

TÜMAD

MADENCİLİK SANAYİ VE TİCARET A.Ş.



LIVELIHOOD RESTORATION FRAMEWOK for LAPSEKİ PROJECT

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LIVELIHOOD RESTORATION FRAMEWORK for LAPSEKİ POJECT

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ABBREVIATIONS AND DEFINITIONS

Project(s)	: The Lapseki Gold and Silver Mine and Processing Projects
TÜMAD	: TÜMAD Madencilik San. ve Tic. A.Ş.
DSI	: Devlet Su İşleri – State Hydraulic Works
EBRD	: European Bank for Reconstruction and Development
EIA	: Environmental Impact Assessment
ESMS	: Environmental and Social Management System
ETL	: Energy Transmission Line
IFI	: International Finance Institutions
IMS	: Integrated Management System
PR(s)	: Performance Requirements
TEİAŞ	: Türkiye Elektrik İletim A.Ş.

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1. INTRODUCTION

TÜMAD Madencilik San. ve Tic. A.Ş. (TÜMAD) plans to establish the Lapseki Gold and Silver Mine and Processing Project (the Lapseki Project) within the administrative boundaries of the Şahinli and Kocabaşlar Villages of the Lapseki District in the Province of Çanakkale. The construction phase of the Lapseki Project has been at completion stage and the operation phase will start in October 2017. This Document is the Livelihood Restoration Framework that is prepared for TÜMAD Operations.

The project is seeking finance and this document is produced as a part of studies conducted to assess the Environmental and Social Impacts of the Project as per the EBRD Performance Requirements (PRs).

This Document is the Livelihood Restoration Framework that is prepared for TÜMAD Operations. The Integrated Management System (IMS) document registration number for Livelihood Restoration Framework is TMD_LAP_İK_PLN.002. This Framework sets the requirements for the operation phase of the Lapseki Project. At this stage it is still a framework as further information is being collected on the exact nature and magnitude of land acquisition. It will then be developed into a full Livelihood Restoration Plan. Any views and ideas on the information presented in this Framework is very welcome and will be used in the strictest confidence to refine the Plan.

This Framework is based on the Project(s) Environmental & Social Management System Framework (TMD_EYS_PLN.004) of TÜMAD, which is owned by the TÜMAD General Manager. Any subsequent changes to the TÜMAD ESMS may result in the changes to this document.

Any requests for changes to this Framework must be addressed to the owner of this Framework and will be subject to appropriate review and approval processes as outlined in the Management of Change Procedure (TMD_EYS_PRD.006).

2. PURPOSE

The purpose of this Framework is to:

- define the scope of the Framework and set out applicable management interfaces;
- define roles and responsibilities;
- define the Project Standards;
- define the process and timeframe for the development of a detailed Livelihoods Restoration Plan (LRP);
- set out initial objectives for livelihoods restoration activities.

The Framework has been prepared to set out the key objectives, requirements and commitments which will be developed further in a more detailed Management Plan and applicable Procedures once additional information has been collected and detailed management actions have been defined. The Management Plan will supersede and replace this Framework.

3. SCOPE

The requirements set out in this Livelihood Restoration Framework apply to all Project activities throughout the lifecycle of the Project, including those carried out by contractors, related to the construction and operation of project features within the EIA Permitted Area, along the route of the Energy Transmission Line (ETL) operated by TEIAS and along the route of the Access road and water pipeline.

3.1. Overlaps with Other Management Plans

This Management Plan is part of the overall suite of Management Plans developed for the TÜMAD Project and as part of ESMS overlaps with the following management plans;

- the Water Resources Management Plans, particularly in relation to the protection of potable drinking water supplies and protection of irrigation water;
- the Community Health and Safety Security Management Plan, particularly in relation to protection of local communities from physical hazards;
- the Community Development Framework, particularly in relation to minimising local social and economic dislocation related to the Project;
- The Stakeholder Engagement Plans, particularly in relation to communicating and engaging with stakeholders in a coordinated manner;

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- The Air Emissions Management Plan, particularly in relation to potential damage to crops from dust related to construction.
- The Cumulative Impact Assessment Plan which indicate existing and other planned projects in the area that also have livelihood implications.

4. PROJECT STANDARDS

Project(s) Standards are defined by;

- Applicable Turkish Standards;
- Applicable IFI standards and guidelines;
- Applicable TÜMAD standards, Policy and Procedures

4.1. Applicable Turkish National Standards

The main land ownership regulation in Turkey is the Land Registry Law No. 2644, amended by Law No. 6302, which entered into force on 18 May 2012. Land registration in Turkey is based on the Cadastral Law No. 3402. The Cadastral Law also defines the process for the identification of land owners without registered title deeds or where there is confusion over land ownership.

The Expropriation Law No. 2942 sets out the requirements for the expropriation of privately-owned property.

This Law sets the procedures to be followed during land acquisition:

- the expropriation of immovable (if and when it is required for public interest) owned by real persons or legal identities subject to private law;
- the calculation of the expropriation fee;
- registration of the immovable asset and its appurtenances in the name of the expropriation administration;
- reclamation of the unused immovable assets;
- mutual rights and obligations as well as the procedures and methods for the settlement of;
- the conflicts pertaining to them.

The use of state-owned lands (pastureland, forestry land, treasury land) by citizens is rule-bound. Citizens can rent pastureland after receiving the required permissions from the relevant Pastureland Commission which is a sub-unit of the Ministry of Food, Agriculture and Livestock. Citizens can also rent treasury lands for agricultural, commercial, sports and social activities.

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

Livelihood restoration for physical or economic displacement is not a requirement of Turkish Law.

4.2. Applicable IFI standards and guidelines:

TÜMAD is committed to ensuring that its approach not only complies with Turkish law but also meets good international practice, and will ensure livelihood restoration is undertaken in line with the EBRD's Performance Requirement 5: *Land Acquisition, Involuntary Resettlement and Economic Displacement*.

Key Objectives

Key objectives of EBRD PR5 relating to economic displacement are to:

- Mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to assets and land by:
 - Providing compensation for loss of assets at replacement cost;
 - Ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation and the informed participation of those affected.

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- Restore or, where possible, improve the livelihoods and standards of living of displaced persons to pre-displacement levels.

Preparation of a Livelihood Restoration Plan

PR5 (para 22) provides the following guidance for the development of a Livelihood Restoration Framework (and subsequent Plan):

A Resettlement and/or Livelihood Restoration Framework will be developed where the exact nature or magnitude of the land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown due to the project development stage. This framework will outline the general principles, procedures and entitlement framework consistent with this PR. Once the individual project components are defined and the required information becomes available, the framework will serve as a basis for the development of a detailed Resettlement Action Plan (RAP) or Livelihood Restoration Plan (LRP) in accordance with [PR5].

In the case of the Lapseki Project, work is ongoing to finalise the identification of informal land users who may be affected by removal of, or restrictions on access to, pastureland. Once a final identification of land users has been completed by TÜMAD, a detailed Livelihood Restoration Plan – based on this Framework – will be prepared.

PR5 requires that a Livelihood Restoration Plan (LRP) is established to outline the entitlements of affected persons and communities and to ensure that these are provided in a transparent, consistent and equitable manner. PR5 states that when economic displacement occurs the Project must:

- Promptly compensate economically displaced persons for loss of assets or access to assets. This process should be initiated prior to displacement.
- Compensate, in cases where land acquisition affects commercial structures, the affected business owner for:
 - the cost of re-establishing commercial activities elsewhere;
 - lost net income during the period of transition;
 - the costs of the transfer and reinstallation of the plant, machinery or other equipment, as applicable.
- Provide replacement property (for example, agricultural or commercial sites) of equal or greater value, or cash compensation at full replacement cost where appropriate, to persons with legal rights or claims to land which are recognised or recognisable under national laws.
- Provide assistance that will offset any loss of a community's commonly held resources. This could take the form of initiatives that enhance the productivity of the remaining resources to which the community has access, in-kind or cash compensation for loss of access or provision of access to alternative sources of the lost resource.
- Compensate economically displaced persons who are without legally recognisable claims to land for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost.
- Provide additional targeted assistance (for example, credit facilities, training or job opportunities) and opportunities to restore, and where possible improve, their income earning capacity, production levels and standards of living.
- Provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels and standards of living.

Summary of Key Differences between National Requirements and EBRD Requirements

The main gaps between Turkish Laws and EBRD Policies are summarized below:

- There is no provision regarding the minimization of resettlement/economic displacement in Turkish Laws.
- No legal provisioning to prepare social impact assessment and/or resettlement action or livelihood restoration plan and Stakeholder Engagement Plan under Turkish Law.
- No social studies, surveys and consultations are required prior to land acquisition. Only consultations for negotiated purchase of immovable assets are required by Article 10 of Expropriation Law.

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- No clear provision to assess the social/land impacts of the project associated facilities.
- No legal provision to assess the cumulative and transboundary impacts of the Projects
- Only the legal owners can receive monetary compensation (via the expropriation of land and other physical assets).
- Users rights on public and private property are recognized due to recent changes in the Turkish Law.
- Traditional rights are recognized (with the exception of forest lands that do not recognize user rights). Compensation for forest land is paid directly to the relevant government agency
- No legal provisioning is made in the Turkish legislation for compensation of pasture land users
- There is no provisioning in the Turkish Law for livelihood restoration.
- No provision to declare cut-off date
- No legal requirement on identification of vulnerable groups
- No legal provisioning is made to monitor and evaluate the implementation of a RAP or LRP.
- No legal requirement for establishment of a grievance mechanism.

The gaps resulting from these differences are bridged through preparation of a Social Impact Assessment, Social Management Frameworks/Plans including this Framework subsequently to be developed into a full Plan.

5. ROLES AND RESPONSIBILITIES

The primary roles and responsibilities defined for the Project (s) with respect to implementation of this Management Plan are given in Table 1.

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Table 1: Roles and Responsibilities

Role	Responsibility
General Manager	<ul style="list-style-type: none"> Approval of resources necessary for the implementation of this management plan.
IMS & Sustainability Manager	<ul style="list-style-type: none"> Ensuring compliance with the Project Standards and other requirements set out in this Framework. Overall responsibility for Framework scope and implementation. Development, monitoring and revision of this Framework.
Land acquisition manager	<ul style="list-style-type: none"> Ensuring development of livelihood framework into a full Livelihood Restoration plan Ensuring the implementation of the Livelihood Restoration Plan Coordinating the monitoring of the effectiveness of the Livelihood Restoration Plan
Community Relations Department Head	<ul style="list-style-type: none"> Timely implementation of this Framework, including coordination with implementing organisations and other stakeholders.
Permits Coordinator	<ul style="list-style-type: none"> Coordination with construction contractors to ensure TÜMAD requirements are met. Ensuring that all regulatory requirements related to land acquisition are met. Coordination with TEIAS and EPC Contractor to ensure permanent and temporary land acquisition for power line and access road is undertaken in line with the principals of this Framework and EBRD PR5.

6. LAND ACCESS AND LIVELIHOOD RESTORATION PRINCIPLES

TÜMAD has set the following Objectives for the land access and acquisition process;

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

TÜMAD recognises that it may have land access and livelihoods impact across the Project footprint of Lapseki Mine

The following sections outline the key principles used by TÜMAD and detail the work to date in developing land access and livelihood restoration measures with the impacted group.

6.1. Key Principles Used by TÜMAD

The key principles guiding land access and livelihood restoration for Lapseki Project are as follows:

- TÜMAD will avoid physical resettlement (no physical resettlement is planned as part of the Project design).

- TÜMAD will seek to minimise the area of land required for permanent features and will minimise the time that Project activities disrupt or interfere with land users access to public land.
- TÜMAD will use Turkish legal processes for the acquisition of land and the temporary access to land for operation purposes.
- In addition to Turkish legal requirements for land acquisition, TÜMAD recognizes the need for livelihood restoration for those households that are displaced from access to lands and natural resources as a result of the Project in line with EBRD PR 5. TÜMAD will compensate the loss of informal *users of public lands* both at mine site and at project associated facilities including power line (ETL) where the formal acquisition of land is under the responsibility of state owned TEIAS.
- Wherever possible, acquisition of private lands will be based on a market-based “willing seller-willing buyer” approach, with expropriation used as a last resort when all other options have been attempted.
- Livelihoods will be restored to a same or better level, based on evidence such as household census/inventory/qualitative data, and restoration may include support to continue the same livelihood, an alternative livelihood or a combination.
- Where restrictions on land access lead to impacts at a group or community level, livelihoods support will be provided on a group level, rather than on an individual basis.
- Where restrictions on land access lead to impacts that can be identified and quantified at the level of individual households, impacted households need to have options to choose which approach to livelihood restoration best suits their situation.
- TÜMAD will take into account any individuals or groups that may be disadvantaged or vulnerable. In particular, TÜMAD will take necessary actions to ensure that vulnerable groups are not disadvantaged in the land acquisition process, are fully informed and aware of their rights, and are able to benefit equally from the resettlement opportunities and benefits.

The temporary loss is of access to common animal grazing areas, herb, hay and other forestry products collection, and water resources, and as the area used is communal the livelihood restoration measures are to be common between all displaced users.

- Livelihood restoration is a temporary, transitional activity only to bridge the gap between loss of access to natural resources and being able to meet the same or better livelihood to an agreed level through the same or a different means.
- Long-term livelihoods activities are achieved through other tools, including, for example, the Community Development Framework/Plan.
- Livelihood restoration is not cash compensation, or where a cash payment is made, households may require financial management support in order to invest their compensation to provide for their household’s sustainable future.

7. LAND ACCESS AND ACQUISITION REQUIREMENTS

All land acquisition has been and will be undertaken in conformance with Turkish Expropriation Laws and no land will be used until:

- the land has been purchased from the existing owner based on a “willing-buyer willing-seller” transaction and payment has been made;
- the land has been expropriated in accordance with the Expropriation Law and compensation has been paid;
- access to state-owned land has been granted by the Government under applicable legislation;
- Where there are differences between Turkish Expropriation Law and EBRD PR 5 (i.e. users of pasture land, forest land or other state lands who are not entitled for compensation according to Turkish Expropriation Law), TÜMAD will develop and implement a Livelihood restoration Plan in line with the EBRD PR 5 requirements. In other words, the absence of legal title to land or other assets is not, in itself, a bar to compensation for lost assets or to other resettlement assistance.

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Table 2: Project Land Acquisition Requirements

Project Feature	Land Used (ha)	Comments
EIA Permitted Area	395	The full area permitted for mining activities
Mine Site fenced area	157	The actual area that will be inside the security fence and not accessible to the public. The facility units will be fenced individually.
Powerline easement	7,8	for easement
Powerline expropriation	0,1	For pylons erection
Diversion Channels	0.01	The land will be occupied by the channels and cannot be used by public
Water Pipeline	None	
Roads	None	

7.1. Status of Land Acquisition for Lapseki Mine (SEPTEMBER 2017)

7.2. Land Acquisition within the Mine site

Within the Lapseki Mine EIA designated area % 98 of the total affected land is owned by Ministry of Forestry where as 2% is used by private people classified as 2B (a category officially designated to deforested lands repurposed by individuals, companies, villages or towns).¹

As of today, acquisition of 1226 decares (122.6 hectares) which corresponds to 31% of the land the EIA designated area has been completed which enables the Project to start operation. The land acquisition for another 84 hectares will be performed after the completion of the first three years in operation.

- Lands used by private people (2B): Within the scope of the “Soil Protection and Land Use Act no. 5403”, permit for non- agricultural use was received in May 2015 from the Çanakkale Provincial Directorate of Food, Agriculture and Livestock for 9.52 hectares 2B agricultural lands.
- Forests lands: Regarding the forest lands; forest permit was received from the General Directorate of Forestry in accordance with the “Forest Law No. 6831”, Article 16 for 113 hectares of forest area (includes the area for diversion channels). These permits are obtained for a period of 10 years. Yet, forest areas where mining works will be completed will be rehabilitated and restored without waiting for expiry of permits. Forest permits will be received step by step with the production activities. The diversion channel area is included in these forests lands.

7.3. Status of land acquisition for associated facilities (September 2017)

Energy Transmission Line (ETL):

Land acquisition for Energy Transmission Line is completed by TEİAŞ. The project will do a gap assessment retrospectively on land acquisition done for ETL and pay for the losses if anyone is left out through LRP. Remaining open issues/ complaints will managed through Project Complaint Mechanism.

¹ Identification of the persons having official rights on 2B lands was arranged according to Article 6 of the law no. 6292 ;

“The person who uses the land in question before 12.31.2011 and has applied within the specified periods of time, and also paid the necessary amount, and for whom there is no objections made or lawsuit filed, may be considered as the rightful owner. The person who is entitled to obtain the said right must apply to the administration within six months (6 months) after the date of entry into force of the law.

Rightful owners of the agricultural lands owned by the treasury are the persons who apply for the purchase of the land and accept the sale price within two years after the date of entry into force of the law among;

- the persons who have leased the land for agricultural purpose for at least three years as of the date of entry into force of the law,
- the persons having a valid lease agreement or
- the persons using these lands for agricultural purposes for the same period and continuing their uses.

Diversion Channel:

Due to expansion of Kestanelik pit and location of waste rock dump on Kestanelik Creek. Such a major diversion plan is not included to the EIA report and Tümad submitted the diversion plan to DSI (Devlet Su İşleri – State Hydraulic Works) and it is approved on 04.05.2017. Any future change in the DSI approved designs should be reviewed and approved again by DSI.

Land use permits for the diversion channels located outside of the EIA and the license boundary will be received by Tümad. Tümad confirms that the channels are considered as supporting infrastructure and constructing them outside of the license and EIA boundary is possible and the Forest Permits for these lands have been received.

No land acquisition is required for access road and water pipelines.

8. KEY APPROACH OF TUMAD TO LIVELIHOODS RESTORATION

The livelihood restoration plan will be developed in 6 steps by the first quarter of 2018 prior to construction. These steps will occur iteratively and at times, in parallel, still are described in order, below. Responsibility for implementation of these steps lies with the TUMAD Community Relations Department.

Step 1: Identification of Affected Land-Owners and Land Users

TÜMAD identifies all private land owners and potential users of state land through title deed and through surveys and consultations in the field. Key informants from the villages such as the Muthars, agricultural associations, livestock owners and farmers will be interviewed to ensure that all users including those that may be seasonal are known to the Project. Effort will be made to ensure vulnerable users who may be less visible are also included. This identification process is a key step and the Project will ensure that no impacted person/household is left out of the list. In line with EBRD policy the identification process will treat equally those who have formal agreements to use or own land and those who may be termed as informal.

In this stage it may also be appropriate to establish the cut-off date for eligibility. Setting a cut-off date will provide clarity as to eligibility for compensation and assistance.

In identification stage information will be collected on:

- Overall land suitable for animal grazing of the area (000ha);
- Overall land suitable for forestry product collect of the area (000ha
- Surface area within the fence line (000 ha);
- The percentage of used land by villagers affected by Project activities (temporarily and permanently);
- Field surveys to determine seasonal use of the effected land within the fence line;
- Water sources (location, size, and characteristics);
- Assets on the land such as pathways, rest areas and structures.
- Any other issues that may be considered important by the project affected people (PAPs).

TEIAS will manage the process for Power line in close cooperation with TUMAD.

Stage 2: Loss/Impact Quantification

Any private structures, immovable assets or standing crops present on these lands will be compensated to the owners who may be land users (non-documented users) or beneficiaries (unauthorized producers or croppers and grazers).

Payments for trees, vineyards, etc. are made based on a calculation of the expected income from these for the rest of their lives; *with the recent changes, the Turkish law allows the payments to be made to both the owners and users except in forest areas.* As per international policies and the recent private sector practice in Turkey, people who have encroached to public and/or private land and planted trees and crops (or built immovable assets) are compensated for these assets (but not for the land).

For 2B and forestry land users- in order to ensure fair livelihood restoration assistance is provided to affected villagers, TÜMAD will determine the area of land which will be fenced for the duration of the Project, while also working with the Authorities to determine typical and acceptable stocking density levels for the type of land suitable for animal grazing and forestry product collection (whether 2B or forestry land) located within the Project fence line. This information will be used to assess the overall impact on land availability for animal grazing and forestry product collection, to inform a reasonable estimate of compensation of loss of access to the area by the land users.

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At this point, the following information is known and will require further investigation to confirm and details these preliminary findings:

- EIA Permitted Area:
 - Approximately 64 % of all households in Şahinli and Kocabaşlar (including registered and unregistered land users) estimated in the area that use the area on a seasonal basis as per the socioeconomic baseline surveys outputs;
 - Use of forest and 2B lands for animal grazing and mushroom, herb, hay gathering, other plants and the collection of forest wood for personal consumption (not for trading purposes).
 - There are 5 rightful users identified for 2B lands that are in the EIA permit area.
- Powerline:
 - 10 poles that will disturb active agricultural activities on the footprint;
 - Approximately 10 poles located on either private parcel; however these will not influence long-term agricultural activities.
- Diversion Channels
 - Forest land acquisition
- Access Road:
 - No land acquisition requirements
 - No identified impact on livelihoods;
 - Further consultation needed to reduce impacts and risks associated with movement of animals across the access road.
- Water Pipeline
 - No land acquisition requirements
 - No identified impact on livelihoods;

This information will be further refined and clarified during the process of developing this framework into a plan.

Step 3: Consultation

TÜMAD will use a consultative process throughout the whole process of the livelihood restoration plan development. There are however specific points at which community involvement is key. The first is as stated above, the process of actually identifying users of these lands affected by the Project; a second key process is that of undertaking an asset survey/census of all identified users in relevant neighbourhoods (principally in Şahinli and Kocabaşlar). The following activities will be undertaken to ensure all affected users are consulted during this process:

- Post an announcement in the neighbourhood, which will be photographed as signed by the *mukhtar* of the village.
- Hold a meeting with land users to discuss:
 - the process - including what happens after the EIA approval and obtaining other land usage permits by TÜMAD;
 - alternative plans once the mine site is fenced;
 - the villagers' future plans.
- Affected users will be contacted through the *muhtars* of the relevant neighbourhood (Şahinli and Kocabaşlar).
- *Muhtars* will be notified of a cut-off date for when the census will be undertaken with all affected users.
- During the survey, options for the livelihood restoration entitlements will be discussed including:
 - relocation of water sources from inside the fence to outside the fence (if any);
 - relocation of animal pens from inside the fence to outside the fence (if any);
 - access to government-run animal husbandry courses or alternatives (as preferred);

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- group-level training;
- livelihood support (purchase of agricultural materials such as seeds,, tools & equipment);
- technical and financial support to capacity building activities for Community Based Organisations (CBOs) such as Cattle Breeders Union, Ship and Goat Breeders Union, Agricultural Development Cooperatives and beekeepers etc.;
- measures as identified by land users and agreed as reasonable by TÜMAD (i.e. within a reasonable budget limit identified internally).

The census is a quantitative information gathering tool and this will be complemented by qualitative research in focus groups so that the Project can fully understand the livelihood structures of different groups in the community and also people's capacity and views on different strategies for livelihood restoration.

This process will also be used to identify vulnerable people in the communities. The nature and extent of vulnerability is context specific and will be used to identify those people who would likely to be affected from project due to their current vulnerabilities and develop specific measures targeting vulnerable people to ensure the project does not contribute to their existing vulnerabilities.

The baseline survey conducted for Social Impact Assessment included information on the various groups that was received in the interviews made from the village headmen. This information is not exact values but based on the information given by the village headmen.

According to these interviews:

- There are no households without land in the settlements.
- The number of households that can be considered very poor and needy are five in Kocabaşlar and ten in Şahinli.
- The number of people receiving support (fuel, in-kind and cash payment) from the Social Assistance and Solidarity Foundation (SYDV) is seven households in Kocabaşlar and four households in Şahinli.

The project will work with the Muhtars and community members to identify the vulnerable people who are directly affected due to land acquisition activities both in the mine site and along the associated facilities such as ETL. The list of vulnerable people, impact on their livelihoods due to mine operations and specific measures to mitigate their losses will be developed in detail in the LRP.

Step 4: Agree Entitlements Framework

Through consultation with affected land users and key stakeholders (*muhtars* and Government departments), TÜMAD will agree livelihood restoration assistance which will be applicable to all eligible affected land users. The livelihood restoration assistance will comprise, by agreement, measures that provide:

- compensation for temporary loss of access to land and natural resources;
- compensation for demonstrable loss of structures, assets, wages, rent, or sales earnings;
- other support (such as technical assistance and vocational and skills training), access to available donor/government funds, design and implementation of income generation programmes, capacity building for farmers and their representative organisations).

The entitlements framework will set out the eligibility of different land users to accessing the range of livelihood restoration assistance to be provided and facilitated by TÜMAD. Eligible land users are identified in the entitlements framework and for community-level impacts, entitlements and activities will also be at a corresponding community level.

Based on consultation undertaken to date, the following entitlements framework will be used. This is based on all property acquisition being undertaken in conformance with Turkish regulatory requirements and entitlements being focused on community-level support for community-level loss of/disruption to access to seasonal upland pastureland. A preliminary Entitlements Framework has been prepared (see below) based on preliminary findings. A detailed Entitlements Matrix will be prepared once all relevant information in land use and livelihoods has been collected. The final Entitlements Matrix will be included in the final Livelihoods Restoration Plan which will be disclosed by TÜMAD. The Project may consider the possibility to give PAPs third party assistance to understand the implications of the LRP for them and also to answer any queries or doubts that they might have

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Table 3: Preliminary Entitlements Framework

Project Component	Type of Use	Nature of Impact	Action/Entitlements Approach
EIA Permitted Area	Grazing of state-owned 2B and forest lands	<p>Permanent loss of customary use grazing area</p> <p>Increased stocking densities on other adjacent grazing areas</p> <p>Inter village conflicts due to scarcity of garzing lands</p>	<p>Community-level actions:</p> <ul style="list-style-type: none"> Find alternative grazing areas through consultation with the users and public authorities Provide support to government agricultural development programmes for households with animal husbandry from affected villages <ul style="list-style-type: none"> improving income from animal husbandry and other agricultural products via training, fodder crop production, marketing assistance etc. Provide access to vocational training from National Employment Agency for households from affected villages <ul style="list-style-type: none"> improving access to alternative income sources (skills development, vocational training), improvement of beekeeping, greenhouse production and other secondary income sources. Water sources temporarily or permanently unavailable for use within the EIA Permitted Area will be replaced with a suitable replacement outside the EIA Permitted Area
	Private land ownership (this includes the rightful owners and rightful users of 2B lands)	<p>Purchase/leasing of private land</p> <p>Permanent loss of land and need to find equivalent or better alternative</p>	<p>Land acquired and compensation provided in line with Turkish regulatory requirements and EBRD policy.</p> <p>Land leased as per an agreement with the rightful owner</p>
Powerline	Private land ownership	Permanent loss of land	Land acquired (via expropriation) and compensation to be provided in line with Turkish regulatory requirements
	Informal users of public lands under powerline alignment	Potential loss of land or need to have a different configuration in using land	TÜMAD to monitor during construction. If informal land users identified, to be assessed in line with the LRF
	Users of cropped land (private and public)	Temporary disturbance due to access tracks and crop damage during construction	Users with cropped land will be eligible for compensation for area in line with Turkish regulatory requirements. Land will be restored.
Project Area of Influence	Users of cropped land (private and public)	Reduced crop yield or other economic loss due to dust generated by the mine	Users with cropped land will be able to seek compensation for demonstrable and quantified damage to crop yields in line with the TÜMAD Grievance Procedure and as outlined in the Livelihoods Restoration Framework/Plan
Diversion Channel	Grazing of state-owned forest lands		<p>Community-level actions:</p> <ul style="list-style-type: none"> Find alternative grazing areas through consultation with the users and public authorities Provide support to government agricultural development programmes for households with animal husbandry from affected villages <ul style="list-style-type: none"> improving income from animal husbandry and other agricultural products via training, fodder crop production, marketing assistance etc. Provide access to vocational training from National Employment Agency for households from affected villages <ul style="list-style-type: none"> improving access to alternative income sources (skills development, vocational training),

Project Component	Type of Use	Nature of Impact	Action/Entitlements Approach
			improvement of beekeeping, greenhouse production and other secondary income sources. Water sources temporarily or permanently unavailable for use within the EIA Permitted Area will be replaced with a suitable replacement outside the EIA Permitted Area

9. LRP IMPLEMENTATION SCHEDULE

An LRP will be prepared based on the requirements outlined in this Livelihood Restoration Framework and in accordance with the requirements of PR 5 by Q1 2018.

The Implementation Plan will be agreed with the Project Lenders and PAPs and well publicised through TUMAD website. The community will also be kept informed of any changes to the LRP Implementation Plan.

9.1. Stakeholder Engagement to Date (September 2017)

Stakeholder engagement has included discussions with individual potentially impacted households, government organisations (including the Lapseki District Directorate of Food, Agriculture and Livestock, Director, Lapseki Sub-District Forestry Department, Director) and relevant *muhtars*, commencing from 2015 with respect to identification of impacts on livelihoods. A summary of engagement to date include;

- 15 were with affected users, including identifying and locating these stakeholders relative to the EIA Permitted Area;
- 3 meetings with local authorities ;
- Interviews with Şahinli and Kocabaşlar Villages
- 4 (headmen, elderly, young and women) focus group meetings as part of socioeconomic surveys in Şahinli and Kocabaşlar.
- A total of 80 questionnaires, comprised of 67 in Şahinli (38 males, 29 females) and 13 in Kocabaşlar (8 males, 5 females), were conducted.

9.2. Future Stakeholder Engagement Activities

TÜMAD has a commitment to engage its stakeholders at all levels, including communities, local authorities, NGOs, central government institutions and media. Detailed information on stakeholder engagement activities conducted for the project is described in Stakeholder Engagement Plan (SEP) which is part of the SIP Disclosure Package.

9.3. Key Tasks for Completion of the Livelihoods Restoration Plan

Key tasks required for completion of the Livelihoods Restoration Plan include the following:

- Baseline Data:
 - Confirm the existing baseline by integration and verification of TÜMAD data;
 - Collect new data if the verification process requires so;
 - Identify all households that will be affected across all Project features (mine site, and powerline).
- Assessment of Impacts:
 - Confirm the impacts based on the updated baseline and other quantitative and qualitative research.
- Mitigation Planning:
 - Confirm mitigations/entitlements based on the revised impacts.

The Livelihood Restoration Plan will be based on the standard TÜMAD document structure for management plans (such as this Livelihoods Restoration Framework) and will include the following key elements:

- Regulatory review;

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- Land use census and household survey information (household-specific information to be confidential and not disclosed);
- Eligibility criteria and entitlement matrix;
- Procedures for property valuation (if required);
- Consultation plan;
- Implementation plan;
- Monitoring, evaluation and reporting.

9.4. Livelihood Restoration Plan (LRP)

The Livelihood Restoration Plan (LRP) that will be prepared as a result of the processes presented above, will be based on the standard TÜMAD document structure for management plans (such as this Livelihoods Restoration Framework) and will include the following key elements:

- Regulatory review;
- Land use census and household survey information (household-specific information to be confidential and not disclosed);
- Project impacts on livelihoods
- Eligibility criteria and entitlement matrix;
- Procedures for property valuation (if required);
- Consultation plan;
- Implementation schedule;
- Resources, budget and timeline for LRP implementation
- Monitoring, evaluation and reporting.

10. MONITORING

The monitoring measures that are to be implemented during the operations phase to assess compliance with Project Standards (see ESMS Framework) are described in the section. Monitoring is the responsibility of the Community Relations Coordinator with the support of TÜMAD land/permit experts.

In the event that monitoring identifies a non-conformance with Project Standards, it will be investigated and appropriate corrective actions identified.

10.1. Progress Monitoring

Progress to date has included stakeholder engagement, data gathering and analysis, cut-off date establishment and census data gathering.

Water

A new pipeline has been constructed by TÜMAD to provide drinking water to Şahinli and consultation with potentially impacted households in Kocabaşlar did not identified a concern of water availability in relation to the fencing of the EIA Permitted Area. However during additional studies if any water sources which is being used as drinking water source for animals that are grazing in the EIA Permitted Area will be identified for replacement or to be taken out of the EIA area.

Census

Engagement meetings and baseline data collection has been undertaken during social impact assessment with potentially affected villagers who use forestry and 2B lands that will be used by TÜMAD within the EIA Permitted Area and along the powerline corridor. These were undertaken by TÜMAD Consultants in May 2017

Additional data will be gathered to support the completion of the Livelihoods Restoration Plan to ensure that appropriate socio-economic census data is available for all households identified as affected through loss of access to forest and 2B lands.

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The households having cultivated trees and other assets in the affected land will be identified. The type and number of such assets will be identified.

10.2. Implementation Monitoring

Forest and 2B land users displaced from the EIA Permitted Area

Users who have been and will be identified as using 2B and forest land within and surrounding the EIA Permitted Area will be subject to periodic consultation to identify and monitor:

- Alternative areas being used for animal grazing and forest product collection;
- Any issues with over-grazing or conflict with other affected users over alternative lands;

Affected land users will be consulted on at least an annual basis, during the summer grazing season.

Powerline

Monitoring of the powerline will require special care and attention. Land owners along the powerline will be subject to monitoring by TÜMAD during powerline construction to ensure that all requirements of the Turkish expropriation process have been met and that appropriate compensation has been paid to land owners prior to land being used for construction purposes.

With the completion of construction, TÜMAD will start undertaking walk-over inspections of the powerline alignment, consult with land owners and consult with *muhtars* to identify any potential land use and livelihoods issues associated with the operation of the powerline. Monitoring will be undertaken during the first year after construction and during the summer growing season. If no issues are identified, monitoring for land use and livelihoods issues will then cease.

Forest users displaced from the Diversion Channel:

Users who have been and will be identified as using forest land within and surrounding the EIA Permitted Area will be subject to periodic consultation to identify and monitor:

- Alternative areas being used for animal grazing and forest product collection;
- Any issues with over-grazing or conflict with other affected users over alternative lands;

Affected land users will be consulted on at least an annual basis, during the summer grazing season.

Dust Impacts on Adjacent Crops

Livelihood impacts that will occur through processes other than land acquisition will also require specific attention during the monitoring stage.

TÜMAD will install dust measurement instrument at suitable locations surrounding the Project and will take regular photographs during the summer growing season at locations where there is considered to be a risk of real/perceived crop damage due to dust from the Project.

If local land users claim for crop damage, this will be processed via the Grievance Procedure and compensation will be agreed based on the area of crops affected, the estimated impact on yield and the market price for crops. TÜMAD will also investigate the possible causes for dust emissions that may have caused identified crop impacts and will consider potential mitigation measures to prevent impacts from occurring in the future.

10.3. Effectiveness Monitoring

A monitoring programme will be implemented by TÜMAD to enable the effectiveness of livelihood restoration measures to be assessed on an on-going basis.

Internal monitoring of planned and budgeted inputs and outputs; monitoring of input and outputs of land acquisition requirements that emerge in the process of construction; and the monitoring of construction related compensation to crops and other immovable assets; and the monitoring of grievances will be carried out by TÜMAD with support of the TEIAS team (for power line) and EPC contractor.

Internal monitoring will focus on measuring progress against the schedule of actions defined in the LRF and include:

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- Review and report progress against the LRP to ensure that land acquisition activities progressed as planned and Schedule of activities was implemented;
- Verify that land acquisition and compensation entitlements are delivered and formulate alternative approaches if delivery systems fail;
- Review measures to enhance living standards are being implemented with a specific focus on affected users;
- Ensure that affected communities are treated equitably; and affected vulnerable groups are prioritised for LRP benefits;
- Verify that measures to compensate all owners as well as users are implemented;
- Seek feedback from affected people;
- Ensure the recruitment of an experienced land/permit expert with extensive familiarity with land acquisition issues in Turkey and who are able to work directly with PAPs and affected communities.

There will be a combination of internal and external monitoring:

- Internal monitoring. Quarterly during the implementation of the LRP and every six months thereafter.
- External monitoring will occur every six months and will be based on both the reports from the internal monitoring and primary research/ consultation with PAPs.

After two years, or when the external monitors agree that livelihoods have been restored, a Completion Audit will be undertaken to assess and confirm the livelihoods of affected users are at least as good as before Project activities commenced. The methodology for the Completion Audit will be agreed between the TUMAD and EBRD (see below) the section on Completion Audit.

10.4. Key Performance Indicators

The table below summarises the Preliminary key performance indicators and associated key monitoring actions that can be used to assess the progress and effectiveness of proposed mitigation strategies. Key Performance Indicators will be reviewed and updated based on the final Entitlements Matrix and the requirements of the final Livelihoods Restoration Plan.

Table 4: Key Performance Indicators

ID	KPI	Target	Monitoring
LRF-LAP-KPI 01	Agreements with land users in Şahinli and Kocabaşlar , and other identified and affected land users, established and implemented	Establishment of Agreements with land users from both neighbourhoods, and other identified and affected land users, prior to commencement of operations Implementation of restoration actions as agreed	Quarterly monitoring and reporting to displaced households and their neighbourhood <i>muhtars</i>
LRF-LAP-KPI 02	Household incomes restored to equal to or higher than pre-project standards.	Household incomes to have increased by at least consumer price inflation (CPI) in the previous year	Annual surveying of economically displaced households; Completion audit two years after completion of the LRP implementation
LRF-LAP-KPI 03	Number of users of the lands in the affected communities.	All displaced households included in the Livelihoods Restoration Plan	Quarterly monitoring and reporting to displaced householders and their neighbourhood <i>muhtars</i>
LRF-LAP-KPI 04	Total number of households participating in livelihoods restoration activities	All eligible households participating in livelihoods restoration activities as defined in the Entitlements Matrix.	Quarterly monitoring and reporting to displaced householders and their neighbourhood <i>muhtars</i>
LRF-LAP-KPI 05	Grievances related to livelihoods restoration resolved within one month	All complaints resolved within one month after it is recorded	Monthly review of grievance log and stakeholder engagement records

10.5. Completion Audit

TÜMAD will organise for a completion audit to be carried out by an external auditor on the effectiveness of the Livelihoods Restoration Plan. The completion audit will be undertaken 2 years after completion of the LRP implementation to ensure compliance with livelihood restoration objectives and requirements. In the event that monitoring identifies non-conformance with Project Standards, these will be investigated and appropriate corrective actions identified. The key objectives of the completion audit are as follows:

- To verify that all entitlements and commitments described in the Livelihoods Restoration Plan have been delivered;
- To determine whether the Livelihoods Restoration Plan measures have been effective in restoring or enhancing affected peoples' livelihoods;
- To check on any systematic grievances that may have been left outstanding;
- To identify any corrective actions necessary to achieve completion of the Livelihood Restoration Plan commitments.

11. AUDIT AND REPORTING

11.1. External Auditing

Conformance with this Framework (and subsequent Plan) will be subject to periodic assessment as part of the TÜMAD audit programme and separately by Project Lenders.

11.2. Record Keeping

Records of audits, inspections and incidents will be managed in accordance with TÜMAD procedures.

12. GRIEVANCE MECAHNISM

TUMAD have an established external grievance mechanism which is available for every stakeholder to use. Any comments or concerns can be brought to our attention either verbally or in writing (by post or e-mail) or by filling in a grievance form (an example is included in Annex 1 of SEP) the grievance form will be made available in on the Project website (www.tumad.com.tr) alongside this description of the grievance mechanism. Grievance forms can then be submitted to the Company through contact details provided below at the end of this plan.

According to TUMAD Grievance Procedure all grievances will be:

- Acknowledged within 3 days; and
- Responded to no later than 30 days.

Grievance information is recorded in a grievance log by specifically nominated and trained members of staff. We TÜMAD logs the following information:

- Name and contact details,
- Details of the grievance and how and when it was submitted, acknowledged, responded to and closed out.

TUMAD will continue to provide communication information to the project stakeholders about the grievance mechanism during the lifetime of the Project.

More specifically the owners and users of the affected lands and the vulnerable groups will be particularly informed through the special stakeholder engagement activities (as detailed in the SEP) on the following topics:

- Procedure for grievance and feedback
- Training on grievances procedure
- Process for Grievance Solution (including security and responses to problems of construction or mining contractors)
- Accident grievance and expectation form,
- Suggestions and complaints boxes, letters and telephone conversations

12.1. Contact Details of TÜMAD Madencilik A.Ş.

In order to ask a question, to make a comment and to complaint, stakeholders may reach General Directorate and Operations' Formal Communication departments by using following contact information.

Contact Details of TÜMAD Madencilik A.Ş.

You can contact us through the contact details below for any question comment and or complaint you wish to raise to us:

CONTACTS OF TÜMAD Madencilik A.Ş.

Tümad Madencilik A.Ş. General Directorate:

Address: Buğday Sokak No:9 Kavaklıdere Çankaya ANKARA

Tel : 0 312 455 16 10

Fax: 0 312 455 16 01

e-mail: info@tumad.com.tr

Tümad Madencilik A.Ş. Lapseki Gold Mine Operation

Address: Beyçayır Yolu 12.km No:210 Şahinli /Lapseki /ÇANAKKALE

Tel: 0312 505 00 06

e-mail: info@tumad.com.tr