LAND ACQUISITION AND COMPENSATION
RAP meetings with local community, Turkey

Community meeting in Muzdurlar village, Goranboy district, Azerbaijan
LAND ACQUISITION AND COMPENSATION

The land acquisition and compensation process, land hand-back and livelihood restoration form part of the Resettlement Action Plan (RAP). This section of the report describes the key activities carried out in 2005-Q1 to comply with the RAP.

7.1 AZERBAIJAN

7.1.1 ACQUISITION AND COMPENSATION

The pipeline ROW land acquisition and compensation process in Azerbaijan is effectively complete with the Project having executed the compensation payment process on behalf of the State in 13 Transit Districts. Further details are given in Table 7.1.

Table 7.1: Land Acquisition Progress (cumulative up to 31 March 2005)

<table>
<thead>
<tr>
<th>Event/Activity</th>
<th>Status</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments made to owners / users (% of total number of owners / users)</td>
<td>Bank accounts have been established for all people, in all Districts, except for 13 unavailable land-owners (compensation for these 13 owners has been retained until such time as they are located) and some newly identified land owners as result of post-agreement cases mostly in Shamkir and Agstafa districts</td>
<td>99%</td>
</tr>
<tr>
<td>Land available to Contractor (based on % of bank transfers)</td>
<td>All land is available to the Contractor</td>
<td>100%</td>
</tr>
<tr>
<td>Number of pre-entry agreements signed by Contractor (as received by BTC)</td>
<td>6,442 pre-entry agreements have been signed by the Contractor with landowners and users prior to accessing the land plots. The number of Pre-entry agreements signed equals to 99% complete (by parcels). CCIC landowner pre-entry agreements are in place for 441km of the pipeline.</td>
<td></td>
</tr>
<tr>
<td>Number of lots occupied by contractor (% of total)</td>
<td>100% (442.9km) of the BTC ROW has been graded and 6,567 lots have been occupied.</td>
<td>100% for BTC.</td>
</tr>
<tr>
<td>Number of lots reinstated and handed back to owners/users</td>
<td>5,828 lots have either been prepared for natural biorestoration or seeded. Collectively this constitutes 411.1km of pipeline. Hand back to landowners, as documented by Exit Agreements, will occur after construction of SCP.</td>
<td>88.7 % of total number of parcels for BTC.</td>
</tr>
</tbody>
</table>

Dispute Resolution

Most transactions were completed smoothly, and owners/users appear satisfied with the level of compensation provided.

As construction activities moved toward the more densely populated western areas in late 2004-Q4, the number of post-agreement disputes increased. The Land Team continues to work jointly with State Land and Cartography Committee (SLCC) and District Commissions in addressing the registered post-agreement cases in Yevlakh, Goranboy, Samukh, Shamkir, Tovuz and Agstafa.
Since the last report, there have been no significant issues that have arisen relating to the acquisition and compensation process, except for some post agreement cases attributed to technical errors (including errors in formal District Land Distribution Maps that had been used as a basis for Project Land Acquisition Programme) which were discovered when Land clearance activities commenced. After checking the validity of some land plots by SLCC/District authorities and BTC, some corrections were made to address these errors. The types of corrective action required depend on the nature of the error and are listed below:

1. Increase the area of the affected land parcel of the Landowner/Land user;
2. Decrease the area of the affected land parcel of the Landowner/ Land user;
3. Cancellation (termination) of the previously signed agreement; and
4. Signing Lease agreement with new Landowners/Users.

The information on the changes made in the land parcels is shown in Table 7.2.

All new Landowners and Users have been registered: Agreements have been signed for most of these and the compensation process executed (especially in the western districts of Shamkir, Tovuz and Agstafa).

Table 7.2: Statistics on Changes Made in the Land Parcels (cumulative up to 31 March 2005)

<table>
<thead>
<tr>
<th>District</th>
<th>New land owners</th>
<th>Increased affected parcels</th>
<th>Decreased affected parcels</th>
<th>Number of planned cancellations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kurdamir</td>
<td>7</td>
<td>3</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Yevlakh</td>
<td>5</td>
<td>16</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Agdash</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ujar</td>
<td>-</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Goranboy</td>
<td>1</td>
<td>10</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Samukh</td>
<td>13</td>
<td>6</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Shamkir</td>
<td>51</td>
<td>36</td>
<td>62</td>
<td>31</td>
</tr>
<tr>
<td>Tovuz</td>
<td>26</td>
<td>37</td>
<td>37</td>
<td>12</td>
</tr>
<tr>
<td>Agstafa</td>
<td>25</td>
<td>63</td>
<td>31</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>129</strong></td>
<td><strong>178</strong></td>
<td><strong>191</strong></td>
<td><strong>78</strong></td>
</tr>
</tbody>
</table>

According to Project policy/RAP requirements, none of the land owners/users are required to make restitution for mistakenly paid compensation payment in cases where the affected land parcel was decreased and for cancellation of previously signed agreement.

A number of complaints have been received relating to compensation. Most of these complaints are associated with users wanting additional confirmation of the fact that they are not due compensation. Each of these complaints has been investigated, and where appropriate, representatives of the regional land committees have been involved to assist Project personnel in explaining and close out of complaints/claims.

It is also worthwhile to mention that the Land and Social teams have provided all necessary information and support to representatives of several NGOs (including BTC Monitoring Group members: Society of Democratic Reforms (DIUC); Defence of citizens labour rights League; Helsinki Citizens Assembly Azerbaijan National Committee; and Himayadar) to participate in the Project. In order to ensure the process was open to the Working Group, the group members participated in the complaints investigation process, and observed the Project grievance mechanism.
7.1.2 LAND USE RETURN

Land required for the ROW and temporary facilities is being leased for the duration of the construction activity: For the ROW this is three years\(^1\). During this three year period BTC has rights to construct on the land, although formal ownership remains with the original owner. Only land required for permanent facilities (i.e. Pump and Pigging Stations, and Valves) was purchased.

Following completion of construction and reinstatement, and signature of the land exit agreement between the landowner and the Contractor, the landowner can resume their use of the land subject to some minor restrictions (for which they have been compensated). This process of return of use will be monitored by BTC. This activity has not yet commenced.

7.2 GEORGIA

7.2.1 ACQUISITION AND COMPENSATION BTC

During 2005-Q1 land acquisition and compensation activities focused on Gardabani and Borjomi, with low levels of activity also recorded in Akhaltsikhe, Tsalka and Tetritskaro districts, resulting in the successful acquisition of a total of 210 land parcels. The land acquisition and compensation in Georgia involves\(^2\):

- The purchase of 3,523 parcels of privately owned land;
- The purchase of 233 parcels of High Mountain Village owned land; and
- Payment of crop compensation to 239 leased parcels.

In addition, approximately 40 private landowners and 7 lessees will permanently lose some or all of their land. Table 7.3 provides information on progress to date.

Table 7.3: Land Acquisition and Compensation Progress (cumulative to 31 March 2004)

<table>
<thead>
<tr>
<th>Event/Activity</th>
<th>Status</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments made to owners/users (% of total number of owners/users)</td>
<td>Payments have been made for 3,375 privately owned parcels, 201 high mountain village owned parcels and for 217 leased parcels</td>
<td>95%</td>
</tr>
<tr>
<td>Number of pre-entry agreements signed by Contractor (as received by BTC)</td>
<td>Pre-entry agreements are signed by the Contractor with landowners and users prior to accessing the land plot</td>
<td>90%(^3)</td>
</tr>
<tr>
<td>Number of lots occupied by Contractor (% of total)</td>
<td>The full length of the ROW has been stripped</td>
<td>100%</td>
</tr>
<tr>
<td>Number of lots reinstated and handed back to owners/users</td>
<td>Phase I reinstatement has commenced. Hand back to landowners, as documented by Exit Agreements, will occur after construction of SCP</td>
<td>0%</td>
</tr>
<tr>
<td>Contractor temporary land acquisition activities (pipe storage, construction compounds, worker camps, etc)</td>
<td>PSG-1 Gardabani camp</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>PSG-2 Tetritskaro camp and yard</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Tsalka camp and yard</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Bakuriani camp</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Marneuli camp and yard</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Akhaltsikhe camp and yard</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Rustavi pipe yard</td>
<td>100%</td>
</tr>
</tbody>
</table>

\(^1\) Three years will finish on 31\(^{st}\) December 2005.

\(^2\) Due to ongoing registration of ownership by the State and a number of reroutes, the total number of parcels required for construction has risen slightly since the last quarter.

\(^3\) The number of required parcels changes as construction progresses and consequently the percentage of final pre-land entry agreements signed also changes. Although activity has started on all parcels of land, some pre-land entry agreements are still being finalised or have yet to be entered on the system.
Land Registration and Ownership

BTC has registered an additional 2 cases of disputed ownership, bringing the total number of cases of disputed ownership or disputed parcel captured through the grievance system to 89 of which: 26 were invalid; 43 were resolved through appropriate compensation; 13 were forwarded to the relevant state authorities for clarification and resolution; and 3 have been resolved through other means. In total, 4 grievances remain unresolved. With the exception of one case, no additional landowners have been advised to apply to the courts for suitable relief.

BTC has agreed with the State that persons being confirmed as the rightful original owners by the Georgian Courts will receive appropriate compensation from BTC at Project rates. Any owners who have their parcel size increased by the State Authorities whilst correcting registration defects will receive appropriate additional compensation payments.

Crop Inventory Issues and Compensation Payment Delays

To date there have been 55 grievances relating to crop inventory disagreement, re-inventory requests and compensation calculation: 45 of these have been resolved. There are 14 outstanding lessees who have yet to receive compensation but on whose land construction has already begun. The reasons for delayed payment are:

- New lessees identified by the State Authorities (2);
- Land user needs to obtain outstanding documents to support legality of lease (2);
- Late registration of the lease (4);
- Lease under examination by courts (1);
- BTC instructed by State not to complete payment until lease confirmed (3); and
- Refusing to sign agreement because of fears the community will start to claim the compensation money from them (2).

Finally, out of a total of 35 high mountain villages intersected by the pipeline construction corridor, 31 have been compensated. The remaining 4 claims are being processed.

7.2.2 RAP FUND

The goal of the RAP Fund in Georgia is to ensure that the Project’s potential adverse impacts upon non-landowners are taken into account and mitigated through non-cash assistance. The main commitments under the RAP Fund are:

- Investment and savings advice provided by APLR. This has been completed;
- Compensation for grazing fees on Sakrebulo\(^4\) managed land (this was completed in 2004-Q4);
- Non-cash support to the vulnerable, who, by virtue of their situation, may be less able to restore their livelihood with compensation funds. These activities are being co-ordinated through The Vulnerable People Initiative (VPI)\(^5\) which is being managed by the CIP Implementing Partners Mercy Corps (Georgia East) and CARE (Georgia West) on behalf of the Project. Although activities slowed down due to the winter weather, NGOs managed to complete the lists of vulnerable people who are

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\(^4\) Local authorities or ‘Sakrebulos’ charge grazing fees for the use of Sakrebulo managed land. Where the construction corridor crosses Sakrebulo managed land, BTC is covering the costs of grazing fees on all of that land on behalf of the users.

\(^5\) ‘Vulnerable people’ are those individuals whose livelihoods are affected by land acquisition and due to their existing vulnerabilities may be less able to restore their livelihood through the existing compensation mechanisms (e.g., pensioners, disabled individuals). The selection criteria for the VPI were based on those of the Georgian Government and World Bank Economic Development and Poverty Reduction Programme of Georgia (2003). To minimise tension in the community and to be seen to be fair, the VPI in Georgia covers all people in the pipeline affected community, whether or not they are affected by land compensation. The total number of ‘vulnerable’ people in Georgia is 4,000.
eligible for programme support. During 2005-Q1, the distribution of livelihood support packages was completed in the Eastern areas and will be completed in the Western districts during 2005-Q2;

- **Training Visits:** In some instances, elderly beneficiaries had difficulties attending training sessions during the winter months, as well as adapting to new methods. The CIP Implementing Partners have begun inviting non-project-affected individuals to participate in the training to give more people the opportunity to discuss and share new knowledge and skills with programme participants and this has been welcomed by the communities; and

- **Formation of Working Groups:** ‘Working Groups’ in each community are being trained to assist with the implementation of the VPI. The Working Groups are made up of vulnerable people as well as concerned citizens and will help the Assessment/Social Services Officer verify the list given by the Sakrebulo. These groups will also form a network to support the implementation of the next phase of the VPI implemented through Mercy Corps.

### 7.2.3 LAND USE RETURN

Agreement on a strategy for the hand back of land use to the original owners and application of use restrictions within the protection zone has been reached by BTC and SCP partners. A briefing note has been circulated to explain the basis for the process.

BTC is in the process of producing an information booklet for the benefit of the communities, describing land use hand back and associated restrictions in detail. This booklet will be distributed through a series of community meetings, attended by APLR, the BTC Land team and BTC CLOs.

The information dissemination process will be complicated by the fact that the BTC/SCP pipeline separation distances vary along the length of the route, meaning the corridor of restrictions ranges from 44m to 58m in width. This means that the width of land requiring restrictions outside of the previously-purchased 44m construction corridor varies along the ROW and that restriction rights will need to be acquired over this 0 – 7 metre wide strip. Legal documentation to achieve formalisation of land use hand back plus acquisition of additional restrictions is in the final stages of preparation.

### 7.3 TURKEY

#### 7.3.1 ACQUISITION AND COMPENSATION

The land acquisition process in Turkey is ongoing. All payments to public landholders have been completed and payments to private landholders are ongoing. The progress on payments for private lands and other key ongoing land acquisition issues in Turkey is summarised in Table 7.4.
Table 7.4: Land Acquisition and Compensation Progress (cumulative up to 31 March, 2005)

<table>
<thead>
<tr>
<th>Event/Activity</th>
<th>Status</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to land owners including private and customary land owners (excludes public parcels which are 100% acquired)</td>
<td>Ongoing 8,666 parcel owners were paid out of total 9,3956.</td>
<td>92% (+2% since last quarter)</td>
</tr>
<tr>
<td>Progress on Article 10</td>
<td>Following Article 27 applications, Article 10 cases are opened accordingly. Progress has been made this quarter and additional settlements have been made (683 cases out of 3,071 are still ongoing).</td>
<td>77% (+4% since 2004-Q4)</td>
</tr>
<tr>
<td>Small payments from RAP Fund</td>
<td>Financial assistance to legal landowners for registration process There has been no additional RAP funds payments during this reporting period.</td>
<td>US$91,222 (as for 2004-Q4)</td>
</tr>
<tr>
<td>Compensation to Fishermen</td>
<td>Compensation agreements made with 47 out of 48 fishermen. There has been no change since last quarter.</td>
<td>98%</td>
</tr>
</tbody>
</table>

Please note that the following has not been shown in this report as 100% progress in each area was achieved and reported in the 2004-Q4 report:

- Progress on Article 27 cases;
- Land available to the contractors;
- Crop payments to formal and informal users through RAP fund;
- Impact evaluation and determination of amount of compensation to be paid for Village Common Land through RAP fund;
- Village Common Land payments (% of identified); and
- First stage monitoring of Livelihood restoration (replicate household survey etc).

7.3.2 ARTICLE 10 CASES AND MISIDENTIFICATION OF LAND OWNERS

As reported previously, the two key ongoing issues for the land acquisition process in Turkey are the closure of ongoing Article 10 court cases and resolution of the misidentification of the owners and boundaries of customarily owned lands (particularly in Lot A). A full explanation of these issues was provided in the 2004-Q2 report (see Section 7.3.3).

Progress on each of these issues is detailed below:

**Article 10**

In this quarter some progress was made with Article 10 cases, and the number of completed cases increased from 73% in last quarter to 77% this quarter. Article 10 cases are still outstanding on 683 parcels of land, which is 22% of all parcels of land affected by Article 10, and 7% of the total number of private and customarily owned land parcels affected by the Project. Progress in closure of the cases was not as great as expected due to ongoing problems relating to rotation of judges and closing of courts (reported in previous quarters), and poor weather conditions which prevented judges undertaking field investigations prior to court decisions. Botas/DSA will continue to provide support to courts and title deed offices to finalise the cases as soon as possible. Botas/DSA have monitored the court proceedings in order to ensure that proceedings do not disadvantage affected landowners in accordance with commitments set out in the RAP. RUDF (Rural Urban Development Foundation) are

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6 Due to changes in permanent land acquisition requirements the total number of parcels required for construction has decreased slightly since the last quarter.
providing third party independent monitoring on behalf of BTC to monitor the status of court cases through interviews with directly affected people and judges, DSA land acquisition staff and lawyers etc.

**Misidentification of Customary Land Owners**

In the last quarter the General Directorate of Cadastre and Title Deed office commenced their Cadastral surveys of the villages affected by the misidentification of customary land owners and boundaries. Nine surveys have been completed to date and 25 surveys are still outstanding.

### 7.3.3 RAP FUND

No additional RAP Fund payments were made during this reporting period.

### 7.3.4 LAND USE RETURN

In Turkey all temporarily acquired land will automatically be returned to the landowners, for their use, 3 years after signature of the land agreement. This is in line with the Turkish Expropriation law. Upon completion of reinstatement of temporarily and permanently acquired land and prior to returning the land, the EPC Contractors will complete Land Exit Agreements for each parcel of land. Each agreement will be signed under the supervision and control of Botas /DSA and Community Relations and Environment Teams at the end of phase 2 reinstatement. Botas is developing a Land Exit Protocol which will provide details of how this process will take place. The Protocol was scheduled to be completed by end of this reporting period and although further developments have been made it has not been completed to date. The Project is planning to conduct an awareness campaign on land use restrictions along the route during the land exit process.

### 7.3.5 RAP MONITORING

The Project is required to internally monitor the implementation of the land acquisition and compensation process and outcome of the resettlement process. Monitoring in this quarter has been undertaken by independent third party monitors on behalf of BTC and included:

- The completion of household surveys by Ankara University;
- Fishermen compensation package monitoring;
- Impacts to villagers from additional temporary land requirements; and
- Monitoring of general land acquisition and construction impacts on livelihoods.

A summary of these are provided below:

**Household income surveys by Ankara University:** In this quarter Ankara University completed its first annual replicate household income survey. The survey was completed for 394 households at 92 villages (almost 1/3 of all affected villages). The households were the same as those surveyed in 2002, prior to the commencement of land acquisition and construction. Analysis of the data has been ongoing since February 2005. It is expected that the outcomes will be reported to next quarter.

Opinions raised by villagers participating in the interviews (in addition to those recorded in the formal survey) were recorded and reported, with a view to defining the Project’s implications and common trends at village level. Positive aspects that were raised related to:

- Benefits of CIP Projects;
- Increase in employment opportunities and level of income;
- Village improvements; to roads, land etc; and
- Care taken in reinstatement prior after construction.
Negative aspects generally reflect the types of issues that are being raised as complaints (summarised in Section 6), such as damage to infrastructure and property and late payment. Other general view points raised included:

- Incorrect appraisal of land and crop prices;
- Problems in accessing land bisected by the ROW;
- Deviations from the project corridor;
- Use of village lands without permission; and
- Failure to adequately identify land boundaries when reinstating land.

**Effectiveness of fishermen compensation packages by Ankara University:**
Monitoring has been undertaken to understand to what extent the compensation has mitigated the income losses of the fishermen and enabled them to maintain a sustainable living. A secondary purpose of the study was to assess the impact from construction activities to commercial fish stocks in the area around the Ceyhan Marine Terminal. The first survey was completed in November 2004 and the second monitoring survey was undertaken in January 2005.

The outcome from the studies indicated that:

- There is no significant (99% confidence level) change in the harvest of fish that have commercial value for fishermen between the pre-construction survey period and construction survey period; and
- The compensation packages and other positive affects of the BTC project such as local employment and procurement have increased household incomes 40% (average) compared to the pre-project phase.

**Impact to villagers from land acquisition, construction impacts and additional rented lands by RUDF:** In this quarter, RUDF has continued to monitor both the land acquisition process and construction impacts on communities in 21 villages in Sivas Province (Lot B). Interviews with landowners suggested that there was dissatisfaction with outstanding payments (cash and in-kind) owed to the landowners by the Contractors for additional land usage particularly in the Erzurum and Erzincan regions of Lot B. Every month, RUDF, BTC and Botaş discuss the RUDF findings and complaints are included in the complaints register. The close out of these complaints is monitored by E&S assurance advisors and RUDF.