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RSM WORKSHOP – 26 JANUARY 2021









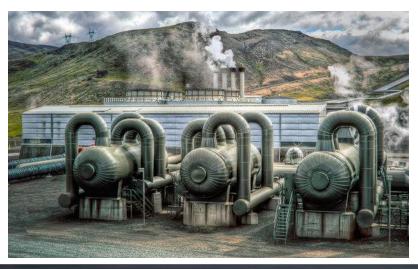




Why is it critical to effectively manage environment and social risks?

**GETTING THE SOCIAL LICENSE TO OPERATE** 

"73% of delays in 190 mega projects world-wide were related to Environmental & Social issues which led to millions of dollars in losses."



ERM (2010)





### What Are the Main Social Impacts of Geothermal Investments?

- Potential Positive Impacts
  - Local employment opportunities
  - Contribution to local
     economic development
     through sustainable benefit
     sharing mechanisms in direct
     use options
  - Local procurement and improving value chains

- Potential Adverse Impacts
  - Livelihood losses due to involuntary land take (temp./ permanent)
  - Construction impacts on infrastructure,
     irrigation channels etc.
  - Restrictions to access roads
  - Labor influx generated by camp sites
  - Impacts on vulnerable groups
  - Occupational/Community Health and Safety impacts







#### Mitigation Measures

- Identified positive and negative E&S risks should be included in the <u>Environmental and Social Impact Assessment</u> (ESIA) / <u>Environmental Social Management Plan</u> as per the World Bank's safeguards policies OP 4.01 Environmental Assessment
- If there are unavoidable adverse impacts, then mitigation measures should be taken and referred in the ESIA/ESMP
- Plans/systems that govern mitigation of social impacts:
  - Community Health and Safety Plan \*mandatory (also includes code of conduct of workers, and labor influx management, communicable diseases and health and safety impacts of geothermal investments)
  - Land Acquisition and Resettlement Action Plan / Ex-post Social Audit \*conditional
  - Stakeholder Engagement Plan \*mandatory
  - Grievance Mechanism \*mandatory



### World Bank Operational Policy on Involuntary Resettlement (OP 4.12) Turkey Geothermal Development Project

#### WORLD BANK OP 4.12 INVOLUNTARY RESETTLEMENT-KEY PRINCIPLES

- Avoid resettlement, if cannot minimize or seek alternative design, mitigate impacts and compensate
- Conceive as sustinable development program
- Ensure continuous consultation with stakeholders, involve PAPs and vulnerable in resettlement planning
- Provide assistance for improving livelihoods
- Maintain and improve income/living standards at least at pre-project level



## Geothermal Drilling Phase, RSM Component-1 of Geothermal Development Project

PROJECT REQUIREMENTS RELATED TO LAND ACQUISITION

PAST LAND ACQUISITION			FUTURE LAND ACQUISITION		
Method	Required documents	Conditions	Method	Required documents	Conditions
Rental/ Voluntary Purchase	ESIA/ESMP + Ex-post Social Audit	Within 5 years	Rental / Voluntary Purchase	ESIA/ESMP	*E&S Monitoring report with supporting docs. (Implementation stage)
Expropriation	ESIA/ESMP + Ex-post Social Audit		Expropriation	ESIA/ESMP + Abbreviated RAP	





# World Bank Operational Policy on Involuntary Resettlement vs Turkish Legal Framework

Turkish
Expropriation Law
Objective: Fair

WB OP 4.12

**Objective:** Fair financial compensation

**Affected persons:** persons with legal land title

**Compensation:** Fair market value

Public information and consultation: Not obliged

**Grievance redress:** Not necessary, application to court

**Vulnerable Groups**: No requirement

Monitoring: No requirement

**Objective:** Livelihood restoration: social survey, baseline data, monitoring post land acquisition

Affected persons: anyone impacted: Renters, legal / illegal users of private & public lands, grazers

**Compensation:** Replacement cost

Public Information and Consultation: Timely, accessible & meaningful consultation

**Grievance redress:** affordable and accessible GRM in place

Vulnerable groups: special measures for disabled, elderly, single women headed households

**Monitoring:** Project progress reports for expropriation and grievances

Associated facilities: such as roads, transmission lines, temporary worker camps

Private entities can easily comply with WB/IFC policies and can top up above the national requirements



#### **Ex-post Social Audit for Past Land Acquisition**

- 1. Project Description
- 2. Project's land-based impacts and persons/groups impacted
- 3. Land Acquisition Methodology
  - Any decisions obtained such as public interest decision for land acquisition
  - Arrangements made for rental lands or any practices of willing buyer/willing seller (WB/WS) – please provide info on rental conditions, duration and reinstatement conditions if well is to be unsatisfactory
  - If any land take via expropriation, application of national law on (normal acquisition process, urgent expropriation)
  - Entitlement Matrix (Only if there is expropriation. Land use through rental arrangements or WB/WS applications will not require an Entitlement Matrix)
  - Valuation method applied to determine compensation
  - Compensation arrangements and payments (information on how and when the payments were made, when the process finalized)
  - Any additional measures taken to restore loss of livelihoods (include any CSR activities sponsor has carried out)
- 4. Public awareness and engagement activities carried out
- 5. Project's grievance mechanism/strategy
- 6. Any Non- compliances and proposed suggestions



### Good Practices: Integrating Social In Environmental Assessment & Management

- \*
  - Rule of thumb for adverse impacts: Avoid, minimize, mitigate and compensate
  - \*
- Early and continuous Stakeholder Engagement
  - Disclosure of information
  - Consultation
  - Informed Consultation and Participation
- \*
- Effective Grievance Mechanism
- \*
- Environmental and Social Staff Capacity



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