



Ecoline
International

KARAKALPAKSTAN AND HOREZM MUNICIPAL SOLID WASTE PROJECT, UZBEKISTAN

LIVELIHOOD RESTORATION FRAMEWORK



March 2022

KARAKALPAKSTAN AND HOREZM MUNICIPAL SOLID WASTE PROJECT, UZBEKISTAN

LIVELIHOOD RESTORATION FRAMEWORK

Prepared by:



Ecoline
International

Ecoline International Ltd.
(Sofia, Bulgaria)



Director: Dr. Maia Gachechiladze-Bozhesku
Mobile: +38095 11 00 727
E-mail: mgachechiladze@ecoline-int.org

In cooperation with:

**Frederic
Giovannetti**
(France)

and



Ekostandart Ekspert
(Uzbekistan)

Prepared for:

European Bank for Reconstruction and Development

© Ecoline International Ltd., 2022

All rights reserved.
Any use of the full text or any part thereof requires
acknowledgement of document as a source.

DETAILS OF DOCUMENT PREPARATION AND ISSUE:

Version	Prepared by	Reviewed by	Authorised for issue	Issue Date	Description
1	Ecoline International Ltd. with inputs from Ekostandart Ekspert	Frederic Giovannetti	Maia Gachechiladze-Bozhesku	29.09.2021	Draft preliminary version of the LRF for EBRD's review
2	As above	As above	As above	4.10.2021	Second draft for EBRD's review, translation into Russia, and the Client's review
3	Ecoline International Ltd.	Frederic Giovannetti	Maia Gachechiladze-Bozhesku	30.12.2021	Updated LRF for EBRD's and Client's review and approval
4	As above	As above	As above	15.03.2022	Final report for translation into Uzbek and public disclosure

LIST OF ABBREVIATIONS

CM	Cabinet of Ministers
EBRD	European Bank for Reconstruction and Development
EIA	Environmental impact assessment (per national regulations)
EIS	Environmental Impact Statement (steps in the EIA per national regulations)
ha	hectare
m ²	square metre
MCA/VCA	Mahalla /village citizens assembly
MSW	Municipal solid waste
PAP	Project affected person
PIA	Project Implementation Agency (State Committee of the Republic of Uzbekistan on Ecology and Environmental Protection (GosKomEkologiya))
PIU	Project Implementation Unit
PR	Performance Requirement (of EBRD)
LRF	Livelihood Restoration Framework
LRP	Livelihood Restoration Plan
SPZ	Sanitary Protection Zone
TBC	to be considered

GLOSSARY

Involuntary resettlement	Impact caused either by project-related land acquisition or by restriction of access to land or natural resources. Impacts covered by “involuntary resettlement” include both “physical displacement” (relocation or loss of shelter) and “economic displacement” (loss of assets or access to assets that leads to loss of income sources or means of livelihood). Resettlement is considered <i>involuntary</i> when affected individuals or communities do not have the right to refuse land acquisition that results in displacement (e.g., in case of expropriation or restrictions on land use based on eminent domain and negotiated settlements in which the buyer can resort to expropriation).
Project Affected Person (PAP)	Person or enterprise experiencing either physical or economic displacement.
Cut-off-date:	Date prior to which the occupation or use of the Project area makes residents/users of the Project area eligible to be categorized as PAPs.
Compensation	Payment in cash or kind for an asset to be acquired or affected by a project at replacement cost. This is typically understood to include all forms of compensation, including the provision of replacement land and housing. For clarity, compensation should be used only in the context of the loss of assets. It does not include allowances paid or provided in respect of various inconveniences not directly related to the loss of an asset or vulnerability, nor should it include livelihood restoration allowances or activities.
Replacement cost	Value determined to be fair compensation for land based on its productive potential, the replacement cost of houses and structures (current fair market price of building materials and labour without depreciation or deductions for salvaged building material), and the market value of residential land, crops, trees, and other commodities.
Allowance	Cash paid in respect of losses or resettlement related expenses other than losses of assets (thus, if distinguished from ‘compensation’). For instance, a moving “allowance” can be paid to PAPs who have to relocate as a result of Project land acquisition.
Entitlement	is a range of measures comprising compensation in cash or in kind, income restoration, transfer assistance, income substitution, and relocation which are due to PAPs, depending on the nature of their losses, to restore their economic and social base.
Grievance procedure	is the process established under law and EBRD requirements, local regulations, or administrative decisions to enable property owners and other PAPs to redress issues related to acquisition, compensation, or other aspects of resettlement.
Household	means all persons living together as a single social unit. They are identified in a census being an instrument of their recognition and legitimacy to receive compensation, rehabilitation and assistance under the Project.
Livelihood	A full range of means that individuals, families and communities utilize to make a living, such as wages from employment; cash income earned through an enterprise or through sale of produce, goods, handicrafts or services; rental income from land or premises; income from a harvest or animal husbandry, share of a harvest or livestock production; self-produced goods or produce used for exchange or barter; self-consumed goods or produce; food, materials, fuel and

	goods for personal or household use or trade derived from natural or common resources; pensions and various government allowances.
Livelihood Restoration	Specific allowances or activities intended at supporting PAPs efforts to restore their livelihoods to pre-project levels. Livelihood restoration should preferably be distinguished from compensation. Livelihood restoration measures typically include a combination of cash or other allowances and support activities such as training, agricultural assistance or business enhancement.
Vulnerable household	A household, which might suffer disproportionately or face the risk of being further marginalized by the effects of resettlement such as a household living below the poverty line; female-headed households with fewer than two adult income-earners; large household with four or more children below 18 years; household with disabled members; elderly with no family support.
Legalizable PAP	A PAP who has no registered ownership or other property rights toward the affected land and/or adjacent building/asset but is legally eligible to obtain such by the force of law (including customary and traditional rights recognised under national laws).
Non-legalizable PAP	A PAP who does not have legal right or claim to the affected land and adjacent asset that he/she occupies and uses.
Hokimiyat	Local government authority that interfaces between local communities and the government at the regional and national level. It has ultimate administrative and legal authority over local populations residing within its jurisdiction
Mahalla	Local level community-based organization recognized officially by the state that serves as the interface between the state and community and is responsible for facilitating a range of social support facilities and ensuring the internal social and cultural cohesiveness of its members. Mahalla leaders are elected by their local communities (self-governing body).

TABLE OF CONTENTS

1	INTRODUCTION	8
2	THE PROPOSED PROJECT FACILITIES AND RELATED LAND NEEDS	8
2.1	General Information about the Project.....	8
2.2	Background Information about the MSW Companies.....	9
2.3	Project Facilities in the Republic of Karakalpakstan	10
2.4	Project Facilities in the Horezm Region.....	12
2.5	Associated Facilities and Activities	14
3	LEGAL REVIEW AND GAP ANALYSIS	15
3.1	Overview of Land Designation and Ownership Rights in Uzbekistan.....	15
3.2	Legislation of Uzbekistan.....	15
3.3	EBRD Requirements	18
3.4	Gap Analysis	18
4	POTENTIAL DISPLACEMENT IMPACTS	22
4.1	Avoidance and Minimisation	22
4.2	Physical Displacement	22
4.3	Economic Displacement	22
5	COMPENSATION AND LIVELIHOOD RESTORATION STRATEGY	39
5.1	Key Principles.....	39
5.2	Eligibility and Cut-off Date	40
5.3	Entitlement Matrix.....	40
6	STAKEHOLDER CONSULTATIONS	47
6.1	Consultations that Informed the LRF Preparation	47
6.2	Disclosure of Information	47
6.3	Consultations as Part of the LRP	48
7	GRIEVANCE MECHANISM.....	49
8	IMPLEMENTATION ARRANGEMENTS, BUDGET, MONITORING AND REPORTING	50
8.1	Immediate Actions to Address and/or Avoid Issues over Land Use and Land Rights	50
8.2	Steps of LRP Preparation	52
8.3	Main Institutional Actors and Their Roles	53
8.4	Capacity Building for the LRF and LRP Delivery	56
8.5	Schedule.....	56
8.6	Budget	58
9	Monitoring and Reporting	59
Annex 1.	List of interviewees and consultees	61
Annex 2.	Summary of land related regulations	63
Annex 3.	Photolog.....	70
Annex 4.	Grievance submission form	77

LIST OF TABLES AND FIGURES

Table 1. Karakalpakstan: Land Needs by Project Components	11
Table 2. Horezm Region: Land Needs by Project Components	14
Table 3. Legislation of Uzbekistan Pertaining to Land Acquisition and Expropriation	16
Table 4. Gap Analysis: Uzbekistan Regulations versus EBRD Requirements	19
Table 5. Karakalpakstan: Characteristics of Allocated Land.....	23
Table 6. Horezm Region: Characteristics of Allocated Land	24
Table 7. Summary of Livelihoods and Potential Impacts from Land Use Restrictions within Assumed SPZs	29
Table 8. Preliminary Entitlement Matrix	42
Table 9. Land Use and Land Rights Issues and Immediate Actions to Tackle Them.....	50
Table 10. Tentative Implementation Schedule for LRP 1: Land Acquisition	57
Table 11. Tentative Implementation Schedule for LRP 2: SPZ-induced Land Use Restrictions.....	58
Figure 1. Proposed location of the Project's facilities in Karakalpakstan and MSW transportation scheme	11
Figure 2. Proposed Location of the Project's facilities in the Horezm Region and MSW transportation scheme	13
Figure 3. Tentative Land Use Restriction Impacts around the Proposed Landfills in Karakalpakstan	35
Figure 4. Tentative Land Use Restriction Impacts around the Proposed Landfills in the Horezm Region.....	36

1 INTRODUCTION

The Government of Uzbekistan has approached the European Bank for Reconstruction and Development (“EBRD”) with a request to participate in financing the modernization of the municipal solid waste (MSW) management infrastructure in the Horezm Region and Republic of Karakalpakstan (“the Project”).

The State Committee of the Republic of Uzbekistan for Ecology and Environmental Protection (GosKomEkologiya) will be the Project Implementation Agency (the PIA). The Project beneficiaries are state MSW organisations called “Toza Hudud State Unitary Enterprises” in the Horezm Region and Republic of Karakalpakstan (together – “the Companies”). They are responsible for MSW collection, transportation and disposal in almost entire respective Project regions, and will become the owners of the respective Project facilities. The Companies are subordinate to GosKomEkologiya and will technically support it during Project implementation.

The planned Project modernisation activities will be implemented within the framework of the **Strategy for MSW Management in the Republic of Uzbekistan for 2019-2028** adopted in April 2019¹.

The Environmental and Social Audit and Assessment was completed for the Project and revealed that the Project would not trigger physical displacement, however could cause economic displacement impacts. Thus, this **Livelihood Restoration Framework** (“LRF” or “the Framework”) has been prepared for the Project.

This LRF is prepared in line with the applicable EBRD requirements and national regulations (see **Section 3**). Its aims at outlining principles for and guiding future land acquisition, compensation, and livelihood restoration activities related to the Project facilities and the associated facilities, to the extent known due to the preliminary stage of the Project design. **It sets a framework for further development of the Project’s Livelihood Restoration Plan(s) (LRP)** which will be prepared in parallel with the detailed design of the Project facilities. The LRF also presents **immediate actions** to be taken by the Companies and PIA to avoid conflicts with ongoing land acquisition processes run by other state agencies.

This LRF is based on the findings of the Environmental and Social Audit and Assessment, further documentary analysis and dedicated consultations held in the Horezm Region and Karakalpakstan in 2020 and September 2021 (refer to **Annex 1**).

2 THE PROPOSED PROJECT FACILITIES AND RELATED LAND NEEDS

2.1 General Information about the Project

In accordance with the national **Strategy for MSW management**, the existing MSW landfills are subject to closure and remediation. The Project envisions construction of **new** and/or extension of existing **sanitary landfills**, and construction of **transfer stations** and **civic amenity stations** (collection points for residents to bring their own waste). Each new landfill site, besides a residual waste deposition area, will accommodate a **waste sorting plant**, a **composting site** for biodegradable waste, and a number of ancillary facilities. EBRD’s loan would be also spent for purchase of **special equipment and machinery** for the Project facilities as well as **(re)construction of access and/or entrance roads** to the selected

¹ Resolution of the President of the RoU of 17 April 2019 No. PP-4291 “On Approval of the MSW Management Strategy in the RoU for 2019-2028”.

<https://lex.uz/docs/4291733?query=%D0%BF%D0%BB%D0%B0%D1%81%D1%82%D0%B8%D0%BA>.

landfills. The Project components will be designed and built in line with the national legislation and European Union environmental and social requirements.

In each region mixed MSW accumulated at the waste collection stations in urban areas and collected by the rural households will be transported to the **transfer stations** by waste trucks with a capacity of 7 m³. At the transfer stations, the waste will be reloaded into 60m³ containers and delivered to the landfills by special container trucks. Waste collected from settlements located in the vicinity of the landfills will be delivered to the landfills directly.

The **civic amenity stations** will be organised in the remote part of the Horezm Region – in the south-eastern part of Tuprokkala District, near Sarimay and Tuprokkala villages (**Figure 2**). These stations will be used as points for collection and temporary storage of waste brought by the local residents to the waste containers at any convenient time.

MSW transported to the landfills would be sorted at the on-site waste sorting plants and separated into four streams: a) recyclables (plastic, glass, etc.), b) biodegradable waste (to be composted); c) refuse-derived fuel, and d) residual waste to be disposed of on the landfill cells.

Auxiliary facilities for the proposed landfills will include an administrative building for personnel, a weight bridge, a wheel washing and disinfection station, a water well (for service water supply), a shed for special vehicles, workshops, and an electrical substation. The sites will be also equipped with systems to manage landfill leachate, to collect and treat surface runoff, and to control fires. Quality of surface and ground water in the vicinity of the landfills will be monitored.

The Project is currently nearing the completion of the Feasibility Study stage. The detailed design stage will follow alongside the national environmental impact assessment (EIA)² procedure. The tender process for design and build contracts is expected to commence in late 2022 –early 2023; construction works will indicatively start in the second half of 2023 subject to successful procurement and following completion of detailed design. The construction period will be 2-3 years. The landfills will operate for 15 years depending on their design capacity, with a possibility of extension in the future for some of them. The service life of the transfer stations and civic amenity stations is longer (ca. 20-30 years).

2.2 Background Information about the MSW Companies

Both Companies were established in 2017 as a result of the structured waste management system in Uzbekistan. They took over the existing landfills, waste collection vehicles, containers and other equipment from public amenities departments of district hokimiyats. "Toza Hudud" is translated from Uzbek as "clean territory" reflecting the goal of the Companies.

Toza Hudud in Karakalpakstan is headed by the Republican Office in Nukus and has 16 branches in the districts of Nukus, Amudarya, Beruni, Ellikkala, Turtkul, Muynak, Kungrad, Kanlykul, Shumanay, Khodjeyli, Takhtakupyr, Karauzyak, Chimbay, Kegeyli, Takhiatash, and Bozatau. Its staff includes around 500 permanent employees. The Company owns:

² The national EIA procedure is made of several stages: 1) a draft Environmental Impact Statement (Draft EIS); 2) EIS, and 3) Statement of Environmental Consequences. Steps 2 and 3 are carried out if the State Environmental Review of the stage 1 Draft EIS establishes that it is necessary to perform additional studies, modelling, or special laboratory analyses, and to develop reasoned environmental measures. **The first stage draft EISs were prepared for all six Project landfills.** Following their review, the state authorities required that EIS be prepared for the proposed Koshkupyr and Bagat District Landfills. As of end October 2021, the EIS for the Bagat District Landfill was under finalisation and the EIS for the Koshkupyr District Landfill was under preparation. In order to comply with the national regulation, EISs for four landfills in Karakalpakstan are expected to be prepared as well as their initial categorisation was not justified and they underwent stage 1 'draft EIS' only.

- 14 out of 17 operating MSW landfills in Karakalpakstan³;
- 709 waste collection stations with waste containers; and
- Garages and workshops at the Company's district divisions, where some 200 units of special vehicles and special equipment (waste trucks, bulldozers, loaders, lift trucks, etc) are serviced and repaired.

Toza Hudud in the Horezm Region is headed by the Regional Office in Urgench and has 10 branches in the districts of Bagat, Gurlen, Koshkupy, Hazarasp, Khiva, Khanka, Shavat, Yangiaryk, Yangibazar and Tuprokkala. It employs around 900 permanent employees. The Company owns:

- 9 out of 10 operating MSW landfills in the region⁴;
- 52 waste collection stations with waste containers;
- Garages and workshops at the Company's district branches, where some 120 units of special vehicles and equipment are serviced and repaired.

2.3 Project Facilities in the Republic of Karakalpakstan

The Priority Investment Programme for Karakalpakstan includes:

- **Construction of a new landfill** in Nukus City (the capital of Karakalpakstan); unlike other proposed landfills, the Nukus City Landfill would accommodate a medical waste incinerator with a design capacity of 700 tonnes per annum.
- **Reconstruction and expansion of three existing landfills** in Turtkul, Kungrad, and Karauzyak Districts;
- Construction of **eight waste transfer stations** in Amudarya, Khodjeyli, Beruniy, Ellikkala, Kanlykul, Muynak, Chimbay, and Takhtakupy Districts;
- **Construction/reconstruction of the entrance roads** to four mentioned landfills;
- **Reconstruction of an access road** to the Kungrad District Landfill (including two bridges across the irrigation/drainage channels).

The proposed locations of the Project facilities and MSW transportation scheme in Karakalpakstan are presented in **Figure 1**.

Land needs of the Project components in Karakalpakstan are presented in **Table 1**. Land needs are indicative and may slightly change during the detailed design stage.

³ A number of private companies also provide MSW collecting and disposal services in Karakalpakstan.

⁴ The largest solid waste landfill in the Horezm Region, which is located in the Urgench District, is owned by a private enterprise.

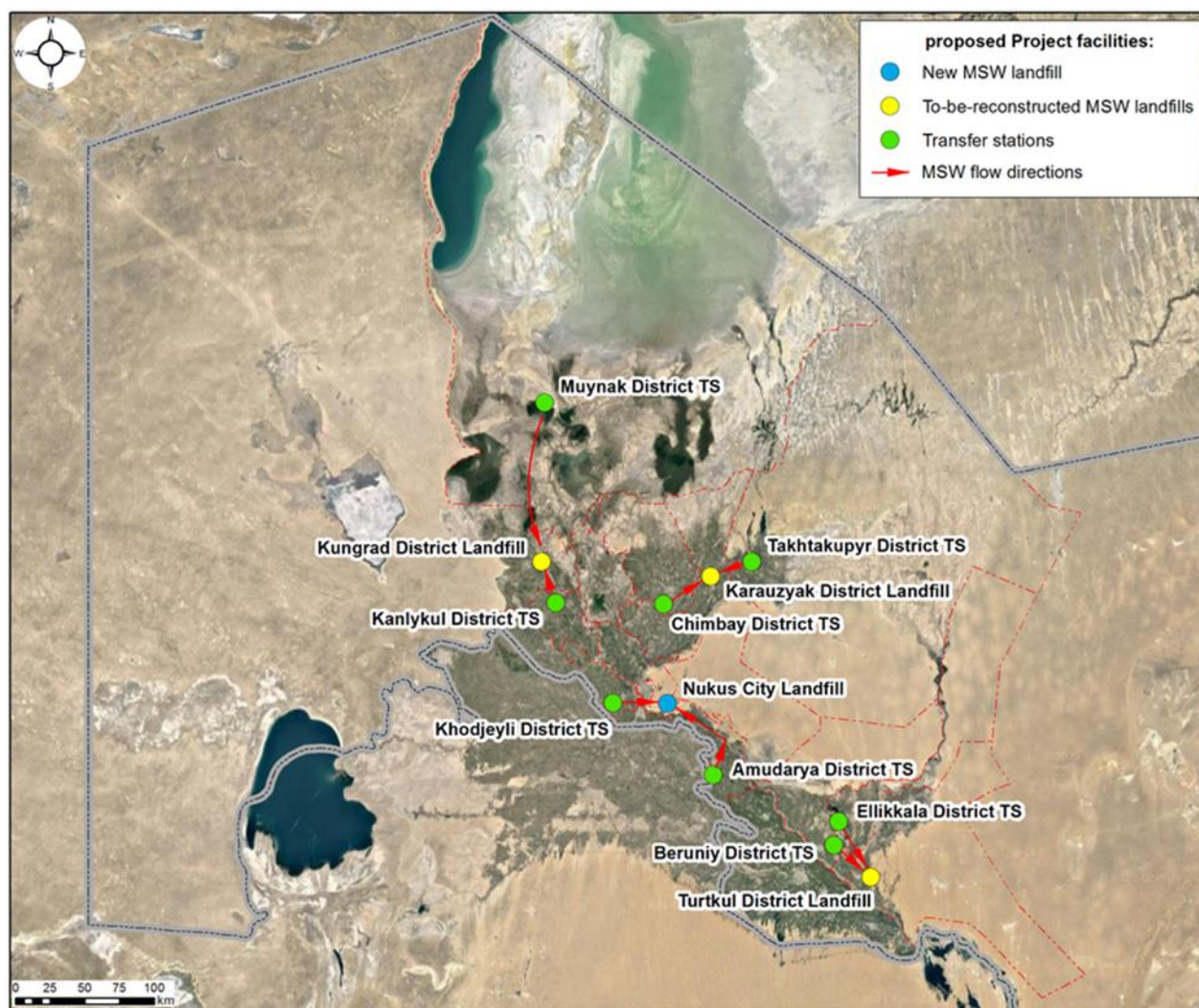


Figure 1. Proposed location of the Project's facilities in Karakalpakstan and MSW transportation scheme

Table 1. Karakalpakstan: Land Needs by Project Components

Project Facility	Location	Land Needs (based on design considerations)
1. Proposed landfills and associated roads		
Nukus City Landfill (new construction)	Bestobe MCA, Nukus City	23.8 ha
Turtkul District Landfill (reconstruction)	Shurakhon ⁵ Village Council Association (VCA), Turtkul District	15.5 ha
Kungrad District Landfill (reconstruction)	Konli VCA, Kungrad District	16.6 ha
Karauzyak District Landfill (reconstruction)	Berdakh VCA, Karauzyak District	15.3 ha

⁵ As per the Decision of Turtkul District Khokim No. 1472 of 31 August 2017 on allocation of land plot for the construction of a district MSW landfill, it is located within Shurakhon VCA. Consultations with the district Land Management Committee showed that existing landfill site is within Pakhtachi VCA territory".

Project Facility	Location	Land Needs (based on design considerations)
Entrance road to the Nukus City Landfill, 40 m (new construction)	Bestobe MCA, Nukus City	ca. 1,520 m ² for the road strip ⁶
Entrance road to the Turtkul District Landfill, 400 m (reconstruction)	Shurakhon VCA, Turtkul District	ca. 800 m ² for the existing road strip expansion
Entrance road to the Karauzyak District Landfill, 160 m (reconstruction)	Berdakh VCA, Karauzyak District	ca. 320 m ² ha for the existing road strip expansion
Entrance road to the Kungrad District Landfill, 200 m (reconstruction)	Konli VCA, Kungrad District	ca. 400 m ² ha for the existing road strip expansion
Access road the Kungrad District Landfill, 1,500 m (reconstruction)	Konli VCA, Kungrad District	ca. 3,000 m ² ha for the existing road strip expansion
2. Transfer stations		
Transfer station in the Amudarya District (construction)	Urta-Kala VCA, Amudarya District	0.5 to 1.0 ha each depending on the number of containers to be installed, dimensions of transfer stations to be precised, and their locations to be defined within the existing landfills operating in the corresponding districts
Transfer station in the Khodjeyli District (construction)	Zhana zhap VCA, Khodjeyli District	
Transfer station in the Muynak District (construction)	Ush Say VCA, Muynak District	
Transfer station in the Kanlykul District (construction)	Navruz VCA, Kanlykul District	
Transfer station in the Takhtakupyr District (construction)	Koratereng VCA, Takhtakupyr District	
Transfer station in the Chimbay District (construction)	Kamysaryk VCA, Chimbay District	
Transfer station in the Beruni District (construction)	Sarkop VCA, Beruni District	
TS in the Ellikkala District (construction)	Sarabiy Village, Dumankala VCA, Ellikkala District	

2.4 Project Facilities in the Horezm Region

The Priority Investment Programme for the Horezm Region includes the construction of:

- **Two new landfills** in Koshkupyr and Bagat Districts; apart from the standard set of on-site landfill facilities (see above) the Koshkupyr District Landfill would also comprise a pilot anaerobic digestion facility for food waste processing and a medical waste incinerator with the design capacity of 700 tonnes per annum;
- **Six waste transfer stations** in Gurlen, Yangibazar, Khiva, Khanka, Yangiaryk, and Hazarasp Districts;
- **Two civic amenity stations** in the southern part of Tuprokkala District;
- **New entrance roads** to the landfills; and

⁶ Per the Law on Motor Roads (2007, No.ZRU-117), “an allocated road strip” is a parcel of land legally provided in permanent use for placement of a road, its corresponding structural elements, engineering infrastructure, and facilities and protective and decorative afforestation necessary for its operation (<https://www.lex.uz/acts/1254492>). The road-related calculations in **Table 1** and **Table 2** are indicative and can be precised only at the detailed design stage; they do not include ‘roadside strips’ (per the above law, these are “parcels of land adjoining an allocated road strip that have special conditions for land use due to safety control of the population and traffic”) as these depend on the road design, and do include ‘visibility zones’ that are pre-set in the regulations (15m to both side of the road per the Urban development rules and regulations 19 ШНҚ 2.10.09-10 on allocation of land for roads and road facilities, <https://www.lex.uz/docs/4442484>).

- Reconstruction of selected sections of existing access roads to the landfills including upgrade of bridges across the irrigation/drainage channels.

The proposed locations of the Project facilities and MSW transportation scheme in the region are presented in **Figure 2**.

Table 2 shows land needs of the Project components in the Horezm Region. Land needs are indicative and may slightly change during the detailed design stage.

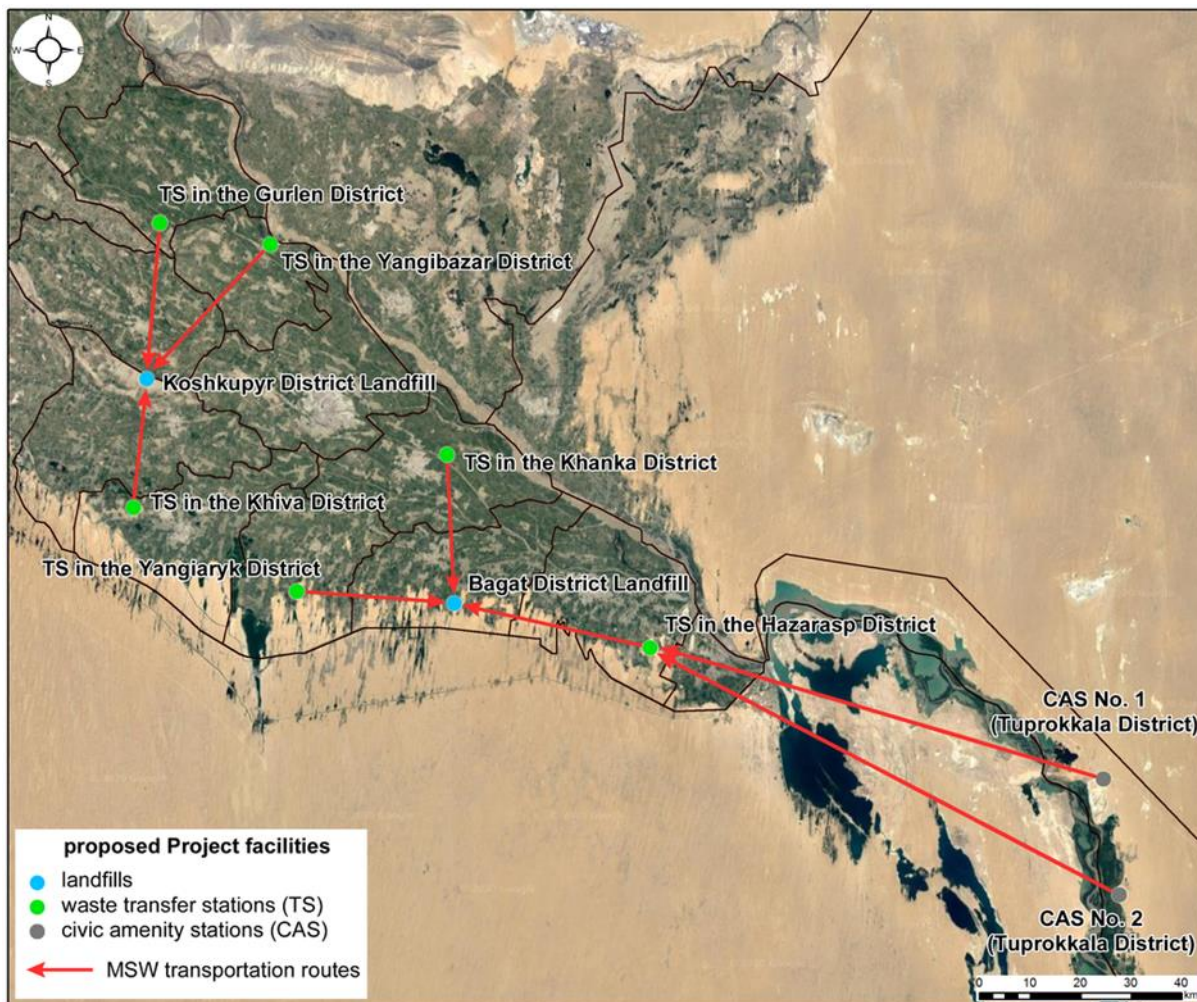


Figure 2. Proposed Location of the Project's facilities in the Horezm Region and MSW transportation scheme

Table 2. Horezm Region: Land Needs by Project Components

Project Component	Location	Land Needs (based on design considerations) ⁷
1. Proposed landfills and associated roads		
Koshkupy District Landfill (new construction)	Yangilik Village, Amirkum massif, Contour 57 of land use map	26.8 ha
Entrance road to the Koshkupy District Landfill, 50 m (new construction)	As above	ca. 1,900 m ² for the road strip
Access road to the Koshkupy District Landfill, 3.5 km (reconstruction)	TBC	In case the existing road is extended from 6 to 8 m - ca. 7,000 m ²
Bagat District Landfill (new construction)	Kumbodok Mahalla Citizens Assembly (MCA), Mirishkor Village, Bagat District, Contour 875k of the Mirishkor Village agricultural land	15.5 ha
Entrance road to the Bagat District Landfill, 50 m (new construction)	As above	ca. 1,900 m ² for the road strip
Access road to the Bagat District Landfill, 2.2 km (reconstruction)	TBC	ca. 4,400 m ² for the existing road strip
2. Transfer stations		
Transfer station in Gurlen District (construction)	Sholikor Village, Chinabad MCA	0.5 to 1.0 ha each depending on the number of containers to be installed; dimensions of transfer stations to be precised and their locations to be defined within the existing landfills operating in the corresponding districts
Transfer station in Khiva District (construction)	Dashek Village, Karakum massif	
Transfer station in Khanka District (construction)	Amudaryo massiff	
Transfer station in Yangibazar District (construction)	Boshkirshikh Village, Zhaykhun MCA	
Transfer station in Yangiaryk District (new construction)	Ostona Village, Korakuz MCA	0.5 to 1.0 ha each depending on the number of containers to be installed, locations and dimensions to be defined
Transfer station in Hazarasp District (new construction)	Yangibazar Village, Chorvador massif, Contour No. 43 of agricultural map	
3. Civic amenity stations		
Civic amenity station No.1	Pitnyak City, Sarimay massif, Tuprokkala District, Contour 520k of agricultural map	0.25 ha
Civic amenity station No.2	Tuprokkala Village, Hazarasp Massiff, Tuprokkala District, Contour 432к of agricultural map	0.25 ha

2.5 Associated Facilities and Activities

The associated facilities for the Project include:

- The existing district MSW landfills (i.e., dumpsites) operated by the Companies that are to be closed and remediated in 2025-2026, after Project facilities start operation;

⁷ CECT. 2021. Uzbekistan: Solid Waste Management in the Horezm Region and the Republic of Karakalpakstan: Feasibility Study. Preliminary Design. In addition, as per the most recent information from the designers dated 21 September 2021.

- Roads (not covered by the Project investments) connecting the Project facilities, which should be constructed or reconstructed to provide for MSW transportation;
- Sites to be prepared (cleaned from the waste, levelled, etc.) for constructing the proposed transfer stations;
- New overhead transmission lines and substations to serve a) proposed Bagat and Koshkupy District Landfills (Horezm Region) and Nukus City Landfill (Karakalpakstan), and b) civic amenity stations No. 1 and No.2 (to be confirmed);
- Existing overhead transmission lines and substations at the operating MSW landfills, which will host Project transfer stations and that may need to be repaired or upgraded.

The above-mentioned **associated facilities** are not part of the Project. They will be financed from the state budget and implemented by third parties. However, they are subject to the EBRD's environmental and social requirements related to 'associated facilities'.

Land allocation or acquisition may be required for the associated road and power infrastructure. Since project designs are not available for these, this LRF does not cover their displacement impacts. The principles, approaches and entitlements proposed in this LRF shall apply to the associated facilities and activities.

3 LEGAL REVIEW AND GAP ANALYSIS

3.1 Overview of Land Designation and Ownership Rights in Uzbekistan

Land in Uzbekistan can belong to one of eight designated use categories: 1) agricultural land; 2) land of settlements; 3) land of industry, transport, communication, etc.; 4) land for nature conservation, health improving and recreation; 5) land for historical and cultural purpose; 6) forestry land; 7) water fund land; and 8) reserve land (i.e., land not belonging to categories 1-7 and not yet allocated for any needs).

All agricultural, rural and reserve land in Uzbekistan is state-owned.

Farming entities in rural areas of Uzbekistan can, however, access a range of private rights to land, typically including the following:

- Long and transmissible rights of so-called "dehkan" farms (small-scale household farms that exist in some regions and usually produce vegetables and livestock);
- Leasehold rights (up to 50 years) defined by lease contracts to private farmers typically allocated and managed by district administrations.

In addition, private companies have recently been given the possibility to access land to establish agri-industrial clusters in order to perform agricultural activities, including processing, as per the national programmes.

Termination of leasehold rights for a public interest project can be declared by the local district administration subject to certain procedures detailed in the section below and in [Annex 2](#).

3.2 Legislation of Uzbekistan

Uzbekistan applies a number of laws to regulate land use, land acquisition / land ownership rights transfer, expropriation processes and imposing restrictions on land use, as summarised in the table below and described in [Annex 2](#).

Land legislation of Uzbekistan is currently being revised with changes becoming effective gradually. Thus, in some cases, old procedures and institutional arrangements are already invalid, while new procedures and roles meant to replace them are not operationalised yet.

Table 3. Legislation of Uzbekistan Pertaining to Land Acquisition and Expropriation

Key legal document	Key Land Issues under Regulation
Constitution of the RoU (08.12.1992)	Frame legislation covering rights to own property, owners' rights to possess, use and dispose of their property, protection of land and natural resources by the state.
Constitution of the Republic of Karakalpakstan (09.04.1993)	Frame legislation in Karakalpakstan mirroring the provisions of the Constitution of the RoU.
Land Code (30.04.1998)	Legal framework for land-related matters, including withdrawal, allocation, transfer, and sale of land plots. It describes land management responsibilities of different state authorities, ownership forms, rights and obligations of a land possessor, user, lessee, and owner, land categories, land acquisition, and compensation issues, resolution of land disputes, land protection, termination of rights to land, expropriation of land for state and public needs, etc.
Civil Code (29.08.1996)	Legal framework defining the legal status of participants of civic relations, the grounds, and procedure of implementation of ownership rights and other proprietary rights, and rights on the intellectual property. It regulates contractual and other obligations, as well as property and related non-property relations. It set out general rules of property seizure, and determination of property value, rights for compensation, and rights termination terms.
Tax Code (30.12.2019)	Legal framework governing taxation of individuals and legal entities. It regulates compensations to a vulnerable group of people, including the use of discounts and relief or exemption from property tax, land tax, income tax, etc.
Labour Code (21.12.1995)	Legal framework regulating labour relations, rights and obligations of employees and employers, collective agreements, etc. It requires non-discrimination in employment and provides for compensating lost employment.
Law "On Privatization of Non-agricultural Land" №552 (13.08.2019)	The law regulates relations in the field of privatization of non-agricultural land plots and identifies types of land plots that can be privatized via online auctions.
Presidential Decree № UP-6243 "On Measures to Ensure Equality and Transparency in Land Relations, Reliable Protection of Land Rights and Their Conversion into Marketable Assets" (08.06.2021)	Introduces new procedures of, and re-distributes the institutional roles in, the land withdrawal, allocation and acquisition process (becoming effective from 1 August 2021). It introduces the terms related to the conduct of the electronic online auctions and tenders with a purpose of selling non-agricultural land and leasing agricultural land, respectively. It specifies that only free (unoccupied) reserve land can be allocated, and that land allocation to state organization occurs on the basis of the right of permanent use. Note: Only non-agricultural land can be allocated for MSW facilities ⁸ .
Presidential Decree № 5491-R On Additional Measures to Unconditionally Guarantee the Right of Ownership of Citizens and Business Entities" (3.09.2019)	This decree outlines measures to guarantee property rights of citizens and businesses. In particular, it states that: a) Land allocation for state and public purposes can be carried out only after advance consultation with the affected citizen / entrepreneur and assessment of benefits and costs; b) demolition of residential, industrial premises or other structures belonging to citizens and businesses upon the seizure of the land is permitted after fully compensating real estate at the market value and any losses related to the land withdrawal.
Presidential Decree №5490 "On Measures for Further Improvement of the System for Protecting the Rights and	The decree states a need to approve a new mechanism of compensating losses to individuals and legal entities in connection with the seizure of land plots from them for state and public needs. In line with the Labour Code it

⁸ Per the Instruction on the MSW Landfill Design and Operation, Resolution No. 12 of GosKomEkologiya, 17.10.2019, <https://lex.uz/ru/docs/4603651>).

Key legal document	Key Land Issues under Regulation
Legitimate Interests of Business Entities” (27.07.2018)	establishes the Centralised Fund for Compensation of Losses and obliged the local budgets to contribute to the fund's financial sources.
Presidential Decree №5495 “On Measures on Cardinal Improvement of Investment Climate in the Republic of Uzbekistan” (1.08.2018)	Stipulates that decisions on the withdrawal of land for state and public needs shall be allowed only after open discussion with the stakeholders whose land plots are planned to be withdrawn and after estimation of benefits and costs. Demolition of residential, industrial and other buildings and structures owned by individuals and legal entities in the process of land withdrawal is permitted after full compensation of the market value of the real estate and losses incurred by the owners in connection with such withdrawal.
Presidential Resolution No. 3857 “On Measures to Improve the Effectiveness of Preparing and Implementing Projects with Participation of International Financial Institutions and Foreign Government Financial Organizations” (16.07.2018)	Determines the regulations and rules for the projects that are carried out with participation of International Financial Institutions or Foreign Governmental Finance Organizations. In case of inconsistency of resettlement policies between Uzbek legal framework and International Financial Institutions, the policies of the international lenders or organisations will be followed by Executing Agencies, if it is agreed so in the project agreements. Accordingly, resettlement costs (compensation in case of withdrawal of land plots, demolition of houses and other structures, structures or plantings) should be paid based on valuation documents prepared according to the financier's requirements.
Resolution of the Cabinet of Ministers (CM) № 146 “On the Measures for Improving the Order of Provision of Land Plots for the Implementation of Urban Development Activity and for Other Non-Agricultural Needs” (25.05.2011)	Approves the <i>Regulation on the procedure of compensating losses of land possessors, users, tenants, and owners, as well as losses of agricultural and forestry production</i> (Annex 2). The Regulation defines methodologies for calculating the mentioned losses, including: <ul style="list-style-type: none"> ○ Cost of the land plot, owned by individuals and legal entities; ○ Cost of residential houses, constructions, and installations, including incomplete constructions, and also located outside of the allocated plot, if its further utilization is impossible due to seizing of the land plot. ○ Cost of fruits and berries, protection and other perennial plants; ○ Cost of incomplete agricultural production; ○ Lost profit. The Regulation also deals with restriction of land use due to establishment of sanitary and protection zones and associated compensation.
Resolution of the CM № 911 “On Additional Measures to Provide Warranties of Property Rights of Individuals and Legal Entities and Improving the Procedure for Withdrawal and Compensation of land plots” (16.11.2019)	Approves the <i>Regulation on the procedure for seizure of land plots and providing compensation to the owners of real estate objects located on the seized land plot</i> . The Regulation determines the procedure for the seizure of a land plot for state and public needs and for investment projects. The Regulation applies if the land plot is in possession, use or temporary use of individuals or legal entities and it does not apply to land plots owned by individuals and legal entities (based on private property rights).
SanPiN No. 0350-17 “Sanitary Norms and Rules for the Protection of Ambient Air in Populated Areas of the Republic of Uzbekistan” (13.11.2017)	Defines normative sanitary protection zones (SPZs) for production and industrial facilities. In relation to the Project facilities, a 500 m SPZ is assumed for the MSW landfill and a 100m SPZ – for the transfer stations and civic amenity stations. SPZs should not host food industry enterprises, water supply facilities, food raw materials and food products warehouses, residential houses, educational institutions, collective or individual summer cottage and garden / orchard plots, sports facilities, parks, medical-preventive and health institutions. The size of the actual SPZ is defined by the relevant authorities for specific facilities based on the national EIA materials or other additional studies.

3.3 EBRD Requirements

EBRD requires this Project to comply with the EBRD Environmental and Social Policy (2014) and a set of specific Performance Requirement (PRs) covering key environmental and social components. The LRF considers the requirements of the following EBRD PRs:

- PR5: Land Acquisition, Involuntary Resettlement and Economic Displacement
- PR10: Information Disclosure and Stakeholder Engagement.

The key requirements of PR5 are to:

- avoid or, when unavoidable, minimise, involuntary resettlement by exploring alternative project designs;
- mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to assets and land by: (i) providing compensation for loss of assets at replacement cost; and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected;
- restore or, where possible, improve the livelihoods and standards of living of displaced persons to pre-displacement levels; and
- improve living conditions among physically displaced persons through the provision of adequate housing, including security of tenure at resettlement sites.

PR5 is applied when resettlement is considered *involuntary*, that is when affected individuals or communities do not have the right to refuse land acquisition resulting in displacement. EBRD interprets *involuntary resettlement* as referring to both physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of project-related land acquisition or restriction on land use / access to natural resources.

The proposed Project will result in economic displacement and no physical displacement is expected.

Key PR10 requirements pertaining to stakeholder engagement in the context of land acquisition / resettlement follow:

- give affected persons the opportunity to participate in the eligibility requirements, negotiation of the compensation packages, resettlement assistance, suitability of proposed resettlement sites and proposed timing;
- continue consultation during the implementation, monitoring and evaluation of compensation payment and resettlement so as to achieve outcomes that are consistent with the objectives of PR5; and
- ensure that grievances from affected communities and other stakeholders are responded to and managed appropriately.

3.4 Gap Analysis

This section reviews the national legislation, which regulates land acquisition for state and public needs (expropriation legislation) and livelihood restoration issues against relevant EBRD requirements. The detailed analysis as well as suggested measures to address the gaps are provided in [Table 4](#).

It should be noted that complying with EBRD requirements would be legally possible in cases of differences between the EBRD and national regulations (refer to Presidential Decree No. 3857 "On Measures to Improve the Effectiveness of Preparing and Implementing Projects with Participation of International Financial Institutions and Foreign Government Financial Organizations" (16.07.2018) (see [Table 3](#) and [Annex 1](#)).

Table 4. Gap Analysis: Uzbekistan Regulations versus EBRD Requirements

Theme/Issue	Uzbekistan Requirements	EBRD requirements	Proposed measures to bridge the gaps
Avoidance and minimisation of displacement	The RoU legislation (Civil and Land Codes, relevant government decrees) reflects the principle of avoiding or minimising impacts on land resources.	The client will consider feasible alternative project designs to avoid or at least minimise physical and/or economic displacement. It is especially important to avoid physical or economic displacement of those socially or economically vulnerable.	The Project has undertaken some actions to minimise the resettlement (see Section 4.1). It will ensure that any further allocation needed will be from free state reserve or non-agricultural land.
Cut-off date	No specific provisions.	The cut-off date is the date after which assets are not eligible to compensation. It is either determined by law or it is the date of the inventory of assets.	The cut-off dates at different Project facilities can be announced as either the date of the asset inventory completion or the date of the respective allocation or expropriation decisions (see Section 5.2).
Consultations / engagement and disclosure	Resolution №911 requires 'open discussion' with the owners/users of property on the land to be expropriated. Land issues should be discussed with local authorities. Compensation measures should be discussed with the PAPs prior to taking decision on expropriation. Public consultations are required as part of a national EIA procedure for category 1 and 2 projects. There is no requirement to identify and specifically engage with vulnerable persons affected by the project due to physical and / or economic displacement.	Meaningful and continuous consultations with affected people, local authorities, and other key actors is required throughout the project cycle from planning through implementation, including public notifications of activities and consideration of the needs of vulnerable groups. From earliest stages and through all activities the client will involve affected men and women, including host communities and vulnerable groups. Resettlement documentation should be disclosed.	All impacted people will be consulted prior to settling agreements. A Stakeholder Engagement Plan was prepared for the Project. It envisions continuous engagement with affected stakeholder groups, including vulnerable groups, and with PAPs within the LRF and LRP preparation, implementation and monitoring. The LRF and Leaflet will be prepared and disclosed. Then, consultations will be held during the LRP preparation, which will be disclosed as well. Refer to Section 6 .
Vulnerable groups	No specific provisions. Indirectly relevant information is as follows: the Tax Code regulates compensation of vulnerable groups in terms of applying discounts or exemptions from property taxes, income tax, etc. but does not provide requirements for additional support to vulnerable groups in relation to helping them improve their livelihoods.	Vulnerable people must be identified and supported throughout the resettlement compensation process. EBRD requires that measures be provided to enable poor and vulnerable people who are physically displaced or affected by economic displacement to be engaged in consultations and restore and/or improve their incomes.	When preparing the LRP, affected vulnerable groups / people will be identified and additional efforts for their engagement will be envisioned, as well as specific assistance.
Eligibility for compensation	Compensation only to registered land possessors, users, lessees or owners with	Lack of titles should not prevent from providing compensations or alternative	Per preliminary information, land to be acquired is not in private ownership or permanent or

Theme/Issue	Uzbekistan Requirements	EBRD requirements	Proposed measures to bridge the gaps
	rights recognised by law who suffer losses, including lost profits, in case of a) seizure, redemption or temporary occupation of their land; and b) restriction of their rights due to the establishment of SPZs.	forms of assistance. PAPs without titles to land or any recognizable legal rights to land are eligible for resettlement allowance and compensation for loss of non-land assets. The client is required, at the outset, to offer to PAPs with titles an informed choice of either compensation in kind (land-for-land; land plot and house to replace affected land plot and house) or monetary compensation; and monetary compensation for lost assets (other than land) to PAPs without legalizable claims to land.	temporary use of non-state actors, thus could be transferred from the state to the Companies. If privately owned/used land is identified, alternative land plots or cash compensation for the affected land and other losses will be proposed to the PAPs in line with the requirements of EBRD PR5. In case informal users are found to be affected, PAPs will be identified and supported to restore their livelihoods per measures in this LRF.
Compensation for PAPs	<p>In accordance with the requirements of Uzbekistan, the affected person is either allocated a similar land plot in case of irrecoverable loss of land, or proposed cash. Leased land can also be replaced. Compensation in cash is provided for all losses including lost profit.</p> <p>In case of impacts to structures / buildings, cash compensation is due at market cost based on valuation, including transaction and other cost; alternatively, replacement structures can be provided.</p> <p>Law also requires that all losses including lost profits be compensated to all legal PAPs. Crop losses compensation provided only to registered land-owners.</p> <p>In case of affected business, cash compensation at market value for all damages and losses, including lost profit incurred. PAPs should provide documented evidence of profits but there is no clear methodology.</p>	<p>The client will offer all displaced persons and communities compensation for loss of assets at full replacement cost and other assistance to restore, and potentially improve, their standards of living and/or livelihoods of displaced persons to pre-displacement levels.</p> <p>Land-for-land to be preferred in land-based economies. Cash compensation is acceptable if land-for-land is not feasible and if loss of land does not undermine the livelihoods of PAPs.</p> <p>The client should compensate economically displaced persons for loss of assets or access to assets (or provide an alternative access) prior to displacement.</p> <p>Crop losses compensation provided to landowners, share-crop/lease tenants, and informal users whether registered or not.</p>	<p>Options for compensation and alternative access options will be presented to the PAPs during LRP preparation. Cash compensation agreements will be at replacement cost.</p> <p>Compensation for assets required to be transferred to the Project prior to construction will be agreed and paid prior to handover of assets and prior to civil works commencing on site.</p> <p>Crop loss compensation will be provided to landowners, share-crop/lease tenants, and informal users, irrespective of the status of title registration.</p> <p>Compensation for assets affected by SPZs will be provided before completion of construction and enforcement of SPZs.</p>
Land acquisition and resettlement planning	The legislation does not provide for the development of documents / action plans for resettlement or plans for the restoration of livelihoods. However, planning of land	This mechanism describes general principles, procedures and compensation systems. It will serve as a basis for the development of a detailed Resettlement	<p>This LRF is meant to address this gap.</p> <p>Following its disclosure, the LRP(s) will be prepared where involuntary resettlement is expected based <i>inter alia</i> on the consultations</p>

Theme/Issue	Uzbekistan Requirements	EBRD requirements	Proposed measures to bridge the gaps
<i>Resettlement and Livelihood Restoration Framework & Plan</i>	<p>expropriation entails assessment and surveys:</p> <ul style="list-style-type: none"> • Measurement survey. • Identification of PAPs with legal rights; • Valuation of assets. <p>Property can be acquired only after full compensation is paid to owners/user.</p> <p>There are no regulations for livelihood restoration due to land acquisition. However, there are a number of legal documents related to provision of social support and livelihood improvement measures to families in need and disabled people. Thus, support to vulnerable people is provided by the state.</p>	<p>Action Plan (RAP) or Livelihood Restoration Plan (LRP).</p> <p>Developing a resettlement and land acquisition plan or framework is obligatory for involuntary resettlement. The process includes tailored consultations, census and a socio-economic survey with gender disaggregated data, and vulnerability assessment.</p>	<p>with the PAPs, socio-economic survey, census and consideration of vulnerability, e.g., the inclusion of female-headed households.</p> <p>Livelihood restoration approaches and potential measures are proposed in this LRF. Detailed livelihood restoration activities and measures will be developed within the scope of the LRP.</p>
Grievance mechanism	<p>State organisations must follow national regulations for registering and reviewing inquiries and grievances. The legislation does not require setting up a grievance mechanism for the affected people / businesses in case of land acquisition or exploitation. The affected people / businesses can appeal to the court for protection of their rights. In case of dispute over expropriated land value, both the owner and project developer can bring up a lawsuit.</p>	<p>A free, independent, and widely publicised grievance mechanism, which consists of both formal and informal venues, should be developed and made accessible to all PAPs. The Project owner should establish such a grievance mechanism as early as possible in the process to receive/ address in a timely manner the concerns related to physical/ economic displacement.</p>	<p>The Companies will establish a grievance mechanism for the Project (see the Stakeholder Engagement Plan). It is supplemented with specific actions required to accompany land acquisition and land use restriction processes (see Section 7). This grievance mechanism will be disclosed as part of this LRF and the general grievance mechanism will be disclosed as part of the Stakeholder Engagement Plan.</p>
Implementation monitoring and evaluation, and Completion audit	<p>There are no requirements for monitoring resettlement, payment of compensation, assessment of resettlement implementation and measures to restore livelihoods.</p> <p>There are no requirements for a final audit of resettlement implementation and livelihood restoration measures.</p>	<p>Proper and regular internal monitoring, evaluation and reporting on livelihood restoration and mitigation measures are required. Depending on the scale of a project's resettlement, it may be appropriate for the client to commission an external completion report of the RAP / LRP by qualified resettlement specialists and/or other independent parties to determine that the provisions have been met. Corrective actions are to be taken, as necessary.</p>	<p>The implementation of the LRP will be monitored by the Companies and PIA (with support of their land consultants) during the Project implementation via internal monitoring and external resettlement completion audit (see Section 9).</p> <p>After the completion of the LRP, independent experts (organisations) will be commissioned to conduct a simplified completion audit.</p>
Budget	<p>Budget should be available.</p>	<p>Implementation budget and resources should be available and described in the RAP/LRP.</p>	<p>Budget should be envisioned among the Project cost estimates (see Section 8.6).</p>

4 POTENTIAL DISPLACEMENT IMPACTS

4.1 Avoidance and Minimisation

An environmental and social scoping was conducted early in the Project planning stage to facilitate the site selection for the Project facilities and identify those locations that could significantly affect the natural and human environment. Alternative locations of some facilities were considered as well. Internal site identification and impact reviews by the district authorities were completed before land allocation decisions for most of the new facilities were issued to the Companies in Karakalpakstan and Horezm Region (see [Sections 2.2](#) and [2.3](#)). These reviews included extensive consultations with the representatives of various authorities that formed 'permanent commissions to consider issues of allocation, ownership, lease and use of land on the territory of the district'.

When conducting the feasibility study for the Project and preparing a preliminary design, the Companies and their consultants took the following considerations into account:

- The design should be optimised to minimise land take and Project footprint;
- Any physical displacement should be avoided;
- Non-agricultural and state reserve land that is free of development should be used to the maximum extent possible;
- Where no such land is available, transfer of land from state organisations or authorities is to be preferred over land in private use or ownership; and
- Existing roads should be used as access road to the Project facilities and the lengths of the entrance roads to the Project sites should be minimised, where possible.

The same considerations will be respected when selecting locations of the Project's few currently unsited facilities, as well as those of the associated projects to be constructed.

4.2 Physical Displacement

No residential houses are located on land required for the Project sites or within the normative (maximal assumed) SPZs of the proposed Project facilities and within the sanitary strips of the new Project roads. Thus, the Project is not anticipated to result in physical displacement of PAPs (relocation or loss of housing).

4.3 Economic Displacement

4.3.1 Pre-construction

In Karakalpakstan, the Project requires around 75.3-79.8 ha of land ([Table 5](#)), of which:

- 64-68 ha were already transferred by the State to the MSW Company in 2017-2020;
- 12.2 ha are to be additionally allocated for four landfills (in total) (land plots were allocated for the construction of MSW landfills by the decisions of the hokims of the respective districts. The area of the allocated sites allows the construction of landfills with two cells for the disposal of residual waste fraction, which will be financed from the EBRD loan. To create third cells and extend the life of both landfills up to 15 years, the specified additional land allocation is required in the near future. This will help avoid possible impacts on local residents associated with physical or economic displacement in the future); and
- some 0.6 ha are to be allocated for the road facilities (i.e., landfill entrance roads and widening of the existing access roads to the Kungrad Landfills).

Table 5. Karakalpakstan: Characteristics of Allocated Land

Project Facility	Land Needs (based on design considerations)	Land Allocated for the Project Component	Previous Land Use Category of Allocated Land	Ownership of Allocated Land (August 2021)
1. Proposed landfills and associated roads				
Nukus City Landfill	23.8 ha	15 ha ⁹	Land of settlements	The Company (land user)
Turtkul District Landfill	15.5 ha	14 ha ¹⁰ , including: 5 ha for the existing landfill, and 9 ha of undeveloped land for the existing landfill extension	Land of settlements	The Company (land user)
Kungrad District Landfill	16.6 ha	15 ha ¹¹ , including: 5 ha of the existing landfill, and 10 ha of undeveloped land for existing landfill extension	Grazing lands	The Company (land user)
Karauzyak District Landfill	15.3 ha	15 ha, including: 7 ha ¹² of the existing landfill, and 8 ha of undeveloped land for existing landfill extension	Grazing lands	The Company (land user)
Entrance road to the Nukus City Landfill	ca. 1,520 m ² for the road strip	Not allocated	Land of settlements	TBC, mostly likely City Hokimyat
Entrance road to the Turtkul District Landfill	ca. 800 m ² for the existing road strip expansion	Not allocated	Land of settlements	TBC, Turtkul District Hokimyat
Entrance road to the Karauzyak District Landfill	ca. 320 m ² ha for the existing road strip expansion	Not allocated	TBC, most likely grazing land	Karauzyak District Hokimyat
Entrance road to the Kungrad District Landfill	ca. 400 m ² ha for the existing road strip expansion	Not allocated	TBC, most likely grazing land	Kungrad District Hokimyat
Access road the Kungrad District Landfill	ca. 3,000 m ² ha for the existing road strip expansion	Not allocated	TBC, most likely land of transport	Kungrad District Hokimyat
2. Transfer stations				
Transfer station in Amudarya District	0.5 to 1.0 ha each depending on the	Yes, within the boundaries of the existing landfill sites, but	Existing landfill sites	

⁹ Decision of Nukus City Hokim No. 01/03-281 of 20 March 2020 "On the Allocation of a Land Plot to the Toza Hudud State Unitary Enterprise for the Construction of the MSW Landfill".

¹⁰ Decision of the Turtkul District Hokim No. 1472 of 31 August 2017 "On the Organisation of the Municipal Solid Waste Collection and Introduction of a Scrupulous and Workable Waste Collection, Recycling and Management System, and Compliance of Existing Municipal Solid Waste Landfills with the Sanitary Standards and Guidelines".

¹¹ Decision of the Kungrad District Hokim No. 143/3 of 13 March 2020 "On the Allocation of a Land Plot to the Kungrad District Branch of the Toza Hudud State Unitary Enterprise in the Republic of Karakalpakstan for the Construction of the Municipal Solid Waste Landfill within the Kanly VCA Boundaries in Kungrad District".

¹² Decision of the Karauzyak District Hokim No. 1472/12 of 13 December 2019 "On the Allocation of an Additional Land Plot to the Toza Hudud State Unitary Enterprise".

Project Facility	Land Needs (based on design considerations)	Land Allocated for the Project Component	Previous Land Use Category of Allocated Land	Ownership of Allocated Land (August 2021)
Transfer station in Khodjeyli District	number of containers to be installed, locations and dimensions to be defined	specific locations of the transfer stations not determined		The Company (land user)
Transfer station in Muynak District				
Transfer station in Kanlykul District				
Transfer station in Takhtakupyr District				
Transfer station in Chimbay District				
Transfer station in Beruni District				
Transfer station in Ellikkala District				

In the Horezm Region, the Project requires around 48.5 ha of land for permanent use (**Table 6**), of which:

- ca. 45.5-46.5 ha were already transferred from the State to the MSW Company in 2019-2020,
- around 0.5 ha are to be *formally* allocated for the Bagat Landfill (this land is available and, as per the district authorities, is not allowed to be leased to third parties. Such allocation will allow expanding the landfill in the future for constructing the third cell), and
- some 1.5-2.5 ha are to be allocated for two greenfield transfer stations and road facilities (i.e., landfill entrance roads and widening of the existing access roads to the Koshkupyrr and Bagat Landfills).

Table 6. Horezm Region: Characteristics of Allocated Land

Project Component	Land Needs (based on design)	Land Allocated for the Project Components	Previous Land Use Category of Allocated Land	Ownership of Allocated Land (August 2021)
1. Proposed landfills and associated roads				
Koshkupyrr District Landfill	26.8 ha	30 ha ¹³	Reserve lands of Hokimyat	The Company (land user)
Entrance road to the Koshkupyrr District Landfill	ca. 1,900 m ² for the road strip	Not allocated	Reserve lands of Hokimyat	TBC, most likely Koshkupyrr District Hokimyat
Access road to the Koshkupyrr District Landfill	ca. 7,000 m ²	Not allocated	TBC, most likely, reserve	TBC, most likely Koshkupyrr District Hokimyat

¹³ Decision of the Koshkupyrr District Hokim No. 131k of 25.01.2020 "On the allocation of a land plot in the territory of the Yangilik village from the reserve lands of the hokimiyat of Koshkupyrr District for MSW landfill construction".

Project Component	Land Needs (based on design)	Land Allocated for the Project Components	Previous Land Use Category of Allocated Land	Ownership of Allocated Land (August 2021)
			lands of Hokimyat	
Bagat District Landfill	15.5 ha	15 ha ¹⁴	Non-agricultural land	The Company (land user)
Entrance road to the Bagat District Landfill	ca. 1,900 m ² for the road strip	Not allocated	Land of settlements	TBC, most likely Bagat District Hokimyat
Access road to the Bagat District Landfill	ca. 4,400 m ² for the existing road strip	Not allocated	Land of settlements	TBC, most likely Bagat District Hokimyat
2. Transfer stations				
Transfer station in Gurlen District	0.5 to 1.0 ha each depending on the number of containers to be installed, locations and dimensions to be defined	Yes, within the boundaries of the existing landfill sites, but specific locations not determined	Existing landfill site	The Company (land user)
Transfer station in Khiva District				
Transfer station in Khanka District				
Transfer station in Yangibazar District				
Transfer station in Yangiaryk District	0.5 to 1.0 ha each depending on the number of containers to be installed, locations and dimensions to be defined	Not allocated, expected to the adjacent to the existing landfills, greenfield developments	TBC, presumably state reserve or non-agricultural land	TBC, most likely Yangiaryk District Hokimyat
TS in Hazarasp District				TBC, most likely Hazarasp District Hokimyat
3. Civic amenity stations				
Civic amenity station No.1	0.25 ha	0.5 ha ¹⁵	Non-agricultural land	The Company (land user)
Civic amenity station No.2	0.25 ha	0.5 ha ¹⁶		

As per the available information, the land to be allocated is largely not in private ownership or permanent or temporary use (lease) of non-state actors, thus could be transferred from the state to the Companies following the established legal procedures. If privately owned or used (leased) land is identified, alternative land plots or cash compensation for the affected land and other losses will be proposed to the PAPs in line with the requirements of EBRD PR5 (see entitlements in [Table 8](#)).

Easement agreements will be concluded for the Project roads' right-of-way ('roadside strips'), if needed, in line with the requirements of EBRD PR5.

¹⁴ Decision of the Bagat District Hokim No. 6467k of 16.12.2019 "On the Site Allocation to the Bagat District Branch of the Horezm Region Toza Hudud SUE for the construction of MSW Landfill in Besharyk Village".

¹⁵ Decision of the Hazarasp District Hokim No. 176k of 01 February 2020 "On Amending the Khazarasp District Hokim Decision No. 10783k of 23 December 2019 on allocating land to the Khazarasp District Branch of Toza Hudud SUE in the Horezm Region for the "waste collection site" in Sarimai Village".

¹⁶ Decision of the Hazarasp District Hokim No. 10782k of 23.12.2019 "On the allocation of a land plot to the Hazarasp district branch of Toza Hudud SUE in the Horezm region for the "waste collection site" in Tuprokkala village".

4.3.2 Construction

Temporary land needs during the construction period are not determined yet. They should be secured in line with the EBRD requirements **before** construction works commence.

With the start of the construction activities, few local residents and farmers that practice cattle breeding will lose access to the land to be occupied by the Project facilities (i.e., Karauzyak, Kungrad and Nukus District Landfills and civic amenity stations) and occasionally used as grazing areas. The scale of grazing activities at the land designated for the Project is very small. The consultations with the local cattle-breeders suggest that the taken lands are of non-agricultural status with limited vegetation and thus has minimal value for the cattle-breeding. No formal or informal farming takes place as of 2021 on the sites allocated for the Project facilities¹⁷, and the local authorities have confirmed that no further such activities would be allowed. Any accidental damage to the land, crops or other assets due to construction works or machinery will be evaluated and compensated as per the national and EBRD requirements.

4.3.3 Operations

Sanitary Protection Zones (SPZ) are established upon entry of facilities into operations, therefore restrictions in the operation period are essentially related to the establishment of these SPZs. In addition, some livelihood impacts may be related to the closure of the existing MSW landfills operated by the Companies, an associated activity to the Project (see [Section 4.3.3.4](#)).

4.3.3.1 Land Rights

During operations the resettlement impacts will relate to restrictions on **use of land** falling within the SPZs of the Project facilities. There are no legal requirements to allocate or withdraw land for the purpose of SPZs. No impact to land rights is expected.

4.3.3.2 Loss of Non-land Assets and Economic Losses

Economic losses can be anticipated due to the establishment of SPZ regimes around the Project facilities. As per the national land legislation, losses of formal land users and owners, including lost profit, caused by land use restrictions due to the established SPZs, should be fully compensated.

Assumed (normative) SPZs for the Project landfills are 500 m and for the transfer stations and civic amenity stations – 100 m, per the national sanitary standards SanPiN No.0350-17. The *actual* areas of the SPZs are to be calculated in the national EIA or other relevant sanitary documents and subsequently approved by the competent authorities. SPZs can be calculated from the source of polluting, rather than from the fence. As a results of calculations, SPZs may be significantly reduced, e.g., to uneven shapes of 250-400 m for landfills and to 20 m for transfer stations and civic amenity stations, in agreement with the State Sanitary and Epidemiological Supervision authorities. The size of the actual SPZ can be established from the sources of emissions of pollutants into the atmosphere. The actual SPZs for the Project facilities have not been established at the time of this writing (it is the EIS for only the Bagat Landfill that was submitted to the State Environmental Review in late September 2021).

According to SanPiN No.0350-17, a SPZ should not contain **food industry** enterprises, water supply facilities, food raw materials and food products warehouses, residential houses, educational, sports and health facilities, **collective or individual summer cottages and**

¹⁷ An unauthorized (informal) vegetable garden noted in 2019 as partly falling within the allocated Bagat Landfill site was not identified again during the 2021 fieldwork ([Annex 3](#)). According to consultations with local self-governing bodies, this activity has stopped and will not be allowed to resume.

garden plots, orchards and parks. In contrast to these sanitary standards, the Urban Planning Code does not allow **production of agricultural products within a SPZ**¹⁸.

According to consultations with the Project-relevant local self-governing authorities, district hokimiyats and district land resources committees in the Horezm Region and Karakalpakstan, the commonly applied rules are those of the SanPiN No.0350-17. Thus, they would not allow to grow food crop, **but would permit to grow technical plants** (e.g., cotton, flax or energy crops as input material for industrial production) **within the SPZs, as well as to use these lands as pastures**. In addition, in practice they allow growing fodder crops (alfalfa, shamrock, maize, etc.) within SPZs. The possibility of cultivating technical crops within the SPZs of specific MSW facilities and any pertaining conditions should be confirmed in the national EIA materials or other relevant sanitary documents and approved by the competent authority.

Consultations with local farmers and subsidiary land plots owners confirm that they are concerned with the possibility of terminating their leases and life-long inheritable possession rights or imposing land use restrictions, especially a prohibition of food crop cultivation.

The contradiction between the Urban Planning Code and SanPiN No.0350-17 was also discussed with a reputable national legal expert. As a result, it was clarified that there was no legal mechanism of enforcing the Code's provision to restrict any agricultural production in any SPZs. In practice, a case-by-case approach is used to justify and establish SPZs for specific facilities, if this is carried out at all.

Potential impacts stemming from land use restrictions (SPZs) are summarised in **Table 7**. These impacts can be interpreted for the worst-case scenario (i.e., cultivation of any agricultural products is prohibited) and best-case scenario (i.e., cultivation of technical and fodder crops is allowed, whereas food planting is prohibited). **The scale of land use restriction impact will differ drastically between these two scenarios**. In the worst-case scenario, compensation of higher economic losses and comprehensive livelihood restoration programme will be required (especially, at the Bagat Landfill).

Overall, key impacts arising from land use restrictions include:

- Loss of crops and income due to prohibition to continue agricultural activities for:
 - owners of private subsidiary land plots¹⁹,
 - dekhkan farmers²⁰,
 - independent farmers²¹ (also practising fish breeding);
 - agro-industrial clusters²² (mainly fulfilling the governmental crop orders).

¹⁸ Urban Planning Code of the RoU, 22.02.2021, Article 66, <https://lex.uz/docs/5307955>.

¹⁹ **A private subsidiary plot** is a legally allocated land parcel for life-long inheritable possession of one of the household members for the production of agricultural products for both free sale and household needs, as well as for individual housing construction and maintenance of a residential building. The legal size of these plots can be up to 0.5 ha. The plots can be adjacent to the houses (tamorka) and also located further in the field (dala tamorka).

²⁰ **A dekhkan farm** is a farm that grows and sells agricultural products using the personal labor of members of a dekhkan farm on a land plot provided to the head of a dekhkan farm on the basis of a lifetime inherited ownership or lease (sublease) for up to 30 years. Dekhkan farm activities are classified as entrepreneurial and can be carried out with or without the formation of a legal entity. The legal size of these plots can be from 0.06 to 1 ha. Workers may be employed by dekhkan farms via employment contracts on a temporary (seasonal) basis to perform certain work. (Law on Dekhkan Economy, 1.04.2021. No. ZRU-680, <https://lex.uz/docs/5351640>).

²¹ **A farm** is a business entity engaged in the production of agricultural products and other activities not prohibited by law, using leased land plots for 30 to 50 years. The legal size of these plots can be up to 30 ha. Farmers cannot sell, transfer as a gift, sublease, or exchange this land (Law on Farm Economy, 30.04.1998, No. 602-I, <https://lex.uz/docs/5826>).

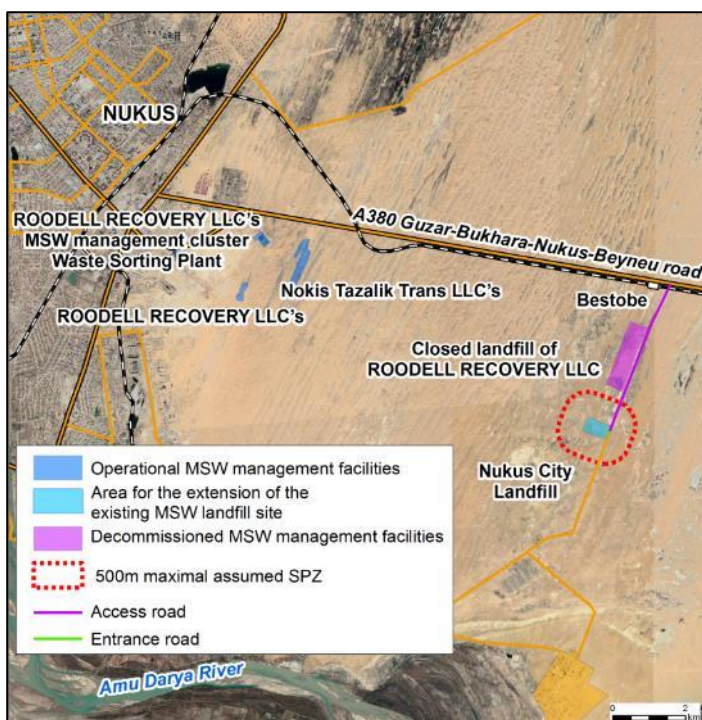
²² **Agri-industrial clusters** are unions established to perform agricultural activities, including processing, as per the national programmes and in line with the Agricultural Development Strategy of the RoU for 2020-2030

- Income loss due to unfeasibility to continue current activities for workers of the above-mentioned farms and agro-industrial clusters (loss of employment of non-household members), both officially and officially employed, also seasonal workers.
- Loss of access of cattle-breeders/shepherds to the grazing land designated for the Project facilities (few cattle versus available pastures in the vicinities results in limited impact, apart from the assumed SPZs of the Bagat and possibly Koshkupyrd Landfills where alternative pastures are scarce and/or located farther).

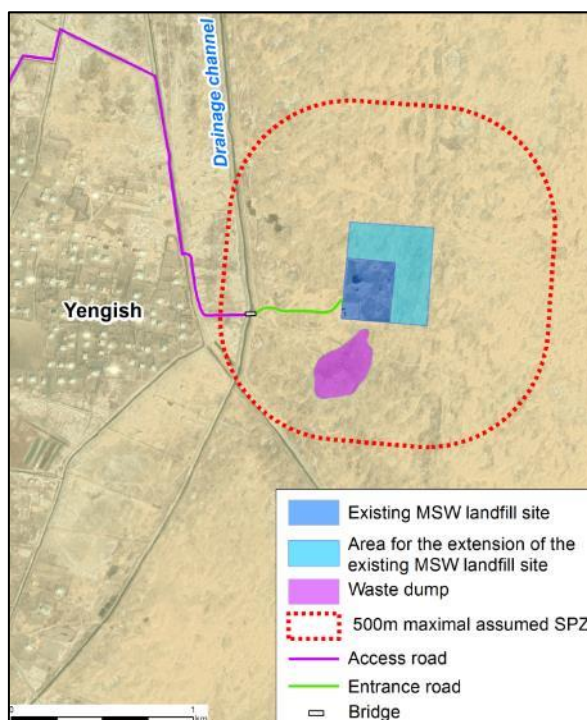
4.3.3.3 Summary of Potential Impacts from Land Use Restrictions (SPZs)

The description and scale of the potential impact arising due to the establishment of the SPZs are summarised in **Table 7**. The relevant compensation measures and livelihood restoration support are proposed in the ‘Entitlement Matrix’ (**Section 5.3**).

The maps of all Project landfills with their maximal assumed SPZs are presented in

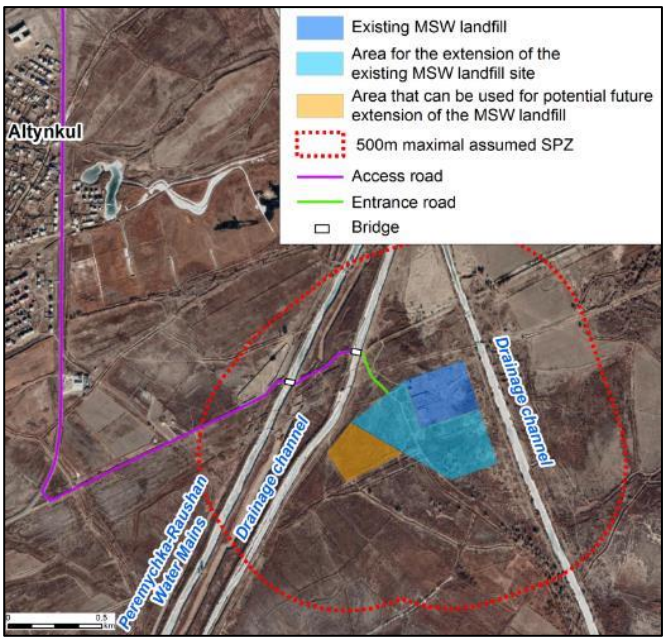


Nukus City Landfill

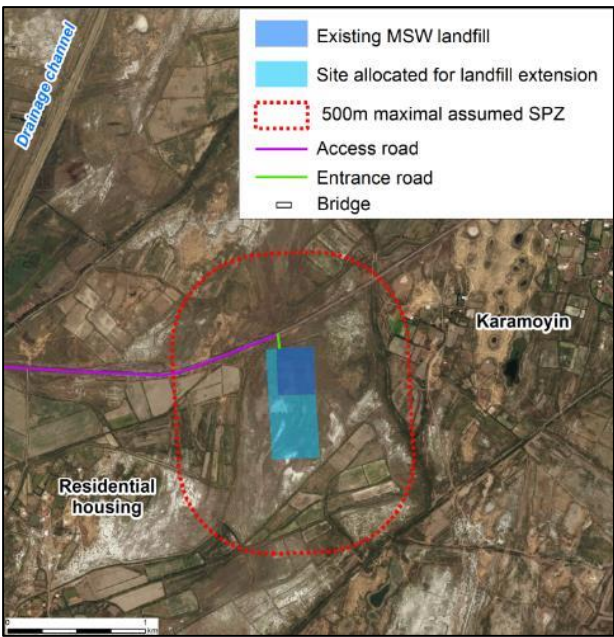


Turtkul District Landfill

(<https://lex.uz/ru/docs/4567337>). The legal status of agro-industrial cluster is not clearly defined in the legislation. The legal size of land plots is defined for clusters of various specialisations and can be from 10 ha up to 2,000 ha.

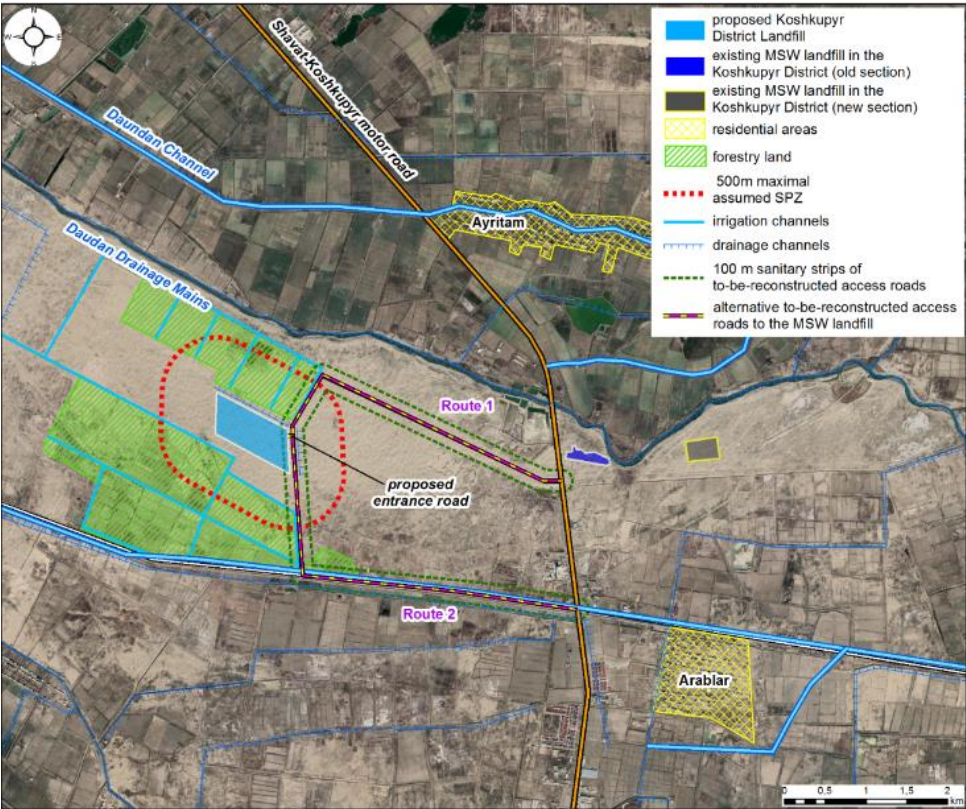


Kungrad District Landfill

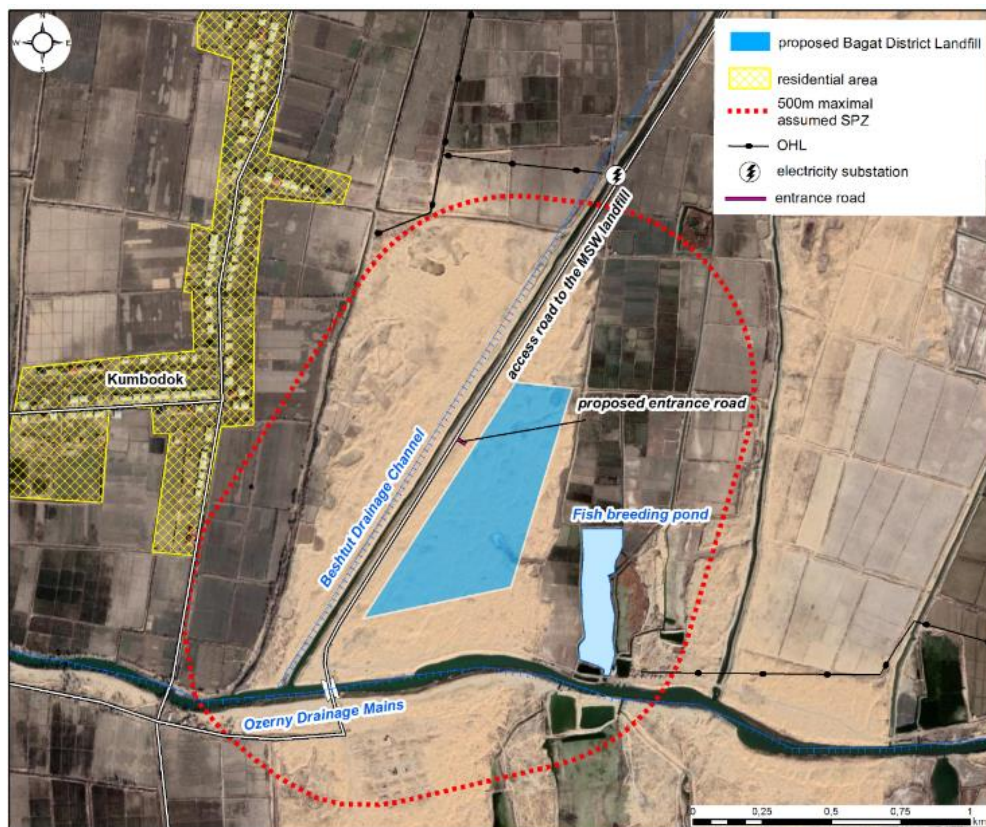


Karauzyak District Landfill

Figure 3 and



Koshkupy District Landfill



Bagat District Landfill

Figure 4. The photographs of the selected sites are given in [Annex 3](#).

The interviews and consultations confirmed that land owners, possessors or leasers do not sub-lease their land within the assumed SPZ to other persons.

NB: The areas of the maximum assumed SPZs are estimated based on the 15-year capacity of the landfills and the land-take as indicated in [Section 2](#).

Table 7. Summary of Livelihoods and Potential Impacts from Land Use Restrictions within Assumed SPZs

Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
Horezm Region					
Koshkupy District Landfill	500	ca.193	<p>The assumed SPZ area includes reserve land, land leased and used by a silicate brick production plant, and forestry land.</p> <p>47 cadastre plots are fully or partially within the assumed SPZ, of which ca. 40 plots are forestry lands. Around 30 land plots (out of 40) were transferred in 2019 from reserve land to forestry land for raising medicinal herbs (licorice, <i>Glycyrrhiza</i> sp.); of which several are currently put on auction for leasing and 1 plot was already rented and planted with industrial trees (<i>Paulownia</i> sp).</p> <p>There are no farms within the assumed SPZ (as per consultations, this land was withdrawn from agricultural use due to lack of irrigation water and poor land amelioration state).</p> <p>According to the mahalla head, there is one cattle-breeder with 15-20 cows that daily uses the nearby land as pasture and no alternative site is available for this amount of cattle. When visiting the site, this cattle-breeder was not found there. Instead, two shepherds with cattle were met in the assumed SPZ area, to the east of the proposed landfill site. They use this area as a stop-point on the way to pastures. According to them, 'there is little grass here, mostly camel thorns', so no much value as a grazing land.</p>	There are no lakes/ponds within the assumed SPZ.	1
Bagat District Landfill	500	ca.170	<p>13 cadastre plots are fully or partially with the assumed SPZ. Around 63 ha within this SPZ are arable lands used for cultivation of rice, wheat, and corn; the other land are sandy massifs not used in agriculture, and water bodies.</p> <p>119 land plots east of the landfill site are used by Kumbodok residents for subsidiary agriculture ('dala tomorka'). Each plot is 0.12 ha. The land plots were provided to the makhalla residents in 1996 for a 49-year long lease, however without written agreements. 'Dala tomorka' users pay land taxes. The key crop is rice (neither fruit trees, nor wheat have survived due to high levels of ground water and soil salinity). There are two drainage collectors in this area; drainage water is used for irrigation due to shortage of water. Rice is consumed and sold, and rice straw is used as cattle feed. Annual income from rice per plot is about 2mln UZS (165 EUR). This low income is considered important</p>	Four ponds within the landfill's SPZ; the largest 3.8ha pond is ca. 140 m east of the landfill site (this is the closest pond, the rest are in 300-400m); all ponds in the landfill vicinity are rented from the hokimyat by one farmer for 49 years and used for fish farming. The fish farm has operated for around nine years, and its arrangement required significant investments. Fish (carp, silver carp, cupid, etc.) is mainly sold in the market. The farmer also grows rice and corn (as a fodder crop) on his land that is adjacent to the ponds. In addition to fish farming and plant growing, the farmer is engaged in	121

Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
			<p>by many households, especially ca. 10 vulnerable ones, given high unemployment in the area. For few families it is the only income source.</p> <p>The remaining arable land is leased to an agro-industrial cluster and a farm. The land of the farm is currently not used for agriculture. The agro-industrial cluster employs 40 people and cultivates wheat and forage crops on a rotation basis. In some years, when the cluster plans to have two harvests on its land, one harvest is used by the cluster. For the second harvest, the land is provided for free use to the cluster's employees and young people from local low-income families who usually grow wheat there. The cluster enterprise believes that the ban on agricultural activities may not significantly affect its operations; however, its state plan for growing crops must be reduced accordingly. The cluster plans to build a livestock complex for 1,000 heads of cattle and this plan might also be affected.</p> <p>Several Kumbodok cattle-breeders graze their livestock on unoccupied land of the cluster, free of charge (some are staff of the cluster). Around 30-50% of their annual income are from cattle-breeding, the rest is formed by salaries and pensions of family members. There are no alternative pastures nearby and if the cluster's land is not allowed to be used for grazing, the residents will have to explore areas farther from the mahalla.</p>	cattle breeding and has 50 heads of cattle and 80 small ruminants. The livestock is grazed on various pastures including the territory of the assumed SPZ. The farm has 5 permanent workers and 10-12 seasonal ones (mainly women, seasonal workers are paid daily and have no labour contracts ²³). The farm is the key income generation source for the farmer's 6-member family and his employees.	
4 transfer stations (blownfield) in Gurlen, Khiva, Khanka, and Yangibazar Districts	100	ca. 5.7 ha for a 0.5 ha transfer station; ca. 7 ha for a 1ha transfer station, remaining within the SPZs of the existing landfills	There are agricultural lands around all the existing landfills in these districts, including some operating farms/cultivated plots. Farmers do not typically take decisions about what kind of crops to grow on their land; rather the respective district departments of agriculture define sowing plans and set targets. Depending on the quality of soil, farmers grow cotton, wheat, rice, melon, watermelon, and pumpkin, and some breed cattle. Farms employ some 10-12 contracted workers (of whom ca. 40-50% are women) and 30-50 seasonal workers (ca. 80-90%	There is a 2.6ha fish breeding pond 10m north of the existing Yangibazar District Landfill. The fish operates under a long-term lease agreement with hokimyat and breeds carp, belamur, and catfish. Apart from four family members, it employs two permanent workers and 10 seasonal female workers. This fish pond will fall outside the assumed SPZ of the Yangibazar transfer station if the latter is	0-2

²³ Such practice is used by all interviewed farmers and most clusters (unless specified differently).

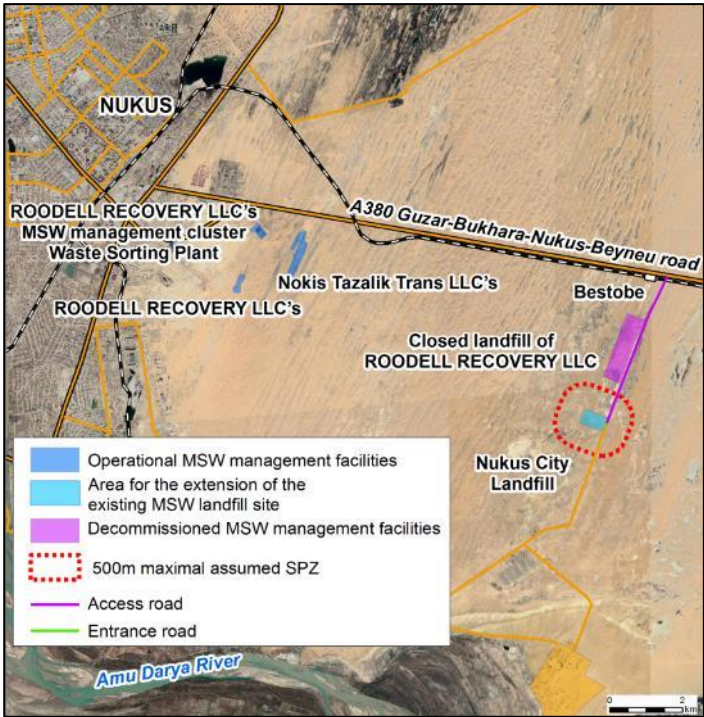
Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
			women). Instead of wages, some farmers annually allocate 2 ha of land to the workers and give agricultural products to them. Few of the operating farms/cultivated plots may remain within the future SPZs of the transfer stations depending on its siting.	sited as advised in the LRF and Environmental and Social Action Plan,	
2 transfer stations (greenfield) in Yangiaryk and Hazarasp Districts	100	ca. 5.7 ha for a 0.5 ha transfer station; ca. 7 ha for a 1ha transfer station, they will mostly remain within the SPZs of the existing landfills	There are agricultural lands around the Yangiaryk District TS, including two operating farms with cultivated plots falling within the assumed SPZ of this transfer station. According to one of the farmers, land plots adjacent to the existing landfill (ca.100m) have not been cultivated for 15 years due to the lack of irrigation water. The farmer considers them unproductive, and plants cotton on another part of the farm land. The second farmer reports that ‘the land is sandy, so there is no way to grow crops’, therefore he switched to fish- farming (see to the right). No agricultural lands are in the vicinity of the Hazarasp District transfer station.	There are no lakes/ponds within the assumed SPZ of the Hazarasp District transfer station. There is a fish breeding pond 250 m to the south of the existing Yangiaryk District Landfill. This fish farm is made of three ponds and employs 5 permanent workers (3 women) and 5-10 seasonal workers (mainly women). The fish farm is currently under expansion (water is pumped out). This fish farm (the closest pond) will fall outside the assumed SPZ of the Yangiaryk transfer station if the latter is sited as advised in the LRF and Environmental and Social Action Plan (ESAP),	2
2 Civic amenity stations (greenfield)	100	ca. 4.75 ha for a 0.25 ha civic amenity station	Assumed SPZs of the civic amenity stations are informally used by local residents for sheep and/or goat grazing. As per consultations, there are sufficient alternative pasture lands in the vicinities.	There are no lakes/ponds within the assumed SPZs.	0
Total (if 1ha per a transfer station)		414.5 ha			
Total (if 0.5ha per a transfer station)		406.7 ha			
Total for the Horezm Region		ca.407-415 ha		PAPs: 123-126 and TBC for the transfer stations	
Karakalpakstan					
Turtkul District Landfill	500	152 ha	There are no cadastre plots within the assumed SPZ.	There are no lakes/ponds within the assumed SPZ	0

Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
			<p>No arable land is present within the assumed SPZ, rather it comprises forestry land, presumably reserve land owned by the district hokimyat, and the existing 4.2ha dumpsite operated by Toza Hudud.</p> <p>Few local residents (from Pahtachi VCA) use the assumed SPZ area for grazing goats during the year, but mostly on the way to areas with richer vegetation, as the sites around the to-be-extended landfill are sandy. As per consultations, there are sufficient alternative pasture lands in the vicinities.</p>		
Karauzyak District Landfill	500	156 ha	<p>25 cadastre land plots are fully or partially within the assumed SPZ. Ca. 69 ha within the assumed SPZ are arable lands leased by two farmers and one agro-industrial cluster. One farm cultivates cotton and wheat as per a prescribed state plan and sells crops to the state. It has 4 permanent staff (2 women) and hires 30-40 workers seasonally (mostly women). Another farm produces wheat, corn, melons and fodder crops and consumes all crops within the household. It has 3 permanent workers (2 women) and hires 10-15 female workers seasonally. The cluster grows cotton, rice, wheat sesame, sunflower, mung bean, melons, etc. Crops are mostly exported to Europe and Central Asia, and 5-10% are consumed by the household and distributed to workers. The cluster employs 30 permanent (50% women) and 25-30 seasonal workers (30% women) (seasonal workers have labour contracts).</p> <p>4.85 ha are subsidiary land plots of residents of Karamoiyn village (Berdakh VCA) (not part of the 25 cadastre land plots). One interviewed subsidiary land-owner states having 4 cows and many fruit trees and growing vegetables and corn (less than half of the crops is consumed within the family and the rest is sold).</p> <p>The remaining lands are pasture lands and possibly reserve lands owned by the district hokimyat.</p> <p>Pasture lands within the assumed SPZ to the north and northeast of the landfill site are used by several Karamoyin and Kustamgaly villagers to graze cows. Each household has 2-4 cows and cow-owners graze them in turn starting at the assumed SPZ and moving north-west, to the forest land. Some cattle-breeders have also subsidiary land plots where they grow vegetables, etc. As per consultations, there are <i>almost</i> sufficient alternative pastures in the</p>	There are no lakes/ponds within the assumed SPZ	5 - 8

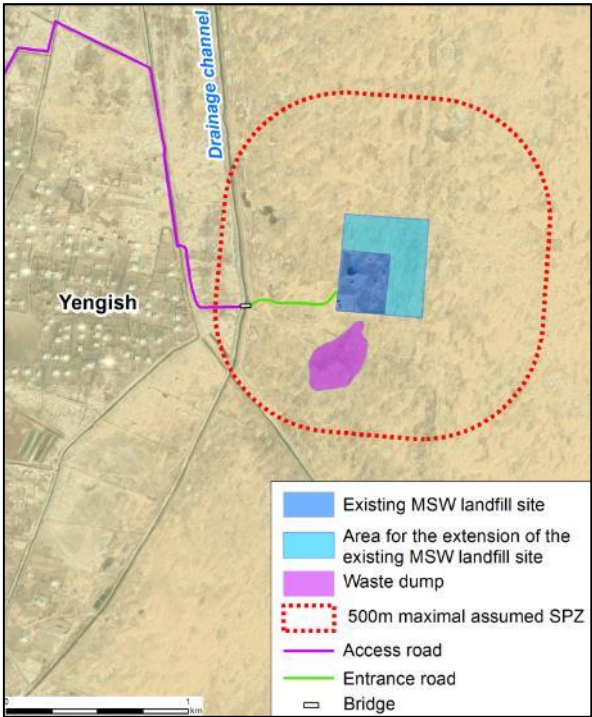
Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
			area, and allowing access of these residents to the nearby forestry land for grazing would fully compensate for the land taken for the landfill and SPZ (if they are not allowed to graze within the SPZ).		
Kungrad District Landfill	500	155 ha	<p>6 cadastre land plots are fully or partially within the assumed SPZ. Ca. 18.3 ha within this SPZ are arable lands leased by two farmers. One is the camel farm (this agricultural stream was selected due to lack of irrigation water). The camel farm has 5 permanent workers. Another farm specialises in sheep-breeding and grows melons and corn (to feed cattle), however the crops are poor due to the lack of water. The land of this farm that are closer to the landfill are reportedly more fertile. Both farms consume and sell milk and meat.</p> <p>The remaining lands are pasture lands and possibly reserve lands owned by the district hokimyat.</p> <p>There is an animal feed plant within the SPZ under construction (ca. 370m north-west from the boundary of the landfill site).</p>	There are no lakes/ponds within the assumed SPZ	3
Nukus City Landfill	500	156 ha	<p>There are no cadastre plots within the assumed SPZ. No arable land is within the assumed SPZ, rather it comprises forestry land and presumably, an unauthorised dumpsite.</p> <p>Local residents living in Bestobe MCA, ca. 4km south from the proposed Nukus Landfill site use the area surrounding this site for cow grazing in spring (May) only. As per consultations, there are sufficient alternative pasture lands in the vicinities.</p> <p>During interviews the local residents complained about the lack of fencing around the local dumpsite and littering in the dumpsite vicinity; cows reportedly swallowed windblown plastic bags and as a result were sick (sometimes died)²⁴.</p>	There are no lakes/ponds within the assumed SPZ.	0
8 transfer stations in Amudarya,	100	ca. 5.7 ha for a 0.5ha transfer station and ca.	There are agricultural lands around the existing Chimbay, Kanlykul, Khodjeyli and Amudarya, and Beruni Landfills, including some operating farms/cultivated plots. Few of them may remain within the	1) There are no ponds within the assumed SPZ of the Khodjeyli District landfill . A water body within the existing Khodjeyli	Uncertain until the transfer

²⁴ Due to the negative past experience with the dumpsite, possibly belonging to Roodell Recovery LLC., the local population is against any waste disposal projects on their land. Extensive stakeholder engagement will be required in this area to explain the benefits of a properly organised sanitary landfill designed and built to the European Union standards.

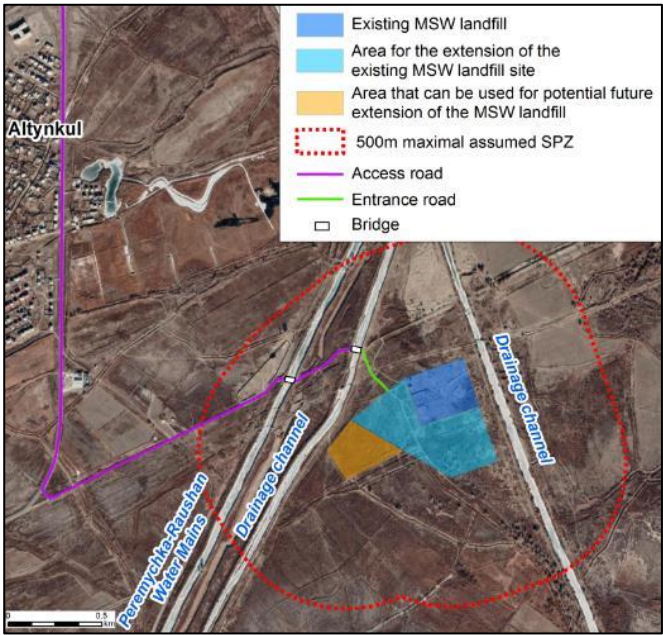
Project facility	Assumed SPZ size, m	Estimated area of an assumed SPZ, ha	Preliminary information about owners, leaseholders, or users of arable, fallow or grazing land within assumed SPZs	Ponds or lakes that are used or can be potentially used for fishery (fish farms) within assumed SPZs	Estimated number of PAPs
Khodjeyli, Muynak, Kanlykul, Beruni, Ellikkala, Chimbay, Takhtakup yr Districts		7 ha for a 1ha transfer station, remaining within the current SPZs of the existing landfills or within the existing landfill sites	future SPZs of the transfer stations depending on how the transfer stations will be sited.	<p>landfill site detected on historical satellite images is currently filled with waste. A lake in ca. 100 m to the east of the landfill site is used as a reservoir for drainage waters and not used for fish breeding; it will remain outside the assumed SPZ of the future transfer station.</p> <p>2) There is a lake used for fish breeding with seasonally changing surface to the west of the existing Amudarya District Landfill; in dry season its boundary is 250-300 m from the landfill and in winter may be in ca. 130 m. It is connected to a temporary reservoir within the assumed SPZ. A pond to the north of the landfill site is currently not operational (was not used as a reservoir during the site visit in September 2021). If the transfer station is properly sited, the lake will remain outside its assumed SPZ.</p>	stations are sited (NB: will be minimised if the transfer stations are sited as advised in the LRF and ESAP)
Total (1 ha transfer stations)		675			
Total (0.5 ha transfer stations)		665			
Total for Karakalpakstan		ca.665-675		PAPs: 9 and TBC for the transfer stations	
GRAND TOTAL		ca. 1,071 to 1,090 to ha		PAPs: 135 and TBC for the transfer stations in Karakalpakstan	



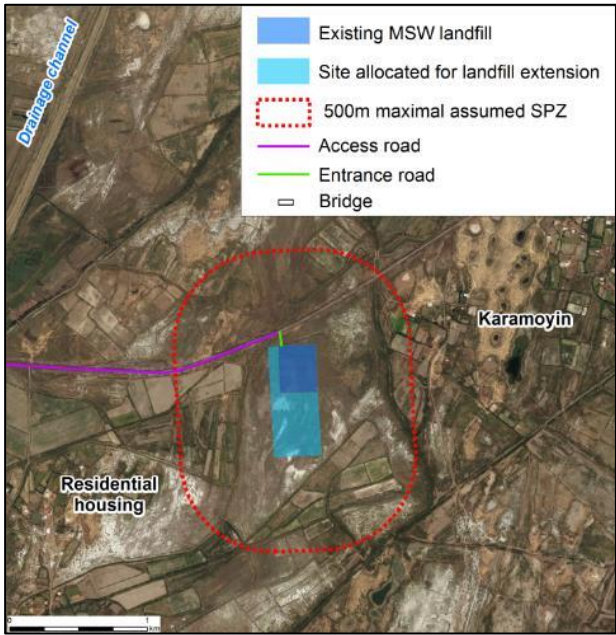
Nukus City Landfill



Turtkul District Landfill

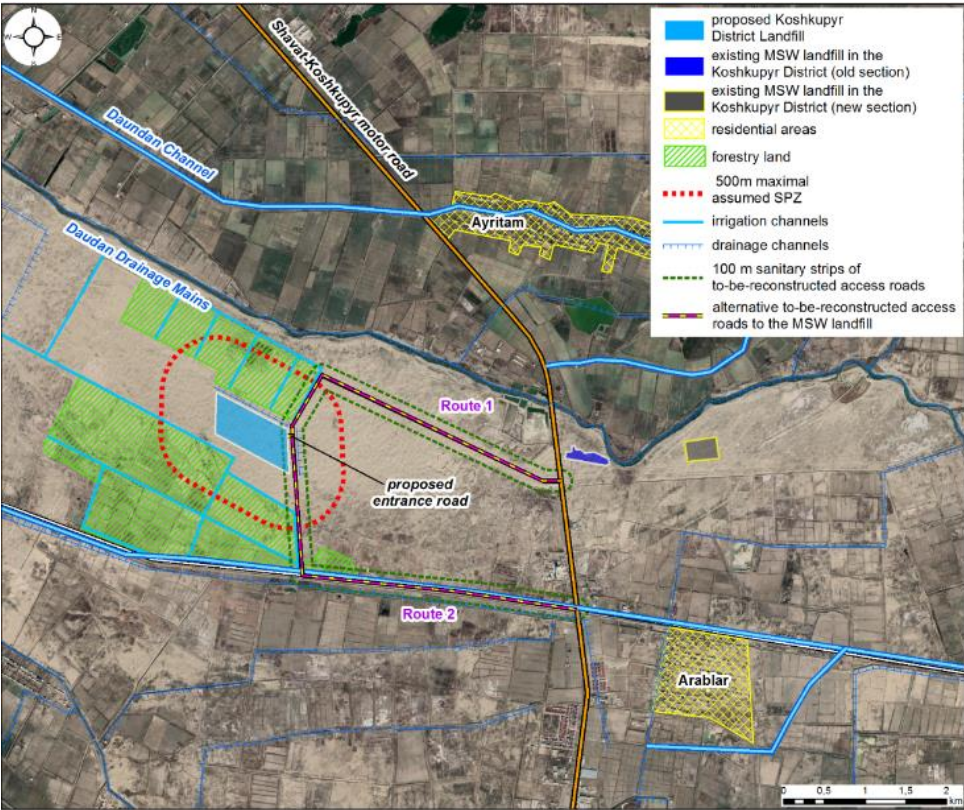


Kungrad District Landfill

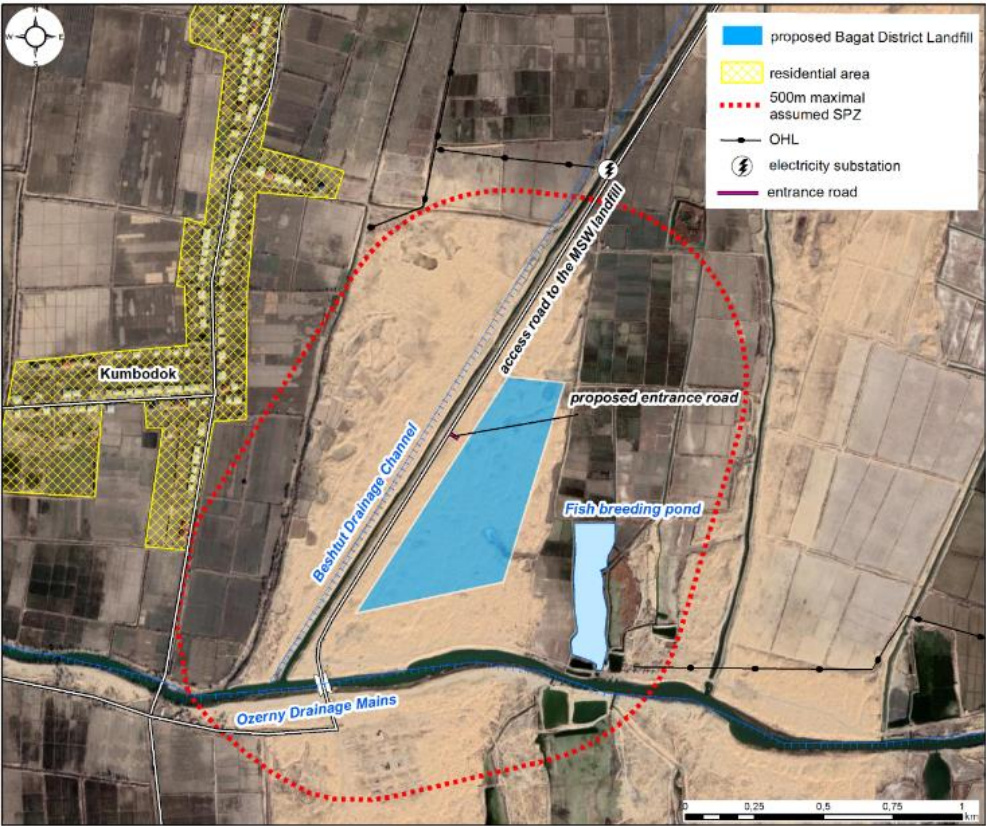


Karauzyak District Landfill

Figure 3. Tentative Land Use Restriction Impacts around the Proposed Landfills in Karakalpakstan



Koshkupyrdistrict Landfill



Bagatdistrict Landfill

Figure 4. Tentative Land Use Restriction Impacts around the Proposed Landfills in the Horezm Region

4.3.3.4 Summary of Potential Livelihood Impacts Related to Associated Facilities / Activities

The existing MSW landfills operated by the Companies will be closed after the Project facilities are commissioned (**Section 2.5**). Thus, closure of the existing landfills is one of the associated activities for the Project. The existing landfills are at the heart of waste picking currently practiced by²⁵:

- the Companies' staff who informally sort and pick waste on the way to or at the existing landfills in both regions; and
- informal waste pickers identified at two existing landfills in Karakalpakstan.

These two groups may lose income due to unfeasibility to continue current activities. The below sections present the results of the fieldwork completed to explore the livelihoods of both groups, as well as the scale of and reasons behind the current waste picking activities. Each section ends in estimation of the extent of potential impacts on the respective group.

Companies' Landfill Staff Engaged in Waste Picking

In-depth interviews with 11 personnel working at five operational landfills in both regions were conducted to gain understanding of their livelihoods, and the scale of and drivers behind the current waste picking activities. The results are summarised as follows:

- The respondents reside at various distances from the landfills where they work, from immediate neighbourhood to 18km. Most use own bicycles or public transport and one uses an own car. Waste truck drivers arrive to the Companies' branch offices and then travel by waste trucks.
- 64% of the respondents (7 out of 11) practice waste sorting and picking in both regions; this activity is used to compensate for low salaries and delayed/no overtime payments. The rest believe their salaries are sufficient²⁶ and/or have other incomes in households such as another salary, pension, childcare allowance, remittance from abroad, occasional jobs.
- Waste picking is practiced regularly, all over the year. Limited activities are reported in summer at only two landfills – one in each region.
- Plastic package, plastic bags, glass, and waste paper are most often picked out, while scrap metal is rarely found.
- The respondents state that their management is aware of informal waste picking undertaken by them; however, do not prohibit this due to 'humane qualities' and 'understanding that salaries are small'. Furthermore, there is an informal agreement between workers and management that maintenance of waste trucks, including washing and small repairs, is covered from revenue received for valuable waste sold.
- The respondents provide different estimates of how many of their colleagues are engaged in waste picking: from 'almost all landfill workers' to 'very few'. All confirm that no women staff is engaged in this activity.

²⁵ In addition, personnel cabins at some waste collection stations located in urban areas of the Horezm Region are occupied by homeless people who clean the site and prevent damage to the Company's property in exchange for the provided housing (with no formal labour contracts). These "caretakers" sort waste at the stations and sell the recyclables to private companies. The "caretakers" will not be directly affected by the Project; however, they should be legalised in order for Toza Hudud in the Horezm Region to comply with the EBRD's social requirements. According to the Company, the legalisation is ongoing and many of the caretakers have already been employed officially – either by the Company or by the mahallas. Thus, this group is not considered in this LRF.

²⁶ For instance, salaries of waste truck drivers are 2-2.5 times higher than those of landfill guards.

- Families of the respondents comprise four and more members, all include children. Not a single family member is involved in collecting recyclables at the landfills.
- The respondents engaged in picking recyclable waste sell it to the buyers that arrive to the landfills with scales and pay on spot, often at wholesale price. One respondent transports the picked valuable waste to collection points in the area, and another ask truck drivers to pass on the sorted waste to the collection points.
- The respondents engaged in waste picking monthly earn from 50% to 100% of their monthly salaries. Only one respondent mentioned 12-15%. The amount of additional income varies with the season (some mention lower income in winter, some - in summer). In some areas valuable waste is extracted by third parties before reaching waste truck drivers or landfill workers.
- Income generated from waste picking is seen as very important by five respondents who are the only bread-winners in the families and important by others. Several respondents mention that owing to this additional income they do not have to spend family funds for maintenance of waste trucks.
- Households of three respondents are engaged in subsidiary farming; only one produces enough agricultural products to both satisfy family needs and sell the excess.
- Only few respondents were aware (informed by the management) of the new regulation prohibiting illegal waste picking. However low incomes force to continue risky practice. If the new regulations are enforced and no ways to legalise their activity is found, four respondents will have to quit and search for an alternative better-paid job; two respondents prefer to have a better-paid job but doubt that such is available in the area and thus will not quit. Those engaged in waste picking believe that the salaries should be increased to such 'decent' in their opinions levels as 2mln UZS (170 EUR).
- 7 respondents have secondary specialized education (collage) and 4 graduated from secondary school. 4 respondents of younger age and with various educational background are open to gaining new qualifications.

Additional information was sought from interviews with management staff of the Companies:

- The personnel of the Companies are informed about the new regulation prohibiting illegal waste picking. It was reported that truck maintenance was partially financed by income from waste picking. As a result, the enforcement of the regulation is difficult as the Companies have minimal funds for maintenance of trucks.
- Many truck workers (drivers – to the less extent) are engaged in waste picking, so minimal valuable waste reaches the landfills where either local workers or third parties (Karakalpakstan) pick the remaining recyclables. Waste sorting and picking occurs all over the year, but may be less intense in summer.
- According to the estimates, monthly income from waste selling may reach from 20% to 600% of monthly salaries of the staff engaged in this activity.
- Workers can possibly cease picking waste if their salaries are increased and there are sufficient funds for truck and equipment require and maintenance.

To sum up, closure of the existing landfill is a potential factor that may affect the livelihood of the two mentioned waste picker groups. A pressing major factor is the 2020 legal ban to pick recyclables from waste with no proper rights. That is, according to the new regulation - Presidential Decree No. PP-4845 - starting with 01.01.2021, without a consent of organizations in charge of MSW management, it is prohibited to extract and appropriate secondary raw materials from household waste when providing its collection, sorting,

transportation and removal services²⁷. Thus, waste sorting and picking at the existing MSW facilities is considered illegal unless permitted by MSW management organisations. Legal and practical mechanisms of granting such ‘consents’ are yet to be established.

Potential livelihood impacts of the enforcement of the above-mentioned regulation may be similar to these of the landfill closure. It is understood that waste picking among the Companies’ staff is driven by impossibility to sustain a decent living level and/or repair waste vehicles without additional income. This is more so for the personnel who are the only bread-winners of their often-multi-member families. The share of staff engaged in waste picking activities is rather high in both regions and their monthly additional income reach some 50%-100% of monthly salaries (see above). Impossibility to continue with the current waste picking activities due to the Project may result in significant deterioration of livelihoods among respective staff of the Companies only if the legislation is not enforced before the existing landfills are closed. To address this impact, specific livelihood restoration support is proposed in the ‘Entitlement Matrix’ (Section 5.3).

Informal Waste Pickers (Third Parties)

In Karakalpakstan, ‘independent’ waste pickers were observed and/or reported to be selecting recyclables from waste at the Zhana-zhap, Naymankul, and Shurakhon landfills in 2019-2020. At the old Shurakhon dumpsite, south of the existing Turtkul District Landfill, an organized group (presumably, Roma people²⁸) was observed from afar sorting waste and collecting recyclable materials (the group moved away before the fieldwork team approached the site). During the 2021 fieldwork, one waste picker was noted and interviewed at the operating Khodjeyli landfill (man) and another one (woman) was reported to be regularly visiting the Turtkul landfill (she was absent at the day of the site visit; her mobile number was unknown to the landfill workers).

Neither in 2019-2020, nor in 2021 were waste pickers observed at the landfills in the Horezm Region. According to interviews, landfills workers do not allow them to enter the landfills. Rarely, small groups of people leading a nomadic lifestyle make unsuccessful attempts to penetrate the landfills.

The total number of waste pickers at all existing landfills to be closed is estimated as rather small, in the range of 10-20 people. Overall, the impact is not expected to be significant if the mitigation and support measures are implemented as suggested in the ‘Entitlement Matrix’ (Section 5.3).

5 COMPENSATION AND LIVELIHOOD RESTORATION STRATEGY

5.1 Key Principles

This LRF is, and the future LRP(s), will be governed by EBRD requirements and Uzbekistan regulations, as stated in Section 3, and in line with the following principles:

- Displacement will be avoided, minimised, mitigated, and compensated.
- All impacts shall be addressed, including within the direct footprint of the Project facilities, in SPZs around these facilities, and in regards of associated facilities such as access roads and transmission lines.
- Where land acquisition is unavoidable, transfer of unused State land is preferred.

²⁷ Presidential Decree No. PP-4845 09/29/2020 "On measures to further improve the management system of activities in the field of handling household and construction waste", (<https://lex.uz/ru/docs/5023690>).

²⁸ More commonly referred to in Central Asia as Lyuli or Tsygan.

- Compensation of assets and losses of PAPs and businesses shall comply with the applicable national regulations and EBRD requirements. In case of differences between national legislation and EBRD requirements, the most favourable to PAPs will be adopted. Any compensation shall be at replacement cost as defined in PR5.
- PAPs will be provided with full and accurate information about the Project and meaningful opportunities for participation in design, implementation and monitoring of the land acquisition process, with particular attention to the needs of vulnerable households and women.
- Affected assets and losses will be assessed at replacement cost by independent, qualified and certified valuation experts.
- People whose livelihoods are adversely affected will be assisted in re-establishing affected activities, livelihoods, standard of living, and income.
- A grievance mechanism will be put in place in line with the Project Stakeholder Engagement Plan and PR5/PR10.
- All PAPs will be informed of the compensation and livelihood restoration process, consulted thereupon, and informed on the grievance mechanism.
- Vulnerable groups will be identified, and specifically assisted. This includes groups designated under Uzbekistan legislation and others as per EBRD's PR5.

5.2 Eligibility and Cut-off Date

There will be one specific cut-off date **for each facility** of the Project. In line with PR5, the cut-off dates at different Project facilities will be as follows:

- Where land has already been allocated by the respective hokims decisions, the cut-off date is the date of the land allocation decision (already passed, land already allocated);
- For land to be allocated or expropriated in the future, the cut-off date is the date of the respective land allocation decisions by the Karakalpakstan Council of Ministers or hokims of regions (or, if any land is to be expropriated, the dates of expropriation decisions by the Kengashes of People's Deputies of regions and the Karakalpakstan or the RoU Cabinet of Ministers);
- For land that will be affected by the Project without being subject to an allocation or expropriation decision, the cut-off date is the date of completion of asset inventories and census of PAPs for each facility or SPZ;
- For existing landfills to be closed following the commissioning of the Project facilities and where there are potential livelihood impacts, the cut-off date is the date of the census of PAPs.

Those residents/users that occupied or used the Project area at or before the cut-off date are eligible to be categorized as PAPs. The eligibility for compensation and livelihood restoration support will be refined based on the census and asset inventories. People that may be denied eligibility (such as absentees) will be able to lodge a claim after the asset inventories through the Project grievance mechanism (see [Section 7](#)).

5.3 Entitlement Matrix

An Entitlement Matrix in [Table 8](#) sets out the principles of compensation and livelihood restoration for the different groups of PAPs depending on the assets, properties and livelihoods they may lose due to the Project. In accordance with the EBRD requirements, it outlines the entitlement policies for each type of the potential impacts.

This Entitlement Matrix will be verified and adjusted during the LRP process based on the detailed design and taking into account the actually established SPZs and their agricultural and forestry production regimes.

Since the Entitlement Matrix is developed under uncertainty, it covers not only the types of impacts that were identified so far, but also those that might appear in relation to the Project in the future.

Table 8. Preliminary Entitlement Matrix

Legend:		
Likely impacts identified as of now		Impacts that might arise in the future (very low / low probability)
Type of Loss/Impact	Category of PAPs	Entitlement for compensation and livelihood restoration
A. Impacts due to land allocation for Project facilities		
Permanent loss of state reserve and/or non-agricultural land	District authorities / state body owning state land	No compensation as the state land ownership rights are expected to be transferred to the Companies free of charge (for the project of state and public interest).
Permanent loss of state forestry land	Forestry authorities	No compensation as the state land ownership rights are expected to be transferred to the Companies free of charge (for the project of state and public interest).
Loss of state-owned trees, bushes or other vegetation	Authority responsible for /owning trees, bushes or other vegetation	Compensation actions as will be imposed by the competent state authorities
Permanent loss of land in possession, use, lease or ownership of physical and legal entities	Individual farmers and dekhkan farmers with legal lease agreements Owners of private subsidiary plots	<ul style="list-style-type: none"> Land-for-land compensation with plots of better or at least equal value/productivity, location, and agricultural support services (including access, irrigation and drainage) made available to affected land users immediately upon termination of the lease on the affected plot. Replacement land should be better or at least similar to the affected land in all respects and no land transaction or registration cost should be borne by PAPs. If alternative land's value or productivity differs from those of the affected land the State order for crop production as well as any related land and production taxes shall be changed appropriately. Land-for-land compensation of unaffected part of an affected arable plot, if that unaffected part becomes unviable because of the Project Exemption from registration fees, taxes, penalties for not completed crop order, any costs associated with opening and maintaining a bank account (banking services will be offered free of charge to each PAP) that arise due to the Project. Livelihood restoration support: <ul style="list-style-type: none"> Provision of technical support by agricultural expert on efficient / improved agricultural techniques; Facilitation of access to inputs and markets.
	Sub-leaseholders actually using affected land	<ul style="list-style-type: none"> Information about the acquisition of the land at least three months in advance of land entry. Assistance to identify alternative land for lease. Livelihood restoration support: <ul style="list-style-type: none"> Provision of technical support by agricultural expert on efficient / improved agricultural techniques; Facilitation of access to inputs and markets.

Type of Loss/Impact	Category of PAPs	Entitlement for compensation and livelihood restoration
	Non-legalizable land users actually using affected land	<ul style="list-style-type: none"> • Compensation for lost assets (such as crops, plantings, structures and other improvements made to the land) other than land, at full replacement cost. • Assistance to identify alternative land
Permanent loss of crops/trees	Individual farmers and dekhkan farmers with legal lease agreements Owners of private subsidiary plots Sub-leaseholders	<ul style="list-style-type: none"> • Compensation for trees and crops²⁹ at full replacement cost (where possible, the PAPs will be given enough time to harvest the existing crops even if they are to be compensated for their crop loss), in addition to compensation for land itself as applicable • Livelihood restoration support: <ul style="list-style-type: none"> ○ Provision of saplings for the lost fruit bearing trees; ○ Provision of technical support by agricultural expert on efficient / improved agricultural techniques
Loss of access to common grazing areas (limited impact)	Owners of cattle / shepherds	<p>Help in accessing alternative grazing land, where needed</p> <p><i>(NB: according to consultations, alternative grazing land is available either in the vicinity or farther from the Project sites and coordination is required with the relevant MCAs /local residents/forestry authorities to be able to use them at few Project sites)</i></p>
B. Impacts due to construction activities		
Temporary Impact on land	Individual farmers and dekhkan farmers with legal lease agreements Owners of private subsidiary plots Sub-leaseholders	<ul style="list-style-type: none"> • Compensation for lost assets (such as crops, capital structures, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost, paid by construction contractor. • Compensation for temporary sub-lease of land (by construction contractor)
Temporary loss of crops	Individual farmers and dekhkan farmers with legal lease agreements Owners of private subsidiary plots Sub-leaseholders	<ul style="list-style-type: none"> • Compensation for losses or damages at full replacement cost of crops (where possible, the PAPs will be given enough time to harvest the existing crops even if they are to be compensated for their crop loss) • Livelihood restoration support: <ul style="list-style-type: none"> ○ Provision of saplings for the lost fruit bearing trees ○ Provision of technical support by agricultural expert on efficient / improved agricultural techniques
C. Impacts due to land use restrictions in the SPZ (for two scenarios: 1. prohibition of any agricultural production and 2. prohibition of only food crop		

²⁹ According to Resolution of the CM № 146 “On the Measures for Improving the Order of Provision of Land Plots for the Implementation of Urban Development Activity and for Other Non-Agricultural Needs”. For instance, loss of income from fruit trees will be compensated based on (a) average annual income for the last three years multiplied by four years to cover the harvesting period and (b) production costs (resources) of the trees up to the date of felling. Non-fruit-bearing trees will be compensated on the basis of the production costs (production resources) of the trees prior to the date of felling. Lost crops are calculated based on one year of production costs (inputs) plus an allowance equivalent to the average net income for one year (calculated based on the average income over the past three years).

Type of Loss/Impact	Category of PAPs	Entitlement for compensation and livelihood restoration
production)		
Loss of crops (including fruit crops) and income	Owners of private subsidiary land plots, dekhkan farmers	<p>Scenario 1: prohibition of any agricultural production</p> <ul style="list-style-type: none"> • Compensation for crops at full replacement cost if not harvested before the SPZs become enforced. • Compensation of all losses, including lost profit (included due taxes and fees), calculated for the number of years until closure of the facility (around 16 years as the landfills will operate for 15 years and 1 year is to close and remediate the facility; transfer stations and civic amenity stations will operate for longer) • Livelihood restoration support: <ul style="list-style-type: none"> ○ Provision of alternative land plots of equal value/productivity, comparable location, and agricultural support services ○ Support access to employment induced by the Project (during the construction or operation stages) ○ Provision of technical support by agricultural expert on efficient / improved agricultural techniques <p>Scenario 2. prohibition of food crop production</p> <ul style="list-style-type: none"> • Compensation for prohibited crops at full replacement cost if they are not harvested before the SPZs become enforced. • Compensation of all losses, including lost profit and due taxes and fees, for the period required for re-orientation from food to non-food crop production, and of any improvement to land needed to accommodate the re-orientation • Livelihood restoration support: <ul style="list-style-type: none"> ○ Support access to employment induced by the Project (during the construction or operation stages) ○ Provision of technical support by agricultural experts on efficient / improved agricultural techniques, focuses on non-food crops
Loss of business income	Business owner (independent farmers, including fish-breeders), dekhkan farmers registered as legal entities, agro-industrial clusters)	<p>Scenario 1: prohibition of any agricultural production</p> <ul style="list-style-type: none"> • Cash compensation for the agricultural losses, including lost profit³⁰, • Relocation to a new place of operation with transaction support <p>Scenario 2. prohibition of food crop production</p> <ul style="list-style-type: none"> • Cash compensation for lost profit (net income) for months of business stoppage - until the business is re-orientated from food to non-food crop production and resumes production. • Lost profit due to the difference between production of food and non-food crops to be assessed and taken into account.

³⁰ Assessment is to be based on tax declaration or, in its absence, minimum subsistence income.

Type of Loss/Impact	Category of PAPs	Entitlement for compensation and livelihood restoration
		<ul style="list-style-type: none"> in relation to fish farms or other business that cannot re-orientate to non-crop production, relocation to a new place of operation with transaction support. Governmental Orders for crop production, where applicable, should consider the re-orientation to non-food crops to avoid penalties to farmers that would not comply with quota.
Loss of employment	Workers/employees of farms or clusters losing their contracts	Scenario 1: prohibition of any agricultural production <ul style="list-style-type: none"> Compensation of the lost employment in the form of two average monthly wages and a termination allowance (per the Labour Code³¹). Livelihood restoration support: <ul style="list-style-type: none"> support access to employment induced by the Project support access to vocational training, agricultural training, computer courses or else. Scenario 2. prohibition of food crop production <ul style="list-style-type: none"> Compensation of lost wages for the months of business/activity stoppage (until the business/activity is re-orientated from food to non-food crop production)
	Informal (seasonal) agricultural workers (without labour contracts)	Scenario 1: prohibition of any agricultural production <ul style="list-style-type: none"> Livelihood restoration support, in particular, supported access to the vocational training, agricultural training, computer courses or else.
D. Impacts due to land use restrictions in the Project roads' right-of-way (roadside strips)		
Long-term easement	Non-state owners or users with legal rights	Compensation via easement agreements at the rate to be determined during independent valuation
E. Impacts on livelihoods due to received income / compensation of losses under the Project		
Potential for income taxation and loss of state social allowances, payments, subsidies, etc.	All PAPs that receive monetary compensation	Advance arrangements to avoid income taxation on compensation and the loss of state social payments / support, if impossible, include these in the valuation of losses to be compensated
F. Impacts on livelihoods due to closure of the existing landfills (associated activity)		

³¹ Article 67. <https://lex.uz/docs/145261>.

Type of Loss/Impact	Category of PAPs	Entitlement for compensation and livelihood restoration
Loss of income from illegal waste picking	Independent waste pickers	<ul style="list-style-type: none"> • Identification of individuals and households involved, and livelihood restoration support: <ul style="list-style-type: none"> ○ Support to access to employment induced by the Project (or at the existing facilities as vacancies appear); ○ Support access to the vocational training, training, computer courses or else (to be identified).
	Staff of the Companies	<ul style="list-style-type: none"> • Identification and livelihood restoration support: <ul style="list-style-type: none"> ○ Consider opportunities to formalise ongoing waste picking activities and incomes in the short term in a safe manner; ○ Consider opportunities for increasing salaries / payment rates in the medium term to ensure they reflect the conditions of work and hazards and meet national and industry minimum payment requirements; ○ Support access to employment induced by the Project; ○ If no possibility to employ at the new facilities, support access to the vocational training, training, computer courses or else (to be identified)
G. Impacts on livelihoods of vulnerable households		
Affected livelihood	Vulnerable households	<ul style="list-style-type: none"> • Livelihood restoration support: <ul style="list-style-type: none"> ○ Additional individual legal consultations and registration assistance during the land acquisition process ○ One-time vulnerable allowance equivalent to three months of the maximum makhalla allowance for low-income families³². ○ support access to employment induced by the Project ○ support access to the vocational training, agricultural training, computer courses or else.

³² PAPs who do not have formal low-income family status but consider themselves to be low-income/vulnerable can obtain or confirm such status in the makhallas (based on an approved regulatory procedure) and apply for a vulnerability allowance.

6 STAKEHOLDER CONSULTATIONS

6.1 Consultations that Informed the LRF Preparation

This LRF relies on the information collected via the social baseline study completed during the preparation of the Environmental and Social Audit and Assessment in late 2019 and early 2020, as well as on in-depth interviews and consultations specifically for the LRF development purpose in September 2021 (**Annex 1**). Meetings and interviews were held with the representatives of:

- the PIA;
- Republic of Karakalpakstan Government and Horezm Regional hokimiyat;
- Management of the Companies in the regions;
- regional competent authorities in the areas of environment protection, health care, sanitary and epidemiological welfare, land management, and veterinary supervision, and statistical bodies;
- heads/deputy heads of district hokimiyats in all districts where the Project facilities are to be located, and the responsible environmental, land management, forestry, agricultural and water specialists at the district level;
- heads of local self-government bodies (mahalla/village citizens' assemblies);
- for land plots falling within the normative SPZ:
 - owners of private subsidiary land plots;
 - dekhkan farmers;
 - independent farmers (also practising fish farming);
 - agro-industrial clusters;
- residents of the closest settlements, including cattle-breeders/shepherds, as well as local activists in Bagat District;
- the Companies' staff who informally sort and pick waste at the existing MSW facilities;
- illegal waste pickers at the existing landfills (where noticed and where they agreed to talk to the field researchers);
- key local informants, such as staff of local clinics, school, kindergartens, etc.
- other waste management companies in the regions;
- environmental and human rights civil society organizations, and
- legal consulting.

The results of the interviews and consultations are integrated in relevant parts of this LRF.

6.2 Disclosure of Information

Meaningful stakeholder engagement and informed participation of PAPs should be ensured throughout the Project implementation and land acquisition process. To this end, timely disclosure of the relevant information is crucial.

The PIA and the Companies are committed to providing the public and PAPs with all relevant information to enable their informed participation. Disclosure of information, public meetings, and consultations with the PAPs, representatives of local self-governing authorities (MCAs), district authorities and other stakeholders will be organised in the line with the Project's Stakeholder Engagement Plan. It envisions continuous engagement with the affected stakeholder groups, including vulnerable groups, and with PAPs within the LRF and LRP preparation, implementation and monitoring.

This LRF will be disclosed in Uzbek, Russian and English, with an accompanying 'Land Acquisition and Livelihood Restoration Leaflet' in spring of 2022 at the EBRD and PIA websites. Hard copies will be available at the PIA's central office in Tashkent, and at the regional and district offices of the Companies, where Public Visitor Centres will be arranged as per the Project Stakeholder Engagement Plan. The Leaflet will be used for initial consultations at the early LRP development stage.

The Project documentation, including the Project Non-Technical Summary, national EIA documents, and Stakeholder Engagement Plan will be made available to the public as well in Uzbek, Russian, and/or English languages.

6.3 Consultations as Part of the LRP

Consultations are an important part of LRP preparation and implementation. The Companies, under supervision of the PIU, and in cooperation with the LRP Consultant and with support of the local authorities and self-governing bodies (mahalla) will be responsible for organizing and conducting public consultations with different target groups of PAPs (farmers, agro-industrial clusters, owners of the subsidiary plots, vulnerable and women-headed households, households with low income, etc.).

Consultation will be tailored to the specifics of each Project facility as there are different types of PAPs at each facility site. The schedules will be agreed beforehand with the MCAs and district hokimiyats.

Key elements of engagement with the PAPs include:

- Community meetings to discuss the compensation process, timing of resettlement and eligibility for compensation and assistance, present the grievance mechanism, explain the notion of the cut-off date, valuation of properties and calculation of compensation, types of assistance, the process of signing of contracts, execution of compensation and assistance, etc.
- Participation in the socio-economic survey, census, and inventory of assets.
- Individual meetings to discuss individual packages of compensations and respond to any questions a PAP may have.
- Grievance-related communication.

Restrictions related to the COVID-19 pandemic, primarily social distancing measures and limitation to community meetings, may affect the choice of PAP engagement methods.

The PIU, LRP Consultant and the Companies will consult with the national regulators regarding any restriction to engaging with stakeholders. The Project Stakeholder Engagement Plan proposes some alternative methods for stakeholder engagement in the context of the COVID-19 pandemic in line with the EBRD's Briefing Note to PR10³³. The LRP Consultant will make use of brochures, the phone, email and messaging applications (e.g. WhatsApp, Telegram), where possible, share general information through mass media, and post announcements on local information stands in the local officers of the Companies, MCAs and district hokimiyats.

³³ Stakeholder engagement (PR10) COVID-19 EBRD briefing note.
<https://www.ebrd.com/documents/environment/ebd-covid19-briefing-note-stakeholder-engagement.pdf?blobnocache=true>.

7 GRIEVANCE MECHANISM

The Companies will put in place an amicable grievance resolution mechanism to avoid PAPs and other aggrieved parties having to resort to the judicial system. To achieve this, the Companies will further develop the existing grievance management mechanism, described in the Stakeholder Engagement Plan, to include three successive tiers of extra-judicial, amicable grievance review and resolution. Thus, the Project's land acquisition, compensation and livelihood restoration grievance resolution will follow the below process:

First tier:

- A PAP can lodge a grievance at the Company's branch offices (or their Public Visitor Centres), at any of the construction sites, to the LRP team or the offices of the MCA heads. Grievance can be communicated personally or on the phone, emailed, sent in writing using the Sample Grievance Form provided in [Annex 4](#) or any other form.
- The Companies will use the existing procedure for recording grievances as per the Stakeholder Engagement Plan. Any grievance will be registered and acknowledged within five days of its receipt.
- The resolution will be attempted at the ground level with the involvement of the Company's district branch staff and, if relevant, Construction Contractor, local authority concerned (MCA), and the Company's legal officer.
- The Company will issue a Resolution Letter within 15 days of receipt of the complaint with proposed resolution actions³⁴ (if necessary, this period can be extended to one month provided that the complainant is informed of the extension);
- The Company will issue a Closure Letter, one copy of which will be provided to the complainant after he/she has agreed to the results of the resolution actions and signed-off.

Second tier:

- If unresolved, the PAP's grievance will be escalated to the Internal Grievance Resolution Group, which will have 15 days to decide on the case. This Group will be established and headed by the PIA. It will include top management staff of the respective Company, relevant PIA staff, LRP consultant(s), and concerned PAPs. The Group will consult the representatives of MCA and district hokimyats (if needed, regional hokimyats) in order to facilitate the resolution of grievance, as well as the Company's district branch staff and legal officers.
- Another Resolution Letter will be issued to the complainant with further resolution actions, followed by a Closure Letter, if an agreement is reached.

Third tier:

- The third tier will process grievances that have proved impossible to resolve in tiers 1 and 2. Resolution outcomes will be proposed by a **Committee including external parties**. The objective is to avoid resorting to legal proceedings and try to reach amicable settlements wherever possible. The Committee can be set up and convened at the initiative of the district authorities or the PIA.
- The Committee will involve external entities such as the "Council for Farmers and Subsidiary Land Plot Owners³⁵", an NGO, and/or a group of specialised experts who

³⁴ The Law No. ZRU-378, 3.12.2014 "On Appeals of Individuals and Legal Entities", <https://lex.uz/ru/docs/2509998>

³⁵ Per the Land Code (Article 86), these Councils exercise public control and, by inspecting houses, regularly monitor the targeted and effective use of land plots of dekhkan farms and subsidiary land.

are external to the PIA and the relevant Company and have experience in land issues and dispute resolution. The Mediator will review grievances with all interested parties and endeavour to identify agreeable outcomes. These outcomes, once identified as tentatively agreeable, will be reviewed by the PIA and the respective Company, where relevant. These outcomes, if agreed by the relevant Company (with the PIA, if needed) and the complainant, will be binding to them.

Any complainant who is not satisfied with the outcome proposed by the amicable mechanism will be able to resort to the court at any stage in the resolution process. In this instance, the PIA will be required to set aside funds in an escrow account.

In practice, grievances and disputes that may be anticipated for the Project's land acquisition can include misidentification of properties (e.g., allocation of a property to the wrong owner due to wrong cadastral information or other reasons); dispute over the ownership of a given property (two or more individuals claim to be the owner of this property); disagreement over the valuation of a plot, crop or structure; assets established after the cut-off; absentee landowners; damage occurring during construction; or unsatisfactory reinstatement.

8 IMPLEMENTATION ARRANGEMENTS, BUDGET, MONITORING AND REPORTING

8.1 Immediate Actions to Address and/or Avoid Issues over Land Use and Land Rights

There are specific situations that require immediate actions to avoid complications and violation of land regulations and future SPZs regimes around the Project facilities, and to prevent similar issues in the future. These issues and the proposed response action are presented in **Table 9**. As noted above, the detailed design stage of the Project will commence soon and it is expected to take into account the recommendations of this Framework. The preparation of the designs will also run in parallel with the preparation of the LRP(s) and thus can be informed by its findings.

Table 9. Land Use and Land Rights Issues and Immediate Actions to Tackle Them

	Issue	Recommended action for the Companies
1.	There is a mismatch between the Hokim's decision on allocating 15ha land plot to the Bagat District Landfills and the draft EIS alongside the State Environmental Review conclusion that approved 16.7 ³⁶ ha for this facility. The measurement in situ shows that the allocated land is in fact 16.7 ha. The preliminary design requires 15.5 ha.	Obtain amendment to the 2019 Bagat District Hokim's decision to revise the size of the allocated land from 15 ha to the size that is actually needed - currently, it is 15.5 per the preliminary design.
2.	Four ponds designated for fish farming fall within the normative SPZs of the planned Bagat District Landfill and one more such pond is near each of the existing Yangibazar, Yangiaryk and Amudarya District Landfills. <i>(NB: the September 2021 consultations with the water, environmental and agricultural authorities and district hokimiyats, as well as visits to water bodies in Khodjeyli Districts (Karakalpakstan))</i>	The Companies will consider adjusting either the facility designs or locations so that the ponds are outside the <i>actual</i> SPZs to be established by the competent authorities. If, despite the design or location adjustments, the <i>operating</i> fish farms still fall within the actual SPZs, negotiations with the fish farmers are to be conducted regarding the relocation and restoration of the businesses

³⁶ NAMUNA EKO LLC: Draft Environmental Impact Statement (Draft EIS). Organization of the landfill of municipal waste Toza Hudud SUE of Horezm Region branch of Bagat District. Horezm Region, Bagat District, Mirishkor village, 2020.

	Issue	Recommended action for the Companies
	<i>confirmed that these water bodies were not ponds suitable for fishing and were not used for fishing at present).</i>	on another pond.
3.	As per consultations with the Koshkupyr District Authorities, several unused forest land plots around the proposed Koshkupyr Landfill are placed on open auction for renting out and planting medicinal herbs.	Coordinate with the forestry authorities to restrict any changes to land use within 500 m around the proposed Koshkupyr District Landfill such as leasing of forest land via auctions to farmers for growing food crops or medicinal herbs until the landfill's SPZ boundaries are delineated.
4.	<p>Areas allocated for Project facilities are not registered in the cadastre national database and thus not plotted on cadastre maps.</p> <p>Mismatches are noted in the land use databases of various state bodies which may be partially related to incomplete state registration of the land plots allocated to the Project facilities.</p> <p>Discrepancies are also noted in the cadastre data against the situation on ground (e.g., some farms plotted on the cadastre maps do not exist, whereas an animal feed plant being constructed within the assumed SPZ of the planned Kungrad Landfill is not indicated on the cadastre maps).</p> <p>Some district authorities are not aware of the planned Project activities and site locations.</p>	Complete State Registration ³⁷ of all land plots allocated for the Project facilities at the relevant Cadastre Agencies and obtain the due ownership registration certificates.
5.	<p>As per the preliminary design, all four proposed landfills in Karakalpakstan require more land than was allocated (Table 5).</p> <p><i>(NB: the September 2021 consultations with the forestry authorities and hokimyats in the respective districts of Karakalpakstan confirmed that there were available state land plots adjacent to the allocated land plots that could be allocated to the Project as well).</i></p>	Conduct consultations with the local authorities. Initiate the land allocation procedure and obtain the allocation decisions.
6.	The status of the land allocation decisions for two civic amenity stations in Hazarasp District is uncertain due to the fact that Hazarasp District was split into two districts (Hazarasp and Tuprokkala) in 2020 and the civic amenity stations appeared to be within the newly created Tuprokkala District.	Clarify the status of the land allocation decisions; if needed, apply for the amendment of the decisions or launch the allocation procedure in Tuprokkala District.
7.	The rights of the Companies to the allocated land plots will expire within two years of obtaining the allocation decisions if no activity is started on the plots (Land Code, Article 36.10).	Keep track of the validity of the allocation decisions and coordinate with the construction programme. Consult the hokimyats on the validity of the allocation documents. If needed, apply for the extension of permanent land use rights.

³⁷ As per the Land Code and other acts, such as the Regulation on the procedure for state registration of rights to real estate objects (Resolution of the CM No. 1060, 29.12.2018, <https://lex.uz/docs/4135060>)

8.2 Steps of LRP Preparation

The LRP(s) is expected to be prepared in the following steps:

- Verification of the mapping of the Project area and PAPs and land plots to frame the study area by the PIU and PIA based on the detailed design and dimensions of SPZs established for various Project facilities (if SPZs are not set early in the construction stage, assumed SPZs will be used);
- The PIU/PIA's coordination with the Companies, district hokimiyats and MCAs, and Project designers to identify options to achieve the best conformance with the above '[Key Principles](#)' of resettlement, including a workshop or similar event to ensure awareness and buy-in on LRF principles;
- Establishment and announcement of a cut-off date;
- Inventory of affected assets (land and others) and census of affected PAPs to establish a list of people with formal land rights, informal land rights (not identified as of now) and affected livelihoods and to identify those who will be eligible for compensation and/or assistance;
- Valuation of affected assets by certified valuer, including market study to define compensation rates based on the full replacement cost;
- Identification of potential replacement properties;
- Socio-economic survey to complement census data, to gather information on the socio-economic background of PAPs (disaggregated by gender), and to evaluate the impacts on their livelihoods in order to establish fair compensation and livelihood restoration measures. This will also help to identify any vulnerable individuals or groups who may need additional assistance. It will be used as a benchmark for monitoring the socio-economic status of PAPs;
- Public consultation meetings to provide information on the Project, scheduling, land acquisition, land acquisition and compensation procedures, peoples' rights and the process for establishing entitlements, compensation and livelihood restoration measures. The PAPs will be provided opportunities to discuss the approach to compensation and livelihood restoration and ask any questions regarding the process;
- Final entitlement matrix based on the information from the above steps in line with the EBRD's and national requirements (detailing the Entitlement Matrix proposed in [Table 8](#));
- Valuation of losses, calculation of detailed compensation and delivery of compensation offers;
- Preparation of the LRP and public disclosure;
- Payment of compensation prior to the enforcement of the SPZ regime (i.e., prior to the commissioning of the Project facilities);
- Livelihood restoration assistance will be needed for certain land owners, users, and leaseholders as specified in the Entitlement Matrix proposed ([Table 8](#)).

In addition, the overall process will involve the following elements which are outlined in the LRF and will be discussed in more detail in the LRP:

- Stakeholder consultations ([Section 6](#))
- Implementation of the grievance mechanism ([Section 7](#))
- Monitoring and evaluation of compensation and livelihood restoration delivery ([Section 9](#)).

Once developed the LRP(s) will need to be approved by EBRD and disclosed to the public.

8.3 Main Institutional Actors and Their Roles

8.3.1 Project Coordination

The main institutions involved in the implementation of the proposed Project are the State Committee of the RoU on Ecology and Environmental Protection (GosKomEkologiya or the PIA) at the national level and the two Toza Hudud Companies at the regional level.

A Project Implementation Unit (PIU) is expected to be established within the PIA to support the Project delivery. The PIA, via its PIU, shall take overall responsibility for coordinating preparation and implementation of the LRP based on principles in this LRF. The PIU shall be the responsible entity in respect of the LRP vis-à-vis EBRD and any other lenders if applicable. This should be clearly spelled out in finance agreements between the EBRD and the Government of Uzbekistan.

The regional and district administrations (hokimiyats) will facilitate the implementation of the Project at local level.

8.3.2 GosKomEkologiya (the PIA)

The PIA is in charge of state management and implementation of state policies in the field of ecology, environmental protection, rational use and protection of natural resources. The PIA reports to the Cabinet of Ministers of the RoU.

The PIA will be responsible for coordinating Project activities with the government agencies and regional and local government bodies during the Project implementation. The regional and district environmental branches of the PIA will provide advice and support to the LRP implementation team within their mandate.

8.3.3 Ministry of Investments and Foreign Trade (MIFT)

The MIFT is a government agency responsible for coordinating the preparation and implementation of a unified state investment policy and attracting foreign investments in Uzbekistan and cooperation with international lenders. The MIFT will support any necessary legal and financial decisions in relation to the Project (including its LRF-LRP), facilitate obtaining internal Government clearances, and provide oversight on the programme reporting, related to progress and utilization of funds to EBRD.

8.3.4 Project Implementation Unit (PIU) and Support Consultant

It is expected that the PIA will set up a PIU with required staff, including a Social Specialist. The PIU will be responsible for approval of adequate budgetary support for LRP implementation, will procure LRP preparation, and will facilitate coordination with the concerned government agencies on land allocation and LRP activities.

The PIU, with support of the PIA, will be responsible for getting endorsement of the final LRP from EBRD and the Government, and will ensure compliance regarding payment of compensation to the PAPs before the resettlement impact takes place, in close coordination with hokimiyats, MCAs and other responsible bodies.

The Social Specialist at the PIU will ensure that project activities are implemented in compliance with EBRD PR5 and PR10 and national regulations. She/he will *inter alia* closely cooperate with the LRP Consultant and will report to the PIU (if needed to PIA) about the implementation of the LRP and grievances.

Additionally, a PIU Support Consultant will be hired that will provide assistance with the establishment of the PIU, with procurement, tendering and contract implementation, with compliance and reporting obligations under the financing documents, as well as environmental and social implementation support.

8.3.5 LRP Consultant

The LRP Consultant will be in charge of designing and preparing the LRP and then implementing under the supervision of the PIU and PIA. The LRP Consultant will have sufficient in-house resettlement expertise consisting of international and national resettlement specialists. Together with the designers (developing the detailed design) and PIU, they will analyze the cadastral maps, carry out a detailed evaluation survey, conduct first level compensation consultations with the PAPs and prepare the LRP. Draft LRP(s) will be submitted to the respective hokimiyats and discussed with them.

8.3.6 Toza Hudud State Unitary Enterprises in the Horezm Region and Karakalpakstan (the Companies)

The Companies will support the activities of the PIU and LRP Consultant on the ground and provide the necessary information they possess (e.g., the land allocation decisions). They will facilitate the organisation of consultations with the district hokimiyats, local self-governing (MCAs) and the PAPs. They will prepare and/or issue the necessary inquiries to various authorities, apply with requests for additional land allocation for state and public purposes, obtain the needed permits and decisions from local hokimiyats, Councils (Kengashes) of People's Deputies and justice authorities on investment activities, etc. as will be necessary for the development and implementation of the LRP. They will accompany the valuers and participate in the field surveys, measurements, and public consultations as needed.

8.3.7 State Organisations Authorised to Calculate Losses Related to Land Acquisition

As per the Resolution of the CM № 146, there are several state bodies that have legally established rights to calculate agricultural and forestry losses and damages due to permanent and temporary land acquisition/allocation/withdrawal. These include the Research and Design Institute "Uzdaveroiyikha"³⁸ and its territorial divisions; branches of state land management enterprises and the real estate cadastre of Karakalpakstan, regions and Tashkent City in the corresponding districts (cities); and construction departments of the Ministry of Construction (operating on a self-financing basis). They are also responsible for identifying and verifying property boundaries and ownership during the preparation of 'land allocation documents' during the site selection process. They can engage valuation organisations to support their activities.

8.3.8 State Cadastre Bodies³⁹

Cadastre bodies are the key executive authority that: i) identifies land losses incurred by land owners and land users as well as agricultural output losses; ii) determines the degree and area of land recultivation, including removal and temporary storage of productive soil layer; iii) plots protective sanitary and water protection zones around the constructions being built and indicates regime of their use; iv) prepares proposals on allocation of land plots of equal value instead of the acquired; v) estimates the cost of developing replacement land; vi) approves the benchmark setting up act and the attached plan; vii) amends the government acts on land use and land ownership, and viii) organises state registration of rights to land plots and transactions with them in the national database and registers other cadastre documents.

8.3.9 Local Authorities (Hokimiyats)

Hokimiyats (municipalities) are the key actors whose continuous assistance will be required to progress the LRP implementation. The 'District (city) branches of the state enterprise of

³⁸ The institute is subordinate to the Cadastre Agency under the State Tax Committee of the RoU (<http://uzdaveroiyikha.uz/ru/pages/about/10>).

³⁹ Per Law № 666-I "On State Cadastre of Land" 28.08.1998, last amended on 17.08.2021, <https://www.lex.uz/acts/9704>.

land management and real estate cadastre' under the hokimiyats will be responsible for the coordination of the implementing procedures, obtaining the estimates of agricultural and forestry losses, as well as any other losses, and submitting the loss estimates to Hokims for approval together with the land plot selection materials (Resolution of the CM № 911). They will also be in charge of preparing proposals on allocation of alternative land plots of equal value under land-for-land option and amending government edicts on land use, land ownership and other cadastre documents. The district hokimiyats should apply for the Republican Centralized Fund to get compensation for PAPs. After approval of the application and granting of the necessary budget by the Centralized Fund, the hokimiyats can transfer the required sum to the PAPs.

8.3.10 Commissions for Consideration of Issues of Provision (sale) of Land Plots

'Commissions for consideration of issues of provision (sale) of land plots' at district and town levels are in charge of reviewing and approving calculated amount of losses to owners, users, tenants and owners of land plots, as well as losses to agricultural and forestry production. They issue a resultant Act along with materials for the selection and allocation of land plots to hokims for approval.

8.3.11 Regional Environmental Authorities

The regional department on environment protection i) conducts environmental impact assessment of construction projects; ii) approves location of the sites affecting the land condition; iii) develops measures for land protection for designed sites and launched facilities adversely affecting the land; and iv) approves the act for land acquisition.

8.3.12 Makhalla

Self-government community representatives will be involved in resettlement activities to ensure the rights and interests of PAPs are adequately addressed. Implementation of the LRP will require close coordination with the local makhallas. This coordination will help the Companies and the PIA to: i) disseminate information related to the LRP; (ii) check timely disbursement of compensation to PAPs and (iii) obtain early warnings on the grievances of PAPs, (iv) verify as to whether the vulnerable households were identified according to requirement laid down in the LRF; and (v) obtain information regarding any unexpected impacts, if any, being incurred by PAPs.

8.3.13 Valuation Organisations

Valuation organisation will comprise of an accredited private firm with valid license for valuation activities⁴⁰. These firms can be involved both by the PIU to estimate agricultural or other losses and replacement cost of the affected assets. The reports of the valuation firms will be used as a reference to pay compensation for affected assets.

Such independent valuers will be involved in cases where PAPs do not agree with the amount of compensation determined by the State Research and Design Institute "Uzdavyerloyiha" or other authorised state bodies (see above).

8.3.14 PAPs

PAPs will participate in the collective and individual meetings and consultations during the LRP preparation and implementation process. Each PAP will receive the compensation payable into a bank account opened by the owner for purposes of the receiving the compensation for losses or expropriation. Such amounts will be approved by the PIA or PIU and the funds will be transferred by hokimiyats (from the funds received by them from the Centralized Fund) to the bank account of each PAP as per the bank documentation provided

⁴⁰ Law on Valuation Activity No. 811-I, 19.08.1999, as last amended on 13.06.2017 (<https://www.lex.uz/acts/24701>).

by them. The PAPs will be individually informed by the bank when the compensation is transferred to the account.

8.4 Capacity Building for the LRF and LRP Delivery

The Companies are relatively young state organisations established in 2017 with limited experience in managing land acquisition and livelihood restoration activities and associated grievances. The PIA has such experience as per the national regulations and is to some extent familiar with resettlement requirements of international lenders.

The PIU's Social Specialist should possess sufficient resettlement expertise and will deliver an initial level of capacity building on the LRP planning and implementation. The target group at the PIA and the Companies will include the social and legal staff, as well as any other divisions and contractors that are concerned by the land acquisition process.

The topics to be covered within the resettlement capacity building programme can include:

- Principles and procedures of land acquisition (national and EBRD);
- Stakeholders of the Project;
- Organizations involved in the process of land acquisition and resettlement and their roles;
- Public consultation and participation process;
- Entitlements, compensation and disbursement mechanisms;
- Grievance mechanism; and
- Monitoring of and reporting on the LRF and LRP activities.

8.5 Schedule

The preparation of the LRP can start after the location of two new transfer stations in the Horezm Region are negotiated and agreed, SPZs for all Project facilities approved by the state authorities, technical parameters of the access and entrance roads to the landfills determined, and detailed design approved (as least as a draft).

The input data required for the preparation of LRPs for various facilities are expected to be available at different points in time. Thus, to plan the LRP preparation and implementation it is necessary to coordinate the design, SPZ setting, and construction timelines.

As per the current Project Implementation Plan⁴¹, the design and construction stages for all facilities will *tentatively* last between December 2022 and December 2024. The SPZ thus will be enforced not earlier than January 2025.

With the above considerations in mind, splitting the LRP into two documents and two processes is suggested:

1. LRP 1 for land acquisition (including, the additional allocation of land for four landfills in Karakalpakstan) to be completed prior to the start of construction. Preparing this LRP will make sense if land plots in use, possession, ownership or lease of the PAPs are identified to be affected.
2. LRP 2 (or several LRPs) for SPZ-induced land use restrictions to be prepared and implemented prior to December 2024 (tentatively), with monitoring to continue for at least two years afterwards.

⁴¹ CECT. 2021. Uzbekistan: Solid Waste Management in the Horezm Region and the Republic of Karakalpakstan: Feasibility Study.

Livelihood impacts related to the closure of the existing facilities will be addressed in either LRP 1 or LRP 2 depending on the schedule of the closure.

Correspondingly, two tentative LRP implementation schedules are proposed below.

Table 10. Tentative Implementation Schedule for LRP 1: Land Acquisition

#	Activity / Month	1	2	3	4	5	6	7	8	9	10	11	12
1.	Preparation of LRP Terms of Reference												
2.	Contract with LRP Consultant and preparation of action plan and timetable for development of LRP												
3.	Draft LRP preparation, including consultations and surveys.												
4.	Submission of draft LRP												
5.	Finalisation and approval of LRP												
6.	Uzbek translation of LRP, approval by state authorities and disclosure												
7.	Land allocation decisions obtained (for transfer stations and other smaller facilities)												
8.	Grievance management												
9.	Delivery of compensation entitlements to PAPs												
10.	Livelihood restoration												
11.	Monitoring and evaluation activities												During LRP delivery and until livelihood restoration activities are complete
12.	External Completion Audit (after livelihood restoration activities are complete)												After the compensations are paid, whilst livelihood restoration activities are closing completion

Table 11. Tentative Implementation Schedule for LRP 2: SPZ-induced Land Use Restrictions

#	Activity / Month	1	2	3	4	5	6	7	8	9	10 and as needed
1.	Preparation of the ToR for the LRP(s) for the LRP Consultant										
2.	Contracting the LRP Consultant. Preparation of detailed action plan and timetable for the development and delivery of the LRP										
3.	Preparation of the draft LRP (including consultations with PAPs, district hokimiyats, MCAs, key state actors, socio-economic survey, census, inventory and valuation.										
4.	Provision of the draft R/LRF to the PIA, PIU and EBRD										
5.	Completion of the LRP and approval by the PIA, PIU and EBRD										
6.	Translation of the LRP into Uzbek language, approval by the state authorities. Disclosure of the LRP										
7.	Grievance resolution, if any										
8.	Payment of compensation entitlements to PAPs										
9.	Livelihood restoration										continue further
10.	Monitoring and evaluation activities										During LRP delivery and until livelihood restoration activities are complete
11.	The PIA to commission an external Completion Audit										After the compensations are paid, whilst livelihood restoration activities are closing completion

8.6 Budget

The LRP development costs will be included in the budget of PIU Support Consultant. The LRP implementation costs will be included in the overall budget of the Project and covered mainly from the state budget. and The LRP budget will be established after the completion of the census and survey activities, once the locations of all Project facilities are identified and the SPZs of the Project facilities are delineated by the state authorities.

At present it can be noted that **the Project will face higher resettlement expenses:**

- If the SPZ for the Bagat Landfill is established by the state authorities at its indicative size (500m) with imposing the worst-case Scenario 1: prohibition of any agricultural production. This affects the fish farm and many land leaseholders, users and owners.
- If the SPZ for the Kungrad Landfill is established by the state authorities at its normative size (500m) with imposing the worst-case Scenario 1: prohibition of any agricultural production, the ongoing animal feed plant construction will need to be compensated.

Less costs will be expected if the SPZ for Bagat Landfill is reduced twice and calculated from the source of pollution, as in this case three out of four fish ponds of the fish farm will be left out of the SPZ and the number of the affected subsidiary land plots will be minimised.

Costs are expected to be minimal if the Bagat Landfill's SPZ is approved with the best-case Scenario 2: prohibition of food crop agricultural production, and is reduced in size to leave out the fish farm and part of subsidiary land plots to the east/north-east of it; and also if the actual Kungrad Landfill's SPZ does not cover the animal feed plant.

The budget will be detailed in the LRP and will include the costs of preparing the LRP, costs of land and assets compensation, livelihood restoration, monitoring and evaluation, an approximate cost of an External Completion Audit, as well as contingencies and administrative expenses.

9 MONITORING AND REPORTING

The PIA via the PIU will monitor the delivery of the actions in the Implementation Schedule above and report on the progress to EBRD as envisioned in the schedule.

The main objective for monitoring will be to assess the progress of implementing the LRP in regards to livelihood restoration outcomes, their impacts on the standards of living of the PAPs and whether the objectives of the LRP have been achieved and/or if any corrective actions are required.

The specific monitoring measures and indicators will be developed in the LRP. The monitoring indicators will cover input, output and outcome indicators and will be proposed alongside the validation timeline, frequency of monitoring, and roles / responsibilities for undertaking monitoring, evaluating its results and taking corrective management decisions, if needed. Monitoring indicators can include the following:

- Implementation of the LRP objectives and whether all the inputs committed in the LRP have been delivered.
- Assessment of the implementation of mitigation measures and their effectiveness and whether it is in accordance with Uzbek and lenders requirements.
- Overall livelihood restoration spending against the disbursement timelines.
- Number of individual compensation agreements.
- Number of PAPs requesting transitional support and the type of support provided to them.
- Number of PAPs who have received cash compensation and how the funds have been disbursed.
- List of PAPs what have been classified as vulnerable and support provided to them.
- Reports from experts hired to provide livelihood restoration support to the PAPs.
- The socio-economic status of the PAPs measured against the baseline conditions before the economic displacement (including gender and vulnerability segregation of data collected on the PAPs).
- Effectiveness of the grievances redress mechanism:
 - number of grievances received, cases resolved at Project level and duration of resolution.
 - number of grievances unsolved (pending).
 - number of grievances taken to court and the timeline taken to resolve the matter in court, etc.
- Agenda and outcomes of continued consultations with the stakeholders involved in the implementation of the LRP, including:
 - minutes of meetings and signed attendance sheets.
- Assessment of whether the livelihoods of the PAPs have been restored.

An external Completion Audit will be commissioned by the PIA after the compensations are paid, whilst livelihood restoration activities are closing completion and just completed. This audit is to be conducted by an independent resettlement / livelihood restoration expert.

Annex 1. LIST OF INTERVIEWEES AND CONSULTEES

Republic of Karakalpakstan: 20 – 23 September 2021

Category of stakeholder	Meeting location / region		Respondent status	Number of participants		Meeting format	
	City / district	Meeting venue		Total number	Of whom women	Consultation	In-depth interview
Regional authorities	Nukus city	Ministry of Water Resources; Committee for Ecology and Environmental Protection of the Republic of Karakalpakstan; Forestry Committee of the Republic of Karakalpakstan	Head of the operation sector of the Ministry of the Water resources, chief specialist of the department of irrigation and melioration; environmental specialist; specialist	4	0	2	1
District authorities	Kungrad District; Khodjeyli District; Karauzyak District; Amudarya District	Department of the State Committee for Cadaster of the Kungrad district; Karauzyak District Hokimiyat; Environmental protection department in Khodjeyli District; Environmental protection department in Amudarya District	Cadaster specialist; deputy Head of the department of Agriculture; specialist of the Environmental protection department; head of the Environmental protection department	4	0	3	1
MCA/VCA representatives	Nukus city; Kungrad District; Karauzyak District	MCA Bestobe; VCA Kanly; VCA Berdakh	MCA representative; deputy head	3	0		3
NGO representatives	Nukus city	NGO Union for the Defense of the Aral Sea and Amu Darya	NGO management	1	0		1
Local business representatives	Nukus city; Karauzyak District; Turtkul District	Roodell recovery Ltd; Baltamurat cluster; Pakhtachi farm	Director, accountant; manager; deputy head	4	0		3
Toza Hudud management	Nukus city; Turtkul District	Toza Hudud in the Republic of Karakalpakstan, Toza Hudud in Turtkul District	Deputy director; specialist	2	0		2
Toza Hudud staff (landfill workers)	Khodjeyli District; Turtkul District	Toza Hudud in Khodjeyli District; Khodjeyli District Landfill; Turtkul District Landfill	Waste truck driver; landfill guard; mechanic; landfill / truck worker	7	0		7
Farmers	Kungrad District; Karauzyak District; Khodjeyli District; Amudarya District	VCA Kanly; VCA Berdakh; Koraozekli Rashid farm; Buston Agrofirma farm; Khaitov Maksad farm	Farmer of Orazbayev Baimurza farm; farmer of Jumamurat shirketshi farm; representative of Asadbek Nurlybay farm and assistants; farmer of Koraozekli Rashid farm; farmer of Buston Agrofirma farm; farmer of Khaitov Maksad farm	9	0		7
Local residents (land users or owners)	Nukus city; Kungrad District; Turtkul District	MCA Bestobe; Kungrad District Landfill SPZ; Karamoiyn village near the landfill; subsidiary landplot in Karamoiyn village within the landfill SPZ; Turtkul District Landfill SPZ	Cattle-breeders; subsidiary landplot owner	5	0		5
Illegal waste pickers	Khodjeyli District	Khodjeyli District landfill	Illegal waste picker	1	0		1
Total				40	0	5	31

Horezm Region: 7 – 11 September 2021

Category of stakeholder	Meeting location / region		Respondent status	Number of participants		Meeting format		
	City / district	Meeting location		Total number	Of whom women	Consultation	In-depth interview	Focus group
Regional authorities	Urgench city	The regional department on environment protection The regional agricultural department R The regional forestry department	Environmental specialist, land-surveyor	3	0	3		
District authorities	Koshkupyr District Bagat District Yangibazar District	Koshkupyr District Hokimiyat, Bagat District Hokimiyat, Yangibazar District Hokimiyat; Agricultural department in Bagat District; Environmental protection department in Bagat District; Agricultural department in Yangibazar District; Environmental protection department in Yangibazar District.	Hokims deputies; Cadaster manager and specialist; land-surveyor; heads of the environmental protection department; deputy of the agricultural department	11	1	7	1	
MCA representatives	Koshkupyr District Bagat District	MCA Yogvir MCA Kumbodok	Heads	2	0		2	
NGO representatives	Urgench city	NGO Ecosan	Deputy head	1	1		1	
Local business representatives	Bagat District	Environmental protection department in Bagat District; Sobirjon Bobur Ltd	Manager of Chorva klaster Ltd, Manager of Identical Wolf Ltd, Manager of Agrocluster Ltd, Direcotr of Sobirjon Bobur Ltd	4	0		4	
Toza Hudud management	Urgench city, Koshkupyr District Bagat District Yangiaryk District	Toza Hudud in HR Toza Hudud in Koshkupyr District Toza Hudud in Bagat District Toza Hudud in Yangiaryk District	Heads of district divisions of Toza Hudud, engineer, management representative, heads of the Environmental protection department	7			4	
Toza Hudud staff (landfill workers)	Koshkupyr District Yangiaryk District Yangibazar District	Koshkupyr District landfill Yangiaryk District landfill Yangibazar District landfill	Guard, loaders, machine operators, waste trucks drivers, other landfill workers	10			10	
Farmers	Bagat District Yangiaryk District Yangibazar District	Environmental protection department in Bagat District; MCA Kumbodok; Toza Hudud in Yangiaryk District; Sanjarbek Murodbek Ulmasbek farm, Tian Shan farm	Farmer of Ruzmat Ota farm; owners of Dala tomorqa, fish farmer of Ruzmat Okhun farm; farmer of Gullanbog Davr farm; fish farmer of Sanjarbek Murodbek Ulmasbek farm, manager of Tian Shan farm	20	8		5	1
Local residents	Koshkupyr District Bagat District	SPZ of Koshkupyr District landfill, field in Mirishkon village (located withing the landfill's SPZ)	Cattle-breeders	3	0		3	
Staff of the waste collection stations	Bagat District	waste collection station	Employee of the waste collection stations	1		1		
Illegal waste pickers	Bagat District	waste collection station	Illegal waste pickers	2	2		1	
Total				64	12	11	31	1

Annex 2. SUMMARY OF LAND RELATED REGULATIONS

The Constitution

The **Constitution of the RoU**⁴² (08.12.1992) stipulates that everyone shall have the right to own property (Article 36). The economy of Uzbekistan is based on various forms of ownership, and **private property**, alongside other forms of property, is inviolable and protected by the state, and the owner can be deprived of it only in cases and in the manner prescribed by law (Article 53). An owner, at his/her discretion, shall possess, use and dispose of his/her property; however, the use of any property must not be harmful to the environment or violate the rights and legally protected interests of citizens, legal entities and the state (Article 54). Land, its minerals, waters, fauna and flora, other natural resources constitute the national wealth and shall be rationally used and protected by the state (Article 55).

The **Constitution of the Republic of Karakalpakstan**⁴³ (09.04.1993) mirrors the above provisions of the Constitution of the RoU.

Land Code

The Land Code⁴⁴ of the RoU (30.04.1998) sets the legal framework for land-related matters in the country, including withdrawal, allocation, transfer, and sale of land plots. It describes land management responsibilities of different state authorities, ownership forms, rights and obligations of a land possessor, user, lessee, and owner, land categories, land acquisition, and compensation issues, resolution of land disputes, land protection, termination of rights to land, expropriation of land for state and public needs, etc.

Land plots can be alienated for state and public needs for legally defined reasons, such as construction (reconstruction) of transport or power infrastructure and other facilities; commitments arising from international agreements of Uzbekistan; and execution of master plans of settlements where facilities are constructed at state expense (Article 37).

A land plot or its part can be withdrawn for state and public needs with the consent of the land owner or in agreement with the land user and lessee **by decision of the Kengashes of People's Deputies of regions and Tashkent City or the RoU Cabinet of Ministers**. Decisions on withdrawal of land for state and public needs are allowed only after holding open discussion with owners of immovable property located on this land, assessing benefits and costs, and obtaining a consent from the **Centralised Fund for Compensation of Losses to Individuals and Legal Entities Related to Withdrawal of Land Plots for State and Public Needs** ('Centralised Fund'). In case of disagreement with a land expropriation decision, a land owner, user or lessee may appeal to the court (Article 37).

Land possessors, users, lessees, and owners are entitled to reimbursement of losses caused to them (including lost profits) in the event of seizure of a land plot, or to compensation of costs in case of a voluntary abandonment of a land plot (Article 39).

Withdrawal for state or public needs of land plots provided earlier to individuals can be made after providing them, at their request, with an equivalent land plot (by decision of the hokim of the district, city, region) and residential and other buildings in exchange for the withdrawn ones and **full compensation for all other losses** (including lost profits) (Article 86).

After being withdrawn for state and public needs, a land plot can be allocated to a state organisation by decision of the Karakalpakstan Council of Ministers, hokims of regions and Tashkent City on the right of permanent use.

⁴² As last amended on 09.02.2021, <https://lex.uz/ru/docs/35869>

⁴³ As last amended on 29.06.2019, <https://lex.uz/ru/docs/4953674>

⁴⁴ As last amended on 17.08.2021, <https://lex.uz/ru/docs/149947>

Article 37 states that demolition of immovable property owned by individuals and legal entities upon withdrawal of land plots is permitted after **vacating** residential and non-residential buildings and other structures, and **compensating** immovable property located on the withdrawn land plot **at market value** and **relocation expenses**.

Enterprises interested in withdrawal of land plots for construction of facilities must preliminarily agree with land owners, land users and tenants, as well as with the hokims of district, city, region or the Cabinet of Ministers on the approximate size and location of the needed plot and conditions of its allocation. Funding design works prior to such preliminary agreement is prohibited (Article 37).

Losses of land possessors, users, lessees, and owners should be compensated in full, including lost profits, in case of a) seizure, redemption or temporary occupation of their land; and **b) restriction of their rights due to the establishment of sanitary protection zones (SPZ) around infrastructural and natural objects**⁴⁵ (Article 86).

Compensation of losses is paid by enterprises to which the seized land plots are allocated, as well as by enterprises whose activities restrict the rights of land owners/users, by decision of the hokim of regions, Tashkent City, or district (town) at the expense of the relevant **Centralized Fund**, as well as other legally allowed sources (Article 86).

According to Article 87, damage to agricultural and forestry production caused by restriction on the rights of land users and tenants or deterioration in land quality due to the activity of enterprises shall be reimbursed on top of the compensation of losses provided for in Article 86. **Damage to agricultural and forestry production is compensated by legal and natural persons around whose facilities sanitary and protection zones are established.**

Civil Code

The Civil Code⁴⁶ (29.08.1996) defines the legal status of participants of civic relations, the grounds, and procedure of implementation of ownership rights and other proprietary rights, rights on the intellectual property, regulates the contractual and other obligations, as well as other property and related personal non-property relations. The Civil Code defines general rules of property seizure, and determination of property value and rights for compensation, terms of rights termination.

According to Article 7, the rules of the international treaty or agreements [signed by Uzbekistan] prevail over the national laws.

According to Article 8, Clause 3, the property rights which are subject to state registration shall arise upon the registration of the relevant rights, unless otherwise provided by law.

The Civil Code provides that a person whose right has been violated may demand full compensation for damages unless the law or the contract provides compensation for losses in a smaller size (Article 14). The losses are defined as:

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

⁴⁵ Landfills are not mentioned in the list.

⁴⁶ As last amended on 21.08.2021, <https://lex.uz/docs/111181> (part I) and <https://lex.uz/docs/180550> - (part II)

Article 84 states that the ownership right and other propriety rights, creation, transfer, restriction, and termination of these rights are subject to state registration. This is, without registration the right to property does not enter into force.

Tax Code

The Tax Code⁴⁷ (30.12.2019) governs relations related to establishment, introduction and cancellation, calculation and payment of taxes and fees, and fulfillment of tax obligations. It regulates compensations to a vulnerable group of people, including the use of discounts and relief or exemption from property taxes, land tax, income tax and other taxes.

Law “On Privatization of Non-agricultural Land” №552 (13.08.2019)⁴⁸

This normative document regulates the procedures, rules and mechanism of privatization of non-agricultural land. The following land plots can be privatized: (i) land plots that accommodate buildings and structures belonging to legal entities and industrial infrastructure facilities, as well as the land adjacent to them and required to conduct production activities; (ii) land plots provided to Uzbekistan citizens for individual housing construction and its upkeep; (iii) free land plots; (iv) land plots provided to the Urban Development Fund under the RoU Ministry of Economy and Industry.

The Law forbids privatizing land plots that are: (i) located in territories that do not have approved and published layout plans; (ii) part of lands of environmental, recreational, recreational and historical-cultural purposes, or lands of forest and water funds, general use of cities and towns (streets, driveways, roads, etc.); (iii) infected with hazardous substances and susceptible to biogenic infection; (iv) provided to residents of free economic and small industrial zones.

Presidential Decree № UP-6243⁴⁹ (08.06.2021)

The Presidential Decree № UP-6243 “On Measures to Ensure Equality and Transparency in Land Relations, Reliable Protection of Land Rights and Their Conversion into Marketable Assets” introduces new procedure according to which, as of 1 August 2021:

- Land plots are allocated to the **private sector** on the basis of ownership and lease rights, **to state bodies, institutions, enterprises, and citizens' self-government bodies** on the basis of the right of permanent use.
- **The procedure for allocating land plots on the right of lifetime inheritable ownership, permanent possession, temporary use** is abolished, while these rights to previously allocated land plots are retained by their owners;
- When transferring ownership of a legally built structure on a land plot leased to another person, along with the ownership right to this structure, **the new owner also receives the lease right to the land plot on which it is located**;
- **Agricultural land is allocated only on the basis of lease rights following open electronic competitions**, where producers of any agricultural products may participate; the results of competitions are approved by a decision of the Council of Ministers of Karakalpakstan and the regional and Tashkent hokims;
- **Non-agricultural land** is sold through electronic **online auctions** on the basis of ownership and leasehold rights;

⁴⁷ As last amended on 17.08.2021, <https://www.lex.uz/ru/docs/4674893>.

⁴⁸ As last amended on 17.08.2021, <https://lex.uz/docs/4471686>.

⁴⁹ As last amended on 09.06.2021, <https://lex.uz/ru/docs/5450181>.

- **Expropriation of land plots** for state and public needs **is made by decision of the Council of Ministers of Karakalpakstan and the regional and Tashkent hokims with the right of permanent use**;
- **In all cases land plots are allocated exclusively from free and reserve land**; the withdrawal of land plots and their transfer to reserve land with simultaneous allocation to other persons is a violation of the land allocation procedure.

As of 1 August 2021, **some powers of local authorities' relating to land relations are revoked**. For instance, hokimiyats will no longer be able to directly allocate land plots, provide for use, reserve for subsequent allocation, secure, provide land for improvement or otherwise dispose of land plots. The exception is the authority to allocate land plots **for permanent use to state organizations**, approve the results of an open tender, sign a lease agreement, and formalize the results of land plot privatization as per this decree.

Nor will hokimiyats be able **to establish, recognise, change, cancel land rights, transfer irrigated land to non-irrigated land or to another land category, or transfer non-irrigated agricultural land to another land category**, or provide land **for collective gardening, viticulture and melon growing** and subsistence farming. Any land-related decisions of hokims are to be registered in the unified state electronic system «E-qaror».

The Finance Ministry should submit to the Cabinet of Ministers within a month a procedure that provides for **full or partial compensation of the costs of buying out land plots via an online electronic auction to people under special social protection, as well as to those whose land plots have been withdrawn for state and public needs**.

All procedures related to online auctions and open tenders (e.g., selection and approval of land plots, acceptance of bids, holding auctions and tenders, and registering the results) are only conducted using electronic documents using electronic information systems.

A **positive opinion of the territorial justice authorities** on the results of the legal expertise is a prerequisite for adopting land related acts by local public authorities.

Presidential Decree № 5491-R⁵⁰ (3.09.2019)

The Decree “On Additional Measures to Unconditionally Guarantee the Right of Ownership of Citizens and Business Entities” governs the procedures and mechanism of making decisions on the seizure of land for state and public needs which is (i) allowed only after an open discussion with interested parties whose land is planned to be withdrawn, as well as assessing the benefits and costs; (ii) the demolition of residential, industrial premises, other buildings and structures belonging to citizens and business entities upon the seizure of land is permitted after full compensation of the market value of real estate and losses incurred by the owners in connection with such seizure; (iii) Losses caused to citizens and business entities as a result of the unlawful administrative act of a state body (official) are subject to compensation by the state.

The seizure of land and the demolition of real estate owned by citizens and businesses for state and public needs, as well as for other purposes, is carried out in three steps: (i) first, a collection of materials on the territory planned for demolition is submitted to the Cabinet of Ministers of the RoU by the chairman of the Council of Ministers of Karakalpakstan, hokims of the regions and the city of Tashkent; (ii) second, the CM prepares an opinion on urban planning requirements and financial calculations; (iii) third, the prepared opinion is submitted to the Prime Minister for consideration and decision-making.

There is the personal responsibility of the local authorities for full compliance with legislative acts when seizing land, in particular for: (i) notifying owners in the prescribed manner and

⁵⁰ <https://lex.uz/ru/docs/4460115>

terms of the relevant decision on the seizure of the land and the demolition of residential, industrial and other structures and plantings located on the land; (ii) preventing demolition of houses, other buildings and structures on withdrawable land plots before advance and full compensation of losses at market value; (iii) providing temporary housing for the period of development of the land provided as compensation to displaced citizens for up to two years, and complying with other requirements.

Presidential Decree №5490⁵¹ (27.07.2018)

The Decree “On Measures for Further Improvement of the System for Protecting the Rights and Legitimate Interests of Business Entities” has established the Centralised Fund for Compensation of Losses to Individuals and Legal Entities Related to Withdrawal of Land Plots for State and Public Needs Centralized Fund under the RoU Cabinet of Ministers, as well as the procedure for mandatory coordination with this fund of land acquisition for state and public needs. It also states that concrete sources of funding should be defined for the Fund’s operations including mandatory inputs from the income of the local budgets.

Presidential Decree №5495⁵² (1.08.2018)

The Decree “On Measures on Cardinal Improvement of Investment Climate in the Republic of Uzbekistan” states that the adoption of decisions on the seizure of land for state and public needs is allowed only after an open discussion with parties whose land plots are planned to be seized, as well as assessing the benefits and costs; demolition of residential, industrial premises, other structures, and structures belonging to individuals and legal entities, with the withdrawal of land plots is allowed after the full compensation of the market value of immovable property and losses caused to owners in connection with such withdrawal. This decree was amended pursuant to UP-6243 in 2021.

Presidential Resolution №3857⁵³ (16 July 2018)

The Resolution “On measures to improve the effectiveness of preparation and realization of projects with participation of international financial institutions and foreign government financial organizations” determines the regulations and rules for the projects that are carried out with participation of International Financial Institutions or Foreign Governmental Finance Organizations. Payment of compensation for the land acquisition, demolition of houses, other structures, plantings within the framework of projects with the participation of International Financial Institutions, if it is agreed and stated so in agreements, will be carried out by authorized bodies in accordance with the requirements of particular International Financial Institutions or Foreign Governmental Finance Organizations.

Resolution of the Cabinet of Ministers № 146⁵⁴ (25.05.2011)

This Resolution “On the Measures of Improvement the Order of Provision of Land Plots for the Implementation of Urban Development Activity and for Other Non-Agricultural Needs” aims at improving the procedure for granting land plots, and protecting the rights of legal entities and individuals on land. The Resolution approves the **Regulation on the procedure of compensating losses of land possessors, users, tenants, and owners, as well as losses to agricultural and forestry production** (Annex 2). This Regulation defines methodologies for calculating the mentioned losses.

The losses of land possessors, users, tenants, and owners, as well as losses of agriculture and forestry, should be compensated before granting of documents certifying rights on land

⁵¹ As last amended on 17.07.2021, <https://lex.uz/ru/docs/3839752>.

⁵² As last amended on 09.06.2021, <https://lex.uz/docs/3845276>.

⁵³ As last amended on 27.01.2021, <https://lex.uz/docs/3823562>

⁵⁴ As last amended on 25.02.202, <https://lex.uz/docs/1804031>.

plot. The regulation also orders that demolition of the house or building shall be done only after agreeing on compensation and providing replacement premises — the regulation orders that compensation has to be paid before starting any construction work.

The land possessors, users, tenants and owners, whose land plots are seized and to whom land plots are granted, can in case of disagreement with a defined amount of losses, appeal to the court. In case of acquisition and temporary occupation of land plot or part thereof, the following would be subject to compensation:

- Cost of the land plot, owned by individuals and legal entities;
- Cost of residential houses, constructions, and installations, including incomplete constructions, and also located outside of the allocated plot, if its further utilization is impossible due to seizing of the land plot.
- Cost of fruits and berries, protection and other perennial plants;
- Cost of incomplete agricultural production;
- Lost income.

Losses of production and economic activities of **legal entities in connection with restriction of the rights** of owners, users, tenants and owners of land plots are compensated if, due to the establishment of security, sanitary and protection zones, it is planned to demolish (relocate) buildings and structures or to exclude land from agricultural productions (Article 14).

Losses of **agricultural and forestry production due the restriction of the rights** of owners, users, tenants and owners of land plots is compensated if the forest lands located in the security, sanitary and protection zones of the objects under construction **are planned to be excluded from agricultural and forestry production** or moved to a less valuable land category (Article 43).

In cases of exclusion **forest lands** in protective, sanitary and protective zones of facilities under construction from circulation, the loss of agricultural and forestry production is determined in full (Article 44).

Compensation of losses to owners, users, tenants and owners of land plots, including lost profits, as well as losses to agricultural and forestry production, is made by **legal entities and individuals who are granted (allocated) a land plot**, or whose activities cause **restriction of rights** to a land plot and deterioration of the quality of land.

The **amount of losses** to owners, users, tenants and owners of land plots, as well as **losses to agricultural and forestry production**, are determined by the State Research and Design Institute "Uzdaverloyikha" and its territorial divisions, branches of state land management enterprises and the real estate cadastre of Karakalpakstan, regions and Tashkent City in the corresponding districts (cities) and construction departments of the Ministry of Construction making up a land allocation document, at the stage of choosing a land plot with the involvement of a valuation organization (Article 3).

The amount of losses to owners, users, tenants and owners of land plots, as well as losses to agricultural and forestry production, are considered, respectively, by 'commissions for consideration of issues of provision (sale) of land plots' under the CM, the Council of Ministers of Karakalpakstan, hokimiyats of regions, Tashkent City, districts and towns and approved by state authorities along with materials for the selection and allocation of land plots (Article 3).

Resolution of the Cabinet of Ministers № 911⁵⁵ (16.11.2019)

This Resolution approved the “*Regulation on the procedure for seizure of land plots and providing compensation to the owners of real estate objects located on the seized land plot*”. The Regulation determines the procedure for the seizure of a land plot for state and public needs and for investment projects. The Regulation applies if the land plot is in possession, use or temporary use of individuals or legal entities and it does not apply to land plots owned by individuals and legal entities (based on private property rights).

The regulation determines the institutional roles, timelines and scheme of withdrawal of land plots and valuating the property on them.

SanPiN No. 0350-17⁵⁶ (13.11.2017)

An indicative (normative) SPZ is delineated for facilities in accordance with the classification of production facilities in SanPiN No. 0350-17 "Sanitary Norms and Rules for the Protection of Ambient Air in Populated Areas of the Republic of Uzbekistan". SPZs should not host food industry enterprises, water supply facilities, food raw materials and food products warehouses, residential houses, educational institutions, sports facilities, parks, medical-preventive and health institutions. The size of the actual SPZ is defined by the relevant authorities for specific facilities based on the national EIA materials or additional studies.

⁵⁵ As last amended on 28.08.2021, <https://lex.uz/ru/docs/4597638>.

⁵⁶ <https://ssv.uz/ru/documentation/sanpin-0350-17-sanitarnye-normy-i-pravila-po-ohrane-atmosfernogo-vozduha-naselennyh-mest-respubliki-uzbekistan>

Annex 3. PHOTOLOG

HOREZM REGION



Planned Koshkupyrd District Landfill: general view of the landfill site (a) (December 2019), access road to the landfill site (b) (December 2019), shepherds migrating with cattle via the assumed SPZ (300-400m from the landfill boundary) c) (September 2021)

a)



b)



Planned Bagat District Landfill's site (December 2019): undeveloped sandy area (a), an unauthorized vegetable garden in the northern part of the allocated site (b) – not in use as of November 2021 information

a)



b)





Planned Bagat District Landfill's surroundings (September 2021): drainage channel near the landfill site (a), fish breeding pond east of the landfill site (b)rice fields (c), cattle-breeder, grazing livestock in the vicinity of the landfill site (d)



Existing Yangibazar District Landfill (September 2021): gate / entrance to the landfill territory (a), access road to the landfill site (b)

a)



b)



Existing Yangiaryk District Landfill (September 2021): interview with the truck driver at the entrance to the landfill (a), entrance to the landfill (b)

REPUBLIC OF KARAKALPAKSTAN

a)



b)



Planned Nukus City Landfill (December 2019): general view of the landfill site (a), access road to the planned landfill and abandoned dumpsite to the north (b) (In September 2021, a waste truck was noted leaving the dumpsite)

a)



b)



A dumpsite in the vicinity of the to-be-reconstructed Turtkul District Landfill (a) (the dumpsite is marked in purple on Figure 3), general view of the landfill expansion territory (b) (December 2019)

a)



b)



Planned (to-be-reconstructed) Karauzyak District Landfill (September 2021): general view on the existing landfill site (a), residential buildings in Karamoiyn village, adjacent to the planned landfill's maximal assumed SPZ (b)

a)



b)



Planned (to-be-reconstructed) Kungrad District Landfill: general view of the landfill expansion territory (December 2019) (a), a compound feed workshop under construction within the maximal assumed SPZ of the planned landfill (September 2021) (b)

a)



b)



Existing Amudarya District Landfill: site territory (September 2021) (a), drainage channel 20 m from the site's border (March 2019) (b)

a)



b)



Existing Khodjeyli District Landfill (September 2021): site territory (a), meeting with a local farmer (b)

Annex 4. GRIEVANCE SUBMISSION FORM

Grievance Submission Form	
Name, Last name	
Contact Information	<p>Mail: Please indicate the postal address:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Telephone:</p> <p>_____</p> <p>E-mail: _____</p>
The language desirable for the communication	<p>Uzbek</p> <p>Russian</p> <p>English</p>
Describe the grievance/claim: What is the complaint about? What is the claim?	
<p>_____</p> <p>_____</p> <p>_____</p>	
Date of Negotiation:	Resolution of Negotiation:
What is the basis of your claim?	
<p>Signature: _____</p> <p>Date: _____</p>	