

AZERBAIJAN RAP IMPLEMENTATION

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10 AZERBAIJAN RAP IMPLEMENTATION

10.1 GENERAL

Under the terms of the HGA, the State Authorities have responsibility for acquiring and granting to BTC Co. the rights to lands necessary for BTC Co. to construct and operate the pipeline in Azerbaijan. For purposes of implementation, however, a “cooperative” approach has been agreed that combines resources from the State (through the State Land and Cartography Committee and SOCAR) and affected district executive authorities, with assistance from BTC Co. An international RAP specialist has worked closely with the combined teams in developing land acquisition and compensation approaches. The agreed approach has had the following benefits:

- It has enabled BTC Co. to directly participate with the appropriate governmental personnel and thereby influence the design and implementation of processes for land acquisition, survey, loss assessment, compensation determination, livelihood restoration and monitoring to promote compliance with World Bank Group involuntary resettlement guidelines.
- By bringing together the State Land and Cartography Committee (responsible for land parcel identification and providing land ownership details) and adding the expertise of the BTC GIS team (with the database used for route planning and detailed engineering design), it has allowed for highly efficient identification and census of project affected people and land parcels. It has also provided for a high degree of responsiveness in route planning and facilities siting by providing for direct information flow between the Land Acquisition Team and the project design team.
- It has enabled BTC Co. to be closely involved in the training of Land Acquisition Team personnel at the project outset to ensure that both State personnel and BTC Co. project personnel have a thorough understanding of World Bank involuntary resettlement policy and of BTC Co.’s codes of conduct and ethical standards.
- It will enable BTC Co. to verify compensation payments to eligible project affected people, eliminating dissipation through third parties.

10.2 ORGANIZATIONAL FRAMEWORK

The State Authorities of Azerbaijan, together with resources drawn from BTC Co., have established a ‘Project Execution Board’ and a ‘Working Group’ to coordinate and undertake planning and implementation of project land acquisition, compensation, and income restoration activities.

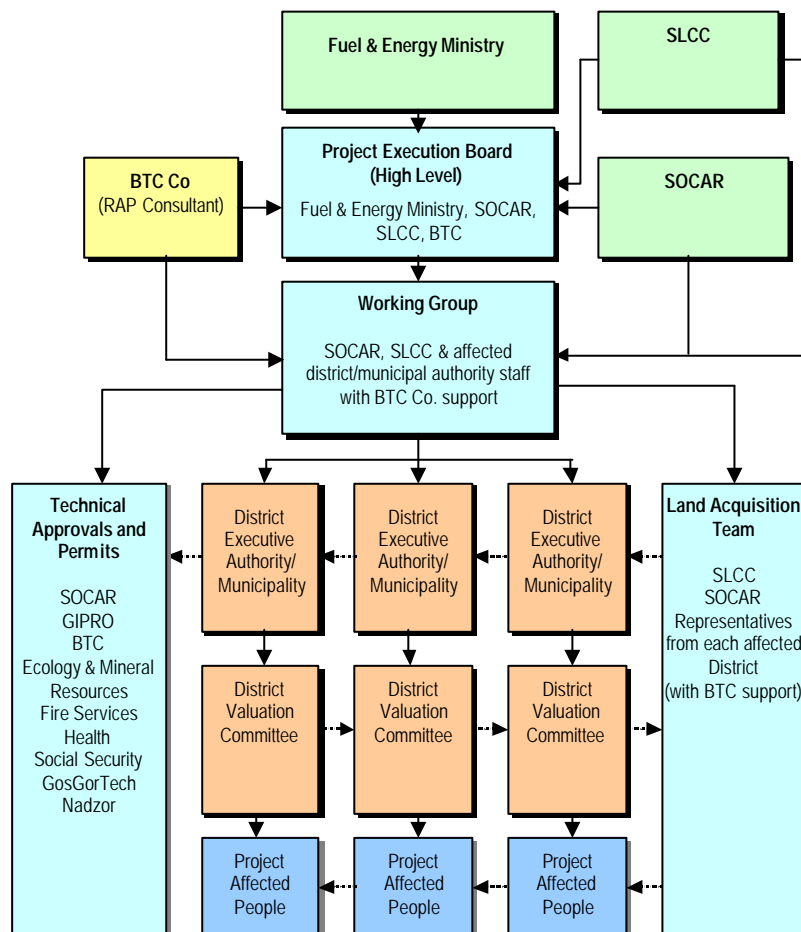
The Project Execution Board meets quarterly and brings together high-level representatives from the Fuel and Energy Ministry, SOCAR, the State Land and Cartography Committee and BTC Co. The Project Execution Board determines the strategic actions necessary to facilitate the smooth and timely progress of the land acquisition and compensation process and monitors performance against commitments and obligations as defined in *OD 4.30*, the HGA and applicable law.

The Working Group oversees implementation of the land acquisition process and obtaining of all necessary permits and approvals associated with the allocation of land and rights of use for pipeline planning, construction and operation. The Working Group is made up of representatives seconded from SOCAR and the State Land and Cartographic Committee with support from BTC Co. Where applicable, the Working Group also incorporates inputs from representatives of the district executive authorities through whose jurisdiction the pipeline passes.

An international resettlement consultant has been retained by BTC Co. to advise the Working Group on World Bank Group involuntary resettlement requirements. The resettlement consultant has also worked very closely with the Land Acquisition Team to ensure that processes for census, consultation, survey and loss assessment, compensation, monitoring and grievance resolution are clearly defined and fully implemented.

The institutional framework for BTC Pipeline land acquisition and compensation is illustrated in Figure 10.1. As indicated, overall responsibility for planning and execution of land acquisition rests with the Fuel and Energy Ministry. Roles and responsibilities of each of the involved parties are described in Section 10.3.

Figure 10.1 Institutional Framework



Abbreviations: SOCAR (State Oil Company of Azerbaijan Republic); SLCC (State Land and Cartography Committee); BTC (BTC Co.); GIPRO (Gipromorneftegas)

10.3 INSTITUTIONAL ROLES AND RESPONSIBILITIES

Roles and responsibilities for planning and execution of land acquisition and resettlement tasks in Azerbaijan are summarized in Table 10.1 and expanded thereafter.

Table 10.1 Land Acquisition and Resettlement Roles and Responsibilities

| Activity | Purpose | Period | Responsible Authority | Implementation |
|--|--|----------|----------------------------|---|
| Application for land allocation for the pipeline corridor | To secure Azerbaijan Government approval for allocation of land for the project | Planning | SLCC | SOCAR with assistance from BTC Co. prepare the application |
| Research of land title & ownership details | Identification of project affected land parcels, landowners & users | Planning | SLCC | SLCC researches title and ownership information. BTC Co. assists with GIS database development |
| Census of project affected households | To provide a record of all households & enterprises eligible for compensation | Planning | Land Acquisition Team | Land Acquisition Team |
| Notification & preliminary consultation with affected people | Meetings to advise landowners / users of the need to acquire their land & explain procedures to be followed | Planning | SLCC / SOCAR | Land Acquisition Team with assistance from district executive authorities & village representatives |
| Socio-economic survey of affected people | To assess affected households' living standards & livelihood sources as a basis for identifying impacts, & establishing a monitoring baseline | Planning | BTC Co. | International RAP consultant together with local social assessment consultant |
| Preparation of RAP | To comply with international good practice & lender requirements | Planning | BTC Co. | RAP consultant in cooperation with Land Acquisition Team |
| Signing of Preliminary Memoranda of Understanding (MOU) | MOU with each affected owner/ user agreeing that corridor land may be acquired, with a description of affected area & its condition including crops, trees or other immovable assets | Planning | SLCC | Representatives of SLCC, district government, SOCAR, BTC sign MOUs with owners & leaseholders |
| Survey & loss assessment | To assess all land, assets, livelihood impacts as basis for valuation | Planning | Designated State Authority | District Valuation Commission determines land compensation rates for the project. Land |

BTC PROJECT RESETTLEMENT ACTION PLAN
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| Activity | Purpose | Period | Responsible Authority | Implementation |
|-----------------|----------------|---------------|------------------------------|--|
| | | | | Acquisition Team carrys out survey & loss assessment |

Table 10.1 Land Acquisition and Resettlement Roles and Responsibilities, cont.

| Activity | Purpose | Period | Responsible Authority | Implementation |
|---|---|---------------------------------|------------------------------|--|
| Valuation of land, assets & livelihood to be lost | To define amount of compensation payable for temporary & permanent use of land. | Planning | District Executive Authority | District Valuation Commission with Land Acquisition Team. |
| Final negotiation of compensation | Based on the recommendation of the District Valuation Commission, the Land Acquisition Team negotiates final compensation with affected people. | Pre-construction | Designated State Authority | Land Acquisition Team |
| Execution of Land Acquisition Agreements | To formalise acquisition of rights necessary for construction/ operation of the projects | Pre-construction | Designated State Authority | Designated State Authority & owner/ user sign the Agreement, witnessed by registered notary |
| Payment of compensation | To disburse cash compensation to all eligible affected landowners & users. | 30 days before construction | Designated State Authority | Land Acquisition Team Verification by BTC Co. |
| Issue of new ownership documents in respect of AGIs, and lease agreements | To formalise all transfers of land ownership (permanent acquisition) & registration of rights of lease (pipeline corridor) & use restrictions | Post-construction | Cabinet of Ministers | SLCC prepares State Act & Certificates of Land Ownership; Ministry of Justice registers in the State Register of Immovable Property (when available) |
| Restoration of agricultural land | To ensure land affected by project construction is restored to its pre-project productivity following construction completion. | Post Construction | BTC Co. | Construction Contractor |
| Other livelihood restoration measures. | To facilitate project affected land owners, users & others to restore or enhance their livelihoods | Post Construction | BTC Co. | International rural extension services NGO |
| Ongoing Consultation and Disclosure | To keep project affected communities informed about project activities | Construction/ Post Construction | BTC Co. | BTC Co. E & S Department (internal) |
| Monitoring | To monitor reinstatement, receipt of entitlements & effectiveness of livelihood restoration | All phases | BTC Co. | BTC Co. E & S Department (internal) Expert Monitoring Panel |

Designated State Authority – is the State Authority with responsibility for acquiring the necessary rights to land for BTC Co. a to construct and operate the pipeline. To date, this role has been undertaken by SOCAR, under the Ministry of Fuel and Energy. It is yet to be determined whether SOCAR will be the State Authority to hold ownership and other rights to be obtained for implementing the projects. Responsibilities of the Designated State Authority include:

- Leading the Project Execution Board and the Working Group
- Managing the Land Acquisition Team
- Notifying project affected people of the need to acquire land or rights over land
- Liaising with all involved State Authorities (including district executive authorities)
- Lodging applications and facilitating all necessary permits, licenses and approvals required for access to land, survey, and use of the land for construction and operation of the pipeline
- Obtaining all necessary ownership and use rights to land required by BTC Co. to construct and operate the pipelines

State Land and Cartography Committee – responsibilities include:

- Identifying affected land parcels and compiling land ownership and lease information
- Participating in the Land Acquisition Team for the survey and inventory of affected land and assets
- Reviewing applications for allocation of land for the project and making recommendations to the Cabinet of Ministers on necessary implementing decrees
- Registering changes in ownership and restrictions of use over the pipeline corridors
- Preparation of new or amended ownership certificates

BTC Co. – as the project sponsor, has responsibility for ensuring that the actions defined in this RAP are fully implemented. Other BTC Co. roles include:

- Participating on the Project Execution Board and in the Working Group, under the Ministry of Fuel and Energy
- Providing training on World Bank Group involuntary resettlement policy for the Land Acquisition Team
- Providing resources and logistical support to the Land Acquisition Team
- Undertaking a socio-economic survey of project affected people
- Carrying out consultation and disclosure activities
- Preparation of this RAP
- Verifying payment of compensation to eligible project affected people
- Restoration of land and infrastructure following construction completion (through the construction contractor)
- Monitoring livelihood restoration of affected households
- Managing complaints and grievances (at project level)
- Ensuring that RAP monitoring and reporting are undertaken
- Preparation of the ESIA
- Liaison with SCP
- Ongoing monitoring and disclosure

District Valuation Commissions – are appointed by each district governor and are responsible for determining the values for land, crops and other attachments to be used for calculating appropriate compensation amounts within each district.

District Executive Authorities and Municipal Bodies – as noted in Chapter 3, district executive authorities and municipal bodies have statutory roles in the processing of applications to acquire or lease land.

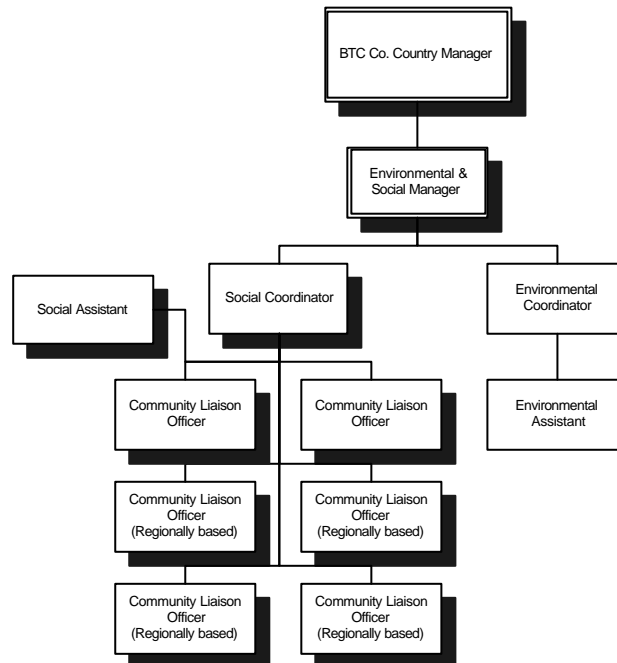
10.4 BTC CO. ENVIRONMENTAL AND SOCIAL DEPARTMENT

BTC Co. has established an Environmental and Social Department to oversee the implementation phase of the project. Activities undertaken by the Department relating to the RAP will include:

- Design and Coordination of the Community Investment Program
- Internal RAP Monitoring
- Coordination with the Expert Consultant Panel
- Ongoing Public Consultation and Disclosure
- Community Liaison
- Liaison with the construction contractor's community liaison officers

Five or six community liaison officers will be appointed from within the Land Acquisition Team, so they will come to the Environmental and Social Department with a high degree of familiarity with project affected communities, village heads and other stakeholders along the route. Several of the community liaison team members come from within project affected districts and will be based along the project route. The general organizational framework is shown in the following figure.

Figure 10.2 BTC Co. Environmental and Social Department Organization (Social Section shadowed)



10.5 IMPLEMENTATION SCHEDULE

A schedule for implementation of RAP activities relating to project land acquisition and construction for the BTC Pipeline forms Figure 10.3.

BTC PROJECT RESETTLEMENT ACTION PLAN
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Figure 10.3 RAP Implementation Schedule

| ID | Task Name | 2001 | | 2002 | | | | 2003 | | | | 2004 | | | | 2005 | | | |
|----|---|---|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|
| | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1 | Resettlement Action Plan Preparation and Implementation | [Green bar spanning all quarters from 2001 to 2005] | | | | | | | | | | | | | | | | | |
| 2 | Resettlement Monitoring | [Dashed line spanning all quarters from 2001 to 2005] | | | | | | | | | | | | | | | | | |
| 3 | Preliminary Disclosure of Resettlement Principles Pamphlet | [Green bar in Q2 2002] | | | | | | | | | | | | | | | | | |
| 4 | Disclosure of "Guide to Land Acquisition and Compensation" | [Green bar in Q3 2002] | | | | | | | | | | | | | | | | | |
| 5 | In-Country Disclosure of RAP | [Green bar in Q4 2002] | | | | | | | | | | | | | | | | | |
| 6 | International Disclosure of RAP (IFI requirement) | [Green bar in Q1 2003] | | | | | | | | | | | | | | | | | |
| 7 | Ongoing Consultation and Disclosure | [Green bar spanning Q2 2003 to Q4 2005] | | | | | | | | | | | | | | | | | |
| 8 | Land Ownership Identification | [Yellow bar in Q3 2001] | | | | | | | | | | | | | | | | | |
| 9 | Loss Assessment and Survey | [Yellow bar in Q1 2002] | | | | | | | | | | | | | | | | | |
| 10 | Signing of MOUs with Project Affected Landowners, users and occupiers | [Yellow bar in Q3 2001] | | | | | | | | | | | | | | | | | |
| 11 | Signing of Final Land Acquisition Agreements | [Yellow bar in Q4 2002] | | | | | | | | | | | | | | | | | |
| 12 | Compensation Payment | [Yellow bar in Q2 2003] | | | | | | | | | | | | | | | | | |
| 13 | Final Survey and Issue of Ownership Certificates | [Yellow bar in Q3 2004] | | | | | | | | | | | | | | | | | |
| 14 | Pipeline Routing and Design | [Orange bar in Q3 2001] | | | | | | | | | | | | | | | | | |
| 15 | Preparatory Civil Works & construction mobilization | [Orange bar in Q2 2003] | | | | | | | | | | | | | | | | | |
| 16 | Pipeline and Ancillary Works Construction | [Orange bar in Q3 2003] | | | | | | | | | | | | | | | | | |
| 17 | Land Reinstatement | [Orange bar in Q3 2004] | | | | | | | | | | | | | | | | | |
| 18 | Testing and Commissioning | [Orange bar in Q4 2004] | | | | | | | | | | | | | | | | | |
| 19 | Operations | [Cyan bar in Q3 2005] | | | | | | | | | | | | | | | | | |