment required to carry out value added activity,
- (iii) Equipment for washing, grading and processing horticultural goods,
- (iv) Cooling equipment for transport and storage of horticultural goods, and
- (v) Other relevant items to consolidate the integrity of the concerned value chain.

Potential Beneficiaries. These shall be limited to private entities wishing to expand or diversify their activities in collecting, grading, storing, packing and processing horticultural produce grown in the two target districts. The enterprises need not necessarily be physically located in the target district but must source a considerable quantity of raw material from the target districts. Priority will be given to existing enterprises that are physically established in the target district. Those that can demonstrate an operating history within the sector will also receive priority consideration for project financing.

ANNEX 2.1-4: DEVELOPMENT ACTIVITIES IN KITOB DISTRICT

Development Process. ASO will conduct a number of awareness raising meetings in the districts to alert potential beneficiaries as to eligibility for accessing project financing. These can be conducted through similar meetings arranged to inform small-scale farmers of the objectives of the project. It is likely that investments will require significantly greater levels of funding and will therefore require more detailed assessment as to the feasibility of the investment. ASO will be responsible for carrying out the assessment and will be supported by the implementation support consultants. Once deemed eligible for support, detailed engineering designs will be prepared and associated technical specifications developed to facilitate the tendering of packages. ISCAD will be responsible for the procurement of works and goods contracts in accordance with government and ADB requirements. Once the works have been commissioned, the asset will be handed over to the beneficiary entrepreneur in return for a subloan agreement for the repayment of the development costs for the asset.

Subloan Amount and Conditions. Beneficiary entrepreneurs will be required to enter into a subloan agreement with ASO. The amount of the subloan will be estimated based on (i) direct development costs for the investment, (ii) an amount to cover management costs incurred by ASO to supervise development, (iii) the cost for insuring the assets (and possibly against force majeure), (iv) the cost of loan funds provided to MOF by ADB (estimated at 2%), and (v) the cost to cover any foreign exchange risk as MOF will borrow in US dollars while entrepreneur subloan repayments will be made in UZS to ASO. These items will be estimated on an individual subproject basis.

Whatever the resultant figure, this sum will be repaid by the beneficiary entrepreneur to ASO over a period of seven years with equalized bi-annual instalments. The capacity of beneficiary entrepreneur to honor subloan repayments will be assessed in the feasibility study for the investment. This assessment reports entrepreneur capacity to repay subloan funds - not their willingness.

In the case of repayment default (not evident until after implementation is completed), the subloan agreement will have provision to extend the repayment period in cases where the entrepreneur has made every attempt to service the subloan, or to re-possess the land and fixed improvements for reallocation to another entrepreneur.

Subproject financing shall be limited to \$500,000 per proposal/subproject.

ANNEX 2.2-1: UNIT AREA BUDGET - TUPCHOK VINEYARD

Enterprise Model - Grape (1 ha)				1	2	3	4	5	6	7	8	9	10
			Unit Price	Construct	Maintenance		Commercial Operation						
Outputs			Unit	(UZS)	Annual Values ('000s UZS)								
	Grape	tons	1,420,000	0	0	21,300	29,820	42,600	42,600	42,600	42,600	42,600	42,600
	Total												
Inputs													
Material Costs													
Fertilizers (broadcast or through trickle)													
	Animal Manure	kg	1,000	200	200	200	200	200	200	200	200	200	200
	N fertilizer - as ammonium sulphate	kg	3,000	360	360	360	360	360	360	360	360	360	360
	P fertilizer - as mono-ammonium phosphate	kg	30,000	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
	K fertilizer as potassium sulphate	kg	23,000	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220	3,220
	Compound fertilizer (NPK)	kg	23,000	460	460	460	460	460	460	460	460	460	460
Fertilizers (foliar spray)													
	Trace elements	lt	24,684	123	123	123	123	123	123	123	123	123	123
	Calcium	year	57,420	57	57	57	57	57	57	57	57	57	57
	Potassium	year	207,240	207	207	207	207	207	207	207	207	207	207
	Gibberelic acid (20 gm/l)	lt	61,094	305	305	305	305	305	305	305	305	305	305
Agro-chemicals													
	Pesticides / Fungicides (various)	year	6,323,700	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324
	Herbicides	lt	148,850	476	476	476	476	476	476	476	476	476	476
Machinery Costs													
	Spraying (mechanised)	year	1,700,000	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	Weed control (rotary hoe and harrowing)	year	1,700,000	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Others													
	Electricity (for irrigation pumps)	year	700,000	700	700	700	700	700	700	700	700	700	700
	Soil analysis	year	250,000	250	250	250	250	250	250	250	250	250	250
	Miscellaneous expenses	year	1,300,000	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Total Material Costs				19,184	19,184	19,184	19,184	19,184	19,184	19,184	19,184	19,184	19,184
Labour Operating Costs													
	Weeding the planting lines	p/days	110,000	440	440	440	440	440	440	440	440	440	440
	Dripper cleaning	p/days	110,000	110	110	110	110	110	110	110	110	110	110
	Pruning	p/days	150,000	300	600	600	600	600	600	600	600	600	600
	Harvesting	p/days	110,000	0	110	330	440	440	440	440	440	440	440
	General farm maintenance	p/days	110,000	770	770	770	770	770	770	770	770	770	770
Total Labour Operating Costs				1,620	2,030	2,250	2,360	2,360	2,360	2,360	2,360	2,360	2,360
Total Costs				20,804	21,214	21,434	21,544	21,544	21,544	21,544	21,544	21,544	21,544
Net Cash Flow				-20,804	-21,214	-134	8,276	21,056	21,056	21,056	21,056	21,056	21,056

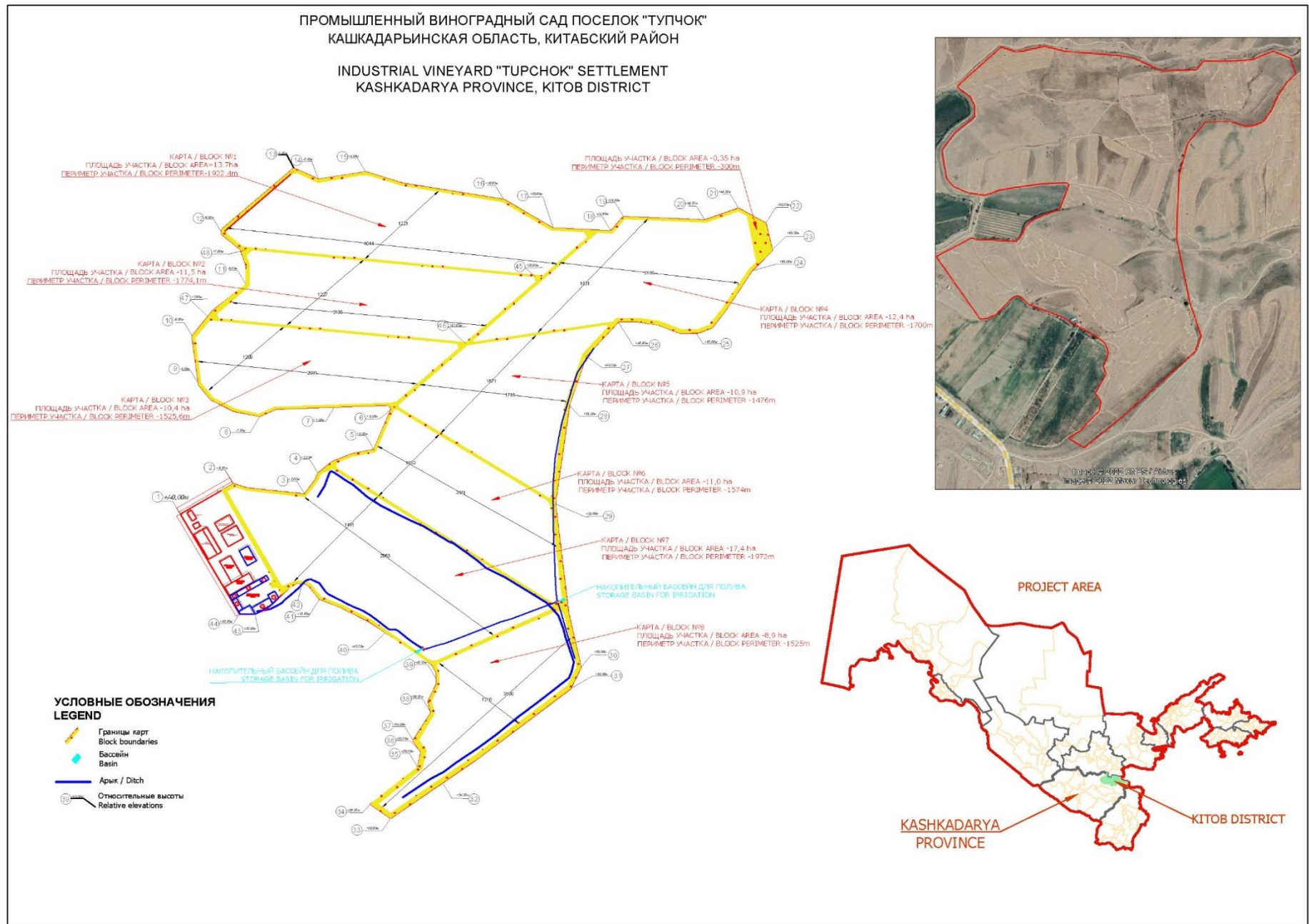
NB – Does not include the establishment costs in Yr1.

ANNEX 2.2-2: UNIT AREA BUDGET - VARGANZA POMEGRANATE ORCHARD

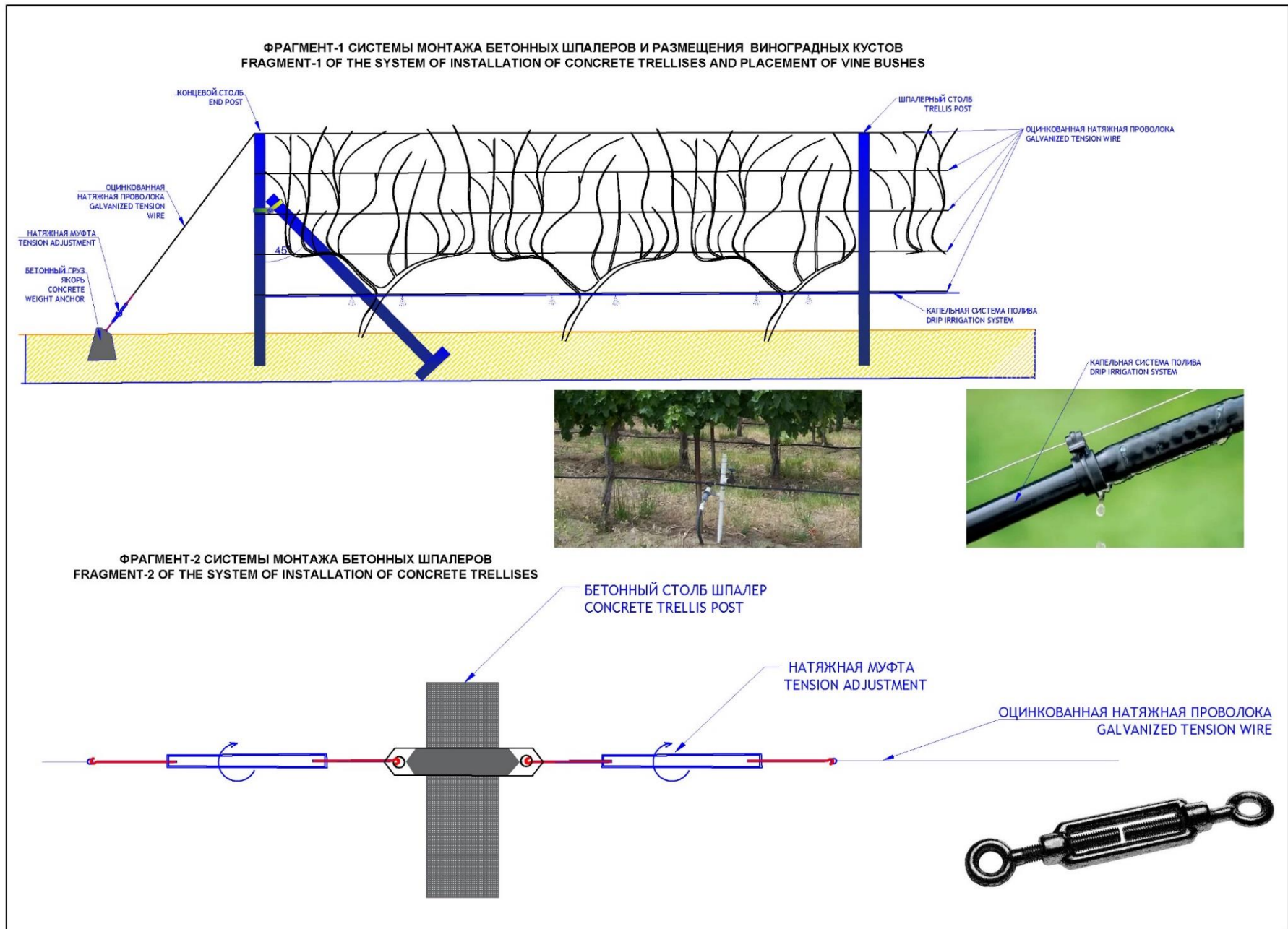
Enterprise Model - Pomegranate (1 ha)				1	2	3	4	5	6	7	8	9	10
			Unit Price	Estab.	Maintenance	Commercial Yielding							
Outputs			Unit	(UZS)	Annual Values ('000s UZS)								
	Pomegranate	tons	8,500,000	0	21,250	68,000	170,000	255,000	425,000	425,000	425,000	425,000	425,000
	Total												
Inputs													
Material Costs													
Fertilizers (spread, broadcast or through trickle)													
	Animal Manure	kg	1,000	300	300	300	300	300	300	300	300	300	300
	N fertilizer - as ammonium sulphate	kg	3,000	600	600	600	600	600	600	600	600	600	600
	P fertilizer - as mono-ammonium phosphate	kg	30,000	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
	K fertilizer as potassium sulphate	kg	23,000	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
	Compound fertilizer (NPK)	kg	23,000	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380	1,380
Fertilizers (foliar spray)													
	Trace elements	lt	24,684	123	123	123	123	123	123	123	123	123	123
	Calcium	year	57,420	115	115	115	115	115	115	115	115	115	115
	Potassium	year	207,240	207	207	207	207	207	207	207	207	207	207
Agro-chemicals													
	Pesticides / Fungicides (various) - 7-10 times	year	6,323,700	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324	6,324
	Herbicides	lt	148,850	476	476	476	476	476	476	476	476	476	476
Machinery Costs													
	Spraying (mechanised)	year	1,700,000	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	Weed control (rotary hoe and harrowing)	year	1,700,000	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Other costs													
	Electricity (for irrigation pumps)	year	900,000	900	900	900	900	900	900	900	900	900	900
	Soil analysis	year	350,000	350	350	350	350	350	350	350	350	350	350
	Miscellaneous expenses	year	2,300,000	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
	Total Material Costs			22,876	22,876	22,876	22,876	22,876	22,876	22,876	22,876	22,876	22,876
Labour Operating Costs													
	Weeding the planting lines	p/days	110,000	440	660	660	660	660	660	660	660	660	660
	Dripper cleaning	p/days	110,000	110	110	110	110	110	110	110	110	110	110
	Pruning	p/days	150,000	300	600	600	600	600	600	600	600	600	600
	Harvesting	p/days	110,000	0	110	330	440	440	440	440	440	440	440
	General farm maintenance	p/days	110,000	770	770	770	770	770	770	770	770	770	770
	Total	p/days		1,620	2,250	2,470	2,580	2,580	2,580	2,580	2,580	2,580	2,580
	Total Costs			24,496	25,126	25,346	25,456	25,456	25,456	25,456	25,456	25,456	25,456
	Net Cash Flow			-24,496	-3,876	42,654	144,544	229,544	399,544	399,544	399,544	399,544	399,544

NB – Does not include the establishment costs in Yr1.

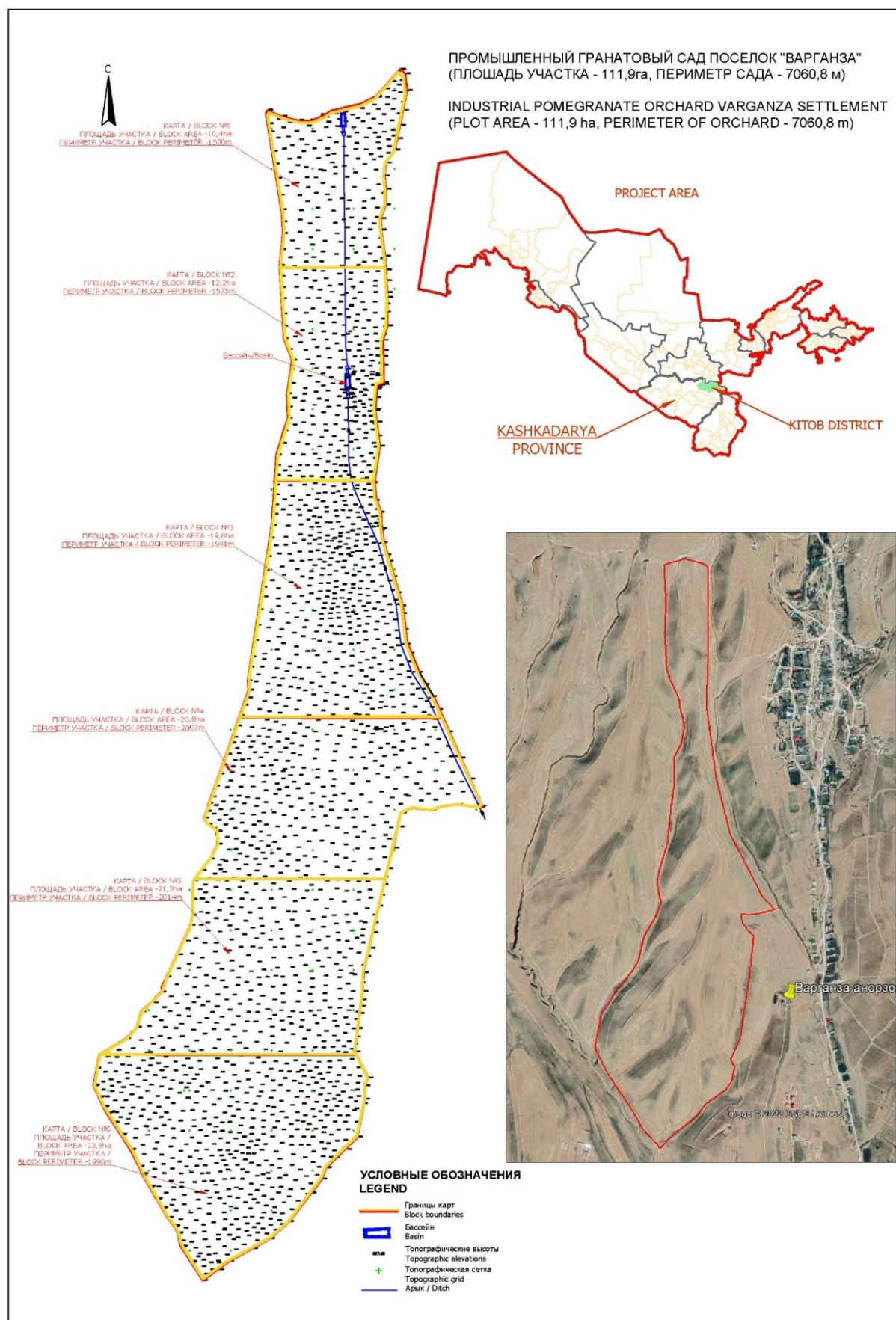
ANNEX 3.1-1: CONCEPT DESIGN – Tupchok Vineyard



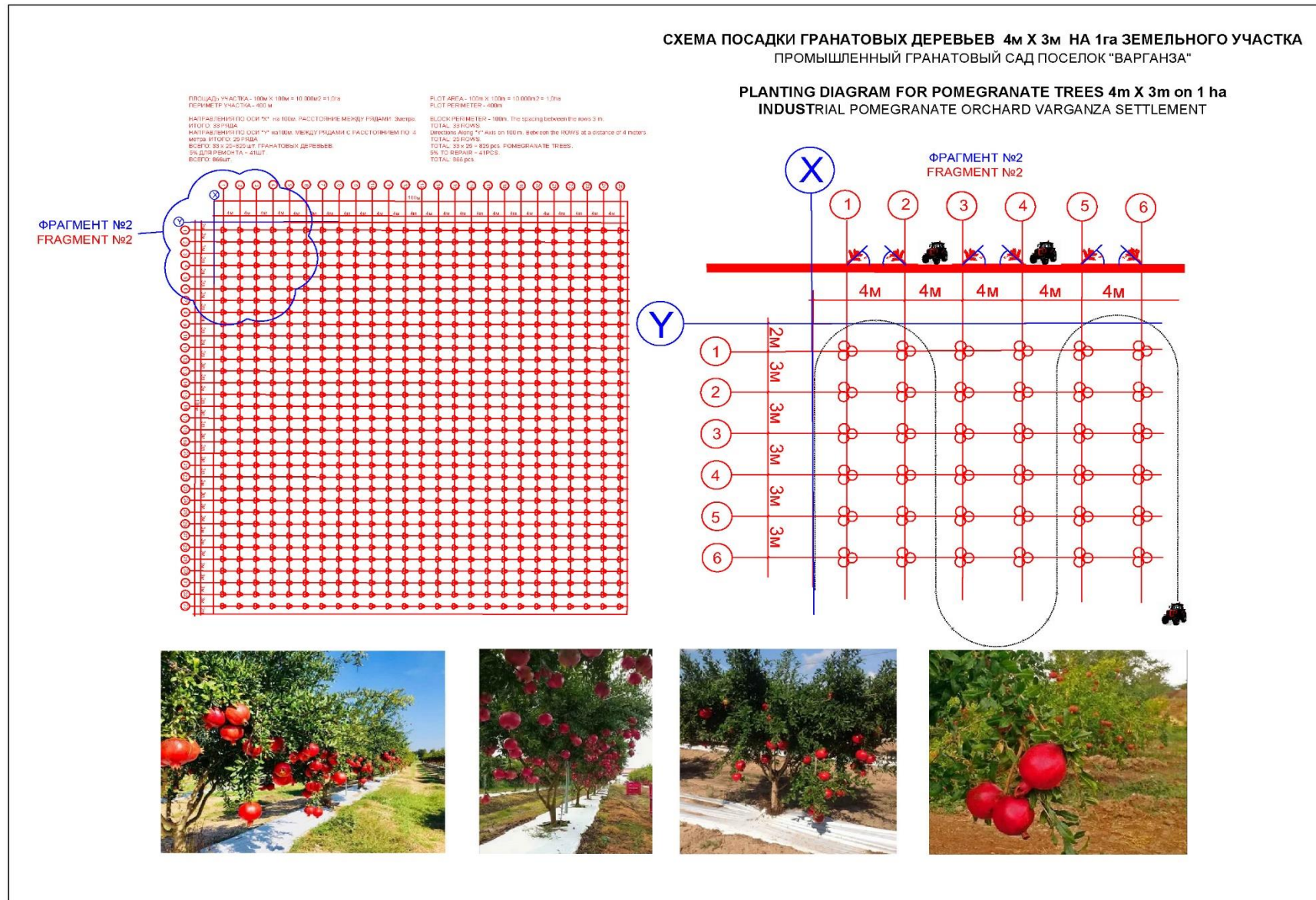
ANNEX 3.1-2: CONCEPT DESIGN – Tupchok Vineyard



ANNEX 3.2-1: CONCEPT DESIGN – Varganza Pomegranate Orchard



ANNEX 3.2-2: CONCEPT DESIGN – Varganza Pomegranate Orchard



ANNEX 4.1: INVENTORY OF LOSS

Ser. No.	Affected Households					Land															Loss of Crops				Total Compensation Costs							
	Head (ID)	APs	Use of Asset			Village	Cases		Name of farm	Land Requirements					Land Development					Calculated Value					Permanent Land Acquisition Compensation		Cases		Crop Compensation		Uzbek currency	Applied exchange rate 1 USD:UZS
			Type of Land		Affectedness					sub-project Land	Reallocated plots		Difference																			
			Agriculture (rainfed)	Others	Total Holding						Affected Area	Portion	Size	more	less	same	change	Crop	Yield	Plot	Unit Rate	Annual	Years	Amounts								
			[Name]	[no]	[tick]		[Name]	[tick]		[Name]	[tick]	[ha]	[ha]	[%]	[ha]	[%]	[name]	[kg /ha]	[ha]	[UZ\$/kg]	[no]	[no.]	[UZ\$]	[tick]	[no.]	[UZ\$]	[UZ\$]	[USD]				
1st Subproject: Kitob Tupchog Vineyard																																
A	Private Land Use Holders					Private Land Use Holders																										
1	Sohibov Mirza (K-T-F-1)	6	x			Tupchok	x	"Sohibov Mirza Asadovich" farm	x		10,1	2,6	25,7	2,6	1	1,60		62	Wheat	600	2,6	2500	3.900.000	4	15.600.000	x	1	3.900.000	19.500.000	1.721		
2	Yorov Manzur (K-T-F-2)	5	x				x	"Mansur Mahkam ugli" farm	x		72,50	4,8	6,6	4,8	1	3,80		79	Wheat	600	4,8	2500	7.200.000	4	28.800.000	x	1	7.200.000	36.000.000	3.177		
3	Tashev Bekmurat (K-T-F-3)	5	x				x	"Shodiev Eshmurod Toshovich" farm	x		27,85	8,5	30,5	8,5	2	6,50		76	Wheat	600	8,5	2500	12.750.000	4	51.000.000	x	1	12.750.000	63.750.000	5.625		
4	Ruziev Istam (K-T-F-4)	5	x				x	"Djuraeva Umida Umirovna" farm	x		9,6	9,6	100,0	9,6	2	7,60		79	Wheat	600	9,6	2500	14.400.000	4	57.600.000	x	1	14.400.000	72.000.000	6.353		
5	Hurramov Komil (K-T-F-5)	10	x				x	"Klara Abdinazarovna" farm	x		16,0	2,3	14,4	2,3	1	1,30		57	Wheat	600	2,3	2500	3.450.000	4	13.800.000	x	1	3.450.000	17.250.000	1.522		
6	Djumanov Yusuf (K-T-F-6)	4	x				x	"Karlik yongok" farm	x		29,8	29,8	100,0	29,8	3	26,80		90	Wheat	600	29,8	2500	44.700.000	4	178.800.000	x	1	44.700.000	223.500.000	19.721		
7	Urinov Ulkir (K-T-F-7)	10	x				x	"Tupchok uzumzorlari agrofirma" farm	x		37,45	10,0	26,7	10,0	2	8,00		80	Wheat	600	10,0	2500	15.000.000	4	60.000.000	x	1	15.000.000	75.000.000	6.618		
Subtotal for AHs		45	7	0	0		0	7		7	0	203,30	67,60	33,3	67,60	12		55,60	0	82		67,6		101.400.000		405.600.000	0	7	101.400.000	507.000.000	44.737	
B	State Used Land					State Used Land																										
8	State Reserve Land	0			x	Tupchok	x	State Reserve Land		x	32,4	32,4	100	32,4	0			32,4							0	x			0	0		
Subtotal State Reserve Land		0	0	0	1		0	1		0	1	32,4	32,4	100	32,4	0	0	0	32,4			0			0	1	0		0	0		
Total Verganza Vineyard																																
Cases	AHs	APs	7	0	1	Tupchok	0	8		7	1	235,7	100,0	42,4	100,0	12,0	0,0	55,60	32,4			67,6			405.600.000	1	7	101.400.000	507.000.000	44.737		
8	7	45		8			8			8								88,00								8						
2nd Subproject: Kitob Verganza Pomegranate Orchard																																
C	Private Land Use Holders					Private Land Use Holders																										
9	Mr. Abdurahob (K-V-F-1)	3	x			Varganza	x	"Kushchnor Dalalari" farm	x		82,8	48,0	58,0	48,0	3	45,00		94	wheat	600	48,0	2500	72.000.000	4	288.000.000	x	1	72.000.000	360.000.000	31.766		
10	Mr. Suhrob (K-V-F-2)	6	x				x	"Varganza novobod" farm	x		42,20	39,0	92,4	39,0	3	36,00		92	wheat	600	39,0	2500	58.500.000	4	234.000.000	x	1	58.500.000	292.500.000	25.810		
11	Mr. Homid (K-V-F-3)	6	x				x	"Homid Abdurashidovich" farm	x		89,00	5,0	5,6	5,0	1	4,00		80	wheat	600	5,0	2500	7.500.000	4	30.000.000	x	1	7.500.000	37.500.000	3.309		
12	Sharipov Muhammadi (K-V-F-4)	7	x				x	"Sharipov Muhammadi Homidovich" farm	x		74,5	8,0	10,7	8,0	2	6,00		75	wheat	600	8,0	2500	12.000.000	4	48.000.000	x	1	12.000.000	60.000.000	5.294		
Subtotal for AHs		22	4	0	0		0	4		4	0	288,50	100,00	34,7	100,00	9	0	91,0	0	91		100,0		150.000.000		600.000.000	0	4	150.000.000	750.000.000	66.179	
D	Other State Used Land					Other State Used Land																										
no cases						Varganza		no cases																					0	0		
Subtotal Other State Land																													0	0		
Total Verganza Pomegranate Orchard																																
Cases	AHs	APs	4	0	0	Varganza	0	4		4	0	288,5	100,0	34,7	100,0	9	0,0	91,0	0,0			100,0			600.000.000	0	4	150.000.000	750.000.000	66.179		
4	4	22		4			4			4								91,0								4						
Total Subproject Kitob																																
Cases	AHs	APs	11	0	1	2	0	12		11	1	524,2	200,0	38,2	200,0	21	0,0	146,6	32,4			167,6			1.005.600.000	1	11	251.400.000	1.257.000.000	110.916		
12	11	67		12			12			12								179,0								12						
Notes																																
1 The serial numbers reflect the affected cases which include the Affected Households as well as the Other State Land. No AH is losing more than one plot.																																
2 For these assets the compensation costs have been calculated for formal consideration in the preliminary LARP budget.																																
3 Area for temporary construction installation/camp and permanent building for future O&M purpose will be within the horticulture development area.																																
4 The compensation for loss for each type of affected assets has been discussed and agreed with affected owners.																																

ANNEX 5.1-1: CONSULTATION – LAR RECONNAISSANCE BY TRTA RESETTLEMENT TEAM


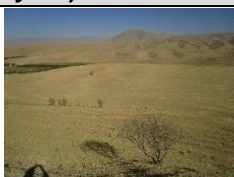


























Project	Horticulture Intensification and Production Enhancement Pilot (HIPEP)
Objective	SSG Reconnaissance Visit
Location	Kitob district
Date	11/12 October 2022

Persons met during meetings, field inspections and/or transect walks



ИШТИРОКЧИЛАР РЎЙХАТИ/ LIST OF PARTICIPANTS				
Жой/Place	Kitob			Сана/Date 11.10.2022
№	Ф.И.Ш/ Name, Surname	Иш лавозими/ Position held	Телефон/ Telephone	Имзо/ Signature
1.	Barkhiyor Karimov	deputy governor	+998973871101	
2.	Frans - Drob WAHL	TRTA - SSG spiro list	+99890 972 852	
3.	Namunbe Reinos	consultant	+998977822311	
4.	Ergashev Zafar	deputy governor	+99890444-10-07	
5.	Zayniddinov Akram Yez tuzuvchi		+99890-919-39-24	
6.	Manukov Xavdar	6/x bura garmachisi	+998973863100	
7.	Murzaev Ziegulmo	Malakan Raisi	+998973808905	
8.	Kizakurov Bakodur	Malakan Raisi	+998983001	
9.	Boboev Azimov	hormi ergashgisi	+99891-85-18	
10.				

Meeting impressions**Site inspections & transect walks****Subproject Area Varganza (pomegranate)****Panorama from plateau****Selected views****Pumpstation**

ANNEX 5.1-2: CONSULTATION –LAR RECONNAISSANCE BY TRTA RESETTLEMENT TEAM

Project	Horticulture Intensification and Production Enhancement Pilot (HIPEP)		
Objective	SSG Reconnaissance Visit		
Location	Kitob district		
Date	11/12 October 2022		
Subproject Area Tupchok (vineyard)			
			
Panorama from “house side”			
			
Panorama along bordering track side			
			
Panorama from water storage basin			
			
Panorama along pipe (border line)			
			
Panorama at pipe outlet			
			
Panorama along channel			
			
Access road	Vineyard & Orchard	Transmission line	Field track as site border

ANNEX 5.1-3: CONSULTATION – LAR RECONNAISSANCE BY TRTA RESETTLEMENT TEAM

Project	Horticulture Intensification and Production Enhancement Pilot (HIPEP)
Objective	SSG Reconnaissance Visit
Location	Kitob district
Date	11/12 October 2022
Maps Tupchog (vineyard)	
	
Cadastral Map provided by District Cadastre Department	
	
Subproject area as prepared by TRTA	

ANNEX 5.1-4: CONSULTATION – LAR RECONNAISSANCE BY TRTA RESETTLEMENT TEAM

Project	Horticulture Intensification and Production Enhancement Pilot (HIPEP)
Objective	SSG Reconnaissance Visit
Location	Kitob district
Date	11/12 October 2022
Subproject Tupchog (vineyard)	
Introduction to project	
<ul style="list-style-type: none"> ▪ PROJECT STATUS: <ul style="list-style-type: none"> - Restart as new project. - Study stage. - In-kind support to be paid back, no in-cash credits. - Planned pilot stage first before final decision about full implementation. - District underlines its interest in the project. 	
Summary of discussed main items for subproject Tupchog (vineyard)	
<ul style="list-style-type: none"> ▪ SUBPROJECT LAND: <ul style="list-style-type: none"> - The subproject development as vineyard area has been confirmed. - Has been verified through cadastral map (plot numbers). - Based on transect walk TRTA prepared preliminary footprint. - KMZ files to be provided by district. ▪ AVAILABILITY OF LAND: <ul style="list-style-type: none"> - District informed about termination of land user right agreements with current land users. This takes place inside and outside (adjacent) the subproject area. - TRTA informed about social safeguards issues: <ul style="list-style-type: none"> (i) Expected need for compensation payments. (ii) In case the “land given back by farmers” will then not be used by the subproject, this will lead to permanent change in livelihood conditions for families for which ADB can make the project responsible. (iii) In addition, the current timing is not correct, as there is no need to change any use of future project land in 2022 and 2023, as physical implementation is scheduled to start in 2024. (iv) Furthermore, the process of termination of land user right agreements is not correct as on one hand the farmers accepted to give back the land but with a mutual understanding with the district that they would get allocated a plot of 1-2ha of the newly development sites. There is no agreement on this. - Discussions showed need for further clarification. ▪ POTENTIAL AFFECTED LAND USERS: <ul style="list-style-type: none"> - Provision of names related to plot number through cadastral department. - Verification of names during transect walks. - Current list of affected land users: 	
Summarized main items for subproject Varganza (pomegranate)	
<ul style="list-style-type: none"> ▪ PROJECT AREA: <ul style="list-style-type: none"> - Availability of selected area for the project has been explained during site visit, however there is the need for defined locations and borders for the subproject development within the shown area. - Current land user rights to be documented. 	

ANNEX 5.2-1: CONSULTATION – JOINT SAFEGUARDS PUBLIC MEETINGS: COORDINATION PUBLIC MEETING KITOB

		<i>Non-literal English translation</i>	
<p>O'ZBEKISTON RESPUBLIKASI QISHLOQ XO'JALIGI VAZIRLIGI HUZURIDAGI OZIQ-OVQAT VA QISHLOQ XO'JALIGI SOHASIDA STRATEGIK RIVOJLANISH VA TADQIQOTLAR XALQARO MARKAZI</p> <p>100128, Toshkent sh., Labzak ko'ch. 1A uy, blok "A" Tel.: +99871 241-52-01, 241-33-30 Faks: +99871 241-52-01</p>		<p>INTERNATIONAL CENTRE FOR FOOD AND AGRICULTURE STRATEGIC DEVELOPMENT AND RESEARCH UNDER THE MINISTRY OF AGRICULTURE OF THE REPUBLIC OF UZBEKISTAN</p> <p>1A, block "A", Labzak Street, Tashkent, 100128 Tel.: +99871 241-52-01, 241-33-30 Fax: +99871 241-52-01</p>	
<p><i>11.11.2022</i> № <i>57/01-70-1771</i></p> <p>dagi № _____ ga</p> <p>Qashqadaryo viloyati Kitob tumani hokimiyatiga</p> <p>O'zbekiston Respublikasi Qishloq xo'jaligi vazirligi huzuridagi Oziq-ovqat va qishloq xo'jaligi sohasida strategik rivojlanish va tadqiqotlar xalqaro markazi (<i>Markaz</i>) Osiyo taraqqiyot banki (<i>OTB</i>) ishtirokida Jizzax viloyatining Baxmal tumanida va Qashqadaryo viloyatining Kitob tumanida meva-sabzavotchilik tarmog'ini rivojlantirish uchun mablag' ajratilishi rejalashtirilgan.</p> <p>Mazkur loyihani tayyorlash doirasida joriy yilning 15 noyabr kuni soat 10.00 da Qashqadaryo viloyati, Kitob tumanining mahalla faollari, Ekologiya va atrof muhitni muhofaza qilish qo'mitasi, Yer resurslari va davlat kadastri, Arxitektura va qurilish qo'mitasi, Tadbirkor ayollar va xotin-qizlar hamda Yoshlar ittifoqining jami 40 nafar tuman vakillari ishtirok etishlari rejalashtirilgan.</p> <p>Yuqoridagilarni inobatga olgan holda, Sizdan ushbu tadbirda tuman tashkilot vakillarini jalb etishda hamda tadbirni Kitob tumani hokimligining binosida o'tqazishda amaliy yordam berishingizni so'raymiz.</p> <p>Direktor <i>A. Shukurov</i></p>		<p>INTERNATIONAL CENTRE FOR FOOD AND AGRICULTURE STRATEGIC DEVELOPMENT AND RESEARCH UNDER THE MINISTRY OF AGRICULTURE OF THE REPUBLIC OF UZBEKISTAN</p> <p>#57/01-70-1771 11.11.2022</p> <p>To: Khokimiyat of the Kitab district of Kashkadarya province</p> <p>The International Centre for Food and Agriculture Strategic Development and Research Under the Ministry of Agriculture of the Republic of Uzbekistan (Centre) with the participation of the Asian Development Bank (ADB) planned and established funds to be allocated for the development of fruit and vegetable network in Bakhmal district of Djizzakh province and Kitab district of Kashkadarya province.</p> <p>As part of the preparation of this project, on November 15 of this year at 10:00, neighborhood activists of the Kitab district of Kashkadarya province, the Ecology and Environmental Protection Committee, Land Resources and State Cadastre, Architecture, and Construction Committee, Businesswomen and women as well as Youth Union a total of 40 district representatives are planned to participate.</p> <p>Taking into account the above, we would like to ask you to give practical advice in attracting representatives of district organizations to this event and holding the event in the building of the Kitab district administration.</p> <p>Director <u><i>signed</i></u> A.Shukurov</p>	

ANNEX 5.2-2: CONSULTATION – JOINT SAFEGUARDS PUBLIC MEETING KITOB

Attendance sheet - 15 November 2022

БОҒДОРЧИЛИКНИ ИНТЕНСИВЛАШТИРИШ ВА ҲОСИЛДОРЛИКНИ ОШИРИШ БЎЙИЧА ТАЖРИБА ЛОЙИХАСИ				
ИШТИРОКЧИЛАР РЎЙХАТИ/ LIST OF PARTICIPANTS				
Жой/Place	Қўл/Signature	Сана/Data		
№	Ф.И.Ш/ Name, Surname	Иш лавозими/ Position held	Телефон/ Telephone	Имзо/ Signature
1.	Раҳманов Соҳиб	Қўлбўйиш	(99) 337 85 60	
2.	Қосимов Шайхмур	Қўлбўйиш	99-665-10-13	
3.	Қосимов Шайхмур	Қўлбўйиш	973891674	
4.	Мирзаев Аббас	Қўлбўйиш	97-798-77-47	
5.	Ширзаев Раҳим	Қўлбўйиш		
6.	Муродовна Дилноза	Қўлбўйиш	97-507-90-95	
7.	Ҳасановна Қосимов	Қўлбўйиш	97-525-22-65	
8.	Ҳасановна Қосимов	Қўлбўйиш	97-671-83-13	
9.	Раҳимов Назимжон	Қўлбўйиш	97618-65-46	
10.	Қўлбўйиш	Қўлбўйиш	97-319-88-74	
11.	Қўлбўйиш	Қўлбўйиш	97-631-61-50	
12.	Қўлбўйиш	Қўлбўйиш	97-317-30-69	
13.	Қўлбўйиш	Қўлбўйиш	914449457	
14.	Қўлбўйиш	Қўлбўйиш	906085304	
15.	Қўлбўйиш	Қўлбўйиш	97-587-00-58	
16.	Қўлбўйиш	Қўлбўйиш	97-386-57-53	
17.	Қўлбўйиш	Қўлбўйиш	93-9395588	
18.	Қўлбўйиш	Қўлбўйиш	973860288	
19.	Қўлбўйиш	Қўлбўйиш	597710006	
20.	Қўлбўйиш	Қўлбўйиш	9132221809	
21.	Қўлбўйиш	Қўлбўйиш	90-9193924	
22.	Қўлбўйиш	Қўлбўйиш	97631-71-71	
23.	Қўлбўйиш	Қўлбўйиш	977500695	
24.	Қўлбўйиш	Қўлбўйиш	998882830	
25.	Қўлбўйиш	Қўлбўйиш	99-558-22-81	
26.	Қўлбўйиш	Қўлбўйиш	97-954-06-16	
27.	Қўлбўйиш	Қўлбўйиш	974361107	
28.	Қўлбўйиш	Қўлбўйиш	932932017	
29.	Қўлбўйиш	Қўлбўйиш	941877114	
30.	Қўлбўйиш	Қўлбўйиш	990257352	
31.	Қўлбўйиш	Қўлбўйиш	932904775	
32.	Қўлбўйиш	Қўлбўйиш	941908880	
33.	Қўлбўйиш	Қўлбўйиш	973267930	

ANNEX 5.2-3: CONSULTATION – JOINT SAFEGUARDS PUBLIC MEETING KITOB

Selected impression - 15 November 2022



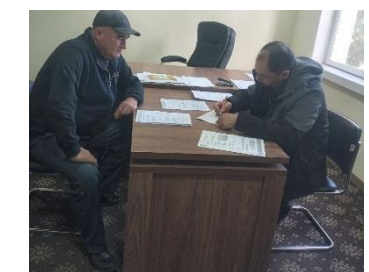
ANNEX 5.3-1: CONSULTATION – LAR SOCIOECONOMIC SURVEY OF AH & MEETING

Project	Horticulture Intensification and Production Enhancement Pilot (HIPEP)
Objective	SESAH
Location	Kitob district
Date	03 December 2022

AHs participating in socioeconomic household survey

ADB ASIAN DEVELOPMENT BANK				
Ўзбекистон Республикаси Қашқадарё вилояти Китоб тумани				
ЎЗБЕКИСТОН РҶЇЎНАТИ				
LIST OF PARTICIPANTS				
Xoh/Place Kitob district				
Cana/Data 03.12.2022				
№	Ф.И.Ш/ Name, Surname	Иш лавозими/ Position held	Телефон/ Telephone	Имзо/ Signature
1.	Пилиев Бешмурод	Ф.к. раҳбар	94633 4664	Пилиев
2.	Боб Махмур	Ф.к. Махмур Махмур	949505844	Боб
3.	Қурбанов Қошиқ	Ф.к. Қошиқ Қурбанов	94619291	Қурбанов
4.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94619291	Қурбанов
5.	Содиқов Чирок	Ф.к. Содиқов Чирок	94640 1112	Содиқов
6.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
7.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
8.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
9.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
10.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
11.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов
12.	Қурбанов Қошиқ	Ф.к. Қурбанов Қошиқ	94633 4664	Қурбанов

Ўзбекистон
Республикаси
Қашқадарё вилояти
Китоб тумани
“ТУПЧОҚ”
МАҲАЛЛА
ҲАМЛА
ҲАМЛА
ҲАМЛА

AHs during survey

ANNEX 5-4.1: Project Information Booklet

Horticulture Intensification and Productivity Enhancement Pilot

Overall Objective

Intensified and expanded horticultural initiatives implemented and delivery mechanisms evaluated in pilot districts

Indicative Outputs



Horticultural intensification and expansion activities undertaken in existing small-scale horticultural farms



Horticultural production expanded on unutilized land with sub-divided plots being transferred to small-scale farmers



Associated value chain operators facilitated to support horticultural development in the participating districts to improve value addition and market efficiency



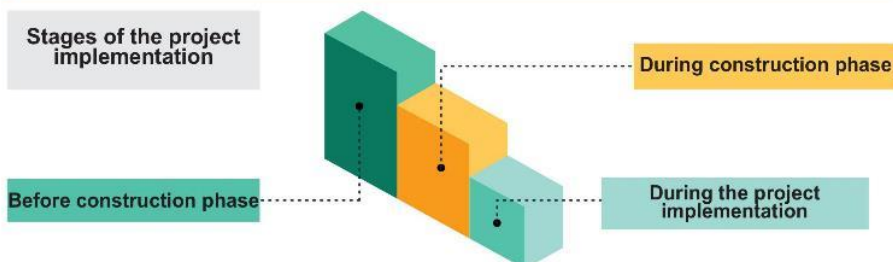
The Initial Environmental Assessment (IEE) and the national document - Environmental Impact Statement will be carried out in accordance with the Regulation on Safeguard Policy (2009) of the Asian Development Bank (ADB) and national environmental legislation. The purpose of the EIA is to determine the types of project impacts during the construction and operation phases. The following is a summary of the main impacts:



Environmental protection

Main types of environmental impact

Stages of the project implementation



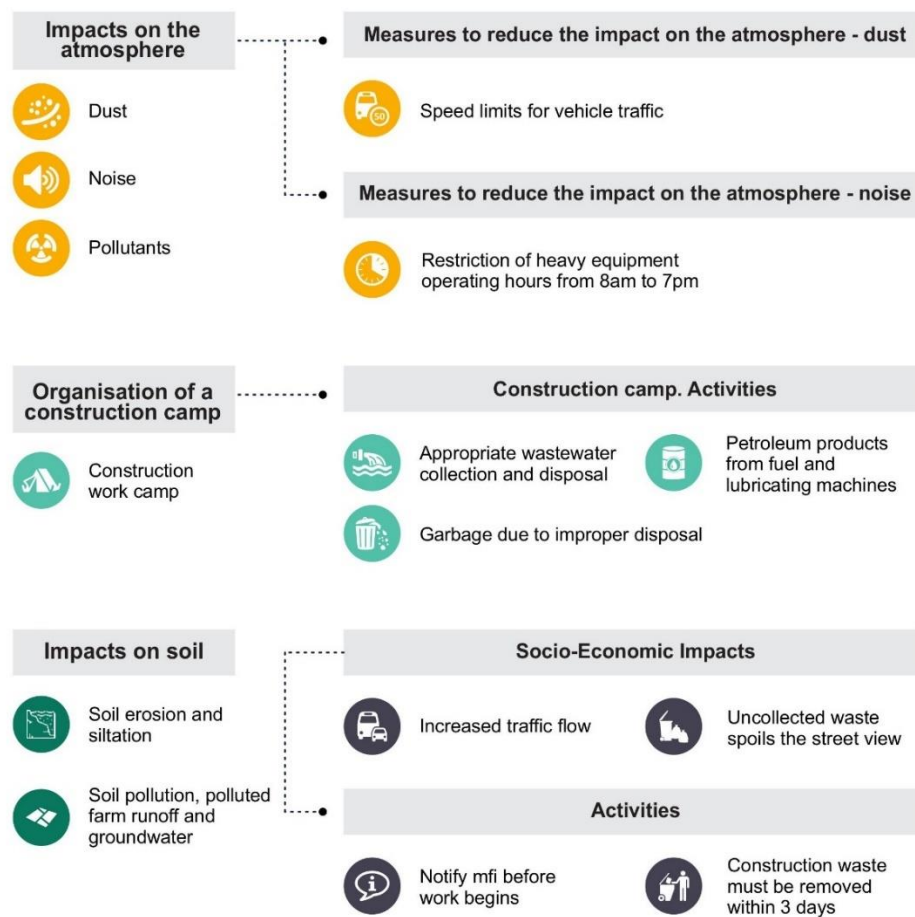
CONTACT
DETAILS FOR
INQUIRIES

PIU Information
Address:
Tel:
Email:

ANNEX 5-4.2: Project Information Booklet

Horticulture Intensification and Productivity Enhancement Pilot

The objects on which the effects have been studied:



To mitigate negative impacts, the Project will develop an Environmental Management Plan (EMP) and an Occupational Health and Safety Management and Monitoring Plan (OHSMP).

CONTACT
DETAILS FOR
INQUIRIES

PIU Information
Address:
Tel:
Email:

ANNEX 5-4.3: Project Information Booklet

Horticulture Intensification and Productivity Enhancement Pilot Project

SOCIAL PROTECTION MEASURES IN THE IMPLEMENTATION OF THE PROJECT

Land acquisition and resettlement project tasks:



Prevent resettlement in impossible locations and reduce resettlement work by studying designs and engineering drawings; Realistically improve the standard of living of resettled households from the pre-project level or maintain the same level; Support to improve the standard of living of groups in need of social assistance who have been relocated (head of household is low-income, head of household has lost the breadwinner, head of household is disabled).



The land acquisition and resettlement project includes the following:

• Physical impact

(Loss of residence, housing and accommodation);

• Economic impact

Loss of income and commercial activities as a result of land acquisition and resettlement and restrictions imposed on the use of its former land

The purpose of the acquisition and resettlement project is:



Determination of the number of land users temporarily and permanently affected by the project. Development of procedures and mechanisms for land acquisition and resettlement in accordance with the requirements of the political and social protection of the Asian Development Bank in 2009 and the requirements of the legislation of the Republic of Uzbekistan

Who is compensated for the impact and losses

- Permanently and temporarily affected farms;
- Individuals and legal entities who have lost crops and trees;
- Individuals and legal entities who have lost residential and non-residential space;
- Businesses and employees who have lost permanent or temporary business.

Compensable impacts and losses

- Agricultural and non-agricultural land;
- Residential and non-residential premises;
- Crops and trees;
- Permanent and temporary impacts on businesses and employees;
- Additional support for groups in need of social assistance (head of household is low-income, head of household has lost the breadwinner, head of household is disabled).

After conducting a socio-economic survey within the framework of the project, the constructed buildings or other damage within the framework of the project are not compensated

CONTACT DETAILS FOR INQUIRIES

Information PIU: International Center for Strategic Development and Research in the Field of Food and Agriculture
Address: 100128, Tashkent, Labzak street, 1A, block A
Tel: +99871241-52-01, 241-33-30
Fax: +99871241-52-01

ANNEX 5-4.4: Project Information Booklet

TASKS OF THE LAND ALLOCATION AND RESETTLEMENT PROJECT:

- Prevention of relocation to impossible places and reduction of relocation works by studying projects and drawings;
- To realistically increase the standard of living of the relocated households compared to the pre-project level or ensure the previous level;
- To help raise the standard of living of groups in need of social assistance relocated to a new place (the head of the family is low-income, the head of the family has lost a breadwinner, and the head of the family is disabled).

THE LAND ALLOCATION AND RESETTLEMENT PROJECT INCLUDES:

- Physical impact (loss of livelihood, accommodation, and shelter);
- Economic impact Loss of income and commerce due to land allocation and displacement and restrictions on previous land use.
- The purpose of the land allotment and resettlement project is to:
- Determination of the number of temporarily and permanently affected land users within the framework of the project.
- Development of procedures and mechanisms for land allocation and relocation in accordance with the political and social protection requirements of the Asian Development Bank in 2009 and the requirements of the legislation of the Republic of Uzbekistan.

During construction, the impact on cropland and trees is considered, and these lands will be returned to the land users after the completion of the construction works.

TO WHOM DAMAGES ARE PAID FOR EXPOSURE AND LOSS	INDEMNIFIED EFFECTS AND LOSSES
<ul style="list-style-type: none"> ➤ Permanent and temporary affected farms; ➤ Individuals and legal entities who lost crops and trees; ➤ Individuals and legal entities who have lost their residential and non-residential places; ➤ Businesses and employees who have lost their permanent and temporary businesses. 	<ul style="list-style-type: none"> ➤ Agricultural and non-agricultural lands; ➤ Residential and non-residential places; ➤ Crops and trees; ➤ Permanent and temporary impact on business and employees; ➤ Additional support for groups in need of social assistance (the head of the family is low-income, the head of the family has lost his breadwinner, and the head of the family is disabled).
<p>After the socio-economic survey is conducted within the project, the constructed buildings or other damages will not be covered by the project.</p>	

CONTACT DETAILS FOR INQUIRIES

PIU Information
Address:
Tel:
Email:

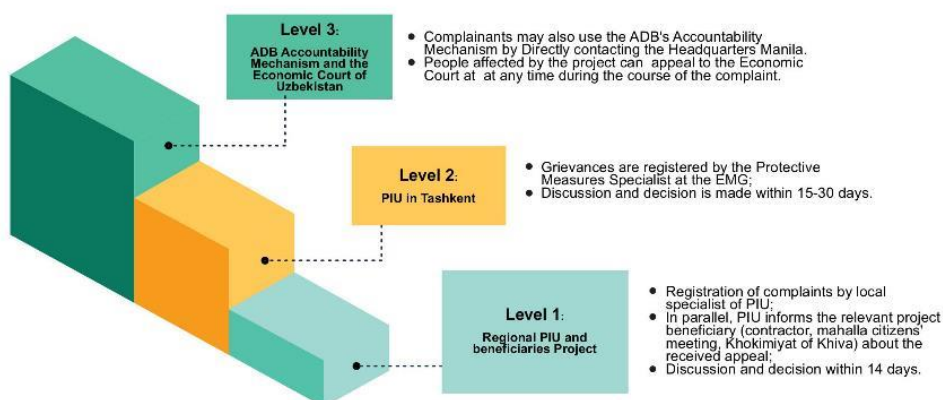
ANNEX 5-4.5: Project Information Booklet

Horticulture Intensification and Productivity Enhancement Pilot

To whom are the damages for impact and damages paid	Recoverable consequences and damages
<ul style="list-style-type: none"> - Farms that are permanently or temporarily exposed; - Individuals and businesses that have lost crops and trees; - Individuals and businesses that have lost residential and nonresidential properties; - Businesses and employees who have lost permanent or temporary business 	<ul style="list-style-type: none"> - Agricultural and non-agricultural land; - Residential and nonresidential places; - Permanent and temporary impact on businesses and employees; - Additional benefits for heads of families in need of social support (low-income, bereaved, disabled, and child care recipients).

After the socio-economic survey of the project, the buildings constructed or other damage caused is not covered by the project.

DISCLOSURE OF INFORMATION AND GRIEVANCE MECHANISM

CONTACT
DETAILS FOR
INQUIRIES

PIU Information
Address:
Tel:
Email:

ANNEX 6-1.1: Implementation Plan of Project Readiness Financing

Activities	2023		2024				2025				2026				2027			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1: Climate resilient horticulture intensification piloted.																		
Activity 1.1: Identify interested small-scale farmers for participation in the pilot based on eligibility criteria (by 3 rd quarter 2024).																		
1.1.1: Project orientation meetings																		
1.1.2: Eligibility meetings and confirmation																		
1.1.3: Submission of EOIs to ASO																		
1.1.4: List of eligible investments developed																		
Activity 1.2: Identify on-farm improvements of eligible small-scale farmers, confirm viability and aggregate packages for ease of procurement (by 3 rd quarter 2024).																		
1.2.1: Review farmer EOIs																		
1.2.2: Confirm eligibility and viability																		
1.2.3: Aggregate by type of investment																		
1.2.4: Develop procurement packages																		
Activity 1.3: Develop specifications for the items requested on existing horticultural plots by participating small-scale farmers (by 4 th quarter 2024).																		
1.3.1: Prepare technical specifications for eligible and viable on farm investments																		
1.3.2: Prepare bidding documents																		
Activity 1.4: Carry out detailed engineering designs for block development at scale in Kitob district (by 4 th quarter 2024).																		
1.4.1: Recruit DED and construction contractors for Kitob																		
1.4.2: Approve DEDs for two orchard subprojects (including land preparation, planting, water establishment and trellising)																		
1.4.3: Prepare procurement documents for building construction and equipment supply																		
1.4.4: Prepare procurement documents for operating the developed area until fruiting																		
1.4.5: Coordinate with ISCAD for their procurement																		
Activity 1.5: Procure and arrange installation of improvements on eligible and viable plots (by 2 nd quarter 2026).																		
1.5.1: Award construction and supply contracts																		
1.5.2: Resettlement compensation																		
1.5.3: Environmental safeguards																		
1.5.4: Construction of works																		
1.5.5: Monitoring of contracts																		

ANNEX 6-1.2: Implementation Plan of Project Readiness Financing

Activities	2023		2024				2025				2026				2027			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1: Climate resilient horticulture intensification piloted.																		
Activity 1.6: Hand over commissioned improvements to participating small-scale farmers in exchange for subloan agreements to facilitate the recovery of development funds used for individual farmer improvements (by 4 th quarter 2026).																		
1.6.1: Appoint maintenance operator																		
1.6.2: Identify beneficiary farmers																		
1.6.3: Prepare subloan agreements																		
1.6.4: Execute subloan agreements																		
1.6.4: Appoint machinery and equipment service provider																		
1.6.5: Establish services contracts																		
Activity 1.7: Collect repayments from participating farmers in accordance with the subloan agreement (by 4 th quarter 2027).																		
1.7.1: Routine payments for operation and maintenance of services																		
1.7.2: Subloan repayments for development costs																		
Output 2: Commodity value chains consolidated and strengthened for value addition.																		
Activity 2.1: Confirm identified value chain operators' commitment to purchase small scale farmer horticultural produce throughout the period of pilot implementation (by 4 th quarter 2024).																		
2.1.1: Survey identified value chain operators in the target districts																		
2.1.2: Introduce the project concept and eligibility criteria																		
2.1.3: Receive EOLs from interested entities for participation																		
2.1.4: Develop a short list of interested and eligible enterprise investments																		
Activity 2.2: Prepare feasibility study and detail designs for works and specifications for machinery and equipment required (by 1 st quarter 2025).																		
2.2.1: Conduct a feasibility study for the proposed investments																		
2.2.2: Prepare technical specifications for buildings and equipment																		
2.2.3: Prepare bidding documents for the procurement of eligible investments																		
2.2.4: Assist ISCAD in the preparation for procurements of contracts																		

ANNEX 6-1.3: Implementation Plan of Project Readiness Financing

Activities	2023		2024				2025				2026				2027			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 2: Commodity value chains consolidated and strengthened for value addition.																		
Activity 2.3: Procure the required works, machinery and equipment (by 4 th quarter 2025).																		
2.3.1: Award contracts for works and equipment supply																		
2.3.2: Construction of buildings and equipment installation																		
2.3.3: Monitoring of construction																		
2.3.4: Preparation for handover																		
Activity 2.4: After commissioning, transfer ownership of the asset to the private sector value chain operator in exchange for a subloan agreement for the recovery of funds used in development of the assets (by 2 nd quarter 2026).																		
2.4.1: Commission the investment - plant and equipment																		
2.4.2: Prepare subloan asset summary and repayment conditions																		
2.4.3: Execute the subloan agreement																		
2.4.4: Prepare the maintenance plan with the subproject beneficiary																		
Activity 2.5: Ensure routine maintenance is carried out on a regular basis to the established asset (by 2 nd quarter 2027).																		
2.5.1: Conduct routine inspection of facilities																		
2.5.2: Report on local purchases from small-scale farmers																		
2.5.3: Report on sales and distribution activities																		
Activity 2.6: Collect payments from the private sector value-chain operator in accordance with the subloan agreement (by 1 st quarter 2028).																		
2.6.1: Routine payments for operation and maintenance of buildings and equipment																		
2.6.2: Subloan repayments for investment and equipment costs																		
Project Management																		
Set up ISCAD's PIU and ASO's field coordination unit and district coordination offices with required staff (by Dec 2023).																		
Recruit implementation support consultant (by Dec 2023).																		
Develop project performance management system (by Dec 2023).																		