

Harmancik Wind Power Plant (WPP) Project

Resettlement Action Plan Addendum on Energy Transmission Line

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February 2025

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Contents

Glo	ssary			1
1	Intro	oduction	i de la constante de la constante de la constante de la constante de la constante de la constante de la constan	4
	1.1	Proiect [Description	4
		1.1.1	ETL Construction	5
	1.2	Scope o	f RAP Addendum	5
	1.3	•	ry of the Project Impacts on the Acquired Lands and Their Owners/	
		Users		7
	1.4	Objectiv	es and Processes	7
2	Leg	al and In	stitutional Framework	9
	2.1	National	Legal and Regulatory Framework	9
		2.1.1	Turkish Constitution	9
		2.1.2	Expropriation Law (No. 2942)	9
		2.1.3	Forest Law (No. 6831)	14
		2.1.4	Pasture Law (No. 4342)	14
		2.1.5	Cadastral Law (No. 3402)	15
		2.1.6	Agricultural Reform Law (No. 3083)	15
		2.1.7	Notification Law (No. 7201)	15
		2.1.8	Land Registry Code (Official Gazette No. 28738)	15
	2.2	Internati	onal Standards	16
		2.2.1	IFC Performance Standards	16
		2.2.2	EBRD Performance Requirements	17
		2.2.3	DFC Policy and Procedures	18
		2.2.4	Equator Principles 4	18
	2.3	Gap Ana	alysis between National Legislation and International Standards	19
3	Data	Collect	ion Methodology	25
	3.1	Data Co	Ilection Activities	25
		3.1.1	Community Level Survey (CLS)	25
	3.2	Samplin	g	25
	3.3	Limitatio	ins	25
4	Bas	eline Stu	udies	26
	4.1	Socioec	onomic Baseline of the Affected Settlement(s)	26
	4.2		Structures	26
	4.3		nity Facilities, Utilities, And Public Amenities	26
5	Valu	ation an	nd Compensation Methodology	27

	5.1	Valuation for Lands (Permanent Acquisition)	27
	5.2	Valuation for Permanent Easement	28
	5.3	Valuation for Standing Crops	28
	5.4	Valuation for Affected Trees	28
	5.5	Valuation for Residential and Non-Residential Structures	29
	5.6	Acquisition of Public Lands	29
		5.6.1 Forestlands	29
		5.6.2 Treasury Lands	29
		5.6.3 Lands Belonging to Other Public Institutions	29
		5.6.4 Pasturelands	29
		5.6.5 Common Lands of the Settlements	30
		5.6.6 Non-Registered Areas	30
6	Res	settlement and Compensation Strategy	31
	6.1	Physical Resettlement	31
		6.1.1 Avoiding Physical Displacement	31
	6.2	Economic Displacement	31
		6.2.1 Avoiding Economic Displacement	31
		6.2.2 Entitlements and Eligibilities	32
	6.3	Entitlements Matrix	33
	6.4	Eligibility Criteria	35
		6.4.1 Eligible PAPs	35
		6.4.2 Cut-Off Date	35
	6.5	Livelihood Restoration Plan	35
7	Stal	keholder Engagement	37
	7.1	Disclosure and Consultation Process for RAP Addendum	37
	7.2	Grievance Management Mechanisms	37
	7.3	Vulnerability Assessment	40
8	Mon	nitoring	41
9	Role	es and Responsibilities	44
10	Imp	elementation Schedule and Change Management	47
11	Bud	dget	49

Tables

Table 2.1: The Main Gaps between Turkish Law and IFC – EBRD Policies	20
Table 6.1: Entitlement Matrix (EM)	34

Table 8.1: RAP Addendum M&E Program	41
Table 8.2: RAP Addendum Indicators	42
Table 9.1: Roles and Responsibilities for RAP Addendum Implementation	44
Table 10.1: Implementation Schedule	47

Figures

Figure 1.1: Project Components including the Access Roads and ETL in Çanakkale	
Province	5
Figure 1.2: RAP Addendum Scope	6
Figure 7.1: Steps of the External Grievance Mechanism Process	39

Glossary

Census:	A complete and accurate count of the population that will be affected by land acquisition and related impacts. Census means a field survey carried out to identify and determine the number of Project Affected Persons (PAPs) and their assets.
Compensation:	Payment in cash or in kind for an asset or a resource that is acquired or affected by a project at the time the asset needs to be replaced.
The Consultant:	Mott MacDonald Türkiye
Cut-off date:	Date of completion of the census and assets inventory of persons affected by the Project. Persons occupying the Project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the date of completion of the assets inventory, or an alternative mutually agreed on date, will not be compensated.
Economic displacement:	Loss of income streams or means of livelihood resulting from land acquisition or obstructed access to resources (land, water, or forest) resulting from the construction or operation of a project or its associated facilities.
Eligibility:	Refers to criteria identifying which affected persons are entitled to receive compensation, resettlement assistance and / or other benefits as a result of resettlement. It is regulated by RAP as well as by law.
Entitlements:	Compensation offered in RAP to persons, households, groups and / or communities affected by the Project.
Informal user:	Refers to people who have no recognizable legal right or claim to the land they are occupying for residential, business and/or other purposes. They are not eligible for land compensation but qualify for compensation for loss of structures and improvements, loss of crops and transitional livelihood support.
Land acquisition:	Includes both outright purchases of property and/or acquisition of access rights, such as easements or rights of way.
Land expropriation:	Process whereby a public authority, usually in return for compensation, requires a person, household, or community to relinquish rights to land that it occupies or otherwise uses.
Licence area:	Within the scope of the Project, licence area refers to the specific geographical zone or land area where the wind power plant will be developed. This area encompasses everything necessary for the Project, including wind turbines and relevant infrastructure like access roads, switchyard, and energy transmission lines.
Livelihood restoration:	In order to mitigate the economic displacement caused by involuntary resettlement, livelihood restoration process establishes the entitlements of affected persons and/or communities, and ensures that these are provided in a transparent, consistent, and equitable manner and that they are provided with adequate opportunity to re-establish their livelihoods.

Market value:	The value that is required to enable affected persons and communities to replace lost assets with new assets of similar value.			
Mitigation measure:	Refers to the measures to be taken in order to minimize the adverse impacts of impacts on livelihoods of the affected people.			
Project Affected Person (PAP):	Any person who, as a result of the implementation of a project, loses the right to own, use, or otherwise benefit from a built structure, land (residential, agricultural, or pasture), annual or perennial crops ad trees, or any other fixed or moveable asset, either in full or in part, permanently or temporarily.			
	Owners, users and beneficiaries of the lands used for Project are defined as direct- PAPs (directly affected by land acquisition of the Project), indirectly affected communities live and/or work in PASs are called indirect-PAPs in this RAP.			
Project Affected Settlement (PAS):	These are settlements and towns in the land use or environmental impact area of the Project. Private lands, public lands, common properties located within the boundaries of these settlements are affected by the Project.			
Physical displacement:	Loss of shelter and assets resulting from the acquisition of land associated with a project that requires the affected person(s) to move to another location.			
Replacement cost:	The rate of compensation for lost assets must be calculated at full replacement cost, that is, the market value of the assets plus transaction costs. With regard to land and structures, IFC defines "replacement costs" as follows:			
	 agricultural land—the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, plus the cost of any registration and transfer taxes; 			
	 land in urban areas—the market value of land of equal size and use, with similar or improved public infrastructure facilities and services preferably located in the vicinity of the affected land, plus the cost of any registration and transfer taxes; 			
	 household and public structures—the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors' fees and any registration and transfer taxes. 			
	In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the Project deducted from the valuation of an affected asset.			
Resettlement:	Covers all direct economic and social losses resulting from land taking and restriction of access, together with the consequent compensatory and remedial measures. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, including those that lead to loss of income sources or other means of livelihood), or both.			
Resettlement Action Plan (RAP):	The document in which a project sponsor or other responsible entity specifies the procedures that it will follow and the actions that it will take to mitigate adverse impacts, compensate losses, and provide development benefits to persons and communities affected by an investment project.			

Resettlement Framework:	A document has been prepared by the Project Company to address the potential social risks and impacts related to the land acquisition / expropriation and to manage land acquisition and resettlement impacts according to international standards for the nine-project package.
Stakeholders:	Any and all individuals, groups, organizations, and institutions interested in and potentially affected by a project or having the ability to influence a project.
Top-up payment:	As a result of national expropriation processes, compensation is paid to PAPs by the State. This compensation is evaluated for compliance with PS5 and PR5 vy resettlement experts. As a result of this evaluation, the additional payment that must be made from the RAP fund for compensation at the full replacement cost is called top-up payment.
Vulnerable groups:	People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by resettlement than other and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.

1 Introduction

1.1 Project Description

Harmancık Wind Power Plant (WPP) Project ("the Project") with 10 turbines and 42 MWm/42 MWe total installed power, is planned to be established by Enerjisa Üretim in Çanakkale Province, Merkez and Lapseki Districts, Yukarıokçular, Kızılkeçili, Üçpınar and Hacıgelen Neighbourhoods. The Project is part of a nine-project wind energy investment package initiated by Enerjisa Üretim which has a 750 MW total installed power from a total of 180 wind turbines located in the Aegean and Marmara Regions of western Türkiye; aiming to evaluate and utilize the wind energy potential of the region and contribute to the national strategy and regional economy.

The Project components consist of 10 turbines, a switchyard, Project roads (i.e., access and site roads), a 68.75 tonnes/hour capacity mobile crashing and screening facility, to be used as necessary, as well as an energy transmission line (ETL) as a Project associate facility.

The Project will involve the following works:

- Construction of 10 wind turbines and related parts (i.e., the cabling systems), a switchyard, an administrative building, access and site roads, and the ETL for the Project as a Project associate facility; and
- Operation of 10-turbine Harmancık WPP.

According to the Project schedule, the construction phase is expected to be 16 months. The construction of the Project has been initiated in the fourth quarter of 2023 with the construction of the Project roads and is planned to be completed by the first quarter of 2025 and the duration of operation phase will be 49 years.

Within the scope of the Project, licence area refers to the specific geographical zone or land area where the wind power plant will be developed. This area encompasses everything necessary for the Project, including wind turbines and relevant infrastructure like access roads, switchyard, and energy transmission lines. In addition, setback zone, which is defined as minimum distance that wind turbines must be placed away from certain areas, such as residential zones, roads, or other sensitive locations, is also among the components positioned within the licence area. This distance is established to mitigate potential impacts such as air, noise, shadow flicker, and ice and blade throw. All of the calculation methods, assessment methods, assumptions, international standards used are provided in the ESIA Report of the Project licence area. Accordingly, the areas in the setback zone are subject to the YEKA regulation¹ and the approval of the relevant institution must be received before performing any activity in the area (i.e., construction of residential houses and agricultural production). Such activities might be restricted in the setback zone for community health and safety issues.

The Project licence area falls within Çanakkale province of Türkiye which is located in the Marmara region. The figure below shows the locations of the Project components including the access roads and ETL.

¹ YEKA Regulation. Published in the Official Gazette Date/No:09.10.2016/29852. Retrieved from https://www.resmigazete.gov.tr/eskiler/2016/10/20161009-1.htm on 23 August 2024

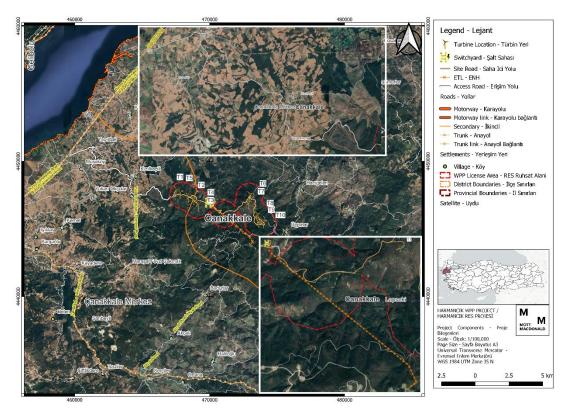


Figure 1.1: Project Components including the Access Roads and ETL in Çanakkale Province

1.1.1 ETL Construction

The ETL will be constructed by Enerjisa Üretim, but the ownership will be under to Turkish Electricity Transmission Corporation (TEİAŞ) once connection is completed. The Consultant has been informed that permitting process for the ETL is being managed by TEİAŞ.

Document provided from Türkiye Ministry of Energy and Natural Resources; TEİAŞ comprises of 154 kV single-circuit transmission line of approximately 4.5 km for connection to Üçpınar Transformer Substation. Therefore, the ETL is exempt from the National EIA².

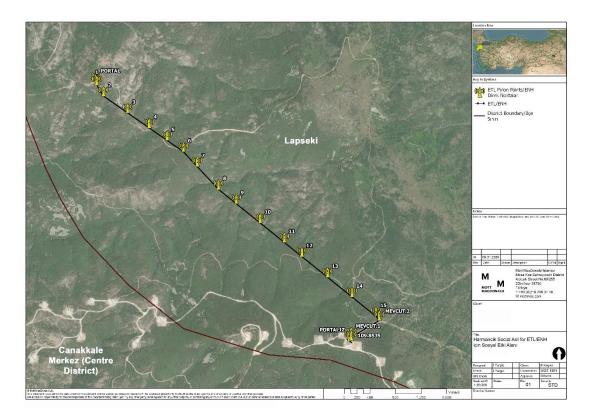
ETL construction takes place entirely on the forest land. For this reason, no private parcel or public land belonging to the Treasury of Finance has been expropriated. There will be no expropriation for ETL.

1.2 Scope of RAP Addendum

This Resettlement Action Plan (RAP) Addendum has been prepared in line with IFC Performance Standard 5 (Land Acquisition and Involuntary Resettlement) and EBRD Performance Requirement 5 (Land Acquisition, Involuntary Resettlement and Economic Displacement) to address the land acquisition requirements and associated economic displacement impacts of the ETL construction for the Harmancık WPP Project.

² According to Annex 2 of the EIA Regulation, the ETL with a voltage of 154 kV and above and a continuous length of 5 km or more is subject to be evaluated under the National EIA Regulation. Since the length of The ETL is less than 5 km, the ETL is exempt from the National EIA and the exemption letter prepared by Çanakkale Governorship Provincial Directorate of Environment, Urbanization and Climate Change was received on 20 September 2023.

The Addendum outlines the key resettlement, displacement impacts, mitigation measures, and entitlements to ensure that affected persons are adequately compensated and supported. Majority of the components (i.e., methodological approach adopted for data collection, stakeholder engagement strategy and grievance mechanism, monitoring activities and indicators, roles and responsibilities, and implementation schedule) of this RAP Addendum is in parallelization with the Project's RAP dated September 2024. On these components, there are only minor changes identified specific to the ETL-related land acquisition activities in this RAP Addendum. Nonetheless, abovementioned components are provided in this RAP Addendum to ensure consistency with the Project's RAP.



The scope of this Addendum consists of the ETL route shown in the figure below.

Figure 1.2: RAP Addendum Scope

The construction of the ETL will only take place in forest areas. Therefore, any private parcel or any parcel belonging to the Treasury is not included in the scope of RAP Addendum.

The Addendum covers the following:

- An overview of the resettlement impacts, particularly economic displacement impacts on the users of the forest lands.
- A summary of economic displacement impacts, primarily due to the placement of pylon points on forest lands
- Explanation of the valuation method and compensation strategy
- Scope of monitoring activities and responsible personnel for implementation and budget

1.3 Summary of the Project Impacts on the Acquired Lands and Their Owners/ Users

The ETL route is confined to the construction of a line through forestlands, with no involvement of private land or areas belonging to the Treasury. As such, no expropriation has taken place. Activities in these areas are carried out through negotiations and permits with the relevant forestry directorate.

The construction works will be carried out in forest areas for the erection of the pylons. With the start of the construction process, the area to be used in forested areas will be clarified. While discussing the ETL route with the mukhtar of Beybaş village, the use of the forested areas by the residents of the neighbourhood was also discussed. In this sense, it is noted that there is no impact on livelihoods of the communities. In the interview with the mukhtar, it was understood that no residents of the neighbourhoods are engaging in any economic activity in the aforementioned forested lands. CLO's contact information is available at every mukhtar and if a grievance is received regarding the use of forest land and the construction of ETL, compensation will be made in accordance with the magnitude and type of impact.

Although Beybaş mukhtar does not expect any adverse impact on livelihood for residents, the potential economic displacement impacts may include informal users' loss of livelihoods. Individuals engaged in informal activities like hunting, foraging, or small-scale logging may lose their primary or supplementary income sources if these activities are restricted in the ETL construction area. Also, small-scale businesses that depend on forest products, such as honey production or medicinal herb collection, could be negatively affected. It is important to note that the aforementioned potential impacts are not anticipated at this juncture. In the event of a developing impact, the grievance mechanism of the Project remains operational, and Community Liaison Officers (CLOs) are available for consultation.

1.4 Objectives and Processes

The main strategy of this Plan that involves the analysis of both field study and desktop study is to bridge the gaps between national legislation and IFC/EBRD standards and requirements on physical and economical displacement. The socio-economic impacts of the Project's land acquisition activities were identified through the analyses and studies within scope of this Plan. The implementations that are necessary to close the gaps between IFC/EBRD standards and national legislation were determined. A participatory approach was adopted when identifying the impacts and determining the implementation strategies. In line with this approach, a field study was conducted, which was based on consultations with the owners and users of the lands affected by the land acquisition of the Project and mukhtars of the affected settlements.

This study is conducted by Mott MacDonald (The Consultant) and addressed the following:

- Identification of eligible PAPs and preparation an asset inventory and census include formal and informal users of lands affected by the ETL construction of the Project;
- Assessment of ETL-related land acquisition impacts of the Project and their magnitude on the affected parties including vulnerable groups;
- Defining potential entitlements and prepare an implementation strategy for achieving the objectives of the resettlement/compensation package;
- Identifying gaps between national expropriation legislation and IFC PS5/EBRD PR5 and preparing a plan to eliminate gaps;
- Providing information on consultation, participation and grievance mechanism of the Project which will cover ETL-related land acquisition impacts and the PAPs affected by the land acquisition activities of the ETL construction;

- Provide budget for required resources for implementation of the RAP Addendum in line with the Project's RAP; and,
- Provide a roadmap for engagement, supervision, monitoring and evaluation of the RAP Addendum implementation.

2 Legal and Institutional Framework

2.1 National Legal and Regulatory Framework

2.1.1 Turkish Constitution

The Turkish Constitution, Article 46, under Subsection 3 of the Section 3 with the heading of "Social and Economic Rights and Responsibilities"., addresses expropriation issues. The article states that whenever a development project serves the public interest, the government is authorized to initiate and execute an expropriation process. All hydropower, airport, highway and other roads, and similar large-scale infrastructure projects are considered to be in the public interest and provide the basis for Article 46. Article 46 is dedicated to the Expropriation Law.

The specific article of the Constitution states that, except in special cases, the compensation value and the decreed increased value will be paid in full and cash to the users. The compensation of the farmers farming the acquired land is paid in full and cash, in any case. Private users on public lands are not addressed by local laws or regulations unless they have an official rental agreement with the government.

Even when land is acquired for a public interest, expropriation agencies cannot benefit from the expropriation of private lands and assets without paying into a bank account the value of the expropriated assets in advance of land entry.

Articles 44 and 45 of the Constitution indirectly relate to resettlement activities. Article 44 addresses land ownership and stipulates the responsibility of the government to protect the landless and those with inadequate land. Article 45 describes the responsibility of the government to support those working on agricultural and stockbreeding activities. Article 56 reaffirms the right of all to live in a healthy environment.

2.1.2 Expropriation Law (No. 2942)

Article 3 - Basis for Expropriation

For the implementation of large projects that concern issues such as energy, irrigation, afforestation etc., administrations may expropriate by paying the expropriation fee for the immovables, resources and their easement rights in cash or as a down payment in equal instalments, as required for the conduct of public services or interventions they are obliged to provide according to laws.

Article 4 – Establishment of Easement Right

An easement is a legal right to use of land of another, without the right to possession of that land, or to take any part of the soil or produce of such land. By Article 4 of the Law No: 2942, instead of expropriating an immovable property, an easement can be granted for a certain portion, elevation and depth of the immovable property or for the resource in Türkiye, if adequate for the purpose. Therefore, easement rights can be established for the immovable property in favour of the administration without the need for changing its owner in the title deed office to keep the integrity of the land.

However, if the use of the property right of the lands is not violated, the provision of no expropriation regarding the lands is also clearly stated in the same article. Article 4 of the Expropriation Law suggests "Provided that the use of the property rights of the owners are not prevented and the necessary measures are taken in terms of life and property safety, all kinds of bridges, viaducts and similar transportation lines and subways, tunnels and similar rail

transport systems can be built under or above the lands, based on the public interest. If the use of the property right of the land is not prevented, no expropriation is made regarding the land."

Article 7 – Initial Procedures to be Performed for Expropriation and Administrative Annotation

The administration that is to perform the expropriation prepares or commissions a scaled plan indicating the borders, surface area and type of the immovable assets of resources on which expropriation is to be constituted or appurtenances are to be constituted by way of expropriation, enables that the owners of the expropriated immovable asset, the ownerships if no title deed registrations are present and their addresses by binding them to documents through an inquiry it would conduct on the land registry, tax and population registry records as well as additional inquiries.

After the administration decides on expropriation, the related annotation is dropped into the title deed offices where the mentioned immovable asset is registered. If the owner changes after the annotation notification date, the title deed administration is obliged to notify the administration of any changes to occur in the ownership or the rights in kind that are separate from the ownership.

If the document to be obtained from the court indicating that a request for the identification of the expropriation fee and the registration in the name of the administration as per Article 10 is not submitted to the title deed offices within six months starting on the annotation date, this annotation is automatically dropped from title deed records by the title deed offices.

Article 8 – Procurement Procedure

According to Article 8, after the expropriation decision is taken, the administration will appoint one or more valuation commissions (consisting of at least 3 people) to valuate immovables. Additionally, one or more negotiation commissions (again consisting of at least 3 people) will be assigned for negotiations.

After the administration has notified the owner of its intent to take over the immovable, shall the owner or its representative apply to the administration (within 15 days after notification) with the intent of selling the immovable, negotiation meetings are held on the date identified by the commission and if an agreement is reached on an amount that is not more than the estimated value, an official agreement protocol is signed. With this sign-off, all rights are agreed to be transferred to the administration and any further legal attempt at any objection will not be considered.

The administration prepares the amount agreed in the protocol within forty-five (45) days and asks the owner to transfer the ownership rights in the name of the administration on the date specified in the title deed. The expropriation fee is paid as soon as the transfer of rights is realized.

In cases where an agreement is not reached or transfer is not realized, action is taken in court either for Article 27 (Urgent Expropriation) or Article 10 (Determination of Land Value and Registration Case) of this Law.

<u>Article 10 – Identification of the Expropriation Compensation by Court and Registration of</u> <u>Immovable in the Name of the Administration</u>

Article 10 states that, if the expropriation cannot be realized through procurement for any reason, the administration applies to the court of the first instance in the locale of the immovable and requests that the expropriation compensation for the immovable asset be identified and a decision be made for its registration in the name of the administration in return for the payment of this fee.

Within 30 days of the application of the administration, the Court notifies the owner of the immovables through an annotated invitation on the date of hearing. To those whose addresses could not be found after inquiries, an announcement is made according to Notification Law (No. 7201) inviting them to attend the hearing. The Court also publishes information on the expropriation at least once in a local newspaper (if there is any) issued in the location of the immovable and in one of the newspapers circulated across Türkiye.

On the day of the hearing, the judge invites the parties to reach an agreement on the value of the immovable. If an agreement is reached, the judge considers this compensation amount to be the expropriation fee. In cases where an agreement is not reached, the judge schedules a site survey (within ten days) to identify the value of the immovable asset and a date for the second hearing (within thirty days after the expedition).

On the second hearing, if the parties fail to agree on the value once again, the judge will assign a new expert committee for the valuation within fifteen days and then identifies a fair and equitable expropriation fee by referencing both the reports and statements of the parties and experts. The identified fee is the expropriation fee of the immovable, resource or its easement rights. The Court grants fifteen days to the administration for the fee to be deposited in a bank on behalf of the owner. In cases where the right holder could not be identified, the court decides on the registration of the immovable in the name of the administration under the circumstances that the bank receipt indicating the amount was blocked to be given to the right holder to be revealed in the future and that this decision is notified to the title deed department and the bank where the fee was deposited. The provision on registration is definitive and the parties reserve their rights for appeal pertaining to the fee.

Article 11 – Principles for the Identification of the Expropriation Fee

This article states that "The expert committee to be formed as per Article 15 will go to the location of the immovable or resource to be expropriated with the court delegation, hear the statements of related parties present and draft a justified report that identifies the expropriation fee".

The identification of the value of the immovable does not consider any value increase caused by the public works and services realized through expropriation as well as any profit that would be caused by future uses.

During the establishment of easement rights, shall there be any value decreases in the immovable or the resource due to expropriation will be justified. This decrease in value is the easement expropriation cost.

Article 12 - Partial Expropriation

The value of the partially expropriated immovable is defined in this Article, whereas it also states that if the part of the immovable excluded from expropriation is suitable for utilization under the public works legislation, the expenses and cost required for the restoration of any installations to a usable status will be calculated and added to the expropriation fee.

The value of the immovable property that is partially expropriated shall be estimated as follows:

- Provided that there does not exist any change in the value of the non-affected part of the immovable property, the value of the partially expropriated immovable property shall be equivalent to the proportion to be expropriated at the amount determined for that immovable property according to the provisions of Article 11.
- If there is a decrease in the value of the non-affected part, the value of the partially expropriated immovable property will consist of the expropriation fee determined for the

affected part of the immovable property in compliance with paragraph (a) plus the amount corresponding to the decrease of the value of the non-affected part.

Shall the remaining part of a partially expropriated immovable be not suitable for utilization, this part also may be expropriated upon the written application made by the legal owner within thirty days of the notification of the expropriation decision in cases where no lawsuits were filed in the administrative court against the expropriation procedure.

Unviable lands:

If the remaining part of the expropriated property is not economically suitable for cultivation/benefit or is not accessible, an application for expropriation of the remaining property must be made within thirty days after the submission of a written notice without the need to file a lawsuit in the administrative court (pr.7).

Article 14 - Right to a Lawsuit

A lawsuit for cancellation of land acquisition decision in the administrative court or for correction of the material errors may be filed against the expropriation procedure within thirty days as of the date of notification issued by the court as per Article 10 - the date of notification is replaced by the date of the announcement in the newspaper by the court for those who could not be notified- by the owner of the immovable asset subjected to expropriation.

Article 18 – Dispute on the Ownership

The administration identifies whether there are any disputes on the immovable to be expropriated by performing an inquiry at the title deed offices, cadastral offices and civil courts in the location of the immovable. Shall the inquiries indicate that there is a dispute on its ownership or that it was subject to a lawsuit, the entirety of documents prepared as per Article 10 is submitted to the civil court of first the instance of the location of the immovable and is requested that the expropriation fee of the immovable is determined as well as its registration is made in the name of the administration in return for the payment to be made to the right holder as soon as they have been determined as per the ongoing dispute case.

The initial and consequent instalments of the expropriation fee identified by the court are deposited in the time deposit accounts with quarterly terms each at the bank designated by the court.

The process to be followed to resolve the disputes on ownership will be in line with the procedures defined in the relevant legislation.

<u>Article 19 – Registration of Immovable Properties Not Registered in The Land Registry And</u> <u>Rights of The Possessor</u>

As a result of the research conducted by the administration, it is determined that the immovable property that is not registered in the title deed, which is decided to be expropriated, is not among the public properties listed in Article 16 of the Cadastre Law No. 3402. If it is determined that the immovable property is in possession and that a claim has been made to acquire it by possession, experts carry out an examination. Evidence is collected and a report is prepared. In this report, the surface area of the immovable property, the identity of the possessor, tax registration, the starting date and duration of possession, and whether the conditions for gaining ownership have been met are stated.

The court determines the expropriation fee of the immovable property in the procedure and within the period specified in Article 10. If possession is accepted from the information and documents provided by the administration, the court notifies the possessor.

If there is no objection by the Treasury or a third party within thirty days from the last announcement, the amount determined by the court as the expropriation fee is deposited to the bank specified in the announcement on behalf of the possessor. If necessary, this period may be extended by the court for once. If the administration submits to the court the receipt stating that the expropriation fee has been deposited in the name of the possessor, the court decides to register the immovable property in the name of the administration and to pay the expropriation fee to the possessor, and this decision is notified to the land registry office and the bank where the money was deposited.

Article 25 - Limitation of Rights and Transfer of Ownership to the Administration

The expropriation procedure is initiated through the notification conveyed by the Court as per the Article 10, regarding exercising of rights and fulfilment of obligations. The transfer of ownership to the administration is realized based on the decision for registration taken by the Court.

The owner of the immovable loses his/her rights to engage in activities such as construction or cultivation or to make fundamental changes in the current structure of the immovable after the date of the registration decision taken by the Court. The value of activities performed after this date is not considered.

An additional paragraph added in 2013 states that for large projects such as dams, irrigation networks and pipelines, highways, railways, harbours and airports, the decision for the public interest is announced in the mukhtar's office of the settlement where the immovable to be expropriated is located. After the last day of the announcement (public interest), the cost of the fixed installations on the immovable and the trees planted are not considered in the identification of the expropriation fee. This limitation for the immovable may not be more than five years after the announcement has been made.

Article 27 - Urgent Expropriation

For the expropriation of immovable required in cases of need or urgency for the defence of the country or in extraordinary situations decided by the President or envisaged in special laws as part of the enforcement of the Law on the Obligation for National Defence number 3634, the immovable asset at stake may be confiscated by means of the administration depositing the amount for the value of the said immovable asset identified by the court as per the principles in the Article 10 (Amended statement: 24/04/2001 - 4650/Article 15) and via the experts selected as per the Article 15 at the bank stated in the invitation and announcement made according to the Article 10 (Amended statement: 24/04/2001 - 4650/Article 15) within seven days upon the request by the related administration with the procedures other than the value appreciation to be completed later on.

Urgent Expropriation, Article 27 of the Law

- In cases where a resolution will be issued by President or in extraordinary cases prescribed by special laws,
- As for the expropriation of immovable property, an immovable property can be seized by the court by depositing in the name of the owner the value of that immovable property as determined by experts to be selected as per Article 15 within the framework of principles in Article 10 into the bank as specified in the invitation and notice to be made according to Article 10 within seven days upon the request of the relevant administration on the condition that actions other than valuation are completed later on.

In terms of urgent expropriation, land valuation performed by experts appointed by the court is only a determination and is not decisive. After this price is determined and deposited by the

Administration into the account number as determined by the court, actions stipulated in Articles 8, 9 and 10 shall apply.

Article 30 – Transfer of an Immovable Owned by an Administration to Another Administration

This article articulates that immovable, resources and easement rights owned by public legal persons and agencies may not be expropriated by another public legal person or agency.

The administration that requires the immovable, resource or easement rights identifies the fee according to Article 8 of Expropriation Law. It lodges a written application at the administration owning the asset by stating the amount it would pay based on this fee. If the owner of the asset fails to abide by the transfer and respond within sixty days, the conflict is settled via an affirmed decision within two months after being inspected by the relevant administrative office of the Council of State upon application by the receiving administration.

If the parties fail to reach an agreement on the price, the receiving administration lodges an application at the court according to the procedure written in Article 10 within thirty days of the notification date of the Council of State decision asking for the expropriation fee to be identified. In the adjuration process to be conducted in this case, the court does not enforce the provisions of the Law dated 9/6/1938 and number 3533.

A period of fifteen days is granted to the receiving administration for the fee identified as the expropriation fee as per the procedure envisaged in Article 10 to be deposited in the bank specified by the administration to be given to the asset-owning administration and the receipt of the fee deposited to be submitted. This period may be extended as necessary only once by the court. The court decides on the registration of the immovable asset in the name of the administration and the expropriation fee to be paid to the asset-owning administration upon the submission of the receipt indicating that the expropriation fee was deposited by the receiving administration in the bank in the name of the asset-owning administration and this decision is notified to the title deed department and the bank where the money was deposited. The provision on registration is definitive and the parties reserve their rights for appeal concerning the fee.

The immovable, resource and the easement rights thus taken over are deemed to have been received via expropriation and they cannot be used for transfer purposes or any public purposes other than those allowed by the transferring administration. Otherwise, the transferring administration may receive the immovable back as per Article 23. This matter is annotated in the field of declarations in the title deed log.

2.1.3 Forest Law (No. 6831)

By the Forest Law, the Project must obtain permission from the Ministry of Agriculture and Forestry (MoAF) to perform activities in forests or lands classified as forests and is required to indemnify damages to public forests resulting from the construction.

The use of forestry and pastureland is regulated by Forest Law No.6831 and Pasture Law No. 4342. Registration of the ownership or easement rights will be carried out following Cadastral Law No. 3402, and Land Registry Code (Official Gazette No. 28738).

According to Law (17.06.2004 article 5192/1), the Ministry has the authority to permit the use of forestland. This permission cannot be longer than 49 years.

2.1.4 Pasture Law (No. 4342)

According to this Law based on the views of the Pastureland Commission the Governors in project affected provinces have the authority to permit altering the classification of pasturelands.

Neither the right of the public nor of the specific users of pastures is recognized under the local legislative framework. Compensation will be paid for pasture lands to the relevant public agencies.

2.1.5 Cadastral Law (No. 3402)

The Cadastral Law determines the boundaries and legal status of immovable assets based on the national coordinate system and the cadastral or the topographic cadastral maps to register land and to constitute the basis of the spatial information system as the Civil Law (No. 4721) stipulates.

2.1.6 Agricultural Reform Law (No. 3083)

The Agricultural Reform Law regulates several issues for lands that are irrigated and that have been determined by the President. The Law covers matters regarding land consolidation and allocation of land for other purposes rather than agriculture in case of need. It is stipulated in the Law that in areas where agricultural production has no longer economic viability due to fragmentation, land consolidation works will be realized to prevent fragmentation that will result in affecting both on the livelihood and the work force of any family.

2.1.7 Notification Law (No. 7201)

The Notification Law No. 7201, with its amendments in 2003, 2008 and 2011, provides the basis for a process of notification for property owners. It consists of specific procedures to be followed to reach a range of public and private owners, including those whose addresses are unknown. According to the Law, notification provisions include mail to known addresses; seeking support from local authorities; publication through an advertisement placed in a national newspaper published throughout the country in significant numbers; and electronic communications. The Law guides communicating with different categories of shareholders, including resident owners, absentee owners, owners outside Türkiye, and various public agencies. The specificity and broadness of the Law support international policies' emphasis on communications and consultation.

The Notification Law details the process of notification for landowners and land users whose address is unknown as determined by the Notification Officer. According to the modifications made in the Law in 2011 (Article 10), the notification can be made wherever appropriate for the affected owner and/or to the last address known. If the person cannot be reached, notification is sent to the last known residence and is directed to the settlement or municipal quarter mukhtars.

2.1.8 Land Registry Code (Official Gazette No. 28738)

This code aims to keep the land registry records in order concerning Civil Law (No. 4721). It comprises of the principles and procedures pertaining to ownership, limited real and individual rights of immovable assets, and their entry, amendment, cancellation and rectification to the land registry.

Some other national laws indirectly related to land acquisition and RAP are also applied when necessary:

- Regulation on Control of Soil Contamination and Point Source Contaminated Lands (Official Gazette dated 08.06.2010 and numbered 27605)
- Control of Excavated Soil, Construction and Demolition Wastes (Official Gazette dated 18.03.2004 and numbered 25406)
- Soil Protection and Land Use Law (Official Gazette dated 19.07.2005 and numbered 5403)

- 'Regulation on Building in Disaster Areas (Official Gazette dated 14.07.2007 and numbered 26582)
- Regulation on Building Earthquake in Türkiye (Official Gazette dated 18.03.2018 and numbered 30364)
- Law on Protection of Personal Data (No: 6698)

2.2 International Standards

2.2.1 IFC Performance Standards

International Finance Corporation's (IFC) Sustainability Framework articulates the Corporation's strategic commitment to sustainable development and is an integral part of IFC's approach to risk management. The Sustainability Framework comprises IFC's Policy and Performance Standards on Environmental and Social Sustainability, and IFC's Access to Information Policy. The Policy on Environmental and Social Sustainability describes IFC's commitments, roles, and responsibilities related to environmental and social sustainability. IFC's Access to Information Policy reflects IFC's commitment to transparency and good governance in its operations and outlines the Corporation's institutional disclosure obligations regarding its investment and advisory services.

According to the Guidance Note 5 of IFC, where land acquisition and resettlement are the responsibility of the government, the client will collaborate with the responsible government agency, to the extent permitted by the agency, to achieve outcomes that are consistent with this Performance Standard. In addition, where government capacity is limited, the client will play an active role during resettlement planning, implementation, and monitoring.

IFC uses the Sustainability Framework along with other strategies, policies, and initiatives to direct the business activities of the Corporation to achieve its overall development objectives. The Performance Standards may also be applied by other financial institutions.

The fifth standard (PS5 - Land Acquisition and Involuntary Resettlement) in this list form the basis of this RAP:

PS5: Land Acquisition and Involuntary Resettlement³

Performance Standard 5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons that use this land. Involuntary resettlement refers both to physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) because of project-related land acquisition and/or restrictions on land use. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in physical or economic displacement.

This occurs in cases of (i) lawful expropriation or temporary or permanent restrictions on land use and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail. Project Company will achieve the objectives of IFC PS5.

This Performance Standard applies to physical and/or economic displacement resulting from the following types of land-related transactions:

³ IFC Performance Standard 5 (2012) <u>https://www.ifc.org/wps/wcm/connect/75de96d4-ed36-4bdb-8050-400be02bf2d9/PS5_English_2012.pdf?MOD=AJPERES&CVID=jqex59b</u>

- Land rights or land use rights acquired through expropriation or other compulsory procedures per the legal system of the host country,
- Land rights or land use rights acquired through negotiated settlements with property owners or those with legal rights to the land if failure to reach settlement would have resulted in expropriation or other compulsory procedures,
- Project situations where involuntary restrictions on land use and access to natural resources cause a community or groups within a community to lose access to resource usage where they have traditional or recognizable usage rights,
- Certain project situations requiring evictions of people occupying land without formal, traditional, or recognizable usage rights,
- Restriction on access to land or use of other resources including communal property and natural resources such as marine and aquatic resources, timber and non-timber forest products, freshwater, medicinal plants, hunting and gathering grounds and grazing and cropping areas.

According to the standard, in the case of physical displacement, the Client will develop a Resettlement Action Plan that covers, at a minimum, the applicable requirements of this Performance Standard regardless of the number of people affected. This will include compensation at full replacement cost for land and other assets lost. The Plan will be designed to mitigate the adverse impacts of displacement; identify development opportunities; develop a resettlement budget and schedule and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to the needs of the poor and the vulnerable. The Client will document all transactions to acquire land rights, as well as compensation measures and relocation activities.

If people living in the project area are required to move to another location, the client will (i) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and (ii) provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites built for displaced persons must offer improved living conditions. The displaced persons' preferences concerning relocating in pre-existing communities and groups will be taken into consideration. Existing social and cultural institutions of the displaced persons and any host communities will be respected.

In the case of physically displaced persons under paragraph 17 (i) or (ii), the Client will offer the choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate. Compensation in kind should be considered in lieu of cash. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

2.2.2 EBRD Performance Requirements

The European Bank for Reconstruction and Development (EBRD) is committed to promoting "environmentally sound and sustainable development" in the full range of its activities pursuant to the Agreement Establishing the EBRD. The Bank recognises that environmental and social sustainability is a fundamental aspect of achieving outcomes consistent with its transition mandate. Therefore, the projects that foster environmental and social sustainability are within the highest priorities of the Bank's activities.

EBRD has adopted a comprehensive set of specific Performance Requirements (PRs) for key areas of environmental and social sustainability that projects are required to meet. Among the 10 PRs adopted by the EBRD, the fifth requirement (PR5 - Land Acquisition, Involuntary Resettlement and Economic Displacement) particularly relevant to the development and implementation of the RAP:

PR5: Land Acquisition, Involuntary Resettlement and Economic Displacement

This PR addresses impacts of project-related land acquisition, including restrictions on land use and access to assets and natural resources, which may cause physical displacement (relocation, loss of land or shelter), and/ or economic displacement (loss of land, assets or restrictions on land use, assets and natural resources leading to loss of income sources or other means of livelihood). The term "involuntary resettlement" refers to both of these impacts and the processes to mitigate and compensate these impacts. Resettlement is considered involuntary when affected persons or affected communities do not have the right to refuse land acquisition or restrictions on land use, other assets and natural resources, even if compulsory acquisition is used only as a last resort after a negotiated process.

Application of PR5 is consistent with the universal respect for, and observance of, human rights and freedoms, specifically the right to private property, the right to adequate housing and to the continuous improvement of living conditions.

Unless properly managed, involuntary resettlement may result in long-term hardship and impoverishment for affected persons and communities, as well as environmental damage and adverse socio-economic impacts in areas to which they have been displaced. The client shall consider feasible alternative project designs and sites to avoid or minimise land acquisition or restrictions on land use, other assets and natural resources while balancing environmental, social, and financial costs and benefits, and paying particular attention to gender impacts and impacts on vulnerable persons. Where it cannot be avoided through design, displacement shall be minimised and appropriate measures to mitigate adverse impacts on affected persons and host communities shall be carefully planned and implemented.

2.2.3 DFC Policy and Procedures⁴

Environmental and Social Policy and Procedures (ESPP) of U.S. International Development Finance Corporation (DFC) partners with the private sector to finance solutions to the most critical challenges facing the developing world today. We invest across sectors including energy, healthcare, critical infrastructure, and technology projects. DFC investments adhere to high standards and respect the environment, human rights, and worker rights. The projects included resettlement of 5,000 or more persons are in the Categorical Prohibitions list of DFC.

2.2.4 Equator Principles 4⁵

The <u>Equator Principles</u> (EP) is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and is primarily intended to provide a minimum standard for due diligence and monitoring to support responsible risk decision-making.

As per the fourth version of the EPs (July 2020), all Equator Principles Financial Institutions (EPFIs) must implement EP 4 by 1 October 2020. EP 4 comprises 10 principles⁶. Principles relevant to the RAP, as listed below:

The relevant criteria for the RAP are under Principles 3, 5, 6 and 9:

• Principle 3: Applicable Environmental and Social Standards

⁴ <u>https://www.dfc.gov/sites/default/files/media/documents/DFC_ESPP_012020.pdf</u>

⁵ The Equator Principles, July 2020, https://equator-principles.com/wp-content/uploads/2020/05/The-Equator-Principles-July-2020-v2.pdf <u>www.equator-principles.com</u>

- Principle 5: Stakeholder Engagement
- Principle 6: Grievance Mechanism
- Principle 9: Independent Monitoring and Reporting

Principle 3: Applicable Environmental and Social Standards

The Assessment process should, in the first instance, address compliance with relevant host country laws, regulations and permits that pertain to environmental and social issues.

EPFIs operate in diverse markets: some with robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the environment; and some with evolving technical and institutional capacity to manage environmental and social issues.

Principle 5: Stakeholder Engagement

For projects with potentially significant adverse impacts on Affected Communities, the client will conduct an Informed Consultation and Participation process. The Client will tailor its consultation process to:

- the risks and impacts of the project,
- the project's phase of development,
- the language preferences of the affected communities,
- their decision-making processes,
- and the needs of disadvantaged and vulnerable groups.

Principle 6: Grievance Mechanism (GM)

Grievance mechanisms are required to be scaled to the risks and impacts of the project, and will seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate, readily accessible, at no cost, and without retribution to the party that originated the issue or concern. Grievance mechanisms should not impede access to judicial or administrative remedies. The client will inform Affected Communities and Workers about the grievance mechanisms during the Stakeholder Engagement process.

Principle 9: Monitoring and Reporting

To assess project compliance with the EP after Financial Close and over the life of the loan, the EPFI will require independent monitoring and reporting.

2.3 Gap Analysis between National Legislation and International Standards

There are some gaps between international standards (IFC, EBRD and EP) and national legislation in regard to the preparation of the Addendum. This Addendum includes additional measures to eliminate such gaps. The main gaps between Turkish Law and IFC standards are summarized in the table below. The table also indicates the Project Company's mitigation measures.

Table 2.1: The Main Gaps between Turkish Law and IFC – EBRD Policies

Subject	IFC Standards	EBRD Requirements	Turkish Legislation	Gaps	Responsibilities for filling the gaps
Avoidance and Minimization	According to IFC PS5 involuntary resettlement should be avoided where feasible or minimized.	According to EBRD PR5, Land Acquisition (LA), Restrictions on Land Use and Involuntary Resettlement, the objectives of this PR are to: (i) avoid involuntary resettlement or, when unavoidable, (ii) minimise involuntary resettlement by exploring feasible alternative project designs and sites, (iii) avoid forced eviction.	There is no provision regarding avoiding and minimization of resettlement in Turkish Expropriation Law. However, physical displacement of local communities is not preferred by the State because of its high social and economic costs.	There is a legal gap, but there is no gap in practice.	Project Company's primary objective is to avoid physical resettlement. For the construction of ETL, since entire route is confined within forest lands, no physical displacement will occur.
Census and Baseline information	According to IFC PS5, when After land acquisition or restrictions on land use are unavoidable, the Borrower will, as part of the environmental and social assessment, conduct a census to identify the persons who will be affected by the project, to establish an inventory of land and assets to be affected, to determine who will be eligible for compensation and assistance, and to discourage ineligible persons, such as opportunistic settlers, from claiming benefits.	According to EBRD PR5, the client shall carry out a census of affected people to: (i) identify persons who are affected by the project; and (ii) determine who will be eligible for compensation and assistance. The census shall also take into account seasonal resource users who may not be present in the project area at the time of the census. The client shall carry out an inventory of affected assets, including land, structures, crops, communal amenities and natural resources to establish the basis for further valuation of such assets.	Turkish Law requires preparation of inventory of assets. Land acquisition through expropriation requires the preparation of a census (full count) of affected immovable assets, and a full list of their owners.	National requirement is limited to census of immovable assets and legal titleholders. Census and baseline information on project affected populations as defined by IFC PS5, including tenants, users of communal land, land holders/occupants without legal or customary title are not required.	Since no household affected by the forested land was identified, no household level survey was conducted. Information on the informal users was collected through the interview with the mukhtar. Tenants, users of communal land, land holders/occupants without legal or customary title have not been identified in national land acquisition process.

Subject	IFC Standards	EBRD Requirements	Turkish Legislation	Gaps	Responsibilities for filling the gaps
Cash Compensation at Full Replacement Value	According to IFC PS5, when land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods.		Valuation of agricultural land depends on capitalization of annual net income calculated by taking market prices into account. According to Article 3 of the Capital Markets Board (CMB) Communiqué on Valuation Standards in the Capital Markets (III-62.1), which came into force by being published in the Official Gazette dated 01.02.2017 and numbered 29966, "In the valuation activities carried out, the Valuation Experts Association of Türkiye and the Capital Markets Association of Türkiye" It is mandatory to comply with the published International Valuation Standards. In-kind compensation is not offered except for state led resettlement according to Turkish Resettlement Law 5543.	According to Article 3 of the Capital Markets Board (CMB) Communiqué on Valuation Standards a CMB licenced has valuated the lands and trees in line with international standards in accordance with PS5. Structures are compensated by use of their cost of construction given by reference values defined by MoEUCC and market value. However, depreciation and demolition costs are deducted from calculated values.	It will be ensured that there are no deductions such as depreciation etc. Photographs of the parcels before and after the construction will be taken and will be presented as evidence in order to compensate for the damage caused during the erection of the pylons.
Requirement to prepare a Resettlement Action Plan	According to IFC PS5, in the case of economic and / or physical displacement, the Borrower will develop a Resettlement Action Plan.	According to EBRD PR5, the Client shall consider feasible alternative project designs and sites to avoid or minimise land acquisition or restrictions on land use, other assets and natural resources while balancing environmental, social, and financial costs and benefits, and paying particular attention to gender impacts and impacts on vulnerable persons. Where it cannot be avoided through design, displacement shall be minimised and appropriate measures to mitigate adverse	No legal provisioning forces the project proponents to prepare resettlement action plan under Turkish Law.	Resettlement planning is a key gap, since resettlement related documentation only includes cadastral information, asset list and compensations. Livelihood impacts and losses are not addressed. There is no planning to improve or restore PAPs livelihoods to pre-project levels.	Project Company has prepared this Addendum that also examines past land acquisition process to address economic and physical displacement in line with IFC PS5 and EBRD PR5. RAP has been designed to include full compensation measures for all lands and affected assets and mitigation measures for PAPs.

Subject	IFC Standards	EBRD Requirements	Turkish Legislation	Gaps	Responsibilities for filling the gaps
		impacts on affected persons and host communities shall be carefully planned and implemented.			
Loss of Business	In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment.	Compensate, in cases where land acquisition affects commercial structures, the affected business owner for: (i) the cost of reestablishing commercial activities elsewhere; (ii) lost net income during the period of transition; and (iii) the costs of the transfer and reinstallation of the plant, machinery or other equipment, as applicable.	National legislation provided compensation only the loss of property and/or structures.	National legislation does not have provisions for the compensation of business owners for loss of income caused by expropriation.	Commercial buildings were not affected by the land acquisition of the Project and there is no loss of business impact.
Compensation for Loss of Communal Assets	For persons whose livelihoods are natural resource-based and where project-related restrictions on access envisaged, implementation of measures will be made to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature rather than	Where land acquisition or restrictions on land use, other assets and natural resources (whether permanent or temporary) cannot be avoided, the Client will offer compensation to affected persons at full replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living and livelihoods, subject to the provisions in PR5. The client will provide	Communal assets are compensated according to Article 30 of Expropriation Law. The Article 30 of Expropriation Law No. 2942 articulates that immovable, resources and easement rights owned by public legal persons and agencies may not be expropriated by another public legal person or agency. Properties owned by public institutions cannot be expropriated but only can be a subject to transfer. If there is no transfer in question allowed the dispute is solved in the Supreme Court. There is no compensation for displaced	Communal users of public lands such as pastures, forestry lands, treasury lands or lands under jurisdiction of other state bodies (municipalities, etc.) are not recognized and/or compensated.	If there has been loss of income due to land acquisition in the use of public property, mitigation measures and supports will be provided under the RAP Fund. Compensating actions will be taken if grievances are received regarding forest land users.
	directly oriented towards individuals or households.	resettlement assistance to all physically displaced persons and livelihood improvement or	persons benefiting from pasture lands.		

Subject	IFC Standards	EBRD Requirements	Turkish Legislation	Gaps	Responsibilities for filling the gaps
		restoration assistance to economically displaced persons.			
Treatment of squatters / informal land users	IFC PS5 states that project related losses of the affected people should be compensated in full and in cash prior to the actual acquisition of immovable assets or access to land. These users should be added entitling to compensation	According to Environmental and Social Policy, PR5 will also apply where such voluntary land transactions may result in the displacement of persons, other than the seller, who occupy, use or claim rights to the land in question such as informal tenants or other land users that have no right under national law.	Assets located on public lands in the expropriation area and that can be documented to belong to individuals can be compensated in accordance with Article 19 of the Expropriation Law. However informal users of public lands without document are not entitled to expropriation compensation.	There could be no compensation in Turkish Expropriation Law for informal users/squatters on public lands if there is no document.	Within the scope of RAP Addendum, no informal user on forestlands is identified. If any grievances recorded on this regard, compensation will be provided for the owners of non-documented structures on public lands from RAP Fund.
Measures for Vulnerable Persons	IFC states that particular attention should be paid to the needs of vulnerable groups, especially those below poverty line, the landless, the elderly, women and children. Livelihood restoration planning should provide special assistance to women, minorities, or vulnerable groups.		Expropriation Law does not specify vulnerable groups. However, under the Turkish Constitution, the State guarantees his citizens to continue their lives in peace and security, also socioeconomically encourage them to reach a higher standard of living. In this context, the State applies several rules and measures to protect and to support its needy, weak, helpless, and homeless citizens.	Turkish Land Expropriation Law does not address vulnerability. While the process considers social issues such as tensions, settlement relations, it does not specify approach for vulnerability and does not identify a strategy to ease the transition of vulnerable groups.	Within the scope of RAP Addendum, no vulnerable groups were identified.
Transitional Livelihood Support (TLS)	According to IFC PS5 the borrower will provide transitional support to all economically displaced.		Transitional support is available only for government led resettlement.	There needs to be a budget available for transitional support.	PAHs that cannot be eliminated of livelihood losses with the compensation provided for all PAPs. TLS will be provided in different amounts for these groups. At this time, there are no identified cases.

Subject	IFC Standards	EBRD Requirements	Turkish Legislation	Gaps	Responsibilities for filling the gaps
Project-level Grievance Mechanisms (GM)	Where there are Affected Communities, the client will establish a grievance mechanism to receive and facilitate resolution of Affected Communities' concerns and grievances about the client's environmental and social performance.		Land acquisition process recognizes the right to object of the PAPs. Objections are recorded and responded in writing. In the expropriation process under national law, the owner's consent is sought for the immovable property in the first instance but not always consent is achieved, and expropriation becomes compulsory. Expropriation involves compulsory appropriation of the immovable property by the State for public interest. However, Expropriation Law No. 2942 allows that the owner and occupant of the immovable property subject to expropriation and other concerned parties may file actions against the expropriation procedure or appraised values and errors of fact before judicial courts.	There is no grievance mechanism requirement.	There is a Grievance Mechanism (GM) in place; grievances are recorded/responded and necessary actions are taken. The GM will allow the problems of PAPs to be resolved quickly, fairly and transparently without resorting to legal remedies. The good functioning of the mechanism minimizes losses. The functioning of the mechanism is presented in detail in the SEP. GM will be introduced to the public.
			Reference can also be made to the Law on the Use of the Right to Petition no 3071 and Law on the Right to Information No 4982 Right to Information No 4982 states "Institutions are required to apply administrative and technical measures to provide every kind of information and document, with the exceptions set out in this law, to provide the information for applicants; and to review and decide on the applications for access to information promptly, effectively and correctly."		

3 Data Collection Methodology

3.1 Data Collection Activities

3.1.1 Community Level Survey (CLS)

Information has been obtained from the mukhtar of Beybaş village regarding the impacts of the Project's land acquisition activities deriving from ETL construction on communities. Affected PAPs including users of the lands have been identified with the mukhtar and included in the household survey. Semi-structured community level questionnaire with the mukhtar in one Project Affected Settlement (PAS) has been implemented. The questionnaire includes topics on;

- Affected lands including common properties,
- Population,
- Seasonal labour,
- Livelihood pattern,
- Owners and users of the affected lands,
- Opinions about the Project impacts,

Due to the fact that only forest land was affected, a household level survey was not conducted and the assets in the parcels were not noted.

3.2 Sampling

Scope of fieldwork which consists of forest land is formed by evaluating as a result of following items:

- the effects of the pylon points or the route of the wires,
- of the resulting potential for economic displacement,
- the restriction of livelihood activity only during short-term construction

It is evident that both private and Treasury land are excluded from the construction process. Consequently, a semi-structured interview was conducted with the mukhtar of Beybaş village, located in proximity to the ETL construction, with the objective of comprehending the prevailing circumstances and potential impact.

3.3 Limitations

No persons engaged in economic activities were identified in the forested areas on the route of the Project. The mukhtar has no guidance and information on this issue. Due to time constraints in the site visit, the entire forest route could not be followed through. Considering that the mukhtar stated that there are no PAPs using the forest land in question, an asset inventory could not be carried out. However, the grievance mechanism is in place for any forestland user to raise concerns, requests and/or grievances. Additionally, the mukhtar has been informed about both the ETL construction activities and grievance mechanism of the Project.

4 Baseline Studies

4.1 Socioeconomic Baseline of the Affected Settlement(s)

Understanding socioeconomic baseline conditions is essential for assessing the potential social impacts of the Project and developing targeted mitigation measures to address the specific vulnerabilities and priorities of the affected communities. For the use of the forest area, information was obtained from the mukhtar, and the impact was tried to be understood. Therefore, the mukhtar of Beybaş village, which is located close to the ETL route, was interviewed.

Beybaş has 60 permanent households with a permanent population of 150 people and 40 temporary households with a temporary population of 100 people. There has been no significant population change over the past five years. The main livelihood in Beybaş is agriculture, primarily crop production. Animal husbandry serves as the primary auxiliary source of income, while pensions are a secondary auxiliary source. The mukhtar of Beybaş is aware of the land acquisition process for the Project.

No households were noted to make a livelihood from forest lands and there is no case where the livelihood is indirectly related to forest area.

4.2 Affected Structures

No residential or non-residential structures, such as coal sheds, fences, wells or other features, were observed.

No residential or commercial buildings or another type of structures have been identified to be affected by the land acquisition of the Project for ETL construction. In this regard, no cases of physical displacement are expected.

4.3 **Community Facilities, Utilities, And Public Amenities**

Community facilities, utilities, and public amenities are not affected by the Project's land acquisition for ETL construction. As reported by the Project Company existing roads will be used by renewing/expanding for the Project. For this reason, there may be temporary crossing restrictions due to construction on roads used by the public. Potential risks related to the restrictions to accessing roads by the public will be mitigated in line with the Traffic Management Plan of the Project as well as other mitigation measures defined in the ESIA Report.

5 Valuation and Compensation Methodology

5.1 Valuation for Lands (Permanent Acquisition)

Agricultural lands

Net Income Capitalisation is the valuation method used for calculating compensation about the loss of agricultural land in Türkiye.

The net income from Project affected agricultural land is determined based on the following steps:

- Gross income is calculated by multiplying the quantity of the annual crop produced by each land parcel by the crop unit price (e.g., a price per kg) for the relevant valuation year.
- Net income is obtained by subtracting the production costs associated with the annual crop from each land parcel, from the gross income for that crop.

The net income is then multiplied by the capitalisation rate, to obtain the national valuation of the compensation.

The formula used during valuation of the agricultural lands is $R / F = K^7$

The capitalisation rate is a key metric for the valuation of agricultural land. The net income of affected agricultural land is multiplied by this rate to determine its current value. The average capitalisation rate is calculated by dividing the yield of the crop (determined by the Ministry of Agriculture and Forestry annually, and its Provincial Administrations, each year) by the crop unit price. The independent asset valuation surveyors will then adjust the value of the land parcel depending on the specific characteristics (positive and negative) of the agricultural land being valued. Positive land characteristics will decrease the capitalisation rate, while negative characteristics will increase it.

- Factors that positively affect the capitalisation rate (i.e., decrease the capitalisation rate) and therefore increase the calculated value of the agricultural land parcel are as follows:
- Proximity to a city or town;
- Proximity to access roads (land, railway, airway);
- Favourable transportation conditions;
- Buildings (if any) in good condition;
- Undivided land;
- Smooth and well-shaped land;
- Security and safety of land;
- Ease of purchasing and selling;
- Land having title deed registration;
- Cadastral surveys56 completed for land;
- High population densities;

⁷ R: Net income (gross income - production costs)

F: the capitalisation rate (risk related to the capital invested in agricultural land)

K: Value (national valuation of compensation)

- Easily changeable rotational cultivation system (applicability of crop diversity); and
- Favourable irrigation conditions, if it is irrigated land.

Factors that negatively affect the capitalisation rate (i.e. increase the capitalisation rate) and therefore decrease the calculated value of the agricultural land parcel would be the inverse of those listed above.

To ensure the net income capitalisation valuation has been correctly implemented, the independent asset valuation surveyors visit the land parcels to be expropriated to identify both the current land use, and to determine all the factors that may affect the final calculated value of the land parcel as defined in national legislation. This approach identifies the final value required to provide compensation in accordance with national requirements.

Decision of Capital Markets Board (CMB)

According to Article 3 of the CMB Communiqué on Valuation Standards in the Capital Markets (III-62.1), which came into force by being published in the Official Gazette dated 01.02.2017 and numbered 29966, "In the valuation activities carried out, the Valuation Experts Association of Türkiye and the Capital Markets Association of Türkiye" It is mandatory to comply with the published International Valuation Standards.

Non-agricultural lands

'Market Comparison Valuation Method' is the methodology used for calculating the value of nonagricultural land parcels in Türkiye. This valuation method for non-agricultural land parcels, defined explicitly in national legislation, is calculated by comparing the land parcel being valued to the sale prices of non-agricultural land parcels with similar characteristics.

5.2 Valuation for Permanent Easement

By national legislation, an easement can be granted for a certain portion of a land parcel (or elevation/depth over/underground level) instead of expropriation. Easement agreements do not require the owner of the land to be changed in the name of the administration, and that the integrity of the land is maintained (agricultural and non-agricultural land).

The easement cost is calculated, in accordance with national legislation, as the difference between the value of the land before and after the investment. The loss in value of the land due to the easement will be derived from the lost economic potential of the land.

It should be noted the court practises (precedents) restrict the permanent easement value to 50% of permanent acquisition value for non-agricultural lands and that 35% for agricultural lands.

5.3 Valuation for Standing Crops

The valuation for affected crops is calculated based on the actual annual crop unit price values which can vary from year to year. The actual seasonal crop values are announced by the Ministry of Agriculture and Forestry and announced annually. However, the product unit prices published in the official gazette belong to the previous year and the inflation rate has been high in Türkiye and throughout the world in recent periods.

Allowing the harvest of standing crops as much as possible is the primary method.

5.4 Valuation for Affected Trees

As per the Expropriation Law, a full tree count is carried out as part of the asset inventory update for each land parcel. This count records the type, age and diameter of all trees and other

fixed assets in the expropriation areas for the Project preferably with the property owners where possible. The national valuation method for compensating the value of a tree, is based on the following two criteria:

- Timber value; and
- Number of fruits produced by the tree.

The calculation of the timber value of a tree, and the average amount of fruit production, is informed by details such as the type, diameter, length and volume of the tree. The annual gross income from the tree is calculated based on the sum of the timber value and the income from the fruit sales (at average regional prices per standardised weight). The net income is then calculated by subtracting the cost of maintaining the productivity of the tree and the surrounding area, from the annual gross income. The final value calculated for affected trees and other fixed assets meets national requirements.

According to the Expropriation Law, the Administration can deduct cutting fee during the acquisition of trees. However, all land valuation reports prepared by the CMB-approved company were examined and it was seen that such deductions were not made for trees. Therefore, the final calculations also comply with the principle of compensation for full replacement value of IFC PS5 and EBRD PR5.

5.5 Valuation for Residential and Non-Residential Structures

The valuation of residential and non-residential structures to be expropriated will be carried out by asset valuation surveyors under national legislation using set unit prices. These valuations will be based on the official unit prices of structures made from different primary materials (such as stone, brick, or wood) published annually by the Ministry of Environment, Urbanisation and Climate Change. These cost prices paid to the owner are prepared in line with the cost method which considers the completion ratio, cost of depreciation and debris.

The final value calculated for residential and non-residential structures for payment to the owner meets national requirements, however, it does not meet PS5 and PR5 requirements, and as such additional compensation is required for residential and non-residential structures which are to be expropriated.

5.6 Acquisition of Public Lands

5.6.1 Forestlands

Forest lands (wholly owned by the Ministry of Agriculture and Forestry) will be acquired through long-term lease (49 years) agreed by the regional Forestry Directorates.

5.6.2 Treasury Lands

The acquisition of Treasury land is processed by correspondence and no payment is made for these plots.

5.6.3 Lands Belonging to Other Public Institutions

Land owned by other state authorities (such as municipalities, Water and Sewerage Administration, General Directorate of Highways) is subject to Article 30 of the Expropriation Law. This process is very similar to private land ownership, but the negotiation is carried out in written correspondence.

5.6.4 Pasturelands

Land allocated for pasture will be acquired through changing the status from pastureland to Treasury land and will be treated as Treasury land.

5.6.5 Common Lands of the Settlements

Land allocated to the settlements will be acquired through changing the status from pastureland to Treasury land and will be treated as Treasury land.

5.6.6 Non-Registered Areas

When it is necessary to register areas that are excluded from title deed (mostly stony, bushes, raw soil, stream culverts, etc. and are not suitable for income-generating use), it is a method to register them with the Treasury.

6 **Resettlement and Compensation Strategy**

6.1 Physical Resettlement

6.1.1 Avoiding Physical Displacement

The Project's physical resettlement strategy is to avoid relocation in accordance with IFC PS5 and EBRD PR5. No physical displacement is expected.

6.2 Economic Displacement

No economic displacement is expected.

6.2.1 Avoiding Economic Displacement

The Project's preliminary strategy is to avoid economic displacement in accordance with IFC PS5 and EBRD PR5. For this reason, following principles are adopted:

- Avoiding damage to cultivated crops (waiting for the harvest),
- Avoiding construction activities or taking precautions against dust emission during crop sensitive periods,
- Avoiding damage to irrigation systems,
- Avoiding agricultural access closures,
- Avoiding animal access closures.

The construction calendar will be shared with the mukhtars of the PASs by the Project, so that the farmers can harvest their crops. Waiting for the standing crops to be harvested will be the priority method. When this is not possible, compensations will be provided for standing crops.

Grievance mechanism submissions will be diligently reviewed to safeguard the crops within the Project zones from dust-related damages. Adequate precautions will be implemented to limit dust impact, yet compensation will be provided for any crop damage caused by dust. The commitments to these procedures will be detailed in construction subcontracting agreements.

Damage to the irrigation systems in the area subject to expropriation affects the irrigation of the remaining areas. For this reason, deteriorated irrigation systems will be fixed. Irrigation systems will be repaired. Necessary measures will be taken to ensure that subcontractors do not damage irrigation systems and will be guaranteed by contracts.

Efforts will be made to ensure the local communities have access to their agricultural lands, forests, and grazing lands based on their requests. Investigating technical and viable solutions will be key in maintaining access to forests and farmlands, ensuring routes are established or restored. Similarly, strategies will be devised to guarantee access to grazing lands and areas for animal grazing, with appropriate pathways reinstated for both human and animal use.

If irrigation and access restriction and dust impacts cannot be avoided, compensation liability will arise, as detailed below.

Inflation protection measures will be incorporated into the RAP Addendum (as mentioned in RAP for main components) for the ETL project. Entitlements and compensations will be calculated based on prices indexed to current inflation rates, utilizing relevant economic indices to ensure accurate and fair adjustments throughout the project duration.

Cash compensations at full replacement values of lands and fixed assets

Compensation of lands, trees and structures are paid in accordance with national Expropriation Law in cash to property owners. According to the land, trees and structure valuations carried out by a CMB-approved company in accordance with international standards, compensation is provided for the full replacement cost in the Project.

Although the national valuation of land complies with IFC PS5 and EBRD PR5, the same does not apply to fixed assets. Some expenses and deductions made in the compensation calculated for buildings, structures and trees are not in comply with IFC PS5 and EBRD PR5 (such as depreciation, debris cost, wood cutting expense). Outstanding full replacement costs (top-up payments) will be provided from the RAP Fund. In a case where cash compensation for affected fixed assets detected, full replacement value will be provided.

In-kind compensation

IFC PS5 states that the Borrower will offer the choice of replacement property of equal or higher value, with security of tenure, equivalent or better characteristics, and advantages of location. Compensation in kind should be considered in lieu of cash. In-kind compensation is not offered except for state led resettlement according to Turkish Resettlement Law 5543 but Resettlement Law is not implemented within the scope of this Project.

Project Company will offer the choice of replacement property of equal or higher value, with security of tenure, equivalent or better characteristics, and advantages of location.

Cash compensation for unviable lands

If the land becomes "unviable" after partial permanent expropriation, the remaining sections can be expropriated in accordance with the law, following the "unviable lands acquisition criteria." For the expropriation of such unviable lands, an official application from the PAPs to the Administration is required.

Crop payments to crop owners for standing crops

The construction calendar will be shared with the mukhtars of the PASs by the Project Company, so that the farmers can harvest their crops. If there is standing crop on expropriated lands just before the construction activities and the construction cannot wait for certain reasons, the cost of the crops will be paid to the user by the Project.

Crop owner allowed harvesting their standing crops prior to Contractor's entry into land plot. If harvest is not possible due to the urgency of construction activities, cash compensation at market value of annual crops to crop owner determined by Ministry of Agriculture and Forestry (MoAF) will be paid by updating. Instead of using the previous year's unit prices, the crop compensation rates will be updated in line with the inflation rate. The crop payment is paid to the crop owner, not the landowner if they are different.

Crop payment for unviable lands

Access to agricultural lands will be provided. Temporary access barriers due to construction work may cause some lands to become unviable hence crops not to be raised and/or harvested. In such cases, compensation is provided to crop owners.

If the land outside the construction area becomes unviable for agricultural activity throughout the construction period, the claim (of actual land user) received via GM for payment for standing crops on unviable lands will be evaluated by the Project Company. The crop payment of the part of the land that cannot be harvested due to construction works is covered by the Project.

Even if people do not experience access barriers, lands that are not within the expropriation boundaries may be unviable in case the irrigation systems are damaged. If irrigation problems occur due to Project activities in lands not used by the Project, the complaints received through GM will be evaluated and crop payment per m² will be provided for the unirrigated areas. Cash compensation at market value of annual crops to crop owner determined by MoAF will be paid by updating.

Product payment for beneficiaries of forestlands

Inventory and planning, production and sales principles of non-wood forest products have been determined by the General Directorate of Forestry. If the forest access of households whose livelihood includes forestry is temporarily interrupted, natural product payment will be calculated by the forest expert and paid from the RAP fund according to the number of days of the interruption. This compensation is only given for the days when forest access is completely cut off for households whose main source of income is forest use. Households earning regular income from the forest could not be identified. The social experts /CLOs of the Project will work to identify these households before the forest access barrier occurs (if unavoidable).

Crop payment for informal users

Standing crop determination will be made by construction sub-contractors before entering the land and crop payments will be deposited to tenants, informal users of communal lands, land holders/occupants without legal or customary title from RAP Fund, if needed. Informal users can reach to the Project Company through GM for compensation for the products damaged due to the construction activities of the Project.

6.3 Entitlements Matrix

After the interview with the mukhtar, no PAP affected by the Project has been identified for the time being. After the RAP meetings to be held in 2025 Q2, EM will be organized according to the PAP and impacts to be recorded, and vulnerability assistance section will be added if necessary. Draft EM of RAP Addendum are summarized in Table 6.1 below.

Table 6.1: Entitlement Matrix (EM)

PAP Category	RAP Findings	Type of Losses	Entitlements	Actions/Responsibilities	
Beneficiaries of the affected forestlands	orestlands forest area, no users of common the construction period, land users whose livelihood is		If access for benefiting activities cannot be provided during the construction period, land users whose livelihood is dependent on forestry and benefiting from natural resources	Technical and feasible measures will be explored to provid access to forestlands, and proper passages will be provide to restore access after construction by Project Company. If road access could not be provided, product payment will be provided from RAP Fund.	
			If the access to forestlands is provided through passage gaps; there is no need to compensate the beneficiary PAPs if	Project Company will ensure that the GM is always open for those seeking access to their entitlements in this RAP during construction.	
			the passage to forests is open and safe for human. However, if the partial transition is far from traditional use and it poses a danger to human health and safety, the product payment will be provided for days of access barrier.	Project Company is responsible for providing entitlements of PAHs and Regional Unit of Project Company will play a role in facilitating PAPs access to their entitlements.	
land which will be on	on public land through which land u the line will pass over. the establ	establishment of easement	Easement value for permanent and temporary easement right determined by the Company in accordance with criteria specified by law, considering the decrease of the total land value as a consequence of the installation and relevant land use restrictions. Loss of future land productivity for the construction period	A thorough assessment will be conducted of the easement's impact on land value and productivity. The losses and damages will be assessed by independent expert from the Provincial Directorate of Agriculture and Forestry, contracted, verified and funded by the Project Company.	
		ngnts	considered during determination of easement value and included in the payment for the easement to the landowner	Agricultural activities will continue to be carried out under the line. However, high building construction and tall tree planting will not be possible.	
				The GM of the Project Company will always be open for PAPs livelihood activities under the lines.	
Potential PAPs	Not Available	Undefined impacts	If an undefined impact is encountered, RAP recommendations will be followed, and support strategies will be developed.	New right holders (formal or informal) could be identified during monitoring and evaluation activities and measures will be developed within the framework of RAP principles.	
			PAPs who are included by revisions will be entitled to compensation and supports within the framework of the principles in this report.	Any insufficient measure to minimize the impacts or restore livelihoods that are identified during internal/external monitoring will be further followed for improvement in due course as necessary. In addition, any request will be addressed through the GM.	

6.4 Eligibility Criteria

6.4.1 Eligible PAPs

PAPs should be assisted in their efforts to improve their former living standards, income earning capacity, and production levels, or at least to restore them to pre-project level whereby lack of legal title does not exclude individuals from the eligibility to receive compensation and/or rehabilitation assistance. Any person who will suffer loss or damage to an asset, business, trade or loss of access to productive resources as a result of land acquisition or restrictions on land use undertaken or imposed in connection with the project will be considered eligible for compensation and/or resettlement assistance.

PAPs may be classified as the people who:

- Have formal legal rights to land or assets.
- Do not have formal legal rights to land or assets but have a claim to land or assets that is recognized or recognizable under national law.
- Have no recognizable legal right or claim to the land or assets they occupy or use.

6.4.2 Cut-Off Date

The cut-off date for being eligible for compensation and/or resettlement assistance will be the last day during the completion of the census/inventory of assets, which represents a cut-off date for eligibility for resettlement assistance. Any new structures or additions to existing structures carried out after the cut-off date will not be considered affected, and their owners or occupants will not be eligible for compensation or supplemental assistance (unless they can demonstrate the census/inventory of assets failed to identify them as affected). Sufficient public awareness of the cut-off date will be given to the community through the responsible agencies contracted by the Project Company, media, community elders and leaders by the implementing agency.

In addition to the site visit in March 2025 in the ETL impact area, the Project Company will identify all potential eligibility under the RAP Addendum in Q2 2025. Applications⁸ after the meeting held in Q2 2025 by RAP Implementation Officer will be received within 30 days from the date of the information meeting. The inventory of assets will be also prepared by the Project Company. The entire asset and compensation structure will be revealed before the construction work (post-construction in case of complaints received with evidence documents).

The mukhtar of Beybaş village were informed about the communication channels during the socio-economic fieldwork. No claims have been registered so far.

6.5 Livelihood Restoration Plan

There are no direct income-generating activities, such as agriculture or animal husbandry, within the designated lands. Consequently, at this stage, it has not been possible to identify any households within the scope of the LRP. However, in accordance with the agreed cut-off date, an LRP action structure similar to the one used for the other projects may be planned for the households to be identified in the future. In order to do this, it is necessary to understand how households are economically constrained.

The development of an LRP within this plan is the final objective, and this will include both income sources and real property tax supports. In addition, the necessary measures for the identified negative impacts and affected households will be included.

⁸ Demands of PAPs that would come after the RAP information meetings.

7 Stakeholder Engagement

7.1 Disclosure and Consultation Process for RAP Addendum

The RAP Addendum will be disclosed through neighbourhood-based information meetings organized to engage PAPs effectively. During these meetings, the Guide to Land Acquisition (GLAC) will be disseminated to raise awareness of PAPs' rights. The GLAC, a key document for the disclosure phase of the RAP Addendum, will provide a clear and accessible summary of the plan in a language understandable to the public. It will include the following information:

- The expropriation process,
- Rights and responsibilities of PAPs,
- Rights derived from the RAP and Livelihood Restoration Plan (LRP),
- A summary of the RAP,
- The Entitlement Matrix of the RAP,
- Details of the grievance mechanism, and
- Relevant contact information.

These meetings will ensure that PAPs are fully informed about the RAP Addendum and their entitlements. To promote inclusivity, it will be recommended that participants and neighbourhood mukhtars inform other affected individuals who may not be aware of the process. CLOs will proactively follow up to contact these individuals within 30 days, ensuring their concerns are heard and addressed in a timely manner. RAP Addendum and EM will be revised in accordance with the requests and grievances to be received during this process.

7.2 Grievance Management Mechanisms

Under the Turkish Expropriation Law No. 2942, the landowner can file an annulment lawsuit at administrative jurisdiction and correction lawsuit against mistakes of fact at jurisdiction within 30 days of the official announcement of intent to expropriate. After failure or refusal to negotiate and at the conclusion of a court settlement, the owner can appeal the compensation level stated in the judgment at the Supreme Court of Appeals.

Moreover, the Project Company is required to establish an effective and accessible grievance mechanism as a part of the stakeholder engagement, information disclosure and consultation to comply with the Lenders' requirements and standards (particularly IFC PS1, EBRD PR10, EP IV Principles 5 and 6, and DFC ESPPs 3 and 5) and to reduce the cases of litigation. The aim of the grievance mechanism is to provide channels that are free of manipulation, coercion and intimidation in which PAPs can report their requests, concerns and grievances regarding the Project and its impacts including resettlement, land acquisition and expropriation activities.

Responding to grievances and resolving them in a timely, proactively, unbiased, effective and efficient manner is essential according to the international standards and requirements on stakeholder engagement. Specifically, it provides a transparent and credible process for fair and sustainable outcomes. By this way, trust and cooperation could be mutually developed among the Project stakeholders and the Project Company through corrective actions. Main components of a successful grievance mechanism also include anonymity, confidentiality and transparency principles. Grievance channels both online and offline will be enabled to receive anonymous applications.

According to SEP, there is an existing grievance mechanism in place for the Project stakeholders. Project Company has a grievance register form used for registration of the grievance. The form is saved within the software system of the Project Company, which is used for documentation and workflow management (For details see the Project SEP).

To ensure compliance with the international standards (particularly IFC PS1, EBRD PR10, EP IV Principles 5 and 6, and DFC ESPPs 3 and 5), there are a number of principles that the Project Company will apply to the Project's grievance mechanism in general. These principles can be summarized as follows:

- There will be a formalized and written Project Grievance Mechanism Procedure that involves the principles of the mechanism (including anonymity), available channels with contact details of the CLO, defined timeframes for acknowledgement of the receipt of complaints and subsequent resolution, sample subjects that describes the type of grievance as per the identified Project impacts (i.e., noise, air, visual, dust, GBVH, labour management, and traffic), and management and resolution process together with the assigned responsible Project staff.
- Grievance mechanism will be committed to confidentiality and anonymity. Grievance channels both online and offline will be enabled to receive anonymous applications.
- It is crucial to provide appropriate environment where all internal and external stakeholders
 can easily report any GBVH-related grievance in a safe and confidential way when they
 need. GBVH cases will be registered and processed as a part of the current grievance
 mechanism. However, they will be approached in a more sensitive way and in an immediate
 time manner through ensuring confidentiality, non-retaliation, protection and supervision of
 victims, and utilize legal expertise when needed. During the monitoring period, GBVH related
 land acquisition grievances will be tracked and noted.

A notable majority (75%) of the households indicated they have been informed regarding that their land will be expropriated for an energy transmission line by the mukhtar. Research also reveals that all households expect to be informed about the land transaction process through mukhtar again.

PAPs also can use the grievance mechanism through the following channels:

- The grievance form disclosed on the Project website that enables anonymous grievance applications
- Verbal statements during face-to-face meetings/visits
- Phone calls to the Project Company/CLO
- Petitions
- Posters that are hung in common areas of the Project affected neighbourhoods, indicating what the clear communication channels are
- E-mails to the Project Company

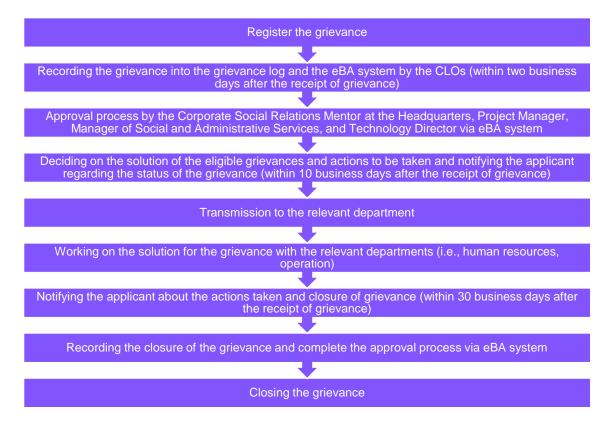


Figure 7.1: Steps of the External Grievance Mechanism Process

PAPs can use the grievance mechanism through the following channels:

- Verbal statements during face-to-face meetings/visits
- Phone calls and/or online messages (i.e., via WhatsApp) to the Project Company/CLOs
- Contact Details of the CLOs
 - The information contained herein is excluded from the publicly disclosed version of this document in compliance with personal data protection regulations.
- Posters that are hung in common areas of the Project affected neighbourhoods, indicating what the clear communication channels are
- Official letter and/or petition to;
 - The Head Office (Barbaros Mah, My Office İş Merkezi, Çiğdem Sok. No:1/16 34746 Ataşehir/İstanbul), or
 - The Project Administration Office (Yukarıokçular Köyü, Merkez/Çanakkale)
- The corporate e-mail address: <u>kurumsal@enerjisauretim.com</u>
- Project e-mail address: <u>yekares2@enerjisauretim.com</u>
- Online grievance forms available in Project website (for anonymous grievances): <u>https://yekares2.enerjisauretim.com</u>

Local community members can report their requests, concerns and grievances regarding the Project and its impacts. If complaints such as the following are received, they will be recorded and resolved in accordance with this RAP:

- Allegations regarding incomplete or incorrect compensation of fixed assets on land,
- Problems of not being able to access compensation,
- Damage to irrigation systems,

- · Access problems to agricultural lands and pastures,
- Vulnerability assistance requests.

Additionally, expropriation is carried out on behalf of Turkish Electricity Transmission Corporation (TEİAŞ), noted as an important stakeholder in the Project's land acquisition.

- Website: https://www.teias.gov.tr/en-US/about-us
- Official letter and/or petition to; Nasuh Akar Mah. Türkocağı Cad. No: 12 Balgat, Çankaya/ANKARA
- Phone number: +90 312 203 80 00 80 01
- Online grievance forms available in Project website: https://www.teias.gov.tr/iletisim

7.3 Vulnerability Assessment

Due to some disadvantages in the land acquisition and construction process, there may be various problems that vulnerable people may encounter difficulty in access to payment etc. For vulnerable PAPs, the list of difficulties in access to the certain issues, services, resources and/or activities is given below:

- Stakeholder engagement activities undertaken throughout the land acquisition and construction process by virtue of some disadvantages,
- Grievance mechanism despite being subject to economic displacement or suffering damage or loss due to the Project activities,
- Service to restore their order of life and livelihood,
- Compensation or crop payment for their crops and assets acquired for the Project by virtue of some disadvantages in the process of the land acquisition,
- Their livelihood activities in private lands, public lands and common properties (pasture and forest),
- Infrastructure and social services, and
- Livelihood restoration activities.

Within the scope of the RAP field study, vulnerabilities of all affected household members were examined, and no vulnerable person was identified.

8 Monitoring

Internal, external monitoring activities to be carried out during the Project and completion audit to be carried out one year after finalisation of compensation and livelihood restoration are planned for RAP Addendum monitoring. Details are provided below:

Internal monitoring:

Monitoring and Evaluation (M&E) activities, which are carried out with the reporting made within the Project Company quarterly. These are the M&E activities that are carried out with the reports made within the Project Company and demonstrate the implementation of RAP requirements including LRP. Internal monitoring reports will include correction actions. These actions are the responsibility of the Project Company and during each internal monitoring activity, the implementation status of the correction activities of the previous internal and external monitoring report will be reviewed.

External monitoring:

M&E activity supported by the consultancy from an independent party biannually. It is an M&E activity that evaluates the implementation of RAP requirements, which is carried out with the consultancy support received from an independent organization. The activity must be run by an external Resettlement Expert (RE) to comply with RAP standards. External monitoring reports will include correction actions. These actions are the responsibility of the Project Company and during each internal monitoring activity, the implementation status of the correction activities of the previous external monitoring report will be reviewed. The indicators to be examined within the scope of external M&E are presented in Table 8.2.

RAP completion audit:

RAP completion audit is a comprehensive report that will be prepared as a document showing that the Project applications are completed in accordance with RAP commitments. Detection of practices that are incompatible with RAP and PS5/PR5 may require new application recommendations. This M&E study is also carried out by external / independent experts. The activity must be run by an external Resettlement Expert to comply with RAP standards.

The framework of the RAP Addendum M&E activities is presented in Table 8.1, and the Key Performance Indicators (KPIs), are presented in Table 8.2.

M&E Activity	Frequency	Preparing M&E Report	Supporting	Supervising
RAP internal monitoring	Quarterly (Once every three months)	RAP implementation officer	CLO	Surveying and Land Acquisition Mentor
RAP external monitoring	Biannually (Once every six months)	External Resettlement Expert	RAP implementation officer	Surveying and Land Acquisition Mentor
			CLO	
RAP completion audit	One year after finalisation of compensation and livelihood restoration	External Resettlement Expert	RAP implementation officer	Surveying and Land Acquisition Mentor
			CLO	

Table 8.1: RAP Addendum M&E Program

The RAP indicators that will reference Monitoring and Evaluation activities are listed below:

Table 8.2: RAP Addendum In	ndicators
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RAP indicator	Verification sources
Number of economically displaced households and individuals by project component and / or land acquisition type,	Available land acquisition documents and RAP
The number of public information and consultations needed during the RAP implementation on land acquisition and restoration of livelihoods,	Feedbacks of PAPs in consultation activities
Number of compensation payments at full replacement cost completed,	Expropriation unit data and RAP implementation records
Number of activities and compensation payments for vulnerable PAPs	Expropriation unit data and RAP implementation records
Amount and percentage of payments made because of court proceedings and payments made as a result of negotiations,	Expropriation unit data
Number of ongoing / open / completed court cases among total court cases,	Expropriation unit data
Number and type of complaints about land acquisition, compensation process and land use problems with information on gender distribution and whether it has been resolved within 30 days in accordance with the SEP,	GM
Number and % of eligible PAPs who signed compensation agreements and received necessary compensations (both statutory and RAP fund),	Expropriation unit data and RAP implementation records
Status of corrective actions suggested in internal and external M&E reports	Internal and external M&E reports
Number of personnel allocated to resettlement	RAP implementation activities
Amount of resources allocated to resettlement	RAP implementation activities
Level of satisfaction of PAPs with RAP implementation	RAP implementation activities
Status of indicators on livelihood of PAPs	RAP implementation activities
 Indicators on how RAP payments are used by PAPs and the restored state of livelihoods 	
Pattern of livelihood activities,	
Change in income level,	
 Post-project status of land-based livelihoods, Additional expenses incurred due to the project [need for credit, selling assets etc.) 	
Status of complaints (open, closed), closing time and resolution status,	GM
Nonconformity and appropriateness of solutions,	GM
Number and % of PAPs received any compensation payments and / or subsistence form RAP fund,	RAP implementation activities
Number and % of eligible PAPs who signed compensation agreements and received necessary compensations (both statutory and RAP fund).	RAP implementation activities
Number of stakeholders contacted during the RAP Implementation (types of stakeholders, issues raised / discussed, and gender distribution of participation) and feedback from Consultations,	RAP implementation activities
Amount and number of RAP Fund payments,	RAP implementation activities
· ·	•

RAP indicator

Verification sources

RAP implementation activities

9 Roles and Responsibilities

The Project Company will take into account some situations in the processes to be carried out for implementations of the RAP Addendum for the ETL of the Project in line with the processes spelled out in the Resettlement Framework (RF) prepared for the nine-project package as well as the Corporate Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement Framework (LARLUIRF).

The Project Company's role includes building capacity to implement the LARLUIRF; ensuring the necessary conditions either preparing RAP according to the LARLUIRF; and regular monitoring of the RAP Addendum and reporting to the Lenders. The Project Company is the party responsible for providing full replacement cost compensation payments and for providing other components of compensation package and livelihood restoration measures.

The Land Acquisition Committee of the Project Company, which is formed with the participation of the member of Survey and Expropriation team, CLO, Procurement Officer, Project Manager/Operational/Power Plant Manager and/or such persons as they deem appropriate, and which follows the valuation process, will be referred to at the necessary points to be consulted during the follow-up phase of the items in the RAP Addendum. The Committee, consisting of a total of six people from corporate level to project-specific level, follows expropriation, mapping and land purchases and prepares plans for all assets. Furthermore, project team and survey and expropriation team, operates in close collaboration with the field to meticulously manage zoning plans and licensing procedures.

The roles and responsibilities required in this Addendum implementation are presented in table below. While general project management is common to nine WPP project package, regional tasks are specific to the Project.

Level/Unit	Roles	Responsible	
General Project Management for Nine WPP Project Package			
Health and Safety (HS) Manage	 Work in coordination with Corporate Social Relations Mentor and HR Manager to review interna and external grievances and ensure/verify that the site teams address the grievances/corrective actions in responsive timeframes in accordance with the Project SEP; approve corrective actions to be implemented by HS Site Chiefs of nine WPP project package. Report to the Senior Project Management Team on Project's HS Performance and key HS issues, including RAP-LRP, ESMP and SEP implementations of nine WPP project package. 	Central Unit	
Corporate Social Relations Mentor	 Oversee compliance of nine WPP Projects' social performance (including implementation of measures/actions related to SEP, GM, RAP) with Project Standards. Prepare social management/action plan updates and training documents on the implementation of the SEP and grievance mechanism as part of Project ESMS. Work in coordination with HS Manager, HR Manager and other relevant manager/directors to review external grievances and ensure/verify that the site 		

Level/Unit	Roles		Responsible
	• • •	teams address the external grievances/corrective actions in responsive timeframes in accordance with the Project SEP. Evaluate the capacity of the site social teams/officers for RAP implementation. Ensure effective and periodic communication with the internal and external stakeholders. Review resettlement and loss of income related public grievances and ensure/verify that the site teams address the public grievances/corrective actions in responsive timeframes. Ensure the LRP and Vulnerability Assistance implementations in nine WPP project package.	
Surveying and Land Acquisition Mentor	• • • • • • • • • •	Ensure fulfilment of all applicable national legislative and permitting requirements in nine WPP project package. To ensure the implementation of RAP-LRP with regional teams of nine WPP Projects. Provide reaching rights holders and providing their entitlements in nine WPP project package. Ensure the LRP and Vulnerability Assistance implementations. Provide updating the RAP and preparing RAP addendums, especially for ETL Conducting internal monitoring activities for RAP implementation Ensuring external monitoring for RAP implementation and close-out audit by independent parties Preparing, updating and approving RAP budget and compensation payments/provision of other livelihood restoration measures.	Project Company Central Unit
Project Manager	•	Ensure fulfilment of all applicable national legislative and permitting requirements in the Project. Ensure adequate resources are allocated for the implementation of the Project RAP-LRP during the construction phase. Ensuring that RAP requirements are met before civil works for nine WPP project package.	Project Company Central Unit
Technical Unit Manager	•	Ensure fulfilment of all applicable national legislative and permitting requirements in the Project. Ensure incorporation of the RAP-LRP, ESMP and SEP requirements to the contracts/agreements made with the subcontractors and vendors.	Project Company Central Unit
Cost Control Manager	•	Ensure required financial allocations are in place for effective implementation of RAP-LRP.	Project Company Central Unit
Regi	onal Pro	ject Management (E&S Positions)	
HS Specialist	•	Work in coordination with CLOs to review internal and external grievances and implement required corrective actions, if any, in responsive timeframes in accordance with the Project SEP and with approval from HS Manager. Report to the HS Manager on Project's HS Performance and key HS issues, including ESMP and SEP implementation.	Project Company Regional Unit

Level/Unit	Roles		Responsible
RAP Implementation Officer ⁹	•	Ensure compliance of Project's social performance especially RAP-LRP implementation with Project Standards. Report to the Land Acquisition, Surveying and Land Acquisition Mentor on RAP-LRP implementation. Communication with entitled PAPs including vulnerable groups. Involving in internal and external RAP monitoring activities.	Project Company Central and Regional Unit
Community Liaison Officers (CLOs)	•	Ensure compliance of Project's social performance (including implementation of measures/actions related to ESMP, SEP, GM)with Project Standards. Ensure effective and periodic communication with the external stakeholders during the construction phase. Ensure all Project personnel (direct and contracted) receives trainings on the implementation of the internal and external grievance mechanism developed for the Project (e.g., how to submit internal grievances, how to manage external grievances, etc.) at the time of employment. Support related specialists and Social Manager in the implementation of RAP-LRP. Management of internal grievances as required. Subcontractors	Project Company Regional Unit
Subcontractors	•	Ensure compliance with the Project-specific E&S policies, E&S management plans and Project Standards, including RAP-LRP, ESMP and SEP in line with their contractual requirements. Ensure competent and trained HS staff is allocated to implement SEP and to manage GM.	Subcontractor firm
	Other Res	ponsible Institutions and Units	
Economic State Enterprise		Although TEIAŞ is their ultimate owner of the constructed line, the Project Company, supported by the main contractor, retains responsibility for construction oversight and ensuring that any damages or impacts arising within the scope of the RAP Addendum are addressed. This includes monitoring and managing compensation ensuring timely and fair resolution of grievances and entitlements related to land acquisition and	TEIAS

construction activities.

⁹ To be employed at first quarter of 2025.

10 Implementation Schedule and Change Management

The dates are not finalized yet; however, the stage-based timeline is presented below.

Table 10.1: Implementation Schedule

Implementation Topics	Stage
Asset Inventory and Census preparation (including formal-informal users and vulnerable PAPs)	Prepared during RAP preparation. However, since it is prepared as a living application tracking table, it will be updated during construction.
Disclosure of the RAP Addendum	After last draft of RAP Addendum
Announcement of the eligibility and the entitlements to PAPs household-based determined within the scope of the RAP Addendum	During Q2 2025 / The deadline for applications will be within 30 days from the meeting date.
Compensations according to national legislation	The timing of compensations is done part by part, unless the land is leased, national legislation payment has been completed for each parcel before the civil works.
	ETL's effected area is on the forestry land. There isnt any effected people on this project.
Compensations according to international requirements	During Q2 2025
Mobilization of the contractor and the subcontractors	After national compensations. Land entry will be made available only after full compensation (including top-ups where necessary) is paid.
	Before construction
Land entry protocols for the temporary affected lands	ETL construction completed on November 2024
CLO activities, negotiations with PAPs and the operation of the GM	During the Project
Community level supports	During the Project
Compensations harms and damages	During the Project
Monitoring and Evaluation (M&E)	During the Project, periodically
Close-out audit	1 year after finalisation of compensation and livelihood restoration activities

To ensure the successful implementation of this Addendum under dynamic project conditions, the following change management approach will be adopted:

A robust monitoring system will be in place to regularly assess resettlement activities, identify challenges, and track progress toward achieving satisfactory resettlement outcomes. Community grievance mechanism and periodic consultations with PAPs, will provide real-time insights into emerging issues or concerns.

In response to unanticipated changes or challenges, the RAP Addendum will be revised and adapted as needed. This includes addressing unexpected impacts, delays in implementation, or changes in project design. Any modifications to the Addendum will be documented and communicated transparently to PAPs and other stakeholders.

Contingency measures will be included to address potential risks, such as delays in compensation payments, changes in land acquisition requirements, or unforeseen social

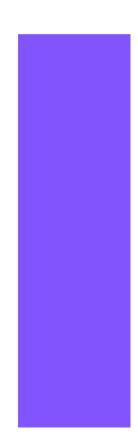
impacts. Resources (financial, human, and technical) will be allocated to implement these contingency measures promptly when needed.

Continuous engagement with stakeholders, including PAPs, local authorities, and community leaders, will ensure their input is considered in decision-making. Engagement will help identify obstacles early and maintain community trust throughout implementation.

11 Budget

Forest lands, held under the direct ownership of the Ministry of Agriculture and Forestry, will be leased for a period of 49 years through the local Forestry Directorates. For the ETL construction of the Project, only the Çanakkale Forest Directorate will receive compensation for land use. As a result, no budget has been allocated, as no physical or economic displacement is anticipated.

A second site visit will be scheduled after the meeting in Q2 2025. Once the site visit information is available, the budget will be issued. The budget will then be revised and shared by the Project Company.





Mott MacDonald Restricted