

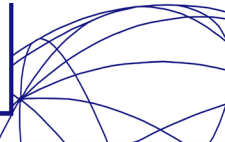
Karakalpakstan and Khorezm Water Supply and Sewerage Project

*Environmental and Social Management
Planning Framework for Water and
Sanitation Activities in Khorezm Region*



Resettlement Planning Framework

April 2024

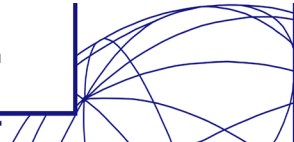


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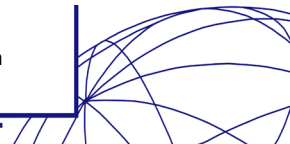
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Executive Summary

Project Background. The Government of Uzbekistan (GoU) aims to construct new water and wastewater infrastructure and rehabilitate the existing water and wastewater facilities in Khorezm Province to improve the living conditions of the local population, climate resilience, and the overall environmental, sanitary, and hygienic situation, which will foster the socio-economic growth of the area. To implement these interventions, the GoU applied for financing from the Asian Infrastructure Investment Bank (AIIB).

The Khorezm Province is one of 12 provinces of Uzbekistan. It is located in the northwestern part of Uzbekistan along the Amudarya River. The province borders the Republic of Karakalpakstan in the northwest, the Khorezm Province in the east, and Turkmenistan in the south and west. The province comprises eleven districts and two cities (Urgench and Khiva) with a population of 1,924,163 as of 2022.

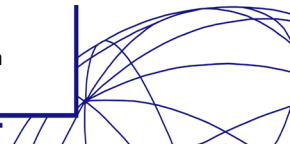
The coverage by the water supply services is 86.9% in Khorezm Province as of 2022. Despite the water supply is relatively stable in the Urgench and Khiva cities, in the districts it is available for two to four hours daily. The main issues associated with this situation are old, deteriorated infrastructure built in the 1970s and 1990s with a high leakage rate, corroded pipes, and ineffective water treatment facilities.

As of 01.04.2023, Khorezm Suvtaminot LLC reported the province coverage with wastewater services as 6-8%. Only five urban centres have centralized wastewater collection and treatment systems: Urgench city, partly Urgench district, Pitnak town, Khiva city, and Khanka district centre. There is no wastewater system in the rural areas, where the local population uses pit latrines in their yards separately for toilet needs and household waste.

Project Scope. To improve the existing situation, the Uzsuvtaminot JSC, Khorezm Suvtaminot LLC, and AIIB initiated the Khorezm Water Supply and Sanitation Project with investments in the following two streamlines:

- (a) **Water Supply Treatment and Distribution:** Rehabilitation and new construction of water treatment and distribution facilities, such as WDUs, pumping stations, production bases, feeding pipes, water mains, networks, connections, and installation of water meters in Gurlen, Khanka, Shavat, and Urgench districts.
- (b) **Wastewater Collection and Treatment:** Rehabilitation and construction of pumping stations, networks, and wastewater treatment plants with primary treatment, biological treatment, tertiary treatment, and sludge handling systems in Yangibazar, Yangiarik, Shavat, Urgench, and Khazarasp districts.

Along with the engineering improvements, the Project will be focused on building utility' capacity in financial and technical management. The Project also aligns with the GoU's



commitment to reducing regional inequalities and providing households in urban and rural areas with reliable basic water and sanitation services as outlined in the *Decree of the President of Uzbekistan No. PP-257¹, Additional Measures on Improvement of Population Coverage by Water and Wastewater Services*, 24.05.2022. By aligning with the government priorities, the Project seeks to achieve greater sustainability and impact at scale.

RPF. This Resettlement Planning Framework (RPF) is prepared for the Karakalpakstan and Khorezm Water Supply and Sewerage Project to be implemented in the Khorezm Province under the AIIB financing. The RPF provides guidance to the Project stakeholders if the Project requires the use of land on a temporary or permanent basis and the acquisition of land. The key objective of the RPF is to establish resettlement principles, organizational arrangements, funding mechanisms, eligible criteria, entitlements matrix, feedback, and grievance redress mechanism (GRM), and monitoring and evaluation process for the project-affected people (PAP) who may be identified during the Project implementation. The RPF also establishes a framework for assessing concerns of PAP, which may be subject to loss of livelihoods, assets, and well-being because of the Project.

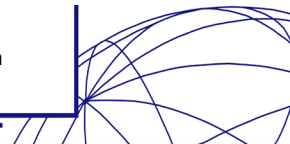
Potential Impacts. Project implementation will require a permanent and temporary land acquisition as follows:

- Most of the work planned for the water supply component will take place on the lands owned by the water utility. However, the Project requires permanent land acquisition to construct nine water pumping stations across three Project districts – Urgench, Khanka, and Shavat. Additionally, temporary land acquisition is necessary to install pipework on the water supply network.
- Under the wastewater component, the Project requires permanent land acquisition to construct four wastewater treatment plants (WWTP) in Yangiariq, Yangibazar, Khazarasp, and Shavat districts and sewerage pumping stations across the Project area. Moreover, temporary land acquisition is needed for the sewerage network.

Regulatory and Policy Framework. This RPF is based on the AIIB Environmental and Social Framework (ESF) and applicable Uzbek regulatory framework. The RPF provisions will apply to all Project interventions and be used for all economically and physically displaced persons, regardless of the severity of impact or whether or not they have legal title to the land. The needs of vulnerable groups, such as women-headed households, low-income households, single senior adults, and people with disabilities, will receive particular attention.

Resettlement Plan. Subproject specific resettlement or livelihood restoration plans will be prepared following this RPF and recommended guidance requiring screening the

¹ <https://lex.uz/uz/docs/6033210>



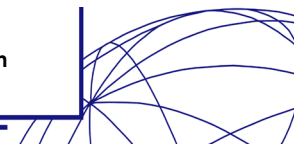
subprojects for social impacts, avoiding resettlement, and elaborating mitigation and management measures if resettlement could not be avoided. This will also involve social impact assessment with socio-economic survey and census of the project affected parties and properties.

Eligibility, Evaluation, Entitlements. Affected persons irrespective of their status or whether they have land titles, and legal rights or not, are eligible for compensation and/or some other assistance if they occupied the land before the entitlement cut-off date. The entitlement cut-off date refers to the completion time of measuring affected assets, identifying affected people, and the socioeconomic survey in the Project area, i.e., the last date for defining those eligible for compensation. After that date, the Project considers no new cases of PAPs.

The RPF presents an entitlement matrix that is based on the harmonized regulations and the potential impacts. The matrix outlines the types of losses and compensations provided for immovable assets such as land, structures, trees, crops, and other relevant items. It also includes assistance with resettlement and restoration of livelihoods for individuals affected by the Project. A competent appraiser will determine the value of affected structures and other immovable assets based on the market value, while the agricultural department under the respective district authority (khokimiyat) will calculate compensation for trees, crops, and other plants considering the various parameters such as trees age, annual yield, etc. The affected parties will receive full compensation before possessing land and other assets.

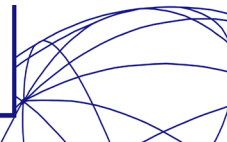
Grievance Redress Mechanism. The Project will establish a Grievance Redress Mechanism (GRM) which would be operated at community and Project levels. The purpose of GRM is to provide a forum for external and internal stakeholders to voice their concerns, queries, issues, and suggestions on the Project. The GRM will aim to record, resolve, and monitor grievances and accommodate where possible any request and suggestions proposed by the project-affected parties.

Implementation Arrangements. The Project will be implemented jointly by Khorezm Suvtaminot LLC with Uzsuvtaminot JSC. A Project Coordination Unit (PCU) created under the Uzsuvtaminot JSC will be responsible for overall Project implementation, monitoring, and financial control, including land acquisition and resettlement activities. The Project will have on board consultants (Project Management Consultant, Detailed Design Consultant, etc.), civil works contractors, suppliers, and other Project personnel providing support in the Project implementation, including resettlement management and land acquisition for the Project components with proper consultation, coordination, and agreement upon compensation for the affected parties. Considering the role of each actor in this process the corresponding reports will be provided to the PCU, including those on monitoring and evaluation, and then to the Bank.

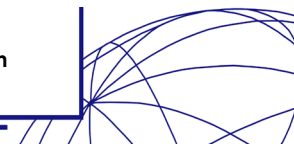


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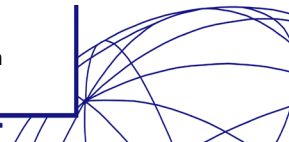
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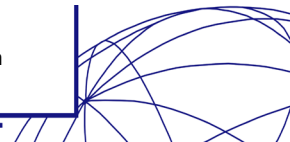
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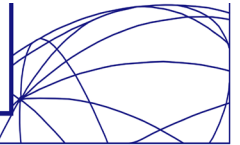


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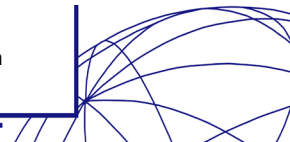


Abbreviations and Acronyms

AIIB	Asian Infrastructure Investment Bank
ARP	Abbreviated Resettlement Plan
EA	Executive Agency
ESIA	Environmental and social impact assessment
ESF	Environmental and social framework
ESMP	Environmental and social management plan
ESS	Environmental and social standard
ESP	Environmental and social policy
FS	Feasibility study
GBV	Gender-based violence
GoU	Government of Uzbekistan
GRC	Grievance Redress Committee
GRM	Grievance redress mechanism
IPPF	Indigenous Peoples Plan or Indigenous Peoples Planning Framework
JSC	Joint stock company
LRP	Livelihood restoration plan
LTIP	Long-term investment program
PAP	Project-affected people
PB	Production base (warehouse)
PCU	Project Coordination Unit
PIP	Priority investment plan
PMC	Project Management Consultant
PPM	AIIB's Project-affected People's Mechanism

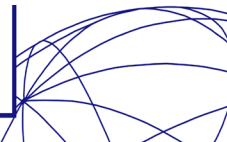


PPQ	Project Processing Query
PS	Pumping station
RP	Resettlement plan
RPF	Resettlement planning framework
SEAH	Sexual exploitation, abuse, and harassment
SIA	Social impact assessment
SPS	Sewerage pumping station
WDU	Water distribution unit (station)
WWTP	Wastewater treatment plant



Glossary

Agricultural land	Lands being used for (i) agriculture or horticulture; (ii) raising of crops, grass, or garden produce; and (iii) for the grazing of cattle.
Compensation	This is a payment in cash or kind for an asset to be acquired or affected by a project at replacement cost at current market value.
Cut-off date	The cut-off date refers to the date after which eligibility for compensation or resettlement assistance will not be considered is the cut-off date. The country's expropriation law does not specify a cut-off date. Therefore, the legal cut-off date of the survey of land and assets, inventory of losses, and the census of persons to be affected should be based on the final engineering design. After this date, the project will not record the change of assets, losses, or people. This social cut-off date will be considered eligibility for resettlement benefits and government compensation.
Entitlement	It is a right to benefits specified by the applicable regulatory framework and the project. This is a range of measures comprising cash or kind compensation, relocation cost, income restoration assistance, transfer assistance, income substitution, and business restoration, which are due to affected households, depending on the type and degree/nature of their losses, to restore their social and economic base.
Encroachers	This refers to those who move into the project area after the cut-off date and are, therefore, not eligible for compensation or other entitlement measures provided by the project.
Farmland	This refers to land used for agricultural production, including farms, to produce food for human consumption. This food production comes from livestock operations such as dairy, poultry, and red meat.
Inventory of losses	This includes the inventory of the affected assets during the census survey for a record of affected or lost properties to prepare the resettlement plan.
Involuntary resettlement	This refers to a physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land or access to land, loss of assets or access to assets, or loss of income



sources or means of livelihood) due to the involuntary acquisition of land or involuntary restrictions on land use for the project. This displacement includes whole, partial, permanent, or temporary losses and restrictions.

Income restoration

This refers to re-establishing sources of income and livelihood for the affected households.

Land acquisition

This activity refers to all methods of obtaining land for project purposes, including outright purchase, expropriation of property, acquisition of access rights, such as easements or rights of way, and changes in land use rights. "Land" includes anything growing on or permanently affixed to land, such as crops, buildings, and other improvements.

Livelihood

This means the full range of means that individuals, families, and communities utilize to make a living, such as wage-based income, agriculture (including gardening), fishing, day labor, trade, and immigrant remittances.

Non-titled people

This refers to those without recognizable rights or claims to the land, structure, or business they occupy or use.

Project-affected people

The project-affected people who, due to the project, lose the right to own, use, or otherwise benefit from assets such as structures, land (residential, agricultural, or pasture), crops, trees, or any other fixed or moveable asset, either in full or in part, permanently or temporarily. This category also includes households and private and public organizations who, on account of changes that result from the project, will have their standard of living or operating adversely affected by physical or economic displacement.

Replacement cost

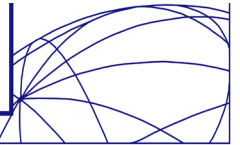
It is a valuation yielding compensation to replace assets and associated transaction costs. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and similar costs imposed on affected persons.

Resettlement assistance

This means support, rehabilitation, and restoration measures extended in cash and kind over and above the compensation for lost assets.

Restrictions on land use refers

Restrictions on land use refer to limitations or prohibitions on the use of agricultural, residential, commercial, or other land that are directly introduced and implemented as part of the implementation of the Project. These may include restrictions on access to other common



property resources and restrictions on land use within utility easements or safety zones.

Squatters

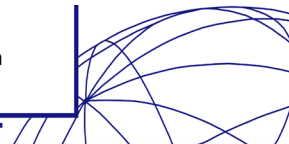
This refers to informal settlers, including people, households, and businesses with no title, right, or lease.

Title holder

Title holder means the people directly affected by land acquisition for the project through loss of part or all their assets, whether temporally or permanently, including land, structure, business, crops, or other assets. The title holder is the legal owner of the affected property and has a document to prove this.

Vulnerable groups

Vulnerable are those people who may be more likely to be adversely affected by the project activities, specifically in terms of resettlement, and may be more limited than others to benefit from the project.



1. Introduction

1.1. Project Background

The Government of the Republic of Uzbekistan ("GoU") requested financing from the Asian Infrastructure Investment Bank ("AIIB" or the "Bank") towards the development of the Karakalpakstan and Khorezm Water Supply and Sanitation Project intended to address issues of the water supply and sanitation issues in Uzbekistan's autonomous Republic of Karakalpakstan and Khorezm Province. The Project implementation will provide reliable, safety and sustainable water supply and sewage services and improve the public health and living conditions of people living in those regions in Uzbekistan.

This Resettlement Planning Framework (RPF) was prepared for one of the two key components of the Karakalpakstan and Khorezm Water Supply and Sanitation Project, namely the modernisation of municipal water supply and sewerage infrastructure in Khorezm Province (the "Project"). The Project intends to improve the living conditions of the local population, climate resilience, and the overall environmental, sanitary, and hygienic situation, which will foster the socio-economic growth of the area.

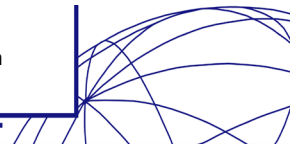
The Project comprises investments in the water supply and sewerage infrastructure of several districts of the Khorezm Province, among which:

- Rehabilitation (including reduction of water losses) and new construction of water treatment and distribution facilities (including public and household meters).
- Construction of wastewater systems for district centres to provide centralized wastewater treatment services (collection, treatment, and disposal).

Along with the engineering improvements, the Project will also be focused on building utility' capacity in financial and technical management of the water utility, i.e., Khorezm Suvtaminot LLC, which is together with JSC "Uzsuvtaminot," is the Project implementation entity.

The Project aligns with the Government of Uzbekistan's commitment to reducing regional inequalities and providing households in urban and rural areas with reliable basic water and sanitation services as outlined in the *Decree of the President of Uzbekistan No. PP-257², Additional Measures on Improvement of Population Coverage by Water and Wastewater Services*, 24.05.2022. By aligning with government priorities, the Project seeks to achieve greater sustainability and impact on a scale.

² <https://lex.uz/uz/docs/6033210>



1.2. Project Scope

The activities planned under the AIB-financed Project include investments in the Khorezm Province on the following two main streamlines:

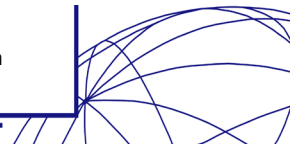
- (a) **Water Supply Treatment and Distribution:** Rehabilitation and new construction of water treatment and distribution facilities, such as water distribution units (WDU), pumping stations, production bases, feeding pipes, water mains, networks, connections, and installation of water meters in Gurlen, Khanka, Shavat, and Urgench districts.
- (b) **Wastewater Collection and Treatment:** Rehabilitation and construction of pumping stations, networks, and wastewater treatment plants with primary treatment, biological treatment, tertiary treatment, and sludge handling systems in Yangibazar, Yangiariq, Shavat, Urgench, and Khazarasp districts.

Some other Project activities will include project management, detailed design, construction supervision, capacity development, and other soft components which do not require any land acquisition and resettlement and will not be discussed in this RPF.

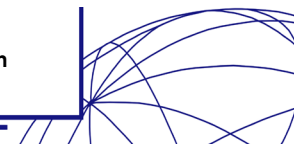
1.2.1. Drinking Water Treatment and Distribution

The proposed Project interventions under the water supply component includes rehabilitation and construction of water treatment and distribution facilities in four districts – Gurlen, Khanka, Shavat, and Urgench districts. The proposed Project components include the following scope:

- (a) **Water Mains:**
 - Construction of the Gurlen-Shavat water main pipeline with electrochemical protection
 - Construction of the Koromon-Kushkupir water main pipeline with electrochemical protection
 - Installation of flow and pressure control valves on the Koromon-Kushkupir water main pipeline
 - Construction of the Pitnak-Urgench water main pipeline with electrochemical protection
- (b) **Urgench District:** Construction and rehabilitations of water treatment and distribution facilities
 - Construction and rehabilitation of Chakkakuli Water Distribution Unit (WDU), Urtadurmon WDU, Bobodekhkon WDU, H. Olimjon WDU, Miroblar WDU, Yukoriovul WDU, Cholish WDU, Kumravot WDU, Obod WDU, Orzu WDU, Shohidonlar WDU, Chandir WDU, Yangi Urtabog WDU, Katta Bog WDU, Oyok Bog WDU, Turkmanlar WDU, Koromon WDU, and Ravot WDU



- Installation of pumping and chlorination facilities at WDUs
 - Construction and rehabilitation of district water mains
 - Construction and rehabilitations of water networks
 - Installation of customer water meters
 - Construction of wells with shut-off valves.
- (c) **Khanka District:** Construction and rehabilitations of water treatment and distribution facilities
- Construction and rehabilitation of Tayanch pumping station (PS), Tayanch WDU, Turkiston WDU, Pakhtakor pumping station, Khankaobod WDU, Durmon WDU, Markazi-2019 WDU, Gulistan WDU, Dustlik WDU, Ilgor WDU, Znakhos WDU, Gairat WDU, Nurobod WDU, Yosh Kuch WDU, Madaniyat WDU, and Markaziy 1960 Production Base.
 - Installation of pumping and chlorination facilities at WDUs
 - Construction and rehabilitation of district water mains
 - Construction and rehabilitations of water networks
 - Installation of customer water meters
 - Construction of wells with shut-off valves.
- (d) **Shavat District:** Construction and rehabilitations of water treatment and distribution facilities
- Construction and rehabilitation of Idalikala WDU, Arbob WDU, Oydin WDU, Buirachi WDU, Markaziy WDU, Archazor WDU, Khitoy WDU, Arytom WDU, Mevazor WDU, Kirgok Boyi WDU, Gulistan WDU, Monok Markaziy WDU, Chigatoy WDU, Madaniyat WDU, Monok-2 WDU, Ogohiy WDU, Eshonkala WDU, Ok Kul WDU, Yangi Burlok WDU, Kushkupir WDU, and Markaziy WDU Production Base
 - Construction of water conduit from Markaziy WDU to Monok Markaziy WDU
 - Installation of pumping and chlorination facilities at WDUs
 - Construction and rehabilitation of district water mains
 - Construction and rehabilitations of water networks
 - Installation of customer water meters
 - Construction of manholes with flow meters
 - Installation of flow meters.
- (e) **Gurlen District:** Construction and rehabilitations of water treatment and distribution facilities
- Construction and rehabilitation of Moily WDU, Gurlen WDU, Nurafshon WDU, Pakhtakor WDU, Besh Uy WDU, Hizir Eli WDU, Dustlik Bogi WDU, Baldokli WDU, Birlashgan WDU, Kangli WDU, Ok Kum WDU, Dusimbiy WDU, Marbugat WDU, and Chinobod WDU
 - Construction of wells with pressure regulators
 - Installation of pumping and chlorination facilities at WDUs
 - Construction of wells with flow meters



- Installation of flow meters on the main networks
- Construction of wells with shut-off valves
- Construction and rehabilitation of district water mains
- Construction and rehabilitations of water networks
- Installation of customer water meters.

The subprojects under the water supply component encompass activities, in total, on 58 WDUs, 4 PSs, and 2 production bases (PB) in four districts and are supposed to purchase and install 28,935 water meters.

Table 1: Scope of work under water supply component

Project District	Project Scope			
	District-level Water Mains	WDUs, PS, and PB	Network	Connections
Urgench	<ul style="list-style-type: none"> ▪ reconstruction – 101,767 m ▪ construction – 12,278 m 	<ul style="list-style-type: none"> ▪ 13 WDUs ▪ 2 PSs ▪ 1 PB 	<ul style="list-style-type: none"> ▪ reconstruction – 57,900 m ▪ construction – 150,344 m 	<ul style="list-style-type: none"> ▪ connections – 194,301 m ▪ water meters – 6,700 pcs
Gurlen	<ul style="list-style-type: none"> ▪ reconstruction – 70,815.53 m ▪ construction – 43,411.88 m 	<ul style="list-style-type: none"> ▪ 13 WDUs ▪ 1 PB 	<ul style="list-style-type: none"> ▪ reconstruction – 17,500 m ▪ construction – 134,845.53 m 	<ul style="list-style-type: none"> ▪ connections – 180,406.38 m ▪ water meters – 6,335 pcs
Khanka	<ul style="list-style-type: none"> ▪ reconstruction – 101,767 m ▪ construction – 12,278 m 	<ul style="list-style-type: none"> ▪ 11 WDUs ▪ 2 PSs ▪ 1 PB 	<ul style="list-style-type: none"> ▪ reconstruction – 57,900 m ▪ construction – 150,344 m 	<ul style="list-style-type: none"> ▪ connections – 200,972 m ▪ water meters – 6,700 pcs
Shavat	<ul style="list-style-type: none"> ▪ reconstruction – 75,822 m ▪ construction – 113,140 m 	<ul style="list-style-type: none"> ▪ 21 WDUs ▪ 1 PB 	<ul style="list-style-type: none"> ▪ reconstruction – 115,900 m ▪ construction – 250,872 m 	<ul style="list-style-type: none"> ▪ connections – 276,046 m ▪ water meters – 9,200 pcs

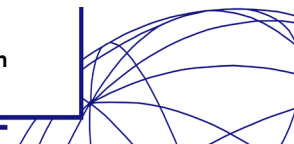
WDU = water distribution unit/station; PS = pumping station; PB = production base (warehouse)

(Source: Scope of Work Approved by Khorezm Suvtaminot LLC and Uzsuvtaminot JSC)

1.2.2. Wastewater Collection and Treatment

The proposed subprojects under the Priority Investment Plan (PIP) include:

- (a) Construction of wastewater treatment plants (WWTP) in four districts – Yangibazar, Yangiariq, Shavat, Urgench, and Khazarasp districts
- (b) Collection and transmission, system to WWTPs, including:
 - Construction of pumping stations in Yangibazar, Yangiariq, Shavat, Khazarasp, and Urgench districts
 - Construction of gravity sewer network in Yangibazar, Yangiariq, Shavat, Khazarasp, and Urgench districts
 - Construction of pressure sewer network with two lines in Yangibazar, Yangiariq, Shavat, Khazarasp, and Urgench districts
 - Construction of house sewer connections in Yangibazar, Yangiariq, Shavat, Khazarasp, and Urgench districts
 - Reconstruction of pumping station in Urgench district



- Modernization of sewage pumping station in Urgench district
- Reconstruction of gravity sewer network in Urgench district
- Reconstruction of pressure sewer network with two lines in Urgench district.

The summary of work proposed under each project district is provided in Table 2.

Table 2: Scope of work under wastewater component

Project Component	Unit	Project Area						Total
		Khazarasp District Centre	Shavat District Centre	Urgench District Centre	Chulobod Community, Urgench District	Yangibazar District Centre	Yangiariq District Centre	
WWTP construction	unit	1 (5,000 m ³ /d)	1 (3,000 m ³ /d)	---	---	1 (2,000 m ³ /d)	1 (2,000 m ³ /d)	4
Construction of pumping station	unit	5	7	3	---	4	2	21
Construction of gravity sewer network	m	48,540	34,861	22,029	3,006	35,373	5,598	149,407
Construction of pressure sewer network with two lines	m	5,280	6,440	9,604	---	6,840	7,785	35,949
Construction of house sewer connections	m	98,240	65,188	79,054	4,327	49,240	49,720	345,769
Reconstruction of pumping station	m	---	---	1	1	---	---	2
Modernization of sewage pumping station	m	---	---	1	1	---	---	2
Reconstruction of gravity sewer network	m	---	---	---	2,732	---	---	2,732
Reconstruction of pressure sewer network with two lines	m	---	---	---	4,320	---	---	4,320

(Source: Priority Investment Programme, FS approved by Khorezm Suvtaminot LLC and Uzsuvtaminot JSC)

In addition, the proposed Long-term Investment Programme (LTIP), developed within the feasibility study, foresees a staged increase in the capacity of the WWTP to be constructed within the PIP as follows:

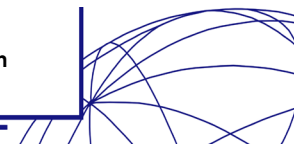


Table 3: WWTP capacities with the PIP and LTIP

WWTP	PIP for 2030	LTIP for 2050	
	WWTP capacity	Implementation Approach	Targeted Capacity
Khazarasp	5,000 m ³ /d	4 phases of 5,000 m ³ /d each	20,000 m ³ /d
Shavat	3,000 m ³ /d	3 phases of 3,000 m ³ /d each	9,000 m ³ /d
Yangibazar	2,000 m ³ /d	3 phases of 2,000 m ³ /d each	6,000 m ³ /d
Yangiariq	2,000 m ³ /d	2 phases of 2,000 m ³ /d each	4,000 m ³ /d

(Source: FS)

1.2.3. Need for RPF

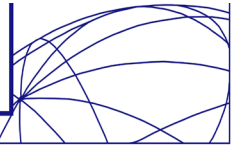
At the time of the RPF preparation, not all the locations of the project components have been identified. The project sites will be determined later when the stakeholders approve the detailed construction methodology under each project component. In that case, the project may require the area occupied by farmland, private or public businesses, in the government reserve, or under other land classification. However, considering the scope identified during the feasibility study, the project needs the acquisition of lands for constructing new facilities and laying up water mains and networks. To anticipate impacts from land acquisition and resettlement, an RPF has been developed for the project.

1.3. RPF Objective

The purpose of RPF is to provide a set of principles, procedures and guidelines for PCU, to be applied to the subprojects requiring land acquisition and resettlement. It is a framework to guide the preparation of an RP in compliance with the requirements specified in the AIB SS2 and applicable legislation of Uzbekistan. The key objective of the RPF is to establish resettlement principles, organizational arrangements, funding mechanisms, eligible criteria, entitlements matrix, feedback, and grievance redress mechanism (GRM), and monitoring and evaluation process for the project-affected people (PAP) who may be identified during the project implementation.

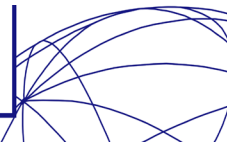
The RPF also establishes a framework for assessing concerns of PAP, which may be subject to loss of livelihoods, assets, and well-being because of the Project. The AIB's ESP (ESS2) is triggered when the Project would result in people losing land, other assets, or access to productive resources, which may disrupt or cause loss of livelihood (i.e., property and assets), well-being, and other entitlements.

The RPF details the instruments to be prepared and the measures to be taken during specific stages of project detailed design and implementation. The framework sets the guidelines for determining compensation eligibility and describes what that compensation might entail.



The specific RPF scope will:

- Determine the eligibility and entitlements of the possible PAPs through an entitlement matrix. This includes the process of screening and categorizing the land acquisition and resettlement impacts, identifying the requirements for assessment and planning, ensuring meaningful consultation with PAPs and other stakeholders, and disclosing relevant information.
- Establish the principles and objectives that will govern the preparation and implementation of resettlement plans following AIB policy requirements. This involves comparing applicable national laws and AIB regulations and identifying measures to address any gaps.
- Provide guidelines for preparing social due diligence, social impact assessment, and resettlement plans for the PAPs to improve or at least retain their living standards in the post-acquisition and resettlement period.
- Specify the compensation and assistance entitlements for PAPs for establishing their livelihoods.
- Set out a communication mechanism to establish harmonious relationship between the project owners and the PAPs.
- Specify implementation procedures, including the budget, institutional arrangements, and capacity development requirements.
- Specify monitoring and reporting requirements.



2. Potential Land Acquisition and Resettlement Impacts

2.1. Project Land Requirements

2.1.1. Water Supply Component

Project implementation under this component will require a permanent and temporary land acquisition. The Project facilities under water supply component comprise WDUs, Production Base (PB), water mains, and networks, where:

- The water mains and networks will be laid along the public roads following the agreed right-of-way. These activities will be temporary within the specified period.
- The WDU and PB components will include reconstruction, modernization, and new construction. Most of the planned work is the reconstruction and modernization of the existing WDUs located on the lands owned by the water utility. However, the Project also requires land acquisition for constructing nine WDUs in three Project districts – Urgench, Khanka, and Shavat. The list of new WDUs and communities to be covered by them is provided in Table 4.

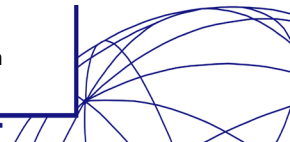
Table 4: New WDUs

No.	District	WDU	Coverage/ Communities
1.	Urgench	Khamid Olimjon	Bogdorchi, Khamid Olimjon
2.		Yangi Urtabog	Yangi Urtabog, Chulobod
3.		Katta Bog	Katta Bog
4.		Urtadurmon	Anjirchi, Urtadurmon
5.		Obod	Obod, Khilol, Gulobod, Kungirof, Bakhshilar, Galaba
6.	Khanka	Turkiston	Turkiston, Yosh Kuch
7.	Shavat	Idalikkala	Otaniyozov, Idalikkala
8.		Arbob	Arbob, Pakhtakor
9.		Gulistan	Buston, Gulistan

The land selection criteria for the new WDUs foreseen the following:

- Area of 0.6 ÷ 1.2 ha (depending on the designed facilities capacity and the services zone) with a sanitary buffer zone following applicable legal requirements³.

³ Public Health Regulation No. 0244-07, Sanitary Rules and Standards on Design and Operation of Water Supply Sources and Drinking Water Infrastructure and Construction Standard ShNK 2.04.02-2019, "Water Supply. External Water Supply Infrastructure"



- Land is in the government reserve.
- The site is not on protected land.
- The presence of public services and infrastructure (such as electricity, gas supply, and access to the road infrastructure).
- Proximity to the residential areas to be supplied with drinking water.

The plots for the new WDUs were selected jointly with district authorities (khokimiyats) from their land reserve. However, some plots are used by the residents living in nearby households. Therefore, the land ownership documents require verification and confirmation by relevant authorities before starting the detailed design. Survey outcomes for the selected nine land parcels are provided in Environmental and Social Impact Assessment.

2.1.2. Wastewater Component

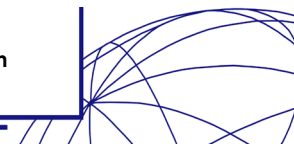
Project implementation under this component will require a permanent and temporary land acquisition. The Project facilities under wastewater component comprise connections, networks, pumping stations, and WWTPs, where:

- The main sewers and networks will be laid along the public roads following the agreed right-of-way. These activities will be temporary within the specified period.
- For the pumping stations the Project will use water utility-owned lands (old pumping stations used for water and wastewater systems).
- For the new WWTPs the Project requires acquisition of four land parcels to accommodate all facilities following the design elaborated later stage in detail.

Following the preliminary design by feasibility study, the area of each 21 sewerage pumping stations (SPS) will be limited to 0.015 ha. Only two SPS being currently in operation in Urgench district will require 1.250 ha (KNS-1) and 0.55 ha (KNS-2).

The preliminary design covers the demand for sewerage collection and treatment to 2030. However, with population growth, the WWTPs need to expand their capabilities by occupying additional land areas to cover the demand for 2050. As primary and secondary treatments rely upon vast tracts of land for settling tanks and aeration basins, during the final approval of the Project sites, the project owners should consider that the WWTP footprint, later, would be expanded at least twice for the second line of the facilities (to cover the demand of the population growth). During detailed design, the Project stakeholders should foresee the land areas for the Project component, considering population growth and the footprint of the second wastewater treatment line.

The design criteria for selecting a site for the WWTPs, among others, the following:



- Footprint area required to accommodate facilities to cover demand in sewage treatment considering the population growth to 2030 and 2050.
- Locating the WWTP downwind of the residential area and other concerned neighbours (including public and private organizations, protected areas, etc.).
- Keeping a buffer zone between WWTP and residential areas and other concerned neighbours, following Uzbek regulation requirements.
- Presence of access to the surface water body.
- Presence of existing roads and infrastructure to avoid or minimize the construction of new ones.

The land parcels for the new WWTPs were selected jointly with district authorities (khokimiyats) from their land reserve. These sites are used by the residents living in nearby households. Therefore, the land ownership documents require verification and confirmation by relevant authorities before starting the detailed design. Survey outcomes for the selected four land parcels are provided in Environmental and Social Impact Assessment.

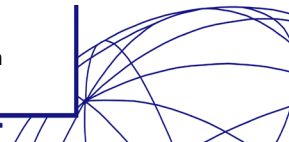
2.1.3. Total Required Land for the Project

Based on the current project design, it is estimated that for the construction of proposed infrastructure facilities under the Project, 44.5 ha of land areas would be required for non-linear facilities, such as pumping stations and WWTPs. Among them, about 32.53 ha (73.03%) are lands owned by water utilities, and the remaining belong to the local authorities (district authorities), but some are cultivated by nearby residents informally or in agreement with authorities.

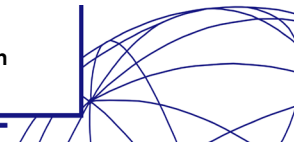
The list of Project components and land requirements are shown in Table 5.

Table 5: Total Required Land per Project Facility

District	Project Component	Project Facility	Required Area, ha
Urgench	Water Supply	Urtadurmon WDU	0.76
		Khamid Olimjon WDU	0.62
		Obod WDU	0.78
		Shohidonlar WDU	1.00
		Yangi Urtabog WDU	1.11
		Katta Bog WDU	0.62
		Oyog Bog WDU	0.56
		Turkmanlar WDU	0.54
		Koromon WDU	0.73
		Ravot WDU	0.73
	Wastewater	KNS-1 SPS	1.250
		KNS-2 SPS	0.550



District	Project Component	Project Facility	Required Area, ha
		KNS-3 SPS	0.015
		KNS-4 SPS	0.015
		KNS-5 SPS	0.015
		Chulobod SPS	0.550
Khazarasp	Wastewater	KNS-1 SPS	0.015
		KNS-2 SPS	0.015
		KNS-3 SPS	0.015
		KNS-4 SPS	0.015
		KNS-5 SPS	0.015
		Khazarasp WWTP	0.80
Shavat	Water Supply	Idalikala WDU	0.77
		Oydin WDU	0.91
		Buirachi WDU	0.87
		Arbob WDU	0.75
		Markaziy WDU	1.05
		PB of the Markaziy WDU	0.67
		Mevazor WDU	0.75
		Kirgok Bui WDU	0.63
		Guliston WDU	0.75
		Monok Markaziy WDU	2.07
		Chigatoy WDU	0.83
		Madaniyat WDU	0.87
		Monok-2 WDU	0.65
		Ogohiy WDU	0.71
		Eshon Kala WDU	0.73
		Ok Kul WDU	0.81
	Wastewater	KNS-1 SPS	0.015
		KNS-2 SPS	0.015
		KNS-3 SPS	0.015
		KNS-4 SPS	0.015
		KNS-5 SPS	0.015
		KNS-6 SPS	0.015
		KNS-7 SPS	0.015
		Shavat WWTP	0.60
Khanka	Water Supply	Guliston WDU	0.72
		Ilgor WDU	0.52
		Markazyi-2019 WDU	2.30



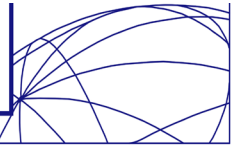
District	Project Component	Project Facility	Required Area, ha
		Turkiston WDU	0.78
		Markazyi-1960 WDU	3.20
		Yangi Urtabog WDU	1.11
		Oyok Bog WDU	0.62
Gurlen	Water Supply	Gurlen WDU with PB	1.78
		Pakhtakor WDU	0.63
		Khizir Eli WDU	1.05
		Turkiston WDU	0.78
		Dustlik Bogi WDU	0.69
		Baldokli WDU	1.12
		Birlashgan WDU	0.53
		Ok Kum WDU	0.76
Yangiariq	Wastewater	KNS-1 SPS	0.015
		KNS-2 SPS	0.015
		Yangiariq WWTP	0.50
Yangibazar	Wastewater	KNS-1 SPS	0.015
		KNS-2 SPS	0.015
		KNS-3 SPS	0.015
		KNS-4 SPS	0.015
		Yangibazar WWTP	0.50
Total:			43.49

WDU = water distribution unit (station); SPS = sewerage pumping station; PB = production base; WWTP = wastewater treatment plant

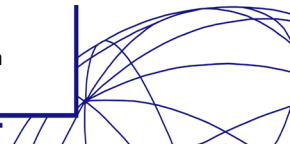
2.2. Project Affected People (PAP)

Land acquisition for the Project may adversely impact different categories of PAP. As the Project is at the feasibility study stage, it is likely difficult to estimate the number of people to be affected by the planned activities. However, based on the Project components, the PAP could be classified for the following categories:

- People with legal rights for the land they use but are affected by the land acquisition for the Project). These may include:
 - Owners of farmlands, homestead, and other land categories.
 - Owners of crops or trees whose assets affected in part or in total by the Project.
 - Owners of houses and other type buildings affected permanently or temporarily by the Project.



- People affected due to the acquisition of the lands they currently use on agreement with the local authority.
- People affected due to the acquisition of the land they are using informally (i.e., those with no recognizable legal rights to the land they occupy)
- People affected by the project pipework on the water supply and wastewater network: these will likely include residents whose livelihoods will be impacted permanently or temporarily due to the restriction of access to their houses, businesses, shops, public services, and infrastructure, etc.
- Vulnerable groups, including women-headed households, people with disability, low-income families, single senior adults, single parent families, etc.
Some social groups have fewer possibilities to restore their living conditions, livelihoods, and income levels, and the Project should integrate these issues properly through the involvement of these people in the planning and implementation process. In addition, the women should have a specific role in the Project, as they contribute to the economic development of the household and community livelihood. The women should be able to participate actively in community activities and support Project implementation and monitoring.
- Affected people whose losses could not be determined or foreseen at this stage.



3. Regulatory and Policy Framework

3.1. AIIB ESF Framework

Compliance with the following ESSs is mandatory under AIIB's financing for identification and management of environmental and social risks and impacts associated with the Project:

- [ESS1](#): Environmental and Social Assessment and Management
- [ESS2](#): Land Acquisition and Involuntary Resettlement
- [ESS3](#): Indigenous Peoples.

The AIIB screens each Project to determine whether or not it involves involuntary resettlement, which covers both physical and economic displacement, as defined in [ESS2](#) and requires the following:

- Avoiding involuntary resettlement wherever possible.
- Developing Resettlement Plan (RP), Resettlement Planning Framework (RPF), or Livelihood Restoration Plan (LRP) proportional to degree of impacts.
- Carrying out meaningful consultations with persons to be displaced by the project on their rights, entitlements, resettlement options, etc.
- Establishing and maintaining GRM to receive and facilitate resolution of the concerns of people displaced by the project.
- Provision of compensation and other resettlement entitlements before any physical or economic displacement under the project.
- Document monitoring activities and communicate their results.

Environmental and social impact assessment (ESIA) was conducted by the feasibility study team, who classified the Project under Category A. The ESIA findings triggered the [ESS1](#) due to the significant environmental and social impacts, where involuntary resettlement will be one of the major concerns.

AIIB follows internationally applicable principles in case of any involuntary resettlement. The Bank requires the client to carefully screen every project to determine whether or not it instigates any involuntary resettlement due to the planned interventions. Apart from land acquisition, the screening includes possible physical and economic displacement. These requirements are defined in the standard – [ESS 2: Involuntary Resettlement](#), governing the project activities associated with any resettlement.

The [ESS 2](#) requires undertaking the following actions in relation to the AIIB financing projects:

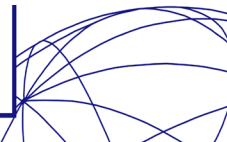
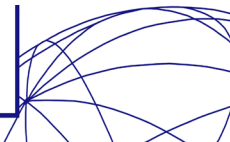


Table 6: Specific Provisions of ESS2

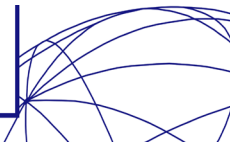
ESS2	Provisions
Planning	The client determines the extent of involuntary resettlement through asset and land surveys, a census of displaced persons, and an evaluation of socioeconomic conditions.
Resettlement Plan	The client prepares a resettlement plan elaborating on displaced persons' entitlements, income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
Abbreviated Resettlement Plan	Where impacts on the entire displaced population are minor, or fewer than 200 people are displaced, the client prepares an abbreviated resettlement plan with the Bank's prior approval. Impacts are considered "minor" if the affected people are not physically displaced and less than 10 percent of their productive assets are lost.
Resettlement Planning Framework	If the project is likely to involve involuntary resettlement but consists of a program or series of activities, details of which are not yet identified at the time the project is approved by the Bank.
Proportionality	The client ensures that the resettlement plan or RPF is proportional to the extent and degree of the impacts; the degree of effects is determined by (i) the scope of physical and economic displacement and (ii) the vulnerability of the persons to be displaced by the project.
Consultations	The client carries out meaningful consultations with persons to be displaced by the project; this process should consider anyone classed as vulnerable and put in place additional measures to ensure there is a means for open participation from all stakeholder groups.
Grievance Mechanism	The client establishes a suitable grievance redress mechanism to receive and facilitate resolution of the concerns of persons displaced by the project and inform them of its availability.
Social Support	The client should make social considerations where impacts are likely from the restoration process (e.g., vulnerable groups); this can be achieved through social preparation, such as consultations with PAP before resettlement and compensation decisions in the project.
Livelihood Restoration	The client improves, or at least restores, the livelihoods of all persons displaced by the project through (i) land-based resettlement or cash compensation, (ii) replacement of assets of equal or higher value, (iii) compensation for assets that cannot be restored, and (iv) capacity building program.
Resettlement Assistance	The client provides PAP with needed assistance, including (i) if there is relocation, security of tenure of relocation land and assets, housing at resettlement sites, integration of resettled persons economically and socially into their host communities, (ii) transitional support and



ESS2	Provisions
	development assistance (land development, credit facilities, training, or employment opportunities), and (iii) civic infrastructure and services.
Standards of Living	The client improves the standards of living of the poor and other vulnerable groups displaced by the project, including women, children, and persons with disabilities, to at least national minimum standards, including access to social protection systems.
Persons without Title or Legal Rights	The client ensures that PAP without title to land or any recognizable legal rights to land, are eligible for, and receive, resettlement assistance and compensation for loss of non-land assets following cut-off dates established in the resettlement plan.
Negotiated Settlement	The client develops procedures in a transparent, consistent, and equitable manner if land acquisition or changes in land use rights are acquired through negotiated settlement under the project, to ensure that those people who enter negotiated settlements maintain the same or better income and livelihood status.
Information Disclosure	The client discloses the draft resettlement plan, including documentation of the consultation process, in the project area, in a timely; regularly discloses updated environmental and social information, along with information on any relevant material changes in the project.
Compensation and Entitlements	Compensations and other resettlement entitlements should be finalized before any physical or economic displacement under the project.
Implementation, Supervision and Monitoring	The client should supervise, implement, monitor, and assess resettlement outcomes under the project, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by considering the baseline conditions and the results of resettlement monitoring.

ESS2 acknowledges cases with no alternatives to avoid involuntary resettlement. In such cases, AIIB requires the client to ensure that resettlement activities are conceived and carried out as sustainable development programs. In this case, the client must provide sufficient resources to ensure that the people who are made to face involuntary resettlement share the project's benefits.

In involuntary resettlement, the Bank requires the client to prepare an LARP/LRP/RP proportional to the project's extent and degree of impact. The degree of impact is determined by (a) the overall scope of displacement, both from economic and physical standpoints, and (b) how vulnerable the PAPs are. The wider the project impact, the more comprehensive analysis of social risks for affected people should be carried out by the client. The LARP/LRP/RP should serve as a specialized tool to bring specific issues to light concerning involuntary resettlement, including but not limited to any land acquisition from, the land use rights changes of, any displacement of, and the need for livelihood restoration of the PAPs.



The AIIB does not endorse illegal settlement. However, it recognizes that significant populations already inhabit both urban and rural land without title or recognized land rights in its countries of operation. Given this situation, the AIIB requires the PCU to ensure that displaced persons without title to land or any recognizable legal rights to land, are eligible for, and receive, resettlement assistance and compensation for loss of non-land assets, in accordance with cut-off dates established in the resettlement plan, and that they are included in the resettlement consultation process.

3.1.1. ESS's Applicability

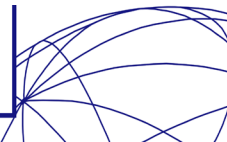
Implementation of drinking water and wastewater components will trigger the applicable Uzbekistan environmental and social regulations and AIIB's ESP and ESSs. Under this Project, ESS 1 (*Environmental and Social Assessment and Management*) and ESS 2 (*Involuntary Resettlement*) are applicable. The ESIA addresses ESS1 and ESS2, and this RPF addresses ESS2. The proposed project will not trigger AIIB's ESS3 (*Indigenous Peoples*).

Table 7: ESS's Applicability

ESS	Applicability	Triggering
ESS1	Standard is applicable as the project will cause environmental and social impacts, details of which are provided in ESIA.	Considering that the major environmental and social impacts will be associated with the wastewater component, and fewer impacts with low intensity in nature are foreseen under the water supply component, ESS1 will be triggered.
ESS2	Standard is applicable if the project will likely cause involuntary resettlement impacts.	The project is expected to involve temporary and permanent land acquisition, including economic displacement due to the project's siting. The project is foreseen for permanent and temporary land acquisition. Specifically, the project needs permanent plots for new ten Water Distribution Units (WDUs) and four wastewater treatment plants (WWTP) and pumping stations under both project components, while for pipe laying, temporary land acquisition is required. Given such impacts, ESS2 will be triggered.
ESS3	Standard is applicable if any indigenous people are present in the project area.	Standard is not applicable as indigenous people are not present in the project area.

3.1.2. Screening and Categorization

The AIIB ESF determines the project category by the type of the project's component presenting the highest environmental or social risk, including direct, indirect, cumulative, and induced impacts, as relevant, in the Project area.



Due to the nature and expected impacts, the Project has been classified as Category A, which is likely to have significant adverse environmental and social effects that are irreversible, cumulative, diverse, or unprecedented and requires the client to conduct an ESIA with Environmental and Social Management Plan (ESMP). The categorization of the Project in terms of foreseen social impacts per AIIB ESF is presented in the table below.

Table 8: Project Categorization for Social and Resettlement Impacts

ESS	Project Activities	Expected Impacts	Category
ESS2	Wastewater component	Social impacts and resettlement due to land acquisition for WWTPs (footprint of the facilities would be extended twice for placing the second wastewater treatment technology line to cover the demand of the population in 2050), pumping stations, sewer, and networks	The Project will be classified as Category A for involuntary resettlement given its significant resettlement impacts.
	Water supply component	Social impacts and resettlement due to land acquisition for some pumping stations and networks	The Project will be classified as Category B for involuntary resettlement.
ESS3	Water and wastewater components	No impact is foreseen on indigenous communities, as they do not exist within or around the Project area.	n/a

3.2. Applicable National Legislation

The applicable national regulatory framework is based on the provisions specified in the Constitution of Uzbekistan, Land Code of Uzbekistan, Civil Code, Housing Code, Law on Homestead, Law on Valuation, and other Uzbek Government regulations.

3.2.1. Constitution of the Republic of Uzbekistan

The Constitution of Uzbekistan⁴ has the following applicable provisions:

- The Constitution does not explicitly prohibit private ownership of land:
 - Article 41 provides that all have the right to own property, although the distinction between movable and immovable is not made.

⁴ [Constitution of the Republic of Uzbekistan](#), 01.05.2023



- Article 68 states, *"The land, its minerals, fauna, flora, and other natural resources shall constitute the national wealth and be rationally used and protected by the state. Land may be privately owned on the terms and in the manner prescribed by law and ensuring its rational use and protection as national wealth."* This provision specifies the clear inference that land is treated as *"national wealth,"* so the state retains land ownership, but allows to own the land in the specific cases.
- Article 47 of the Constitution states that owners deprived by a court decision and the law of their houses are provided with respective compensation.
- Article 65 of the Constitution provides for equality and legal protection of all forms of ownership. Private property is said to be inviolable. An owner may be deprived of property only as prescribed by law and a court decision.
- Article 66 of the Constitution stipulates that an owner, at his discretion, shall possess, use, and dispose of his property, whereas the use of the property must not cause damage to the environment or violate the rights and legitimate interests of other persons, society, and the state.
- Article 127 of the Constitution specifies makhalla as self-governing authorities selected by community residents. A community (or makhalla in Uzbek) is responsible for making decisions regarding problems of local importance, considering community interest, historical and social roots, and national values.

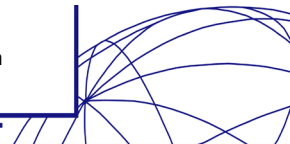
3.2.2. Land Code

The Land Code⁵ is Uzbekistan's principal legal foundation governing land policy and tenure. The distinction between land and permanent structures attached to land is strongly present in the Land Code and does not mirror the concept contained in the Civil Code, which appears to deal with land and buildings as a single concept.

Following Article 4, the land is a national asset, to be used rationally and protected by the state for the well-being of the people of Uzbekistan.

Article 8 specifies eight land categories: (1) agricultural lands; (2) residential areas; (3) land allocated for industrial enterprises, transport, communication, defense, and other purposes; (4) protected natural and recreation areas; (5) land under architectural and cultural sites; (6) forest land; (7) land under water bodies; and (8) reserve lands. Transferring them from one category to another is regulated by Article 9 and is carried out by the governors (khokims) of the province and the city of Tashkent. However, the transfer of agricultural land to another category is carried out by the decision of the President of the Republic of Uzbekistan.

⁵ [Land Code of Uzbekistan, 01.07.1998](#)



Article 15 describes the land cadaster system, which shall be used as the primary document in land use, protection, acquisition, withdrawal, and other activities.

Article 17 provides the right for land ownership by individuals and legal entities only for non-agricultural lands. It also specifies that no foreign citizens and legal entities have such a right; they could only own land plots through leasing arrangements unless they are embassy or international organization (Article 18).

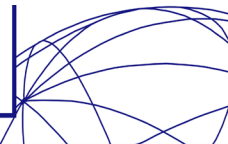
The other Articles of Land Code describes the following forms of land tenure:

- Article 20 states that land is provided for permanent use to the government agencies, institutions, organisations, and self-government bodies of citizens for public needs based on the decision of the province governor (khokims) or the governor of city of Tashkent.
- Article 21 provides the right for joint possession and use of land.
- Article 24 specifies a land lease in the form of a fixed-term, paid possession, and temporary use right. Agricultural lands can be leased for 30 years, non-agricultural lands for no more than 100 years, while foreign firms and citizens can lease land for up to 25 years.

Article 30 describes the possibility of establishing an easement due to the organization of passage, drainage works, laying and operating of communication lines and utility infrastructure, and other needs. An easement is established through an agreement between the organization requesting it and the landowner, user, or lessee. If no agreement is reached, a court makes a decision.

Land Code provides that:

- Withdrawal of land belonging to individuals and legal entities on the right of lifetime inheritable possession, permanent possession, permanent use, fixed term (temporary) use, or lease for public interest with the compensation is carried out in a way prescribed by law (Article 37).
- Losses caused by violating the rights of landowners, land users, and tenants (including lost profits) shall be reimbursed in full (Article 41, Clause 3).
- Withdrawal in the public interest of land owned by individuals or legal entities on the right of lifetime inheritable possession, permanent possession, permanent use, fixed term (temporary) use, or lease is carried out only after total compensation as prescribed by the law (Article 41).
- The Land Code (Article 36, Clause 1) specifies provisions where the right to the land can be terminated. The right of ownership or permanent or temporary use of the entire land plot or part thereof, as well as the lease of the land, shall be terminated in the following cases:
 - Voluntary abandonment of a land plot.



- Expiration of the period for which the land plot was provided unless prolongation of the lease agreement.
- Liquidation of a legal entity.
- Termination of labor relations in connection with which the land was provided unless otherwise provided by law.
- Use of the land not for the intended purpose.
- Irrational use of land classified as agricultural land and resulted in a decreasing yield indicator below the value for three years.
- Use of land in ways that lead to decreased soil fertility, chemical or radioactive contamination, and deterioration of the environment.
- Non-payment of land tax by the requirements of applicable legislation or non-payment of rent following the lease agreement.
- Non-use of provided agricultural land during the year and non-use of non-agricultural land for two years.
- Termination of membership of a farm in the Council of Farmers, Farms, and Owners of Homestead Lands of Uzbekistan.
- Withdrawal of a land plot as prescribed by the Code.

Article 39 (item 7) states that the land user, tenant, and landowner have, among others, the right to reimbursement of losses (including lost profits) in the case of land withdrawal or compensation for costs in the case of voluntary abandonment of land.

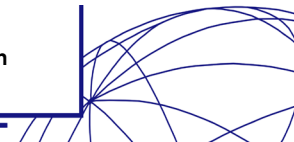
According to Article 87, losses of agricultural and forestry production caused by the withdrawal of agricultural and forest lands, including lands owned and used by individuals for their use in non-agricultural or forestry activities or losses resulting in land deterioration due to the project activities, are subject to compensation. However, agricultural and forestry losses are not compensated if the easement was set up for the construction of residential buildings, cemeteries, public educational and medical institutions, orphanage houses, reclamation, and water infrastructure, and protected natural areas, defense, and state borders.

3.2.3. Civil Code

The following outlines the main articles of the Civil Code⁶ regarding land rights, including land issues, agricultural restructuring, and land transactions:

- The Civil Code provides that land may be held in ownership (Article 169). Both private and state ownership are allowed (Article 167), and the ownership right of land “shall arise in instances, in the procedure and upon the conditions provided for by legislation” (Article 188). Other forms of land tenure include the right of economic jurisdiction, the right of inheritable possession for life, permanent possession, and use of a land plot, and easements (Article 165).

⁶ [Civil Code of Uzbekistan](#)



- Property can be held in common or in joint ownership. The Civil Code provides general rules for shared ownership and property division (Articles 216-227). Separate legislation may give specific rules for dividing joint property (Article 226).
- If registration or notarization is required when property is alienated, the right of ownership arises at the time of registration or notarization. If both are needed, the right of ownership arises only at registration (Article 185). In earlier provisions, the code states that the right of ownership, transfer, limitation, and termination of rights to immovable property shall be subject to state registration (Article 84).
- Nationalization with compensation is allowed following law (Article 202), and requisition with payment is permitted in case of a natural disaster, epidemic, or other extraordinary circumstances (Article 203). Furthermore, the right of ownership can be terminated by the owner voluntarily, the owner's unilateral decision determining the fate of the property, compulsory acquisition through a court decision, or by an act of legislation (Article 197). If an act of legislation removes the right of ownership, the losses caused to the owner, including the property's value, shall be compensated by the state. Disputes concerning compensation are to be settled by the court (Article 233).
- The value of the seized property is determined by appraisal organization (Article 205) based on the market prices of similar properties (Article 206) unless otherwise provided by law. This assessment may be contested in court (Article 205). If a state agency's decision terminates ownership rights and that decision is not directed toward the owner of the assets, the owner must be provided with property of equal value and be compensated for all losses. If the owner disputes the termination, the property cannot be withdrawn until the dispute is resolved in court (Article 206).

3.2.4. Housing Code

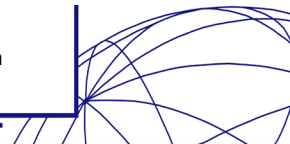
The Housing Code⁷ regulates relations among citizens, legal entities, government bodies and public authorities on the property rights, including their change and termination of the right to own and use residential premises (Article 2).

The Housing Code set minimum standards for housing conditions that all rental housing, new or existing, must meet to protect the health of residents (Article 9).

Article 11 of the Housing Code specifies provisions where:

- Residential premises can be privately or publicly owned and transferred from one form of ownership to another in the manner prescribed by law.
- The right of housing ownership is indefinite and represents a person's right to own, use, and dispose of residential premises belonging to him at his discretion and in

⁷ <https://lex.uz/acts/106134>



his interests, without violating the rights and legally protected interests of citizens, legal entities, and the state.

- Modification, reconstruction, or demolition of residential premises is permitted with the appropriate permission from local government authorities.
- Private ownership of residential buildings, apartments, part of a house, or an apartment is not limited in number, size, and cost.
- Residential buildings and apartments that are privately owned cannot be seized, i.e., the owner cannot be deprived of the right of ownership of a residential building or apartment, except in cases established by law.
- Forced seizure of residential premises is allowed only based on a court decision in cases and the manner prescribed by law.

Article 13 specifies that the real estate rights and concerned transactions are recorded with the specific authorized department providing a document on property ownership.

Article 27 provides the following provisions:

- If private housing is demolished due to the land acquisition in the public interest, the real estate owners are provided with equivalent housing of their choice and by the parties' agreement. The new housing area must be no less than the established social norm.
- The owner is paid the market value for a planting on the property to be demolished.
- Instead of receiving new housing to replace the demolished one, the owners may be paid the total market value of the houses, structures, plantings, and land plots.

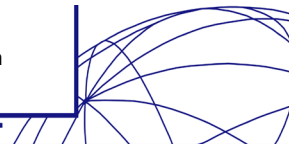
Article 30 states that the real estate owners whose property is demolished due to the seizure of land in the public interest can move and restore their assets at the new location.

3.2.5. Law on Protection of Private Property and Owner's Rights

Article 19 of Law⁸ No. LRU-336 dated 24.09.2012 specifies that:

- The private property acquisition by the government should be governed by the procedure established by applicable legislation. This also includes the provision to the owner of an equivalent property and compensation for other losses incurred or compensation in full for the losses caused by the termination of the right of ownership.
- The land acquisition is accompanied by the issuance of relevant orders and resolutions of local authorities, including the governors of district, province, city, etc.

⁸ <https://lex.uz/ru/docs/4402206>



- Demolition of a house, other structures, facilities, or plantations on the plot of land subject to withdrawal shall not be permissible unless prior and complete compensation of losses at market value is provided.
- The relevant government authorities shall notify the property owners about their decision in the written form no less than six months before the commencement of demolition.
- The appraisal of a house, structures, facilities, or plantations located on the land plots being acquired shall be done by appraisal companies per the established procedure.
- In case of the owner's disagreement, the decision to terminate the right on private property shall not be executed until the court settles the dispute. During the settlement, the issues related to compensation to the owner for caused losses shall also be solved.

3.2.6. Law on Procedure for Lands Withdrawal in the Public Interest with Compensation

The Law No. LRU-781⁹ dated 29.06.2022 specifies procedures for the withdrawal of land plots or their parts owned by individuals and legal entities based on the right of lifetime inheritable possession, permanent possession, permanent use, fixed-term (temporary) use or lease, in the public interest with compensation.

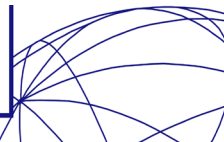
Article 4 specifies purposes which shall be deemed the basis for the land acquisition in the public interest, including:

- Provision of land for defence and state security needs, alienating protected natural areas, and creating and operating free economic and trade zones.
- Fulfilment of obligations arising from international treaties.
- Development of mineral deposits.
- Construction of roads and railways of republican and local significance, airports and their facilities, bridges, subways, tunnels, engineering and energy systems, space activities facilities, main pipelines, engineering and communication networks, irrigation, and melioration systems.
- Execution of approved master plans for residential areas.

Article 5 states that land acquisition should follow the basic principles of legality, priority of ownership rights, inviolability of private property, openness and transparency, and compensation guarantee.

Article 6 specifies the establishment of Centralized funds under the Cabinet of Ministers of Uzbekistan, Council of Ministers of the Republic of Karakalpakstan, province-level

⁹ <https://lex.uz/docs/6355530>



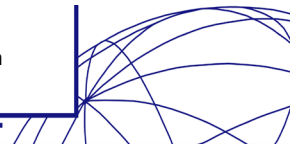
government authorities (khokimiyat), and Tashkent municipality for compensation of losses to individuals and legal entities when land is withdrawn in the public interest.

Article 9 states that the Supervisory Boards are supreme governance units making decisions (Article 10) on compensation for losses to individuals and legal entities whose land was withdrawn in the public interest.

Article 11 specifies setting up of a commission oversight of compensating the affected people. The commission shall comprise ten deputies, three representatives of non-governmental non-profit organizations, a representative of the territorial division of the Ministry for Economic Development and Poverty Reduction, territorial financial authority, and Cadaster Agency.

Chapter 3 of the Law details the procedure for land acquisition in the public interest in ten articles (Articles 13 to 22):

- Article 13 requires the provision of supporting documents for the withdrawal of land in the public interest due to the absence of another suitable land plot for the implementation of the project. These documents are submitted to the Council of Ministers of the Republic of Karakalpakstan, khokimiyats of provinces, or the city of Tashkent, who coordinate the proposed project with territorial building departments of the Ministry of Construction of Uzbekistan and Cadaster Agency. Within the ten-days period, the representatives of the building departments review the proposed project in compliance with the master plans of the area, while cadaster departments determine a complete list of the landowners with their corresponding information. Upon receiving the information from the line departments, the Council of Ministers of the Republic of Karakalpakstan, khokimiyats of provinces, or the city of Tashkent, within a month, determine preliminary compensation and costs to be reimbursed for the withdrawal of certain land in the public interest.
- Article 14 describes provisions related to the withdrawal of lands due to the implementation of the Cabinet of Ministers of Uzbekistan regulations. In this case, all supporting and, if needed, additional documents are reviewed by the Cabinet of Ministers with the issuance of the corresponding decision in the form of a regulation.
- Article 15 provides for coordination of the determined preliminary compensation and reimbursement costs within five days with the Supervisory Board, which in turn provides its decision within ten days.
- According to Article 16, the project, with supporting documents and written approval by the Supervisory Board, is submitted to the Council of People Deputies, who make a decision (Article 17) on the project rationale and the rationality of the expected costs associated with the seizure of a land plot. If the

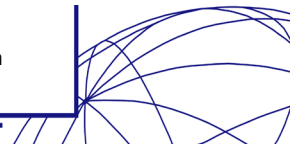


project is declined by the Council of People Deputies (Article 18), it can be re-submitted with additional or revised documents within a month. However, if the project is declined a second time, the project cannot be re-reviewed during the next five years. The final decision on land withdrawal, size of compensation, and costs for reimbursement is made at a public hearing (Article 18) which is being carried out within a month upon positive decision of the Council of People Deputies (Article 20). The landowners shall receive written notification of the venue and time of the public hearing after two working days upon the project approval by the Council of People Deputies but not less than seven days before the public hearing. The information on public hearings shall be published on the websites of the Council of Ministers of the Republic of Karakalpakstan, khokimiyats of provinces, or the city of Tashkent. The public hearing ends with the preparation of meeting minutes specifying its place, time, participants, agenda, comments, and decisions made. The decision to withdraw land withdrawal is made by a two-thirds majority vote of the total number of deputies. The next day, the minute of the meeting is published on the websites of the Council of Ministers of the Republic of Karakalpakstan, khokimiyats of provinces, or the city of Tashkent. Within one month, after public hearings, the Council of People's Deputies prepares a regulation on the withdrawal of land in the public interest with relevant information on the land plot, which is then submitted to the Ministry of Justice of Uzbekistan for legal review and compliance with Law No. LRU-781.

- Upon legally approval of the land withdrawal, the Council of Ministers of the Republic of Karakalpakstan, khokimiyats of provinces, or the city of Tashkent make a written agreement with landowner on the compensation type and size period for its provision (Article 22).

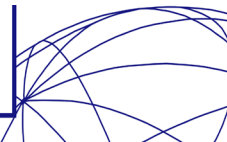
Chapter 4 (Articles 23 to 27) specifies options for compensating the affected people, where buildings, plants, land, and transportation costs related to relocation are subject to compensation in the form of new land and buildings, payments, and other compensation options as specified in the agreement between the government authority and the property owner:

- Following Article 23, compensation is provided market value of the immovable assets, right for land (except for the lease right for agricultural lands), perennial crops, and relocation costs including temporary renting of house, lost profits that could have been received from the use of the land plot and buildings, and other costs. As compensation for the inconvenience caused by the withdrawal of the land plot, five percent of the market value of the buildings located on the land is paid at one time. Unauthorized constructed residential or non-residential premises, industrial and other buildings, and structures on the withdrawn land are subject to total compensation on their market value. Non-titled owners who pay property taxes and can provide supporting documents are subject to



compensation for immovable assets. Standards for assessing the compensation are established by the Agency for State Asset Management of Uzbekistan. The compensation can be provided in a monetary form, including for temporary rent of residential and non-residential buildings, as replacement of immovable asset, and other types of compensation as provided in the agreement with the owner. The period for providing a newly constructed building to replace the demolished structures should not exceed twenty-four months from giving another immovable asset for temporary use.

- Article 25 specifies the order and period for provision of compensation, where among other things provides that:
 - When land with multistore apartment building is withdrawn, by agreement of the parties, the owner is provided with an equivalent apartment of an area not lower than the social norm and in the same or another location at the owner's choice.
 - When land with non-residential building is withdrawn, by agreement of the parties, the owner is provided with an equivalent non-residential building of an area not lower than the original one and in the same or another location at the owner's choice. Until this individual house is transferred, the owner and family members are provided with non-residential premises for temporary rent.
 - When land with an individual house is withdrawn, by agreement of the parties, the owner is provided with an equivalent house of an area not lower than the social norm and in the same or another location at the owner's choice. Until this individual house is transferred, the owner and family members are provided with comfortable residential premises for temporary rent.
 - When land being in lifelong inheritable possession, permanent possession, permanent use, fixed-term (temporary) use or lease is withdrawn, the right holder is paid compensation in an amount equal to the market value of the land plot.
 - Participants in common joint property are compensated according to their shares in the common property.
 - The period for settling the agreement with owners whose land is withdrawn in the public interest shall be no more than three months from the agreement made with the first right holder.
 - Compensation shall be provided within the timeframe mentioned in the agreement but not later than six months from the date of signing. If the agreement outlines cash compensation, it shall be provided within one month from the date of signing.
- Article 26 provides for registering the documents confirming the provision of compensation into the cadaster management information system.



- Article 27 specifies the monitoring of the implementation of agreements made with owners eligible for compensation.

3.2.7. Law on Homesteading

The Law on Homesteading¹⁰ No. ZRU-681 dated 1 April 2021 specifies that:

- Homesteading is associated with cultivating and processing agricultural products for personal consumption by households and free trade.
- Homestead is not a business and does not require registration with the authorities. However, individuals involved in homesteading as a business, i.e., cultivation and processing of agricultural products for market, may register with relevant authorities for taxation purposes.
- Agricultural products cultivated and processed on the homestead are private property.
- Homestead could be from the agricultural and forest category lands and from the residential areas.
- Homesteads provided based on lifelong inheritable ownership can be leased for temporary use while preserving the property right.

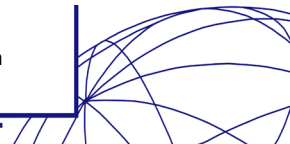
3.2.8. Law on Valuation

The Law on Valuation¹¹ No. 811-I dated August 19, 1999, provides for the following main provisions:

- Valuation could be conducted only by the accredited legal entity (Article 4).
- Valuation company is independent and could not be set by the government (Article 4).
- The valuation objects include movable and immovable property, rights of claim, obligations (debts), works, services, information, intellectual property, and other objects (Article 5).
- The valuation of the object is carried out in monetary value (Article 6).
- Fair market value is the price of an asset when buyer and seller have reasonable knowledge of it and are willing to trade without pressure (Article 7).
- The right to conduct an asset valuation is unconditional (Article 10).
- The valuation is mandatory if (1) the asset is owned in whole or in part by the government and (2) there is a dispute about the asset value (Article 11).
- The basis for asset valuation is a contract signed by the valuation company and the client or, in some cases, provided for by law due to a court ruling (Article 12).
- Article 13 provides mandatory details to be included in the contract for asset valuation.

¹⁰ <https://lex.uz/docs/5351507>

¹¹ <https://lex.uz/docs/24701>



- If the client disagrees with the performed asset valuation, the dispute is subject to consideration by the court (Article 18).

3.2.9. Law on Land Cadastre

The Law on Land Cadaster¹² No. 666-I dated 28.08.1998 sets out the legislative framework governing the setting up, management and functioning of the land cadaster, a comprehensive registry capturing the physical, legal, and economic attributes of immovable properties.

The law prescribes precise criteria and methodologies for ascertaining the cadastral value of immovable properties, grounded in market valuation, and considering natural and monetary indicators. The legal framework governs the cartography of the cadaster, encapsulating the creation of maps and graphical representations, which delineate property sizes, shapes, locations, and provide geographical details, including territorial boundaries. It delineates the regulations for accessing, sharing, and disseminating cadastral information, consistently upholding data protection principles.

The legislation fosters collaboration and information exchange amongst local governments, government bodies, notaries, and other public entities that possess a vested interest or impact on the cadastral data, facilitating the efficient operation and utilization of this vital registry.

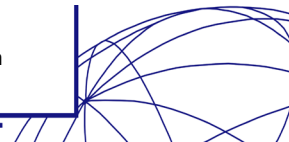
3.2.10. Presidential Order on Ensuring Ownership Rights of Individuals and Business Entities

Presidential Order No. PF-5491¹³ dated 3 August 2019 supporting the unconditional rights of individuals and legal entities for their property. The main provisions of the regulation include the following:

- The involuntary resettlement activities associated with land acquisition in the public interest should be consulted with the centralized fund for compensation of losses to citizens and business entities established under the Cabinet of Ministers.
- The Ministry of Construction of Uzbekistan, with the Cabinet of Ministers of Karakalpakstan and province-level municipalities, should minimize the acquisition of land owned by citizens and business entities when planning urban development programs.
- Territorial working groups should be set up for the inventory of acquired land in the public interest, verification of compensation paid to citizens and business entities, and development of mitigation measures to eliminate deficiencies in loss compensation.

¹² <https://lex.uz/uz/docs/9704>

¹³ <https://lex.uz/docs/4460115>



- This regulation requires establishing of the roadmap for inventory of the acquired lands, structures, etc. belonging to the individuals and legal entities.

3.2.11. Law on Appeal of Individuals and Legal Entities

The Law on Appeals of Individuals and Legal Entities¹⁴, No. ZRU-445, 11.09.2017, regulates appeals, recommendations, and complaints of individuals and legal entities to government authorities and organisations. The main provisions are briefly specified in the following articles:

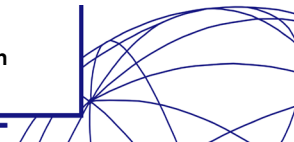
- Article 5 stipulates that the complainant may submit its complaint/appeal orally, in writing, or electronically.
- Article 6 requires the complainant to specify their full name and address and may include e-mail and other contacts of the complainant. Complaints/appeals may be submitted in Uzbek or other languages.
- Articles 8-14 require the government authorities and organisations to establish a complaint management system.
- Article 16 provides for non-discrimination in considering the grievance regardless of gender, race, nationality, language, religion, social origin, beliefs, etc.
- Article 21 describes the procedure for complaint/appeal submission.
- Article 22 stipulates no deadline for complaint/appeal submission but limits the period for complaint/appeal submission up to one year since the complainant identified that they were negatively affected.
- Article 23 states that any appeal or grievance shall be registered and considered.
- Article 24 describes a procedure for complaint/appeal management.
- Article 24(1) discusses the opportunity for children to submit a complaint/appeal.
- Article 28 specifies that the complaint/appeal shall be redressed within 15 days and, if needed additional investigations, the complaint/appeal shall be redressed for up to one month, while the consideration of complaints/appeals requiring in-depth analysis may be extended for up to another month.

3.2.12. Law on Amendment of Several Regulations due to Improvement of Land Law

The Law No. ZRU-871¹⁵, dated 23.10.2023, amends the Civil Code and Land Code regarding the easement agreement, the rights and obligations of the easement participants, the terms for changing the easement and its cancellation, payment, and the establishment of a public easement.

¹⁴ <https://lex.uz/docs/3336171>

¹⁵ <https://lex.uz/docs/6643526>



The Law specifies the procedures for transferring rights and obligations to the asset to another person, for providing land plots for rent, and the grounds for terminating the ownership rights of individuals and legal entities to land.

This Law will expand rental relations further, legal regulation of relations related to the establishment of easements, and reliable protection of the rights of landowners, land users, tenants, and owners of land plots.

The Tenant Law No. 427-XII¹⁶, dated 19.11.1991, was amended on Article 8¹ with the following key provisions:

- The tenant may transfer rights and obligations under landlord-tenant relations to another person with the landlord's consent.
- The tenant may transfer rights and obligations on rented agricultural land to another person only in cases provided for by law.

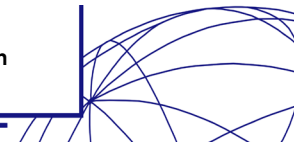
The Civil Code was amended on Article 173 and provides for:

- Landowners, land users, tenants, and owners of land plots have the right to demand a proportionate payment for the use of their land.
- Land tax and lease are paid by the landowners, land users, tenants, and owners of land plots, while the easement payment should not be less than the land tax and lease amount.
- Other amendments.

The Land Code was amended on Articles 5, 17, 18, 23, 24, 25 and 30 where some provision include:

- Article 5 introduces the terms and conditions for establishing easement in the public interest.
- Article 17 provides for foreign persons and legal entities, stateless persons, and enterprises with foreign investments can only lease land except for cases provided by the code. The article also states that in cases provided for by law, legal entities and individuals have the right to privatize non-agricultural land that they have under the right of permanent use (ownership), lease, or lifetime inheritable ownership.
- Article 25 specifies that:
 - A public easement for geological, topographic, and other engineering surveys is established by a decision of the governor of the province based on an application of the organization that received the permit or issued this permit.
 - A public easement is established for up to one year to conduct the survey on irrigated arable land, gardens, vineyards, mulberry fields, berry fields,

¹⁶ <https://lex.uz/docs/112910>



hayfields, pastures, and forests. In this case, the easement can be extended this period, if necessary, for no more than one year.

- Article 30 provides for
 - Easement as a nonpossessory right to use and/or enter onto the real property of another without possessing it.
 - Easement is established for the engineering communications and irrigation works, water withdrawal for irrigation and livestock watering, driving livestock, creation of protective green belt and other environmental protection measures, etc.
 - Easement is established based on a mutual agreement between the persons who demanded its establishment and the owner; if the agreement is not reached, the easement is established by a court of law.
 - Other provisions.

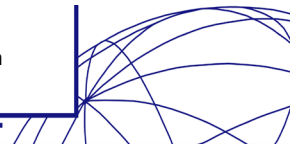
3.2.13. Resolution of the Cabinet of Ministers on Additional Measures to Guarantee Ownership Rights of Individuals and Legal Entities and Improving Procedure on Land Acquisition and Provision of Compensation¹⁷, No. 911, 16.11.2019

The resolution foresees the following key provisions:

- The Council of Ministers of the Republic of Karakalpakstan, province khokimiyats, and Tashkent khokimiyat established departments to coordinate land acquisition and compensation as part of their organizational structure. These departments comprise two specialists; however, if needed, a "specialist on land acquisition and compensation" position may be added to the district khokimiyat organizational structure.
- Department tasks include (1) overview of the resources such as monetary funds, land, and other assets for provision to the affected people as compensation; (2) preparation of project documents for Council of People Deputies; (3) arrangement of public hearing with affected people whose land is withdrawn; (4) accounting of agreements made with affected people; (5) control over the compensation provision; (6) reporting to the Cabinet of Ministers of Uzbekistan on seized lands, compensations provided, demolished structures, and construction activities implemented on the seized lands.
- Procedure on Land Acquisition and Provision of Compensation was amended by referring to the Resolution of Cabinet of Ministers of Uzbekistan No.1047¹⁸, where:
 - Following Chapter 4, the Republic Compensation Fund provides the amount allocated for the compensation of affected people.

¹⁷ <https://lex.uz/docs/4597630>

¹⁸ <https://lex.uz/docs/4130273#4131474>



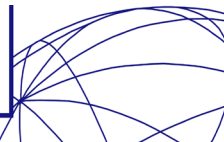
- Compensation will be provided only upon receiving a request from the Council of Ministers of the Republic of Karakalpakstan or province khokimiyats and the provision of the supporting documents, including the decision of the Cabinet of Ministers of Uzbekistan on the withdrawal of land in the public interest, relevant report of the building departments positive decision of the Council of People Deputies, copies of asset evaluation report and land ownership documents, copies of notarized agreement with affected people or court decision.
- The Supervisory Board of the Republican Compensation Fund reviews the provided documents and decides whether to provide or decline compensation to the affected people. In case of a positive decision, corresponding instructions are provided to the territorial units at the district or city-level authorities. The local authorities review the provided supporting documents once again and prepare the order for the provision of compensation by the accounting service of the district khokimiyats to affected people.
- Chapter 5 specifies an order for the provision of compensation for property and moral damage requiring the provision of the application, court decision, original writ of execution, and bank details of the applicant to the Council of Ministers of the Republic of Karakalpakstan, province khokimiyats, and Tashkent khokimiyat.

3.2.14. Resolution of the Cabinet of Ministers of Uzbekistan on Measures to Improve the Procedure for Providing Land for Urban Planning and Other Non-agricultural Activities

Resolution No. 146, 25.05.2011¹⁹, specifies procedure on compensation for losses of owners, users, tenants, and owners of land plots, as well as losses in agricultural and forestry production with the following key provisions:

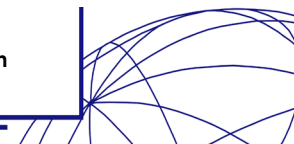
- Compensation for demolition of residential houses and structures is carried out following Regulation of the Cabinet of Minister of Uzbekistan No. 97, 29.05.2006.
- Compensation is provided for agricultural and forestry losses, including lost profits, to affected individuals and legal entities.
- Losses of landowners, users, tenants, and agricultural and forestry losses are determined by the "Uzdaverloyikha" State Research and Design Institute and its territorial divisions, cadaster departments of the Republic of Karakalpakstan, provinces, and the city of Tashkent and building departments determine the agricultural and forest losses based on the calculations of appraisal firm.
- The amount of losses is considered by the commissions for land management under the Cabinet of Ministers, the Council of Ministers of the Republic of

¹⁹ <https://lex.uz/docs/1804031>



Karakalpakstan, province, districts, and cities khokimiyats and approved by government authorities.

- Losses of landowners, users, tenants, and agricultural and forestry losses are compensated before transferring the title to land to a new owner, user, or tenant.
- Affected landowners, users, and tenants have the right to appeal to a court of law if they disagree with the compensation provided.
- Losses of owners, users, tenants, and owners of land plots are determined and compensated in full (including lost profits) in the following instances: (i) seizure, redemption, or temporary occupation of land; (ii) restrictions on their rights to a land plot due to the establishment of security, sanitary, and protection zones around state reserves, reserves, national natural parks and monuments, cultural and historical sites, reservoirs, water supply sources, resorts, along rivers, canals, roads, pipelines, and communication and power lines; (iii) deterioration of land quality caused by the construction and operation of reservoirs, canals, collectors and other objects, and leading to a decrease in yield and deterioration in the quality of agricultural products.
- In case of seizure, redemption or temporary occupation of land plots, the following are subject to compensation: the cost of a land plot that is privately owned by legal entities and individuals; the cost of residential buildings, buildings, and structures, including objects whose construction has not been completed; the cost of fruit and berry and perennial plantings; value of unfinished agricultural production; and lost profit.
- Losses associated with the seizure of unauthorized occupied lands are not subject to compensation.
- Appraisal organizations determine the value of land owned by legal entities and individuals based on the market prices when deciding to seize the land.
- The appraisal of fruit-bearing fruit and berry plantings, protective plantings, and other perennial plantings is carried out based on the cost of seedlings, planting, and growing them before fruiting or crown closure at current prices during the assessment period.
- The appraisal of non-fruit-bearing fruit and berry plantings, protective and other perennial plantings with an open crown is based on actual costs incurred.
- Compensation for unfinished agricultural production includes the cost of materials consumed (seeds, fertilizers, etc.) and performed work (sowing seeds, watering, processing crops, etc.), and provided against accounting documents.
- The agricultural losses are calculated based on the area withdrawn from arable lands, perennial plantings (orchards, vineyards, mulberries, fruit nurseries, berry fields, and others), fallow lands, hayfields, and pastures, including lands provided for farming.



3.2.15. Resolution of the Cabinet of Ministers of Uzbekistan on Measures to Increase Effectiveness of Preparation and Implementation of Projects with International Financial Institutions (IFIs) and Foreign Government Financial Organizations

Resolution No. PP-3857²⁰, 16.07.2018, specifies that authorized agencies are responsible for compensation due to the seizure of land, demolition of houses, buildings, structures, or damage of plantings as part of the project implementation if provided for in the agreement with International Financial Institutions and Foreign Government Financial Organizations.

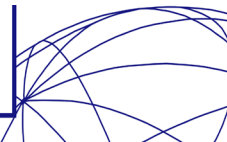
3.3. Policies Comparison and Reconciliation

AIIB ESF and applicable Uzbek regulatory framework's comparison and reconciliation are provided in Table 5.

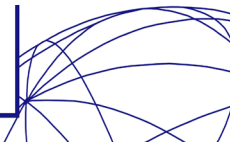
Table 9: Policies comparison and reconciliation

Provision	AIIB	Uzbek regulation	Harmonised Framework
Screening and Categorisation	The Bank requires screening and categorising each proposed project to determine the nature and level of the necessary social review, type of information disclosure, and stakeholder engagement. The Bank categorises each project for social impacts (see Section 4.1.3)	The Uzbekistan legislation foresees no screening and categorisation for social impacts and risks.	The Project will apply the Bank's requirement for screening and categorising each sub-project.
Resettlement Plan (RP), Abbreviated Resettlement Plan (ARP), or Livelihood Restoration Plan (LRP), Resettlement Planning Framework (RPF)	The Bank requires preparation of the RP, ARP, LRP, or RPF under each project, considering its impact: (a) If the project impacts less than 200 people, the client prepares ARP or LRP. (b) if the project is likely to involve resettlement but consists of	The Uzbekistan legislation foresees no RP, ARP, LRP, RPF, or similar plan preparation. However, the law provides for (Section 4.2.6) establishing a commission under the municipality (khokimiyat) to oversee the land acquisition, the provision of compensation, and related issues.	The Project will apply the Bank's requirement to prepare the RP, ARP, LRP, or RPF, as needed, for the Project components, as specified in ESS2 and in coordination with the Bank.

²⁰ <https://lex.uz/docs/3823562>

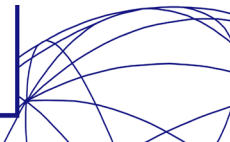


Provision	AIIB	Uzbek regulation	Harmonised Framework
	activities for which details are not identified, the client prepares RPF. (c) In all other cases, the client prepares RP.	Resolution No. PP-3857, specifies that authorized state agencies are responsible for compensation due to the seizure of land, demolition of houses, buildings, structures, or damage of plantings as part of the project implementation if provided for in the agreement with International Financial Institutions and Foreign Government Financial Organizations.	
Consultations	The Bank requires conducting meaningful consultation with stakeholders during the Project's preparation and implementation. Consultation is needed for the projects of categories A and B.	Applicable Uzbekistan's regulations require consultations with project-affected people if there is any land acquisition and resettlement.	Reconciliation is not required.
Grievance Redress Mechanism (GRM)	The Bank requires: (i) establishing a GRM to receive and facilitate the resolution of the concerns of people who believe they have been adversely affected by the Project's social impacts. (ii) inform PAPs of GRM availability.	No direct law in Uzbekistan's legislation would require establishing a GRM for a specific project. However, a Law on the Appeal of Individuals and Legal Entities (see Section 4.2.10) provides that an affected person or organisation can file any complaint online or by regular mail or write a complaint in place.	The Project will apply the Bank's requirement to establish the Project GRM along with the national complaint management system available to the public.
Social Support	The Bank requires to support the social and cultural institutions of the project-affected people through capacity building and consultations.	The Uzbekistan legislation foresees no support the social and cultural institutions of the project-affected people.	The Project will apply the Bank's requirement to support the social and cultural institutions of the project-affected people through capacity building and consultations.
Livelihood restoration	The Bank requires improvement or restoration the livelihoods of PAPs with legal title, including: (i) cash compensation at replacement value for land, including transitional	Several regulations (Section 4.2) (i) provide for compensation to affected persons with legal title for loss of land and other assets in the form of land replacement or cash compensation at market prices, (ii) specify	Reconciliation is not required for PAPs with legal title. With regard to affected persons without title or legal rights, the project will apply the Bank's requirement on provision of resettlement



Provision	AIB	Uzbek regulation	Harmonised Framework
	<p>costs, when the loss of land does not undermine livelihoods.</p> <p>(ii) prompt replacement of assets with assets of equal or higher value.</p> <p>(iii) prompt compensation at full replacement cost for assets that cannot be restored.</p> <p>The Bank requires provision of resettlement assistance and compensation for loss of assets not related to land to persons without title or legal rights.</p>	<p>options for compensating the affected people for their buildings, plants, land, and transportation costs, (ii) foresee the provision of temporary housing when the affected person has agreed to transfer the asset in the public interest but still has not chosen a compensation method or is in the process.</p> <p>Following Law No. LRU-781, non-titled owners who pay property taxes and can provide supporting documents are subject to compensation for immovable assets.</p>	<p>assistance and compensation for loss of nonland assets.</p>
	<p>(iv) capacity building programs to support improved use of livelihood resources and enhance access to alternative sources of livelihood</p>	<p>The Uzbekistan legislation foresees no capacity building programs to support improved use of livelihood resources and enhance access to alternative sources of livelihood.</p>	<p>The Project will apply the Bank's requirement to provide capacity-building programs to support improved use of livelihood resources and enhance access to alternative sources of livelihood</p>
Resettlement Assistance	<p>The Bank requires provision of relocation assistance to affected people in the form of proper housing at resettlement sites, access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, transitional support, etc.</p>	<p>The applicable Uzbekistan legislation envisages provision of permanent and temporary housing and associated relocation cost to the affected people with legal title and to those who paid land and property taxes. No integration and transitional support are foreseen in the Uzbek law.</p>	<p>The Project will:</p> <p>(i) apply Uzbek legislation for the provision of proper compensation to PAPs with legal title and PAPs without legal title but paying land and property taxes for affected assets.</p> <p>(ii) apply the Bank's requirement to provide capacity building to PAPs and communities where resettled PAPs arrived.</p>
Standards of Living	<p>The Bank requires improving the standards</p>	<p>Uzbek legislation has several laws²¹ related to</p>	<p>Reconciliation is not required.</p>

²¹ President regulation No. UP-6277 "On measures to provide a social allowance to low-income families and further expand the scale of the fight with poverty", 11.08.2021, <https://lex.uz/uz/docs/5572521>; Law on Social Services for the Elderly, Persons with Disabilities, and Other Socially Vulnerable Categories of the Population (No. ZRU-415 of December 26, 2016); Decree of the Cabinet of Ministers on Approval of the Procedure for Assigning and Paying Social Benefits and Material Assistance to Low-income Families, No. 44 of February 15, 2013; Amendment to Law on Social Protection of Disabled Persons in Uzbekistan, No. ZRU-

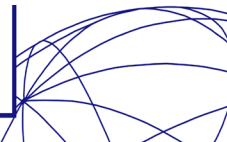


Provision	AIB	Uzbek regulation	Harmonised Framework
	of living of the poor and other vulnerable groups displaced by the Project, including women, children, and persons with disabilities, to at least national minimum standards, including access to social protection systems.	the social support of vulnerable and low-income households, which are monitored by local authorities and are supported by social allowances from the government.	
Persons without Title or Legal Rights	The Bank requires providing resettlement assistance and compensation for loss of non-land assets to persons displaced by the Project without title to land or any recognisable legal rights to land.	The national legislation foresees that: (i) PAPs who do not have legal rights to the land and assets they occupy but pay land and property taxes are subject to compensation. (ii) PAPs without title or recognised land rights are not compensated for land and non-land assets unless they pay land and property taxes ²²	The Project will apply Uzbek legislation for the provision of compensation to PAPs who paid land and property taxes. For those PAPs who did not pay land and property taxes, the Project will apply the Bank's requirement to provide resettlement assistance and compensation for loss of non-land assets.
Negotiated Settlement	The Bank requires developing transparent, consistent, and equitable procedures to ensure that those people who enter into negotiated settlements maintain the same or better income and livelihood status.	The Law No. LRU-781 ²³ dated 29.06.2022 foresees procedure for negotiated settlement during land acquisition in the public interest.	Reconciliation is not required.
Information Disclosure	The Bank requires the client to disclose relevant information about social risks and impacts due to the project in a timely and accessible manner.	The Uzbekistan legislation foresees no information disclosure on land acquisition and resettlement.	The Project will apply the Bank's requirement for information disclosure on land acquisition and resettlement.
Implementation	The Bank requires implementation of RP, while the RP enlightening significant impacts should be implemented as a stand-alone project.	The Uzbekistan legislation foresees no RP, ARP, LRP, RPF, or similar plan preparation and implementation. However, the law provides for (Section 4.2.6) establishing a commission	The Project will apply the Bank's requirement for RP implementation.

162, July 11, 2008; [Law on Child Rights](#), No. ZRU-139, 07.01.2008; [Law on Social Partnership](#), September 25, 2014, etc.

²² Law on Procedure for Lands Withdrawal in the Public Interest with Compensation, <https://lex.uz/uz/docs/6087438>

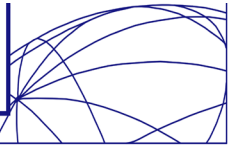
²³ <https://lex.uz/docs/6355530>



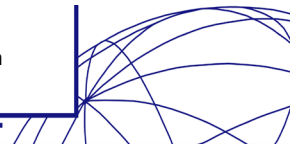
Provision	AIIB	Uzbek regulation	Harmonised Framework
		under the municipality (khokimiyat) to oversee the land acquisition, the provision of compensation, and related issues.	
Compensation and Entitlements	The Bank requires paying compensation and other resettlement entitlements before any displacement under the project.	The Uzbekistan applicable legislation also requires provision of full compensation for loss of land and non-land assets before the construction.	Reconciliation is not required.
Right to salvage materials	Right to salvage materials in favor of PAPs and depreciation (compensation calculation without deduction for depreciation or retention of salvaged materials)	The applicable legislation in Uzbekistan specifies that PAPs do not have the right to salvage materials upon signing an agreement on land withdrawal if they are not included in the agreement.	The Project will apply the Bank's requirement for RP implementation.
Supervision	The Bank requires close supervision of the RP implementation throughout the project.	The Uzbekistan legislation foresees no RP, ARP, LRP, RPF, or similar plan preparation and implementation. However, the law provides for setting up of a commission under the municipality (khokimiyat) to oversee the land acquisition, compensation, and related issues.	Reconciliation is not required.
Monitoring	The Bank requires monitoring and assessment of resettlement outcomes under the project, their impacts on the standards of living of PAPs and whether the RP objectives have been achieved.	The Uzbekistan law foresees no resettlement monitoring and assessment except for the setting up of a commission under the municipality to oversee the land acquisition, compensation, and related issues.	The Project will apply the Bank's requirement for monitoring and assessing resettlement outcomes, their impacts on the PAPs living standards, and whether the RP objectives have been achieved.

3.4. RPF Principles to be Applied in the Project

Apart from the objectives mentioned above, the following non-negotiable resettlement principles will be followed for all the sub-projects implemented under this Project:



- All sub-projects (detailed designs) will be screened for social impacts (involuntary resettlement impacts and risks) with the following preparation of LARP/LRP/RP.
- A socio-economic survey should be undertaken for each subproject to identify the PAP having lands and immovable properties and those who lose livelihood dependent on the lands being acquired; this will also include gender analysis related explicitly to resettlement impacts and risks under specific subproject.
- If resettlement is unavoidable, resettlement activities should be conceived and executed as an integral part of the Project, providing sufficient resources to enable the persons displaced to enjoy the Project benefits.
- Entitlements and resettlement options will be communicated through transparent meaningful consultation with PAP.
- Compensation and rehabilitation and resettlement assistance will be paid before displacement and any project civil work.
- All compensation will be at replacement cost.
- No civil works will be initiated unless compensation for land and assets and rehabilitation and resettlement assistance is provided in full to all eligible PAP.
- Livelihood assistance will be provided in the form of income generation measures. The Project will inform the PAP on alternative income generation activities suitable for the area and assist them in making choices.
- The Project will monitor the provision and performance of the RP/LRP through appointed Consultants.
- Progress related to the payment of land acquisition compensation and resettlement entitlements will be thoroughly documented with the following reporting sent to the AIIB.



4. Eligibility, Evaluation, and Entitlements

4.1. Eligibility

Affected persons irrespective of their status or whether they have land titles, and legal rights or not, are eligible for compensation and/or some other assistance if they occupied the land before the entitlement cut-off date. To avoid unnecessary and sometimes fraudulent claims for compensation, the eligibility should be preceded by property inventories, socioeconomic survey, and verification of title deeds, leases, or other legal documents admissible and recognized under the applicable law as valid documents indicating ownership or user rights.

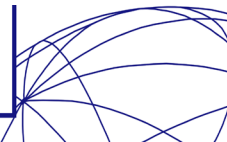
Classification of PAPs is provided in Section 2.2.

4.2. Cut-off-date

The entitlement cut-off date refers to the completion time of measuring affected assets, identifying affected people, and the socioeconomic survey in the Project area, i.e., the last date for defining those eligible for compensation. After that date, the Project considers no new cases of PAPs. Moreover,

- People who encroach on the area after the census and valuation are not eligible for compensation or resettlement assistance.
- Any investment in fixed assets (such as structures, crops, fruit, trees, etc.) commencing after the cut-off date will not be eligible for compensation.
- The cut-off date will be communicated to affected people and broader communities during the census to ensure all PAPs are registered. This could be implemented through:
 - posting information in local media, including digital social media
 - billboards at the local community centres (makhalla committees)
 - presence of information at the district municipalities (khokimiyats)
 - placing announcements in frequently visited locations throughout the affected areas (shops, local markets, outpatients, rural medical stations, etc.)
 - community meetings in the Project area.
- The cut-off date will be an integral part of the LRP/RP.
- Local authorities will monitor any cut-off date violations and provide proper grievance redressal.

Establishing a cut-off date is necessary to prevent opportunistic invasion and claims into the sites selected for the Project solely in anticipation of benefits.



4.3. Entitlement Matrix

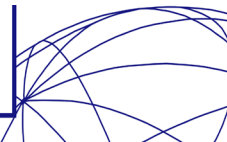
An entitlement matrix envisages all affected households, individuals, and entities losing assets and livelihood. It defines the entitlement of compensation and resettlement assistance depending on the nature of ownership rights on lost assets and the extent of the impacts, including the socio-economic vulnerability of the displaced people. The entitlement matrix, summarizing all possible types of losses and the corresponding nature and scope of entitlements, following the principles of this RPF, is presented in Table 10.

Table 10: Entitlement Matrix

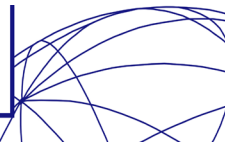
No.	Impact Category	Entitlements	Implementation Guidelines
Section I. Title Holders of Asset			
1.	Loss of Land (agricultural, residential, commercial or otherwise including resident and nonresident landlords)	Land for land compensation with a plot of equal value.	<ul style="list-style-type: none"> The landowner will receive either a replacement of land for land with equal value (and equal soil quality for agricultural lands) or cash compensation at replacement value. Stamp duty, registration fees, legal, tax, and other charges related to the land replacement will be provided against receipts.
		1.1. Agricultural land	
		a	<ul style="list-style-type: none"> Replacement of land for land with equal value (and equal soil quality for agricultural lands) or cash compensation at replacement value The crop owner will have a right to collect fruits and other crops within the stipulated period. Cash compensation for standing crops that could not be harvested before land repossession will be provided on the market value and in consultation with district agriculture department. Cash compensation for fruit-bearing trees, vineyards, and other plants will be provided on the market value considering the average annual yield for the last three years and age of the crop, vineyard, or tree after planting and in consultation with district agriculture department.
		b	<ul style="list-style-type: none"> one-time financial assistance equivalent to three months' minimum wage in Uzbekistan Each displaced family will receive one-time financial assistance equivalent to three months' minimum wage in Uzbekistan at the time of the census.
2.	Loss of Residential Structure	2.1. Residential structures	
		a	<ul style="list-style-type: none"> Replacement of the building with a structure of equal value or cash compensation on market value. Compensation is calculated by the competent certified appraiser based on the local market prices in adjacent territories for the actual moment of compensation payment, considering inflation and market fluctuation in prices in the real estate sphere.



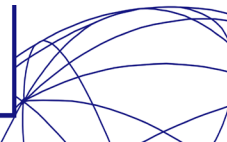
				<ul style="list-style-type: none"> Stamp duty, registration fees, legal, tax, and other costs related to the replacement of the housing will be provided against receipts. Notification of PAP should be six months before relocation; no forced eviction is allowed.
		b	Right to salvage affected materials	<ul style="list-style-type: none"> Right to salvage materials in favor of the affected building or structure owner if the incumbent demolishes the affected part of the building or structure by himself within the stipulated period. The compensation calculation will have no deduction for depreciation or retention of salvaged materials.
		c	One-time financial assistance equivalent to three months' minimum wage in Uzbekistan	<ul style="list-style-type: none"> Each displaced family will receive one-time financial assistance equivalent to three months' minimum wage in Uzbekistan at the time of the census.
		d	One-time allowance of moving costs for those relocated	<ul style="list-style-type: none"> The owner of the affected housing will receive one-time financial assistance to cover transportation costs for shifting the family and moving the furniture, building materials, belongings, and cattle, if any, to the new location. The amount of relocation assistance will be calculated during the census survey based on the market value in the respective area.
		e	Rental allowance for at least three months for those who selected cash compensation for affected house or one month for those who selected alternative house	<ul style="list-style-type: none"> Temporary housing of those selected cash compensation will be provided for at least three months whereas a further period will be discussed between PAPs and local authorities. Monthly allowance will be calculated during the census of PAPs based on average market rental value in respective project areas.
		2.2. Losses of structures adjacent to the residential houses such as fences, shed, tents, etc.		
3.	Loss of Commercial Structures	a	Compensation at full replacement cost for affected structure/fixed assets free of depreciation and transaction cost	<ul style="list-style-type: none"> Compensation calculation is based on the local market prices PAPs will have the right to salvage materials if the incumbent demolishes the affected structure by himself within the stipulated period.
		a	Replacement of the building and other immovable property and assets attached to the land will be with a structure of equal value or cash compensation on market value	<ul style="list-style-type: none"> Compensation will be calculated by the competent certified appraiser based on the market prices in the adjacent area Stamp duty, registration fees, legal, tax, and other costs related to the replacement of the building will be provided against receipts. Notification of PAP should be six months before relocation; no forced eviction is allowed.



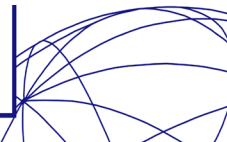
		b	Right to salvage affected materials	<ul style="list-style-type: none"> No deductions for depreciation or for retention of salvaged materials in the calculation of compensation.
		c	One-time allowance of moving costs for those relocated	<ul style="list-style-type: none"> The owner of the affected housing will receive one-time financial assistance to cover transportation costs for shifting the family and moving the furniture, building materials, belongings, and cattle, if any, to the new location. The amount of relocation assistance will be calculated during the census survey based on the market value in the respective area.
		d	Rental allowance for at least three months for those who selected cash compensation for affected building	<ul style="list-style-type: none"> Monthly allowance will be calculated based on average market rental value in respective project areas.
4.	Impact to Tenants (residential, commercial, agricultural)	4.1 Residential		
		a	Rental allowance for one month	<ul style="list-style-type: none"> One-month notice to vacate the rental premises Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas
		b	One-time allowance of moving costs for those relocated	<ul style="list-style-type: none"> One-time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		4.2 Commercial		
		a	Rental allowance for one month	<ul style="list-style-type: none"> One-month notice to vacate the rental premises Monthly allowance will be calculated during the census of PAPs consisting of average market rental value in respective project areas
		b	One-time allowance of moving costs for those relocated	<ul style="list-style-type: none"> One-time allowance will be calculated during the census survey based on the actual market value in respective project areas.
		4.3 Agricultural tenants		
		a	Cash compensation for fruit-bearing trees, vineyards, and other crops planted by Agricultural Tenants, Sharecroppers, and Leaseholders of Land	<ul style="list-style-type: none"> Landowners will reimburse tenants, sharecroppers, and leaseholders with respective land rental fees for unexpired tenancy or lease, if any. Cash compensation for fruit-bearing trees, vineyards, and other crops planted by Agricultural Tenants, Sharecroppers, and Leaseholders of Land will be provided on the market value considering the average annual yield for the last three years and age of the crop, vineyard, or tree after the planting in consultation with the district agriculture department.



5.	Loss of Trees and Standing Crops	a	Six months in advance to shift and harvest the crops or cash compensation will at market value for standing crops	<ul style="list-style-type: none">▪ The crop owner will have a right to collect fruits, vegetables, flowers, and other crops within the stipulated period.▪ Cash compensation will be provided at market value for standing crops that could not be harvested before land repossession and in consultation with the district agriculture department.
		b	Cash compensation for fruit-bearing trees and vineyards based on the market prices	<ul style="list-style-type: none">▪ Compensations to Agricultural Tenants, Sharecroppers, and Leaseholders will be calculated considering the average annual yield for the last three years and age of vineyard or tree and in consultation with the district agriculture department.
		c	Cash compensation for timber trees based on the market prices	<ul style="list-style-type: none">▪ Compensations to Agricultural Tenants, Sharecroppers, and Leaseholders will be calculated considering the tree's age and wood type and in consultation with the district agriculture department.
Section II. Additional Assistance for women-headed households (title and non-title holders)				
6.	Loss of Land, House, Shop		<ul style="list-style-type: none">▪ A one-time allowance of the equivalent of one minimum wage for women-headed households who are relocated due to the project	
Section III. Non-Title Holders - Impact to squatters / encroachers				
7.	Impact to Squatters	7.1 Loss of house		
		a	Cash compensation in replacement cost for the affected structure	<ul style="list-style-type: none">▪ Notification of PAP should be six months before relocation.
		b	Right to salvage materials in favor of the affected building	<ul style="list-style-type: none">▪ The PAP demolishes the affected structure by himself within the stipulated period
		c	One-time allowance of moving costs	<ul style="list-style-type: none">▪ Resettlement assistance is calculated by local authorities
		7.2 Loss of shop		
		a	Cash compensation in replacement cost for the affected structure	<ul style="list-style-type: none">▪ Notification of PAP should be six months before relocation.
		b	Right to salvage materials in favor of the affected building	<ul style="list-style-type: none">▪ The PAP demolishes the affected structure by himself within the stipulated period
		c	One-time allowance of moving costs	<ul style="list-style-type: none">▪ Resettlement assistance is calculated by local authorities
		7.3 Loss of standing crops		



		a	Six-month advance notification for harvesting crops or cash compensation equal to the market value of the yield of the standing crops	<ul style="list-style-type: none">Notification of PAP should be six months in advance to shift and harvest the crops, fruits, flowers, etc.The crop owner will have a right to collect fruits, vegetables, flowers, and other crops within the stipulated period.Compensation will be provided for standing crops based on market value and in consultation with the district agriculture department.
8.	Impact to Encroachers	8.1 Loss of Standing Crops		
			Six-month advance notification for harvesting crops or cash compensation equal to the market value of the yield of the standing crops	<ul style="list-style-type: none">Notification of PAP should be six months in advance to shift and harvest the crops, fruits, flowers, etc.The crop owner will have a right to collect fruits, vegetables, flowers, and other crops within the stipulated period.Compensation will be provided for standing crops based on market value and in consultation with the district agriculture department.
		8.2 Structure		
		a	One-month notice to demolish the encroached structure	
		b	Compensation at market value for structures without depreciation for the affected portion of the structure	
Section IV. Loss of Livelihood				
9.	Loss of employment in non-agricultural activities or agricultural wages or other wage workers	a	A one-time allowance of the equivalent of one minimum wage	<ul style="list-style-type: none">Only agricultural laborers who are full-time employees of the affected landowner, or those affected full-time employees of the business, will be eligible for this assistance. Seasonal agricultural laborers will not be entitled to this assistance.
		b	For PAPs relying on agriculture as a source of income, the Project will provide training on sustainable land and water resources management	<ul style="list-style-type: none">The cost of training will be included in the Project consultants' contracts.For PAPs who opt for an alternative livelihood, the Project team will provide training sessions based on the training needs. The cost of training will be included in the Project consultants' contracts.
Section V. Impact on Vulnerable Households				
10.	Vulnerable Households (Women headed household, Low-Income household, a household headed by elderly with no support and	a	Inclusion in existing safety net programs to ensure the continuation, or increase, of previous income.	<ul style="list-style-type: none">For PAPs relying on agriculture as a source of income, the Project will provide training on sustainable land and water resources management. The cost of training will be included in the Project consultants' contracts.For PAPs who opt for an alternative livelihood, the Project team will provide training sessions based on the training needs. The cost of training will be included in the Project consultants' contracts.
		b	A one-time allowance of the equivalent of one minimum wage	



	household headed physically challenged people)	C	Priority for employment in project-generated jobs, training opportunities, self-employment, and wage employment assistance.	
Section VI. Unforeseen Impacts				
Any unanticipated impacts identified during Project implementation will be compensated in full at replacement cost and the entitlement matrix shall be revised if required in case major unanticipated impacts occur during detailed and final design.				

4.4. Social Impact Assessment

The detailed Social Impact Assessment (SIA) will be carried out based on a census of affected parties and their assets and the socio-economic profile of PAPs through sample surveys. The SIA will be carried out for each subproject to determine the magnitude of displacement and potential losses and identify any vulnerable groups and social issues in the Project area. The RP will be prepared based on the SIA findings and RPF guidelines. The RP will ascertain the magnitude of the impact, integrate the results of public consultations, provide details of the cost of resettlement and institutional arrangements, and formulate a plan to implement resettlement activities.

4.4.1. Reconnaissance Survey

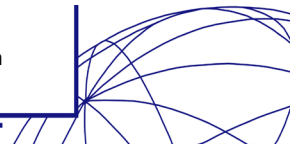
An initial survey will be conducted to determine the existing and proposed alignments for each subproject. This will also include some random consultations with residents to identify potential impacts and risks. Alternate design options will be explored and discussed with the local population and communities' leaders. The Project owners will consider suitable modifications to the design to minimize any adverse social impacts.

4.4.2. Secondary Information Collection

The secondary information on the affected area will be collected from statistics, health, and cadaster departments and other agencies as needed. This information could also be gathered during consultations with local authorities on district and community levels.

4.4.3. Census survey

Based on the final detailed design of the subproject, a census and socio-economic survey will be conducted. The census should cover all potentially affected properties in the Project impact area and cover immovable property owned by displaced parties and common property resources. The survey will be carried out in support of local authorities and community leaders.



The census will provide for the following information:

- Affected people including titleholders, tenants, leaseholders, sharecroppers, and non-titleholders and their household members, if they are potentially displaced.
- Displaced people who are dependent on the acquired land for their livelihood.
- Vulnerable displaced people and their vulnerable status.
- Minorities, if any.
- Verified legal boundaries of the Project area, ownership documents for land, structures, and other physical assets within the area of influence.
- Encroachments, public and private assets in the Project area to be documented.

The baseline census survey aims to gather information on the different types of losses and adverse impacts that may occur because of the Project. The survey will identify potentially affected populations, with special attention to vulnerable groups, and assess the value of various assets involved.

Each of the affected property will be surveyed and numbered, documented, photographed along with the topographical survey data.

4.5. Inventory and Valuation of Losses

Specific Commission established under the khokimiyat according to the *Law No. LRU-781 on Procedure for Lands Withdrawal in the Public Interest with Compensation* (Section 3.2.6) of the respective district is the authority to finalize the valuation of the land and immovable assets including the standing crops and trees for land acquisition. However, the valuation is preceded by inventory of affected assets and census with socio-economic survey of PAPs.

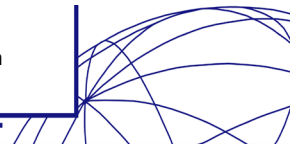
4.5.1. Asset Inventory

An inventory of affected assets will follow the procedure stipulated in the *Standard No.833 of the Ministry of Finance of Uzbekistan*²⁴ – *Uzbekistan National Accounting Standard No.19 "Establishment and Carrying Out of Inventory."*

The inventory will summarize the:

- (i) Size of the affected lands, their location (geographic coordinates), soil quality, value, etc. and information on their ownership disaggregated by gender.
- (ii) Number of structures that will be impacted with key specifications (such main dimensions, materials used, description of foundation, insulation, walls,

²⁴ <https://lex.uz/docs/476407>



- staircases, floor, roofing, ceilings, doors, windows frame, etc.) and information on their ownership disaggregated by gender.
- (iii) Other immovable assets like electricity and gas connections and sources of drinking water, etc.
 - (iv) Number and type of crops, trees, flowers, etc. with information of annual yield.

4.5.2. Socio-economic Survey of PAPs

The socio-economic surveys of PAPs will cover, but not be limited to:

- (a) Profiles of household heads by age, gender, and education.
- (b) Household members, labor force, and employment, disaggregated by gender.
- (c) Family incomes and its sources as compared with poverty thresholds in the district.
- (d) Asset ownership such as land, crops, and trees.
- (e) Access to social services like schools, clinics, public markets, and places of worship.
- (f) Access to electricity connections and public roads.
- (g) Access to common resources in the area.

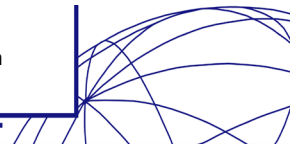
The survey will also help distinguish between vulnerable and non-vulnerable households. The compensation and income restoration measures for the PAPs will be based on the survey findings, which will be supplemented with relevant secondary socio-economic data available at the district level in the Project area.

The census will identify loss of potential incomes from small businesses operating alongside the road where the Project pipework is supposed to be, and potential displacement of workers employed by affected commercial businesses, homestead, and farmlands. The census aims to identify the impacts and risks faced by the PAPs due to the losses incurred by them. It will focus on how the losses have affected the household incomes and employment opportunities in the small business sector.

4.5.3. Valuation of Losses

Valuation of affected assets will follow the [Law on Valuation](#) (Section 3.2.8), [Law on Land Caster](#) (Section 3.2.9), and other regulations, and be carried out by the certified independent appraiser who will be assigned by the local authorities. The objective of this exercise is to establish the extent of loss and estimation of replacement cost. The major tasks are as follows:

- Verification of the ownership, category, area, and other specifications of affected land, structure, and other immovable assets in the relevant government institutions such as district- or province-level department of Cadastre Agency, municipality (khokimiyat), State Tax Committee, etc.



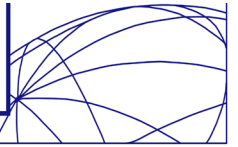
- Measurement and mapping of affected land, structure, and other immovable assets through joint survey at site of the certified appraiser and designated district authority's representatives.
- Recording the existing condition of affected land, structure, and other immovable assets through joint survey at site of the certified appraiser and designated district authority's representatives.
- Value assessment on per affected land area basis, including the space above and beneath, buildings, structures, plants, and other objects related to the affected land that can be valued:
 - Land and structure value assessment grounded in market valuation and replacement cost principle.
 - Compensation calculation for crops and trees based on the market value and average yield for the last three years.
 - Resettlement assistance calculation per cost category, such as transportation costs, charges related to the property replacement, etc.
 - Calculation of financial assistance to PAPs from the vulnerable group and to other PAP categories per entitlement matrix.
- Preparation of value assessment report with content stipulated by the [Law on Valuation](#) and provided information on the valuation asset, its cadaster and other state registered data, existing condition, owner's details, and valuation methodology and procedure, sources of information, and calculated value per land parcel, structure, crops, trees, flowers, vegetables, and other immovable property.
- Review and approval of value assessment report by the commission established under the respective local authority and headed by deputy governor or governor.
- Setting up procedure for provision of asset replacement as land, structure or monetary compensation payment following applicable legislation of Uzbekistan.

The values defined by the appraiser will be used as a basis for negotiation with the PAP. Land acquisition and resettlement impacts of the Project will be compensated in accordance with the entitlement matrix (Section 4.3). All compensations and assistance will be paid to PAPs before displacement or commencement of Project civil works.

4.5.4. Livelihood Restoration

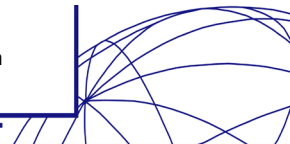
Each displaced person whose income or livelihood is affected by the Project will be assisted in improving or at least restoring this livelihood to the pre-project level. The entitlement matrix has provisioned the livelihood restoration allowance for the displaced persons.

The PCU, in collaboration with the Project Consultants, will assess the training needs of the PAPs to develop an appropriate income restoration program. If the PAPs choose to receive livelihood restoration capacity building, the Project team should provide



corresponding training, where the cost of training will be included in the Project consultants' contracts.

In addition, the PCU, with the support of the Project Consultants, will examine local employment opportunities and identify possible income restoration for PAPs. This will also include the identification of potential for PAP's employment under the Project as qualified.



5. Grievance Redress Mechanism

A Grievance Redress Mechanism for affected people is an arrangement for receiving, evaluating, and facilitating the resolution of concerns, complaints, and grievances from people who believe they have been adversely affected by environmental or social impacts of the proposed project, and to inform project-affected people of its availability.

Various queries, concerns, complaints, and problems that are likely to be generated among the affected persons and that might require mitigation, may include the following:

- Affected households not listed as affected;
- Losses not identified correctly;
- Compensation/assistance considered inadequate or not as provided for in the entitlement matrix;
- Dispute about ownership of assets;
- Delay in disbursement of compensation payments/assistance.

5.1. National Complaint Management System

Law on Appeals of Individuals and Legal Entities No. ZRU-445 (Section 2.1.4) regulates appeals, recommendations, and complaints of individuals and legal entities to government authorities and organizations. The law specifies that:

- the complainant may submit its complaint/appeal orally, in writing, or electronically
- the complainants shall specify their full name and address and may include e-mail and other contacts of the complainant
- the complaint/appeal shall be redressed within 15 days and, if needed additional investigations, the complaint/appeal shall be redressed for up to one month, while the consideration of complaints/appeals requiring in-depth analysis may be extended for up to another month
- all government organizations shall establish complain management system.

Thus, the affected persons can submit their grievances in writing or electronically to the contractor, Khorezm Suvtaminot LLC, or UzWJSC. The affected person may also submit its grievance to a Court at his cost, where decisions will be made following applicable national legislation. Below is a screenshot of the government Single Web-based Complaint Management System of Uzbekistan.

The image shows a web browser window displaying the Murojaat.gov.uz website. The header includes the site logo, navigation links (Главная, Новости, Политика конфиденциальности, Статистика), and a login button (Войти через OneID). The main content area features a large blue banner with the text "ОТПРАВЬТЕ ОБРАЩЕНИЕ В СООТВЕТСТВУЮЩУЮ ОРГАНИЗАЦИЮ" and a green button "Отправить обращение". Below this is a section titled "В КАКУЮ ОРГАНИЗАЦИЮ ХОТИТЕ ОТПРАВИТЬ ОБРАЩЕНИЕ ?" with a search bar and a "Поиск" button. At the bottom, there are icons and labels for different organizational categories: "ЦЕНТРАЛЬНЫЕ УЧРЕЖДЕНИЯ", "МИНИСТЕРСТВА", "КОМИТЕТЫ", and "АГЕНТСТВА".

Figure 1: Web-based complaint form

(Source: Single web-based complaint management system of Uzbekistan²⁵)

To file a complaint, the complainant should follow the following steps:

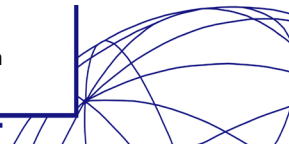
- (1) Log in to this system using your digital signature
- (2) Select the category "Headquarters"
- (3) Select "General Prosecutor's Office"
- (4) Select "Subordinate Organizations"
- (5) Select "Prosecutor's Office of Khorezm Province"
- (6) Enter the text of the complaint or appeal in the window
- (7) Submit the complaint or request.

5.2. Project-level Grievance Redressal Mechanism for Affected People

A two-tier GRM will be established by the PCU for project-affected people, where the first tier GRM will be at the district level, managed by a local Grievance Redress Committee (GRC). The second tier GRC will be at the Khorezm province level, managed by PCU.

Each tier will have different actors for objective and transparent decision-making. This approach would allow for trust to be built among the stakeholders and prevent the

²⁵ <https://murojaat.gov.uz/ru>



culmination of small issues into major community concerns. The GRM will be accessible and understandable for all stakeholders and be available for the entire project life.

5.3. Grievance Redress Committees

GRC of the first tier GRM will compose representatives of contractor, PCU Coordinator, PMC, district department of Khorezm Suvtaminot LLC, head of makhalla, and representative of district authorities (khokimiyat). Aggrieved persons can contact either of them and they will be responsible for receiving, hearing, and resolving the grievances.

GRC of the second tier GRM will compose of PCU head, authorized representatives of Khorezm Suvtaminot LLC and Khorezm province authorities (khokimiyat).

The exact GRC members for each subproject will be specified in the ESIA/ESMP/RAP.

5.4. Functions of GRM

Grievances may be channelled through letters, emails, text messages, verbal narration, grievance boxes, and registers.

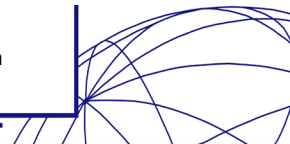
Tier-1 GRM: PCU Coordinator will be responsible for registering all project-related complaints. This will also include details of date of receipt of the grievance, date of hearing, if any, along with nature of complaint/concern, actions taken, and date of communication sent to the complainant. Communication, in writing will be sent to the aggrieved person with the date, time and venue of the hearing and make it known that she/he is entitled for a personal hearing.

The GRC will collect information about the complaints, assess the information provided, and verify the data supplied with field investigation (if needed). After a report with the decision made is prepared by the GRC of first tier, the report and its recommendation are sent to the complainant.

The final decision on grievance will be sent to the aggrieved person in writing in 15 days. If the complainant is not satisfied with the decision at the first tier, she/he can choose to escalate the grievance to second tier.

Tier-2 GRM: The GRC member (PCU) will log the complaint in a register called the Grievance Log. Then the GRC member will issue to the aggrieved party with a case number and recorded date in the Grievance Log within two days.

The GRC will arrange the meeting within next seven calendar days of the logging of the complaint to:



- Deliberate on the nature and circumstances of the complaint;
- Investigate the complaint based on evidence provided by the complainant;
- Meet with the complainant and other persons;
- Make a decision.

If the GRC needs extra time to investigate or deliberate on the complaint, the affected person will be informed of the time when a decision is expected. In any case, all complaints shall be resolved within one month.

The GRC will prepare all the information and documents relevant to the complaint prior to the meeting and provide copies to all members.

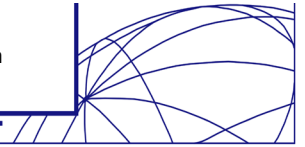
If the solutions are not accepted by grievant, GRC will conduct more consultations with the grievance to obtain further detailed clarification on the issues and to try and agree upon a mutual solution. Minutes of such consultation sessions should be kept in the Grievance Log. If mutual solution cannot be obtained through consultations, the grievant may submit its complaint to the court of law.

Once the complaint is resolved, the PMC will document the decision and prepare full documentation on the process, including minutes of meeting, photographs of visits, documents reviewed, and reasons for the decision and will share this documentation and the complaint management report with all GRC members, the complainant, and the PCU. The GRC will ensure that the complainant is fully informed of the decision and is also informed about the right to appeal to the Project GRC and to the court of law. In case follow-up actions are required, the PMC will ensure that the actions are taken and documented and will share this information with the head of the community committee, other GRC members, and the PCU.

PCU will have the overall responsibility for timely grievance redress on environmental and social safeguards issues. The Project Coordinator in Khorezm Province will be the focal person for facilitating the grievance redress at the local level.

5.5. Documentation of grievances and reporting

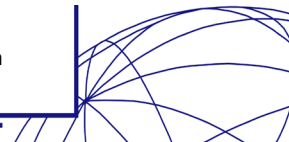
The grievance will be processed in 15 days at each tier, and written communication will be sent to the complainant at each tier. A complaint log will be maintained at the PMC and PCU, with details of the complaint lodged, the date of the personal hearing, actions taken, and the date of communication sent to the complainant. The PMC is responsible for reporting the complaint log to PCU every month. The PCU is responsible for gathering the grievance statistics at two tiers and in the national complaint handling system, compiling the data in the Quarterly Project Progress Reports and Semi-annual Environmental and Social Monitoring Reports, and reporting to AILB.



5.6. Disclosure of GRM

During the detailed design of the subprojects, the GRM will be presented in the ESIA/ESMP and LARP/LRP/RP. Through stakeholder consultations, the local population will be informed of the detailed description of the subproject, its impacts, and the GRM system.

Flyers, information billboards in the community centers (makhalla committees), and local mass media will be used to distribute the GRM information, including the members of the GRCs and their contact information. The same information will be presented at the construction sites and community centers. The information on Tier-2 GRC will be announced on the website of UzWJSC, Khorezm Suvtaminot LLC, and district khokimiyat.



6. Implementation Arrangements

6.1. Project Management and Coordination

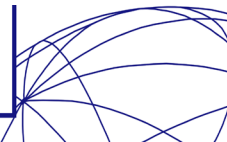
6.1.1. Project Coordination Unit

Uzsuvtaminot JSC is the Executive Agency (EA) for the Project, and Khorezm Suvtaminot LLC will act as the Implementing Agency.

A Project Coordination Unit (PCU) created under the Uzsuvtaminot JSC, together with Khorezm Suvtaminot LLC, will be responsible for overall Project implementation, monitoring, and financial control, including land acquisition and resettlement activities. The PCU has a designated social and environmental specialist accountable for ensuring that all the activities related to land acquisition and involuntary work are being followed and implemented per Uzbekistan legislation and AIB policies. The PCU will be supported by a Project Management Consultant (PMC), who will have a Social and Resettlement Specialists. The PCU will be responsible for the following:

- Project management and coordination
- Ensure the Project meet the loan covenants.
- Arrangement for procurement and appointing the PMC, Detailed Design Consultant, civil works contractors, and Local Project Coordinator in Khorezm Province, as and when where required.
- Liaising with province and district administration for resettlement and land acquisition activities, including undertaking of public consultations, census and socio-economic studies, detailed measurements, and community perception surveys.
- Review and approving Environmental and Social Management Planning Framework, RPF, RPs and LRPs, and all other social and environmental safeguards documents and reports.
- Ensuring timely disbursement of compensation and assistance to PAPs in close coordination with the relevant line departments.
- Monitoring of RP and LRP implementation and provision of regular reporting.
- Proactive and timely measures to address the social and environmental safeguards.
- Ensuring availability of funds for implementation of Project activities including resettlement ones.
- Ensuring disclosure of relevant frameworks, implementation and management plans, and monitoring documents.

PCU will be presented by Local Project Coordinator to be set in Khorezm Province with responsibilities to implement all the Project related activities on daily basis, including:



- Liaison with local authorities on the province-, district-, and community levels and coordinate the Project activities with proper line departments.
- Coordination of the Project consultants, suppliers, and civil works contractors' activities.
- Coordination of resettlement and land acquisition for the Project.
- Monitoring, supervision, and record observations throughout the Project life to ensure that the safeguards and mitigation measures are provided as intended.
- Grievance handling.

PCU will also be supported by a Project Management Consultant (PMC) with responsibilities to:

- Provide overall project management support.
- Contract supervision and administration.
- RP/LRP implementation support and reporting.
- Monitoring and evaluation of the Project progress, including monitoring and evaluation of the resettlement activities.
- Ensure all subprojects meet safeguards requirements and are in line with RPF.
- Deliver relevant training and capacity building to PCU, other Project consultants, contractors, suppliers, and, if need, to line departments and local authorities on resettlement management.

The Project will have a Detailed Design Consultant (DD Consultant) on board. The DD Consultant will prepare the engineering design for each subproject along with the RP or LRP involving social screening, socio-economic profile, census, detailed measurement survey, and public consultations during the Project design.

6.1.2. Local Authorities

Local authorities (khokimiyats), communities, and residents of the Project area are beneficiaries of the Project. Local authorities will play a key role in selecting Project sites, acquiring land, and managing resettlement activities, including compensation and supervision of the restoration of common property resources. They will be involved in every critical milestone and activity throughout the Project.

6.1.3. Institutional Arrangements Related to Resettlement

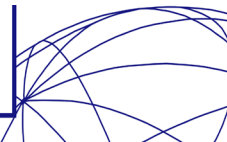
Table 12 summarizes key Project stakeholders and their roles and responsibilities related to resettlement activities.

Table 11: Institutional Arrangements

Stakeholder	Responsibilities
Project Coordinating Unit	<ul style="list-style-type: none"> ▪ Project management



Stakeholder	Responsibilities
	<ul style="list-style-type: none"> ▪ Availability of Social Safeguards and Resettlement Specialists ▪ Liaising with province and district administration for resettlement and land acquisition activities, including undertaking of public consultations, census and socio-economic studies, detailed measurements, and community perception surveys ▪ Finalizing entitlements and RP/LRP ▪ Ensuring timely disbursement of compensation and assistance to PAPs in close coordination with the relevant line departments ▪ Monitoring of RP and LRP implementation and provision of regular reporting ▪ Ensuring availability of funds for implementation of Project activities including resettlement ones ▪ Ensuring disclosure of relevant frameworks, implementation and management plans, and monitoring documents
Khorezm Suvtaminot LLC	<ul style="list-style-type: none"> ▪ Project management support ▪ Selection of the sites for the Project components ▪ Organizational arrangement for the resettlement, land acquisition and compensation activities ▪ Coordination with the relevant government agencies on resettlement activities ▪ Overseeing the resettlement planning and coordinating issues related to the compensation
District Government (khokimiyat)	<ul style="list-style-type: none"> ▪ Establishing the Commission for the resettlement, land acquisition and compensation activities ▪ Engagement of certified appraiser for asset valuation ▪ Review and approve the asset valuation report ▪ Consultations with the PAPs on the proposed compensations ▪ Making an agreement on the compensation form and value and its provision
Project Management Consultant	<ul style="list-style-type: none"> ▪ Project management support ▪ Supervision of the RP/LRP implementation, including finalizing entitlements, compensation disbursement, monitoring, and other resettlement activities related to the Project



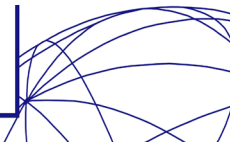
Stakeholder	Responsibilities
	<ul style="list-style-type: none"> Monitoring of RP/LRP implementation and preparation of a monitoring report Ensuring implementation of RP/LRP timely Close work with the relevant government agencies to ensure affected people are compensated before civil works Public consultations during the Project implementation Supervision of grievance redress Updating the RP/LRP, if needed
Detailed Design Consultant	<ul style="list-style-type: none"> Preparation of RP/LRP Social screening and census survey of PAPs Socio-economic profile of PAPs Public consultations during the Project design
Contractors	<ul style="list-style-type: none"> Restoration of roads, public services and engineering communications, common areas and access to structure if disturbed during civil works
Communities (makhalla committees)	<ul style="list-style-type: none"> Participation in public consultations Participation in social screening, census, socio-economic and community perception survey, etc. Membership in GRC and participation in grievance handling at the community level

6.2. Resettlement Budget

Detailed budget estimates for each RP/LRP will be prepared and included in the overall tranche of the Project budget. The budget shall include the following costs:

Table 12: Budget Compilation

Resettlement Costs	Cost Coverage
Land acquisition and resettlement assistance for titleholders (compensation for loss of land, structure, trees, crops, and other immovable assets, transportation to a new place)	covered by the local authorities (GoU)
Resettlement assistance for non-titleholders (compensation for loss of structure, trees, crops, and other immovable assets, transportation to a new place)	covered by the local authorities (GoU)



Restoration and enhancement of the affected access, land, structure, utilities, and common property resources to pre-project level or better	included in the civil work contracts
Livelihood and income restoration measures, including expenses for training and other capacity building activities, vulnerability allowances	included in the contracts of Project consultants
Detailed measurement survey	included in the contracts of Project consultants
Valuation of PAP assets	covered by the local authorities (GoU)
GRM expenses if any	included in the contracts of Project consultants
Consultation and disclosure	included in the contracts of Project consultants
Monitoring and evaluation costs (individual monitoring consultants if any)	PCU costs
Other unforeseen costs	Local authorities (GoU), PCU, Project consultants, civil work contractors, etc.

6.3. Consultations and Information Disclosure

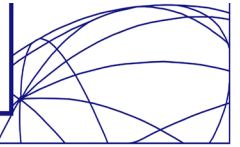
6.3.1. Consultations

The Project aims to encourage active participation from the public and stakeholders. This will involve exchanging information and making decisions during the preparation and implementation of resettlement or livelihood restoration plans. Both resettlement instruments will be disclosed before conducting relevant public consultations and with sufficient time for PAPs and other stakeholders to prepare comments and concerns.

The objectives of meaningful consultation will be to provide specific stakeholder groups with relevant information and opportunities to voice their views during project design (engineering design, procurement of contractors and suppliers), construction, and operation and maintenance.

Social inclusion will include systematic engagement with PAPs, community residents, and specifically vulnerable groups through the following settings:

- Arrangement of consultation meetings in suitable venues commonly known to the community residents and other stakeholders and convenient for people with disability; these could be community centres (office of makhalla committees or office of the district governor).



- Posting proper announcements on upcoming engagements in the Project area
- Pre-informing the local authorities and jointly development of schedule and plan for public consultation activities.
- Scheduling the consultation meetings at a time suitable for all types of residents from the Project area.
- Provision of special care to ascertain the attendance of women of the Project area and organization of focus group discussion with vulnerable people and females as feasible.
- Conducting the meetings in a form and language understandable to the community residents and Project stakeholders.
- Application of dialogue approach for consultations and conducting them more than once time depending on the need and agreement reached.
- Making a resettlement agreement in writing.

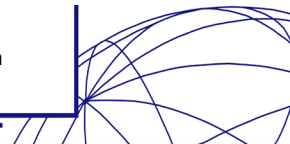
At the planning stage, the public consultations will discuss the following provisions with PAPs, residents, and institutional stakeholders:

- Project scope and rationale
- RP or LRP
- PAPs categories entitled compensation
- Entitlement matrix
- Cutt-of date
- Compensation types and procedures
- Livelihood restoration options
- GRM.

At the project preparation stage, the public consultations will involve PAPs and relevant institutional stakeholders and discuss the Project location mapping of the sites selected for the Project components and written agreement with PAP. An agreement is essential to mitigate potential disputes or to prevent the need for conflicts to rise to the provincial and above levels. The public consultations at this stage should occur as early as possible and on time. The affected community should receive notification during conceptual design to ensure the Project avoids significant social risks.

Public consultations during the implementation stage will relate to:

- Continuation of stakeholder engagement activities during screening and
- Notification of PAPs
- Documentation of assets
- Agreement on compensation
- Contract preparation
- Compensation payments
- Provision of resettlement assistance
- Delivery of livelihood restoration training activities.



Compensation options will be clearly explained to all affected parties and while drawing a contract and listing all property and land being surrendered, the PAP could fairly select and receive the compensation types. The detail and extent of these stages will depend on the nature and extent of potential impacts and compensation required.

6.3.2. Disclosure of Project Safeguard Documents

Information will be disseminated to displaced persons at various stages of the Project through project planning, preparation, and implementation. For the benefit of the local community living in the Project area in general, and affected parties, in particular, a summary of RPF and respective RP or LRP of the subprojects will be made available in local languages. The RPF and RP or LRP will also be available at the PCU office, water utility, local authority of the Project district, and community centres (makhalla committees).

6.3.3. Documentation and Record Keeping

The Project will create a compensation inventory for each PAP and their household members. The inventory will contain necessary personal information, total landholdings, an inventory of affected assets, and information to monitor future situations. Photographic evidence will support the collected data, which will be confirmed and witnessed by representatives of the local authorities and community leaders. The files will be kept current and include documentation of lands. During negotiations, all PAPs will receive a copy of the file for transparency and fairness. This documentation will ensure a fair land acquisition process for each PAP and monitor it over time. The Project will document claims and assets in writing to ensure accuracy.

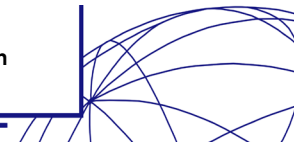
6.4. Monitoring and Evaluation

The regular monitoring of the implementation of RP or LRP will be through:

- Semi-annual reports, which will be submitted to AIIB by the PCU with PMC and will describe the progress of the implementation of resettlement activities.
- External review mission on the Project, where the monitoring will take place twice a year to ensure that land acquisition and resettlement activities are carried out in accordance with the approved RP or LRP and RFP.

Both monitoring instruments will detail the status of the implementation, including any pending issues, and follow-up actions taken to address those issues. The main indicators specified in the approved RP or LRP will be the focus of the monitoring and evaluation. These indicators will include:

- Consultation process.
- Eligible PAPs.



- Agreed compensation level and forms.
- Payment of compensation and delivery of resettlement assistance.
- Implementation of livelihood restoration program.
- Effectiveness of grievance handling by the Project, including number, type, and nature of complaints received and redressed.
- RP or LRP disclosure and transparency during land acquisition.
- Provision of regular monitoring reporting.

The Project will set up a reporting system that will accomplish the following:

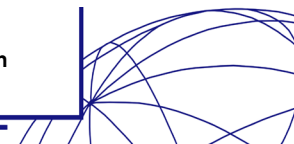
- Provide timely information on all resettlement activities due to the Project.
- Identify any grievances that have not been resolved and require immediate attention from key Project stakeholders.
- Document the timely completion of project resettlement obligations for all permanent and temporary losses.
- Evaluate whether all PAPs have been compensated per the RPF requirements and principles and whether they have better living standards than their situation before being physically and economically displaced.

Depending on the nature and complexity of the RP or LRP and their implementation stage, the internal monitoring could be undertaken by the PCU with PMC on weekly, monthly, or quarterly basis. It is recommended to conduct monitoring surveys to gather the community's perception regarding the resettlement and Project activities. This will help to gain insight into the success of relocation and the community's attitude towards the Project and water utility. It is important to conduct a comprehensive socio-economic survey after the completion of resettlement and the Project.

7. Vulnerable Groups

The initial social assessment described the following vulnerable groups in the project area:

- Low-income households;
- Low-income landholders that have limited productive land (this will be determined by the minimum amount of farmland needed to be a viable farmer in the project area);
- Mentally and physically handicapped people or people in poor physical health; infants, children, and women without assistance, elderly people;
- Low-income women-headed households or women-headed households with no other support;
- Other affected people identified by the project management unit and who may not be protected through national land compensation or land titling; or



- Any additional groups identified by the socio-economic surveys and by meaningful consultation.

Vulnerable households, including women-headed households, low-income households, households headed by senior adults with no support, and households headed by physically challenged people, will be provided with a one-time additional allowance equivalent to three months' minimum wage income by proof provided by makhalla. In addition, members of vulnerable households will also be prioritized in project-related employment. The communities (makhallas) and district governments have a record of all community households and will be tapped to identify and certify vulnerable households. The needs of vulnerable groups will be identified, analyzed, and relevant management measures be described in LARP/LRP/RP. With following implementation and monitoring.

8. Gender Consideration in Resettlement

In line with AIB' policy requirements, measures will be taken to ensure that women and vulnerable people are able to participate in the consultation meetings and other LARP/LRP/RP planning activities.

As part of the LARP/LRP/RP preparation process, the vulnerable and severely affected people will be identified through the census and socioeconomic survey and the PCU will ensure that they are informed of the consultations' dates and venues. The meetings with vulnerable groups will be carried out that ensure they are aware of their rights, entitlements, and details on the existing GRM and grievances redress procedures. The vulnerable groups will be also consulted about their preferred options for livelihood stabilization and rehabilitation assistance as appropriate.

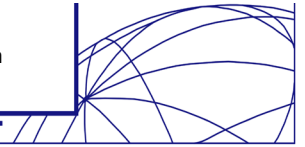
National gender policy aligns with AIB policy, recognizing gender equality as crucial for sustainable economic development and emphasizing inclusiveness and gender responsiveness in projects.

9. Methods of Compensation

Compensation will be provided in cash, kind, or assistance, with the type being an individual choice. The table describes the forms of compensation.

Table 13: Forms of Compensation

Cash Payments	Compensation will be calculated in Uzbek sums. Rates will be adjusted for inflation.
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In-kind Compensation	Compensation may include items such as land, houses, other buildings, building materials, seedlings, agricultural inputs, and financial credits for equipment.
Assistance	Assistance includes onetime payment, moving allowance, transportation and labor, training.

Making compensation payments raises inflation, security, and timing issues that must be considered. One purpose of providing in-kind compensation is to reduce inflationary pressures on the costs of goods and services. Local inflation may still occur; thus, market prices will be monitored within the period that compensation is being made to allow for adjustments in compensation values. The local administration must address the question of security, especially for people who will be receiving cash compensation payments. Local banks and microfinance institutions should work closely with the local administration at this level to encourage the use of their facilities, which will positively impact the growth of the local economies. The time and place for in-kind compensation payments will be decided upon by each recipient in consultation with the LARP/LRP/RP.



10. Guidance for the Resettlement Plan Preparation

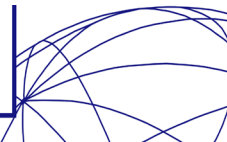
For any project that could result in involuntary resettlement impacts, a Resettlement Plan or Abbreviated Resettlement Plan (LRP) should be created. The level of detail and comprehensiveness required for the plan will depend on the potential risks and impacts of the resettlement. The outline provided includes all the key aspects that need to be considered when preparing the Resettlement Plan, although they do not necessarily have to be addressed in the same order.

The LARP/LRP/RP will be prepared for each subproject involving resettlement impacts. The key steps in resettlement planning are: (i) social screening; (ii) social impact assessment; (iii) inventory and valuation; (iv) determining eligibility and entitlements; (v) consultation and disclosure of findings; (vi) preparation of LARP/LRP/RP ; (vii) consultation and finalization of RP; (viii) disclosure of the final LARP/LRP/RP (which analyses and describes the impacts, entitlements, detail of parties involve in project implementation, RP implementation schedule, inventory of eligible PAPs, grievance redress mechanism (GRM), initiation of land acquisition and resettlement process; disbursement of compensation and entitlements, relocation (planning and actual relocation), redressed of grievances, site clearance and handover to contractor for civil works; post resettlement support measures.

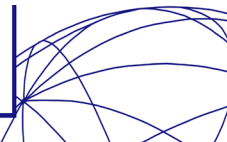
Summary of process for screening, preparing, and approving RPs is provided in the table below.

Table 14: Summary of Process for Screening, Preparing, and Approving RPs

Step	Action	Responsibility	Phase
1.	Screening of each subproject for resettlement impacts	PCU	As soon as a subproject is identified and a draft of the subproject design is ready
2.	Determining the appropriate safeguard instrument to be prepared (LARP/LRP/RP)	PCU	Upon completion of screening
3.	Preparation of ToRs for conducting SIA and appointment of consultants	PCU	Mobilization of consultants upon finalization of subproject design and completion of screening
4.	Social Impact Assessment <ul style="list-style-type: none"> consultations with potential PAPs and other stakeholders census and inventory socio-economic survey identification of vulnerable and severally affected households assessment of impacts on livelihoods 	RP consultants	With the commencement of the RP consultants' contract



Step	Action	Responsibility	Phase
	<ul style="list-style-type: none"> valuation of land and other assets at replacement cost determination of compensation for each category of PAPs 		
5.	Establish GRM and notify GRC at each site of respective subproject	PCU	At the SIA preliminary stage
6.	Preparation of LARP/LRP/RP	RP consultants	Duration depends on nature and scale of resettlement impacts
7.	Review of draft LARP/LRP/RP	PCU	5 to 7 working days after receiving the draft LARP/LRP/RP
8.	Finalization of LARP/LRP/RP	RP consultants	5 to 7 working days after receiving PCU comments
9.	Approval of LARP/LRP/RP by PCU and its submission for the AIIB's compliance review and clearance	PCU	5 to 7 working days after receiving the LARP/LRP/RP
10.	Disclosure of LARP/LRP/RP	PCU/AIIB	Once approved by PCU and AIIB
11.	LARP/LRP/RP implementation <ul style="list-style-type: none"> confirmation of PAPs and the associated project resettlement impacts, if any finalization of compensation amount development of standard operating procedures for making compensation and assistance complete documents for payments payment of compensation and assistance grievance redressal continuous coordination and communication with PAPs and key stakeholders documentation and reporting 	PCU with PMC	Before start of civil works
12.	Consultation with PAPs and other and stakeholders	PCU and consultants	Throughout the project duration
13.	Internal monitoring of LARP/LRP/RP implementation and reporting	PCU	During LARP/LRP/RP implementation



Step	Action	Responsibility	Phase
14.	Grievance redressal (on-going)	PCU	At all stages of resettlement planning and implementation
15.	Arrangement for external monitoring	PCU	Before completion of LARP/LRP/RP
16.	Implementation of external monitoring of LARP/LRP/RP implementation	Consultants	Once LARP/LRP/RP implementation is completed and then on semi-annual basis
17.	Taking possession of site	PCU	After completion of payments as per entitlements
18.	Post LARP/LRP/RP implementation evaluation	Consultants	In three months upon completion of each LARP/LRP/RP implementation
19.	LARP/LRP/RP Completion Report	PCU	Within two months after completion LARP/LRP/RP implementation.

10.1. Outline of the RP

Outline of the LARP/LRP/RP may include the following content, but will depends on the scale and severity of the resettlement impacts.

10.1.1. Executive Summary

This section will provide a concise statement of the project scope, key survey findings, entitlements, and recommended actions (maximum three pages).

10.1.2. Project Description

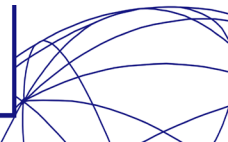
This section:

- (i) Provides a general description of the Project with the following discussion of the Project components that result in land acquisition and resettlement in the Project area.
- (ii) Describes the objectives of the resettlement plan.
- (iii) Specifies alternatives considered to avoid or minimize resettlement and the rationale for the final decision.

10.1.3. Scope of Land Acquisition and Resettlement

This section:

- (i) Discusses the potential impacts due to the Project.
- (ii) Provides a map with area of influence, i.e. zone of impact of Project activities.



- (iii) Describes the scope of land acquisition and explains why it is necessary for the main investment Project.
- (iv) Summarizes the key resettlement impacts on affected parties and assets.
- (v) Details any common property resources that will be impacted by the Project.

10.1.4. Regulatory and Policy Framework

This section should review of the regulatory and policy framework provided in RPF and update it as needed to:

- (i) Describe national and local laws and regulations that apply to the Project and
- (ii) Identify gaps between applicable Uzbekistan regulations and AIIB policy requirements and discuss how these gaps will be addressed.
- (iii) Outlines the principles and methodologies used for determining valuations and compensation for assets, incomes, and livelihoods, and sets out the eligibility criteria, and how and when compensations and assistance will be provided.

10.1.5. Socio-economic Profile

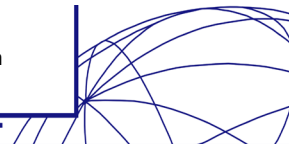
This section outlines the findings of social assessment, the census survey, and other studies, with information and data disaggregated by gender, vulnerability, and other social groups. In compilation this section:

- (i) Identify and enumerate affected people and communities to be displaced.
- (ii) Describe the likely impacts of land and asset acquisition on affected parties considering social, cultural, and economic conditions.
- (iii) Discuss the Project impacts on the low-income residents, ethnic minorities, women, single senior adults, people with disability, and other vulnerable groups of the Project area.
- (iv) Identify gender and resettlement impacts, describe socio-economic condition, needs and priorities of women in the Project area.

10.1.6. Relocation of Housing and Other Structure

This section:

- (i) Describe options for relocating housing and structure including replacement housing, cash compensation, and self-selection while ensuring that gender concerns and support to vulnerable groups are identified.
- (ii) Describes alternative relocation sites considered, community consultations conducted, and justification for selected sites.
- (iii) Outlines measures to assist displaced people with their transfer and establishment at a new place.
- (iv) Explains how integration with the host population will be carried out.



10.1.7. Livelihood Restoration

This section:

- (i) Identifies livelihood risks and discusses information on demographics and livelihood sources.
- (ii) Describes income restoration programs, including project benefit sharing, revenue sharing arrangements, sustainability, etc.
- (iii) Describes special measures to support vulnerable groups and gender considerations.
- (iv) Describes capacity building and training activities.

10.1.8. Resettlement Budget

This section:

- (i) Provides itemized budget for all resettlement activities, including land acquisition, resettlement assistance, capacity building and training activities, monitoring and evaluation, further surveys, and public consultations.
- (ii) Provides justifications for all assumptions made in calculating compensation and other cost estimates.
- (iii) Include information on the source of funding for the implementation of the RP/LRP.

10.1.9. Institutional Arrangements

This section will be copied from the RPF and be updated as needed and

- (i) Describe institutional arrangement responsibilities for implementation of the RP/LRP.
- (ii) Describes institutional capacity building program.

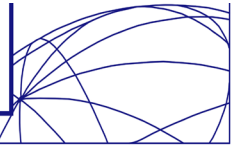
10.1.10. Implementation Schedule

This section includes a detailed, timebound implementation schedule for all key resettlement activities. The schedule will synchronize the resettlement activities with civil work and will detail the land acquisition process and timeline.

10.1.11. Monitoring and Reporting

This section will be copied from the RPF and be updated as needed and

- (i) Describe the mechanism for monitoring and evaluation of the RP/LRP.
- (ii) Specifies arrangements for participation of affected parties in the monitoring process.

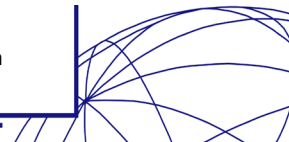


- (iii) Describe reporting procedures.

10.1.12. Information Disclosure and Consultation

This section:

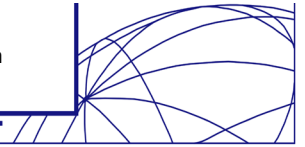
- (i) Identifies Project stakeholders including institutional stakeholders, Project communities, and individuals to be affected by the Project.
- (ii) Describes the consultation and participation mechanisms.
- (iii) Describe activities undertaken to disseminate Project and resettlement information for engaging stakeholders – mass media, digital social media, consultation meetings, billboards at the community centres (makhalla committees), etc.
- (iv) Summarizes results of the consultations with Project stakeholders and discusses how concerns raised and recommendations addressed.
- (v) Disclose the draft resettlement plan to displaced people.
- (vi) Describes the information disclosure measures (including information type to be disseminated and the method of dissemination) and the process for consultation with the affected parties during the Project implementation.



Appendices

Appendix 1 – Sample Social Screening Checklist

Involuntary Resettlement Impacts Questions	Yes/No	Not Known	Details/Notes
Will the intervention include construction work?			
Does the intervention include upgrading or rehabilitation of existing physical facilities?			
Is the intervention likely to cause any permanent damage to or loss of housing, other assets, resource use?			
Is the site chosen for this work free from encumbrances and is in possession of the government/community land?			
Is this sub project intervention requiring private land acquisitions?			
If the site is privately owned, can this land be purchased through negotiated settlement?			
If the land parcel has to be acquired, is the actual plot size and ownership status known?			
Are these landowners willing to voluntarily donate the required land for this sub-project?			
Whether the affected landowners likely to lose more than 20% of their land/structure area because of donation?			
Is land for material mobilization or transport for the civil work available within the existing plot (Right of Way)?			
Are there any non-titled people who are living/doing business on the proposed site/project locations that are used for civil work? Is any temporary impact likely?			
Is there any possibility to move out, close of business/commercial/livelihood activities of persons during constructions?			
Is there any physical displacement of persons due to constructions? Does this Project involve resettlement of any persons? If yes, give details.			
Will there be loss of /damage to agricultural lands, standing crops, trees?			
Will there be loss of incomes and livelihoods?			



Involuntary Resettlement Impacts Questions	Yes/No	Not Known	Details/Notes
Will people permanently or temporarily lose access to facilities, services, or natural resources?			
Are there any previous land acquisitions happened, and the identified land has been already acquired?			
Are there any land acquisition happening in frame of this Project but without financing of the Asian Infrastructure Investment Bank?			