



Spetskomuntrans

KHMELNITSKY SOLID WASTE PROJECT

Livelihood Restoration Framework (LRF)





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FINAL PUBLIC

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1 INTRODUCTION

1.1 THE PROJECT

1.1.1. The Project will be developed by communal enterprise Spetskomuntrans, a municipal company in the City of Khmelnytsky (herein known as the 'City'), using a senior loan from the European Bank for Reconstruction and Development (herein known as 'the EBRD'). The proposed loan will be used to facilitate the development of an integrated Solid Waste Management (SWM) system by:

- Closing and rehabilitating the existing landfill;
- Constructing a new engineered landfill (the 'proposed landfill'); and
- Construction of a Mechanical Biological Treatment (MBT) Facility.

1.1.2. The development is herein referred to as the 'Project'.

1.2 PROJECT NEED

1.2.1. The City's waste generation was approximately 92,000 tonnes per annum in 2017 and is anticipated to increase to approximately 107,000 tonnes per annum within 10 years. Nearly all of this waste is landfilled, with no prior treatment, at the existing landfill Site. The current leachate management process consists of the collection and recirculation of leachate into the landfill. The existing landfill Site has been in operation since 1956, and is approaching maximum capacity, thus the need for replacement is increasingly pressing.

1.2.2. The existing landfill is not engineered or operated to European Union Standards and several major fire events have occurred, most recently in April 2018. These events did not result in casualties, but they re-emphasize the need for an integrated SWM system for the City.

1.3 PROJECT DESCRIPTION

1.3.1. The Project will result in the creation of a modern integrated Solid Waste Management (SWM) system for the City. The Project consists of the following elements:

- The closure, capping and rehabilitation of the existing landfill:
 - The capping of the disposal area, including measures to prevent excessive rainwater input and leachate generation, and to prevent interference with the Landfill Gas (LFG) Collection System;
 - A review of the LFG Collection System; and
 - Reshaping the existing landfill body to stabilise the slope and prevent sliding, including surface water runoff measures and treatment options for the existing leachate pond from which leachate is currently collected for recirculation.
- Construction of a new engineered landfill cell, which will include:
 - A natural geological barrier, improved with geosynthetic clay liners and a High-Density Polyethylene (HDPE) lining system;
 - A leachate collection drainage layer and piping system for leachate collection;
 - A LFG collection layer and system (above the waste layer).

- The establishment of an MBT facility to the north of the existing Site. The facility will have a processing capacity of approximately 107,00 tonnes of waste per annum. The design of the proposed MBT facility is ongoing and thus has not been finalised as of August 2019.
- Upgrading equipment with at least one additional bulldozer and a compactor;
- The provision of road works, signage, fencing and fire prevention measures and fire extinguishing measures; and
- Operational procedure improvements to general operations.

1.3.2. Construction of the Project is anticipated to begin in 2021/2022 and last between two and four years.

1.3.3. In total, the Project will cover an area between 20.5 hectares (ha), divided into the following components:

- Closure and rehabilitation of existing landfill – 8.9ha;
- Proposed Landfill – 6ha; and
- Proposed MBT Facility – 5.6ha.

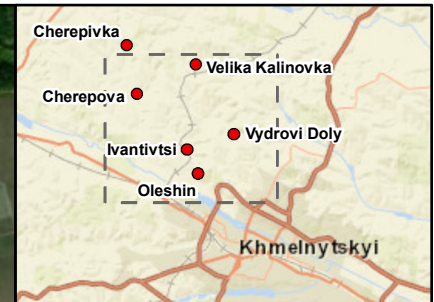
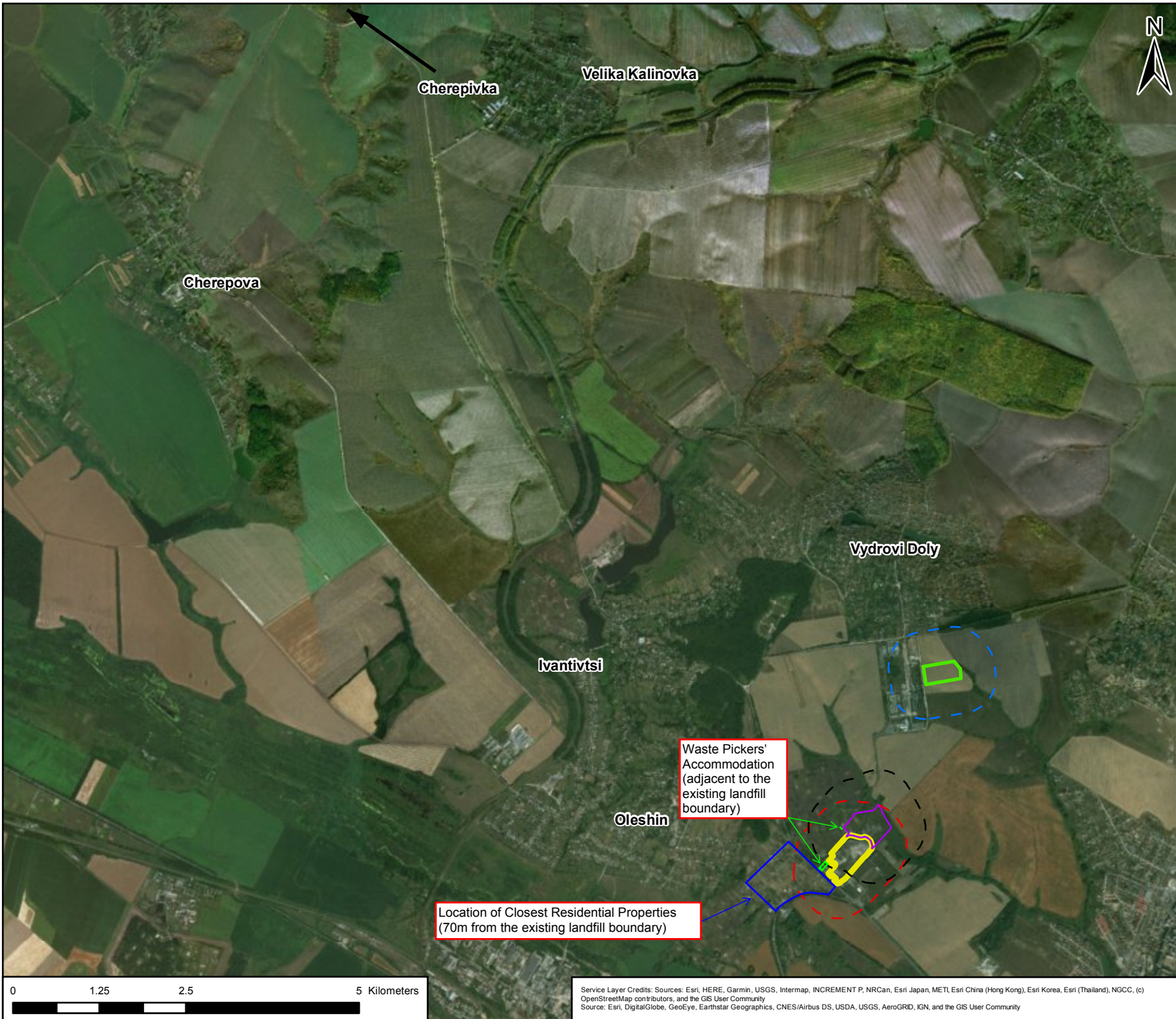
1.3.4. Figure 1-1 show the design of the elements of the Project, in particular the Red Line Boundary (RLB) (i.e. the footprint of the Project) is outlined.

1.4 PROJECT LOCATION

1.4.1. The Project is located to the north of the city of Khmelnytsky, in the Khmelnytskyi Oblast in western Ukraine. The existing landfill is located on the northern outskirts of the city, to the north of the Pivdennyi Buh River. The existing landfill lies to the north of Myru Avenue. To the south of Myru Avenue the land slopes downhill towards the Pivdennyi Buh River. The major roads that provide access to the Site are Zakhidna Okruzhna Street and Myru Avenue which run adjacent to the Site (the south-western edge).

1.4.2. The Project is located outside the urban area of the city and is bound by agricultural land and/or villages on all sides. The villages surrounding the Project include Oleshin, Velika Kalinovka, Ivankivtsi, Cherepova and Cherepivka. The villages contain community facilities in the form of schools, an emergency centre, local hospital, dentist and shops. There are residential properties associated with these villages located in the vicinity of the existing landfill (which will be closed and rehabilitated as part of the Project), with the closest being 70m to the south.

1.4.3. The proposed landfill site will be located directly adjacent to the existing landfill, in the north-east of the Site, while the MBT facility will be located approximately 1km north of the existing landfill site. Figure 1-1 shows the Project location.



Key

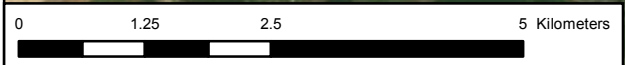
- Proposed MBT Facility
- Potential Sanitary Protection Zone (MBT)
- Existing Landfill
- Proposed Landfill
- Sanitary Protection Zone
- Potential Sanitary Protection Zone (Landfill)



Client:
EBRD

Project:
KHMELNITSKY SOLID WASTE PROJECT

Title:
Figure 1-1
Project Location Plan



Service Layer Credits: Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community
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Date: 08/08/2019 Scale: 75,000 @ A4
Drawn: PM Checked: DE Approved: JW

1.5 PURPOSE OF THIS REPORT

- 1.5.1. This document is a Livelihood¹ Restoration Framework (LRF) for the Project and it describes the objectives, principles and the planned approach to potential economic displacement and livelihood restoration of (a) waste pickers currently working at the existing landfill, and also (b) potential impacts on private land owners who built houses within the sanitary protection zone (SPZ), which was possible during the evolution of the Ukrainian SPZ legislation since its independence in 1991.
- 1.5.2. Spetskomuntrans have already completed their land acquisition programme for the new landfill (Phase 1 and Phase 2 of land acquisition), while the land acquisition for the new MBT site is yet to be started. The Spetskomuntrans land acquisition process for both the new landfill, and the proposed MBT site, is based on a “willing buyer - willing seller” basis. It was established that this type of development does not fall under the National definition of a “Project in public interest”, and thus Spetskomuntrans can only acquire land on the “willing buyer - willing seller” basis and cannot expropriate the land.
- 1.5.3. As the land is being acquired on the “willing seller - willing buyer” basis, opposed to a process of land expropriation, it is concluded that EBRD PR5 requirements are not applicable to permanent land acquisition. As such, this document focuses on livelihood restoration of potentially affected parties and compensation principles and entitlements.
- 1.5.4. The Project is not expected to result in physical displacement, but it is likely to cause economic displacement and certain land use restrictions, as described in Section 2.3. The design of the new MBT facilities is currently being progressed, and there is incomplete information on the exact routings of pipes and cabling to provide services to the new landfill and MBT sites.
- 1.5.5. This LRF sets out the principles to be applied by Spetskomuntrans to develop and implements a Livelihood Restoration Plan (LRP). This document also identifies the gaps between the relevant Ukrainian legislation and EBRD PR5 requirements in relation to livelihood restoration of potentially affected parties and compensation principles and entitlements and recommends measures to address the identified gaps. This Framework guides the overall process and the standards that livelihood restoration and compensation process must meet in the future. Specific details of the management of livelihood impacts will be addressed in the LRP. The LRP will be developed for the Project by Spetskomuntrans using relevant census and asset inventory survey and socio-economic survey data, which will be collected by Spetskomuntrans.
- 1.5.6. The LRF has been prepared to comply with Ukrainian legislation and the EBRD requirements, as set out in the EBRD’s Environmental and Social Policy (2014), notably Performance Requirement (PR) 5 on Land Acquisition, Involuntary Resettlement and Economic Displacement. Actions related to the LRF are included in the Environmental and Social Action Plan (ESAP) under PR 5.
- 1.5.7. This LRF is structured as follows:

¹ A person's **livelihood** refers to their "means of securing the basic necessities -food, water, shelter and clothing- of life". Livelihood is defined as a set of activities performed to live for a given life span, involving securing water, food, fodder, medicine, shelter, clothing and the capacity to acquire above necessities working either individually or as a group by using endowments (both human and material) for meeting the requirements of the self and his/her household on a sustainable basis with dignity. Oxford Dictionary of English, *Oxford University Press*. 2010.




- Section 2: provides a summary of socio-economic characteristics and potential impacts;
- Section 3: defines principles and objectives of the livelihood restoration framework;
- Section 4: describes national legislative framework and EBRD requirements and identified gaps that need to be addressed;
- Section 5: provides further details on potentially affected parties;
- Section 6: describes eligibility and entitlements;
- Section 7: describes the process of the LRF implementation;
- Section 8: offers guidance on the public disclosure and consultation process;
- Section 9: describes the Grievance Mechanism related to this Project;
- Section 10: defines institutional responsibilities with regards to the implementation of this framework; and
- Section 11: describes the LRF implementation, monitoring and reporting process.



2 SOCIO-ECONOMIC CHARACTERISTICS AND POTENTIAL IMPACTS


2.1 SOCIO-ECONOMIC CHARACTERISTICS IN THE PROJECT AREA


- 2.1.1. The following socio-economic characteristics were identified in the Project area, based on field observations, focus group discussions with waste pickers, meetings with head of village council, local residents and land owners, and clarifications obtained from Spetskomuntrans in August 2019:

Table 2-1 – Socio-economic Characteristics of the Project Area

Receptors	Socio-Economic Characteristics	Details
<p>Local Residents living in houses within the SPZ for the existing landfill, the nearest being approximately 70m from the existing landfill boundary fence.</p>	<p>Although the sanitary protection zone (SPZ) around the existing landfill site is 500m, some houses are located within approximately 70m area from the edge of the existing landfill (Figure 2-1). The WSP team counted 27 houses which are currently within the SPZ for the existing landfill.</p> <p>Based on discussions with local residents, it was established that in the 1990s when these land plots were sold to individuals, they originally had a “agricultural land use” designation. With time, some land owners built houses on their land plots and subsequently and successfully applied for land use change. Some of these SPZ houses currently and legally have a “residential” land use designation, which is registered in the National Cadastre database. Other land owners have simply built houses on their land plots but have not yet applied for the land use change.</p> <p>It was confirmed that although some of the houses are clearly used only during the summer period, approximately half of the houses are permanently occupied (throughout the year). Almost all of the houses within the SPZ for the existing landfill have fruit and vegetable gardens which are well maintained.</p>	 <p>Figure 2-1– A House within the SPZ Located Approximately 70m from the Existing Landfill</p>

Receptors	Socio-Economic Characteristics	Details
	<p>The breach of the SPZ for the existing landfill is historic. Any houses within the SPZ for the existing landfill will experience positive impacts and improved environmental conditions due to the closure and rehabilitation of the existing landfill.</p>	
<p>Roads used by local residents and public transport.</p>	<p>The houses located within the SPZ of the existing landfill have access to two main roads:</p> <ul style="list-style-type: none"> ■ A road adjacent to the southern boundary of the landfill site, which provides access to the main entrance (see Figure 2-2). It is extensively used by local residents, as well as public transport (small shuttle bus service/marshrutka); and ■ A track which runs from the existing and proposed landfill, northwards past the proposed MBT facility, and the former industrial site up to the residential dwellings in Vydrovi Doly. 	 <p>Figure 2-2 – Road Outside the Main Entrance to the Existing Landfill</p>
<p>Roma waste pickers currently working at the existing landfill.</p>	<p>Based on the information confirmed by Spetskomuntrans, the company currently has contracts with two subcontractors providing waste-picking/waste-sorting services:</p> <ul style="list-style-type: none"> ■ ‘Recycling Podillya LLC’ – for collection of plastic bottles and other materials for sale to the recycling markets. This agreement is renewed annually and expires 01 July 2019, but it is likely that it will be renewed. They employ between 10-30 waste pickers (more in the summer, less in the winter); and ■ A private entrepreneur – for recycling activities on the landfill. His contract is on a month-to-month basis. He also employs about 10-30 waste pickers. <p>The two subcontractors operate two different accommodation areas for their employees at the existing landfill.</p>	 <p>Figure 2-3 – Head of Waste Pickers showing their Site Accommodation (located to the left of the main entrance of the existing landfill)</p>

Receptors	Socio-Economic Characteristics	Details
	<p>As confirmed through focus group discussions with the waste pickers, most of those employed by Recycling Podillya are of Roma origin, who were previously in the Zakarpatya Province of Ukraine. The private entrepreneur employs individuals from the local area.</p> <p>Recycling Podillya rents land adjacent to the existing landfill and has provided portacabins and shipping containers to the Roma waste pickers. In addition, some of the Roma waste pickers have constructed their own cabins / containers. This accommodation is linked to their employment contracts (see Figures 2-3 and 2-4).</p> <p>Spetskomuntrans has confirmed that there is no formal agreement between the Roma waste pickers and Recycling Podillya for the use of land adjacent to the existing landfill. If the waste pickers lose their work, they will also lose their access to this area. Spetskomuntrans also confirmed that the Roma waste pickers residing in the portacabins and containers, are families.</p> <p>The waste-pickers reside in 12 shipment containers/ cabins located within 5-10m from the landfill boundary. Eight cabins are located to the left of the main entrance of the landfill site, and another four cabins located near the second (gated) entrance to the site. The observed presence of both males and females at the site, and the presence of at least two youths close to the cabins, as well as the distribution of waste-pickers between the 12 cabins (2 or 3 people/cabin) confirms that some of them are couples or families.</p> <p>Overall, the observed accommodation and living conditions can be described as squalid and not suitable for even temporary living. None of the cabins/containers were observed to be connected to any services (i.e. electricity/ gas, running water, wastewater, etc).</p> <p>It was confirmed that some of these cabins are used by the waste pickers throughout winter, and thus these cabins and containers serve as permanent accommodation.</p>	 <p>Figure 2-4 (a and b) – Accommodation Located Opposite the Gated Entrance to the Existing Landfill and Two Roma Youths (13-14 years old)</p>

Receptors	Socio-Economic Characteristics	Details
	<p>The situation is similar for the accommodation provided by the private entrepreneur, where there are approximately four portacabins / containers.</p>	
<p>Land plots where the proposed landfill will be developed and adjacent lands in the potential SPZ.</p>	<p>There are no residential houses within the indicative 500m SPZ for the proposed landfill, that is is planned to be developed. The proposed landfill will be located in an area that is dominated by land plots which are not currently cultivated. There is currently some waste picker accommodation (noted above) located within the indicative 500m SPZ for the proposed landfill.</p>	
<p>Laand plots where the proposed MBT Facility will be developed (falls under future/Phase III' land acquisition programme) and adjacent lands in the potential SPZ</p>	<p>There are residential houses just beyond the indicative 500m SPZ for the location where the MBT facilities are planned to be developed. The proposed MBT site is located in the area dominated by land plots where some are cultivated by an agricultural enterprise, and its owner is now negotiating with Spetskomuntrans, while other land plots are currently not used.</p> <p>There are also two industrial complexes located within 1km from the proposed MBT site, where one of them is an office for a window installation organisation and another one was unoccupied during the site visit.</p> <p>Oleshin and Ivankivtsi villages are 2-3km from this site and their residents use the road adjacent to the site to access these villages.</p>	 <p>Figure 2-5 – Example of a Typical Nearby Land Plot (fallow land)</p>

Receptors	Socio-Economic Characteristics	Details
		 <p data-bbox="1346 691 1973 751">Figure 2-6 – Road Adjacent to the MBT Site (used by residents of Oleshin and Ivankivski)</p>

2.2 POTENTIAL IMPACTS

- 2.2.1. In the 1990s the village council authorities implemented a programme of selling land plots to individuals, including land plots within the SPZ for the existing landfill, even though the SPZ restrictions were present and the site was operational at that time. The land plots were intended to be used for recreational gardening and were designated as an “agricultural” land use. Several of these land owners have subsequently built houses on their land plots, and then changed the land use from “agricultural” to “residential”, thus legalising their houses.
- 2.2.2. At the same time, other land owners have built houses on their land plots but have not yet applied for change of land use, thus the houses with unchanged/agricultural land use that are used as permanent residential dwellings are illegal. National land use legislation makes it illegal to build permanent residential properties on the land plots which have agricultural land use.
- 2.2.3. Since the Ukraine’s independence referendum in 1991, the country has embarked on reviewing and amending its national legislation, as well as its legislation on SPZs and their size. There is a specific legislative process that must be followed to secure a reduction in the extent of the SPZ for existing landfills, and any application for a reduction must be supported by the required monitoring data. Based on the latest amendments, the law states that where developers consider the construction (or reconstruction) which could be hazardous (i.e. could cause negative impacts on the environment and population’s health), the size of SPZ should be considered separately in each individual case taking into account monitoring data with regards to negative exposure to the environment in the proximity to the said facilities and beyond its boundary². Figure 1-1 shows the SPZ for the existing landfill, and the indicative 500m SPZs for the proposed landfill extension and MBT.
- 2.2.4. As the Project includes the closure and rehabilitation of the existing landfill, any impact that the existing landfill is currently having on residential properties currently located within its SPZ is expected to be reduced.
- 2.2.5. There are currently no permanent properties within the indicative 500m SPZ for the proposed landfill extension, however, there are some cabins which currently accommodate Roma waste pickers. There are a small number of gardens within the indicative 500m SPZ surrounding the MBT site, however, provided the development is located away from the northern boundary of the MBT site, the SPZ should not extend into these gardens.
- 2.2.6. Any land, or property, that may in the future be located within the new SPZ for the proposed landfill or proposed MBT would be subject to restrictions on the construction of **residential** properties, in accordance with the SPZ legislation, which would reduce the value of the land or property. Land plots in the proposed SPZs which have the land use designation of ‘residential’, will lose the right to construct permanent residential houses. It is not expected that land plots or residents within the new SPZ for the proposed landfill or proposed MBT will experience significant adverse effects once the

² 1996 Law on Approval of State Sanitary Rules for Planning and Development of Residential Areas/Settlements, as amended in 2007, 2008 and 2018.

operational phase of the Project commences. Details relating to the operation effects of the Project are available within the Environmental and Social Impact Assessment (ESIA).

- 2.2.7. The Project could result in the potential loss of crops and trees located on local residents' private land plots, i.e. back gardens and around the houses as a result of accidental damages by contractors and their staff, or, if the construction works are not sufficiently contained within the land either currently owned, or purchased for, the Project.
- 2.2.8. The Roma waste pickers' current accommodation arrangements (the cabins are located within 50m from the existing landfill site boundary) and their working conditions were discussed with them during July 2019 site visit and later confirmed by Spetskomunrans and their sub-contractor, who employs the waste pickers. It was confirmed that all of the Roma waste pickers reside in the cabins/shipping containers and none of them rent properties elsewhere.
- 2.2.9. The 'Smart Environment Khmel'nitsky' Employment Policy (dated February 2019) refers to the currently employed waste pickers and confirms that The Khmel'nitsky City Administration and Spetskomunrans are committed to continue to employ these people as waste sorters at the new facilities, where appropriate. The waste pickers accommodation is provided by Spetskomunrans' subcontractor (although no renting agreement exists – as confirmed) and is currently linked to their employment contract. The waste pickers working conditions and current accommodation arrangements are considered further in the Social Impact Assessment chapter of the ESIA under PR2 compliance – "Labour and Working Conditions".
- 2.2.10. The land acquisition for the proposed MBT site is not expected to cause the physical displacement of any individuals with legal or customary rights to lands. Spetskomunrans will acquire the land on a 'willing seller - willing buyer' basis (see Section 2.3 for further details). During the WSP field visit and meetings with local land owners it was confirmed that the land plots for the proposed MBT site are not currently being used for farming activities, due to their proximity to the existing landfill site. The land owners interviewed during the WSP visit did not express any concerns about the land acquisition process. When the land acquisition process is implemented by Spetskomunrans at a future date, and particularly where and if informal land users are involved, –the process outlined in this LRF will be followed to ensure compliance with the EBRD PR 5.
- 2.2.11. The proposed landfill and the proposed MBT facility will enhance solid waste collection and management in the Khmel'nitsky City and its suburbs. The proposed MBT site was selected based on: its proximity to the existing landfill, which reduces the transportation distance between the sites; it being located away from settlements; and to utilise a site next to an existing landfill, thus restricting the visual and land use impacts to this location.
- 2.2.12. The waste pickers, and the two sub-contractors who employ them, could also temporarily, or permanently, be economically displaced, during inevitable interruptions of their work caused by the construction activities and the closure of the existing landfill on which they currently pick waste. It is also likely that some jobs could become obsolete due to the new facilities, as there is likely to be a reduced requirement for manual waste segregation on the new landfill, while other new jobs will be created, such as management of automated processes at the MBT. It is expected that the employment needs for the proposed landfill and the proposed MBT Facility will be as a minimum comparable to the existing landfill.
- 2.2.13. The interviews with the waste pickers at the existing landfill revealed that they have been engaged in waste picking at this site for the last three years. For the waste pickers that are present seasonally,

waste picking is their primary income generating activity during these seasons. For the waste pickers who are present permanently, waste picking is their only income generating activity.

2.3 LAND ACQUISITION PROCESS CURRENTLY FOLLOWED BY SPETSKOMUNTRANS

2.3.1. The WSP team met with both the Spetskomuntrans land acquisition officer, and a land acquisition officer from the Khmelnytsky City Administration (KCA). They described how they follow the Ukrainian Legislation process described above, and the specific process they use when buying land from the land-owners in the Project area:

- **Step 1** – as part of the Khmelnytsky City Administration (KCA) system of providing municipal services to the local population, the KCA first needs to identify and confirm its land acquisition needs to be able to grow their municipal services offering and provide municipal services to the local population. Once its land acquisition needs are confirmed, the KCA makes a decision, which is then formally registered in the minutes of its meetings. Such a decision is typically supported by a budget allocated by the City Administration for the land acquisition.
- **Step 2** – the decision is announced in a publication notice in local newspapers, and information is sent to local land owner associations (Zemlyanoe Tovarischestvo in Ukrainian) to reach those landowners who have an interest in selling the land.
- **Step 3** - Once a land-owner expressed his/her interest to sell a plot of land in the area where KCA is interested in purchasing the land, the land-owner typically arranges for a certified land valuator to visit the land plot in question and prepare a land valuation report. The value is derived and estimated based on a market valuation and the latest land plot sales in the area. Spetskomuntrans makes the point that land valuation is best arranged and paid for by land owners themselves, as this gives the land owners more control over the valuation process. The responsibility for transaction costs and relevant professional fees currently falls on the seller. The land owner sends a copy of the Land Valuation Report to the Land Acquisition department of Spetskomuntrans.
- **Step 4** – Then discussions start between the land owner and Spetskomuntrans in relation to the final price. The land owner has a choice of either accepting the maximum price now (based on the valuation report) or waiting for the next year (all asset valuations must be updated annually), hoping that the next valuation report will deliver an increased land valuation (which is not guaranteed).
- **Step 5** – Once an agreement between a land owner and Spetskomuntrans is reached, a local notary office will get involved, acting as an intermediary, assisting with the process and holding the land ownership documentation until the payment is transferred by Spetskomuntrans (who by that time would have received KCA approval for the transaction). Once the agreed amount of money is transferred to the land owners' bank account, the notary finalises and registers the sale, and the land is then registered in Spetskomuntrans' name.
- **Step 6** – The sale is then registered by the Notary with the City Administration and Land Registry/Cadastre.
- **Step 7** – Spetskomuntrans then applies for the land plot land use designation to change from agricultural usage to industrial.

2.3.2. It should be noted that **Spetskomuntrans or KCA cannot follow a compulsory land expropriation process**, because based on Ukrainian Law, land can only be expropriated when it is for “public interest” purposes, which are specified as: (i) the need to build a road across the country, (ii) a railway, or (iii) another large infrastructure development of national importance. This project does not fall under any of these categories. It is thus concluded that Spetskomuntrans will be required to buy the land on



a “willing buyer - willing seller” basis as described above, and the land acquisition process will be voluntary.

3 PRINCIPLES, OBJECTIVES AND PROCESSES

3.1 OBJECTIVES

3.1.1. The objectives of this Framework are as follows:

- To avoid or minimise involuntary displacement (including physical and economic).
- To consider feasible alternative in Project designs to avoid or at least minimise displacement, while balancing environmental, social and financial costs and benefits.
- To mitigate adverse social and economic impacts from construction restrictions on the SPZ land plots.
- To provide compensation for loss of affected assets at replacement cost (including for affected produce cultivated for personal consumption – where applicable).

3.2 PRINCIPLES

3.2.1. The **principles** which underpin this Framework are as follows, and shall be adhered to during Project implementation:

- Land acquisition for the future MBT facilities will be carried out in compliance with the **applicable legislation in Ukraine** (as described in Section 4 below), the **EBRD Environmental and Social Policy 2014** and its **PR 5 (Land Acquisition, Involuntary Resettlement and Economic Displacement)**, **this LRF** and good international practice, and any gaps will be addressed accordingly, to achieve this principle.
- Spetskomuntrans will seek to reduce the SPZ for the existing landfill, in accordance with Ukrainian legislation, and this will be informed by results of the ESIA / National EIA.
- Spetskomuntrans will seek to ensure that the SPZs for the proposed landfill and the proposed MBT, which will be defined in accordance with Ukrainian legislation, and informed by results of the ESIA / National EIA, will aim **to avoid or at least minimise economic displacement in accordance with PR5**.
- **All affected persons (including vulnerable groups and individuals, including Roma waste pickers) will be informed and consulted** during Project preparation and implementation to facilitate their early and informed participation in decision-making processes related to social impacts. Equally, local land owners and local residents will be consulted to ensure that they understand the project land impacts and their entitlements, as applicable. Both types of consultations will be carried out in line with the provisions specified in the Stakeholder Engagement Plan (SEP) and allow for targeted consultation with vulnerable groups.
- **A Detailed Livelihood Restoration Plan (LRP) in compliance with PR 5 will be developed by Spetskomuntrans** for the Project. The LRP will be supported by a **Waste Pickers Management Plan**. References to the LRP throughout the Project documents collectively refer to both the LRP and the Waste Pickers Management Plan. The information and requirements contained within the Plan shall be subject to public disclosure and consultation. Such Plan will be based on reliable up-to-date information and data (collected during a census and asset inventory survey and based on the confirmed SPZ size and boundaries) and will include basic information about the Project, Project impacts, affected people, their generic socio-economic and demographic profile, summary of affected assets, assets valuation and entitlements for all categories of affected people. The Plan shall also include a detailed budget and timetable.

- A **census and asset inventory survey** for the LRP will identify all affected individuals and their assets, while a **socio-economic survey** will establish a detailed baseline of the livelihoods of those who are potentially affected for the purpose of further monitoring. These surveys will also help to identify vulnerable persons/households, such as Roma and other vulnerable groups, single mothers, widows and widowers, disabled people, elderly people living on their own or those living in extreme poverty. The surveys will help to identify all potentially affected persons, including those who have no recognisable legal right or claim to the land they occupy.
- **The cut-off date for the establishment of eligibility** (for all affected parties) will be the date when the surveys are completed, and such date will be communicated through posters in the local area (clinics, bus stops, petrol stations, etc), as well as further disclosed and disseminated publicly, including at consultation meetings in the local communities. Persons who have settled in the Project area after the cut-off date or continue to construct residential houses in the SPZ, or house owners who have not applied to change their land plots use from agricultural to residential will not be eligible for any compensation.
- **All owners, occupants/tenants and users** of affected structures and land at the time of the cut-off date, whether with or without fully recognised legal rights or claim, **are eligible for compensation and/or assistance**, as outlined in the Entitlements Matrix (Section 6.2 of this document).
- **Vulnerable Groups/Individuals**: Specific assistance shall be provided to Roma waste pickers and other vulnerable groups/individuals identified through census survey (see above).
- **New Landfill and MBT construction related activities** will be organised in a way to avoid and minimise economic displacement, i.e. by ensuring access roads are not blocked and villagers and other services (i.e. Accident and Emergency services) can have unrestricted access, and (where applicable) private / subsistence gardens and activities during harvest periods are not affected.
- **Standards of living and/or livelihoods of affected persons** will be restored and where applicable, improved - in as short a period as possible.
- **Based on Ukrainian Law and best practice, official valuation** of all affected assets and improvements to land will be carried out by a certified expert. Guidance on best practice of valuing affected assets/methodology will be taken into consideration by the involved certified valuers.
- Compensation will be provided before displacement or imposition of access restrictions. Issues related to **payment of cash compensation (at full replacement cost) will be discussed and agreed with owners and all affected members of households**. Cash compensation will be paid in full or in instalments as agreed with the owners and as defined by contracts, i.e. to the bank accounts specified by the owners, etc). In cases where there is more than one owner of property (i.e. co-ownership among married couples), compensation amounts will be divided and paid to the bank accounts they each specify. Compensation for all affected assets will be provided at full replacement cost. All compensation and livelihood restoration assistance will be provided equally to men and women.
- **Project Affected People and communities will be provided with information and consulted** in order to facilitate their early and informed participation in the decision-making process related to land acquisition and livelihood restoration. Access to information and assistance to vulnerable persons/households will be facilitated by Spetskomuntrans according to their specific needs, on the basis of case-by-case screening to be carried out (if necessary) with support from the relevant municipal social departments.

- **The existing grievance mechanism will be strengthened and fit for receiving and addressing** in a timely fashion all general and specific concerns about compensation and livelihood restoration raised by potentially affected parties.
- Spetskomuntrans will **monitor the implementation of the land acquisition and livelihood restoration process** through internal institutional arrangements as well as through an independent, external monitor. Corrective actions will be taken as necessary. All transactions to acquire land rights, as well as compensation measures will be documented.

3.3 LIVELIHOOD RESTORATION PROCESS

3.3.1. The planning and implementation of the livelihood restoration process has been designed to follow National Legislation and fulfil EBRD requirements. The key steps of the process are summarised below:

Table 3-1 – Livelihood Restoration Process

Key Steps	Activities to be undertaken by the Project	Current Status
Census (Identification of PAPs) and Asset Inventory Survey.	<p>To meet EBRD PR5 requirements, Spetskomuntrans will arrange a census and asset inventory survey and a socio-economic survey in the Project area to identify all potentially affected parties (as a minimum, this will include waste-pickers and the land owners within the SPZs for the proposed landfill and proposed MBT Facility). It is estimated that the total number of affected individuals will not exceed 80-90 people.</p> <p>Project affected people (PAPs) who will be identified during the surveys will be visited at their properties to verify which of their assets (if any) could be affected. In addition, they will be invited to a group meeting where Spetskomuntrans, with the support of KCA, will undertake a socio-economic survey among the attendees to establish a detailed baseline of the livelihoods of those who are potentially affected for the purpose of further monitoring, including: to identify specific needs of individual PAPs and any vulnerabilities for which they may need additional support to re-establish their livelihoods (as applicable). This data will also be used to assist KCA in further detailing the proposed assistance and livelihood restoration measures contained in this document and be used to support monitoring of the livelihood restoration programme. A separate and similar meeting will be organised with all waste pickers.</p>	To be carried out - the surveys will be carried out after the LRF is disclosed.
Establish a cut-off date for eligibility.	For the purposes of this Project, the cut-off date to define eligibility will be the date when a census and asset inventory survey (see	To be carried out - during consultations with PAPs, Spetskomuntrans will

Key Steps	Activities to be undertaken by the Project	Current Status
	above) is completed. The cut-off-date will be disclosed and disseminated publicly in advance, during consultation meetings in the concerned affected communities	ensure that the cut-off date for eligibility is explained to PAPs.
Identification of Vulnerable People/Households .	During the surveys (as above), Spetskomuntrans will identify vulnerable PAPs in order to determine additional support which might need to be offered to them. Where required, Spetskomuntrans and KCA will liaise with the Social Welfare authorities on this matter when determining compensation and livelihood restoration measures and seeking their involvement in the process (as per these authorities' responsibilities towards vulnerable groups). Spetskomuntrans will also liaise with the Municipality to identify any PAPs who will be eligible to receive and/or qualify for social assistance. This step will enable Spetskomuntrans to identify specific needs and vulnerabilities to inform any additional livelihood restoration assistance that might be required.	To be carried out.
Establish a robust Grievance Mechanism to address all Project-related enquiries and concerns.	Spetskomuntrans already has a Grievance Mechanism (GM) and for this step, will review the existing Spetskomuntrans and KCA GMs to ensure that sufficient resources are available to address incoming enquiries and comments, register them and report to EBRD to satisfy the EBRD Grievance Mechanism requirements (Grievance Mechanism Guidelines, Section 3.1 and 3.2.)	KCA to check sufficient resource are supporting the existing GM process.
Consultations with Identified PAPs to discuss issues identified during census surveys and through GM.	Spetskomuntrans will lead consultations with PAPs, as defined within this LRF and the Project SEP.	To be carried out.
Preparation of a detailed Livelihood Restoration Plan (LRP) and its disclosure.	On the basis of this Framework and prior to any construction works and after completion of the surveys, Spetskomuntrans will prepare and disclose the future LRP for the Project.	To be carried out.

4 LEGAL FRAMEWORK

4.1 UKRAINIAN LEGISLATION

4.1.1. The Constitution of Ukraine is the main legal document that guarantees the rights of citizens of Ukraine and details the protection of the rights of all subjects of property rights and business, and equality of all subjects of property rights before the law. It states that no one can be unlawfully deprived of the right to property, and the right to private property is protected. Forced alienation of privately owned assets can be used only be undertaken as an exception, for reasons of social necessity (public interest), based on, and in the manner prescribed by law, and subject to prior and full compensation of their value. Forced alienation of such assets with subsequent full reimbursement of their value is allowed only under martial law or a state of emergency.

LAND ACQUISITION LEGISLATION IN UKRAINE

4.1.2. The following legal framework applies in Ukraine with regards to the land acquisition process:

- The Constitution of Ukraine (Art. 13, 14, 41) stipulates that “no one shall be unlawfully deprived of the right of property. The right of private property is protected and “The expropriation of objects of the right of private property may be applied only as an exception for reasons of public interest or social necessity, on the grounds of and by the procedure established by law, and on the condition of advance and complete compensation of their value. The expropriation of such objects with subsequent complete compensation of their value is permitted only under conditions of martial law or a state of emergency” (Art. 41);
- Land Code of Ukraine (1 January 2002) (land-related and other relevant Articles 143, 146, 147, 149-151);
- Law of Ukraine “On regulation of urban planning” dated 19.05.2011 #3395-VI;
- Law of Ukraine "On Land Assessment (Valuation)"³;
- Law of Ukraine of 21.05.1997 No.280/97-BP "On Local Self-government in Ukraine”;
- “Regulation on the State Committee of Land Resources of Ukraine”, approved by Regulation of the Cabinet of Ministers of Ukraine of 19.03.2008 No 224;
- Law of Ukraine of 06.10.1998 No.161-XIV "On Land Lease" (Article 32-1);
- “Regulation of the Cabinet of Ministers of Ukraine of 11.10.2002 No 1531 “On Expert Valuation of Land Parcels”;

³ The land plot value can only be determined by a licensed valuator, engaged by either local authorities or by a land owner. Once the valuation report is prepared, it is signed by the valuator and the party that ordered such report. The land value is estimated on the date of valuation, using the following steps:

- Land inspection;
- Land market analysis;
- Data collection and analysis;
- Selection of applicable valuation methods;
- Land value estimates (valid for one year); and
- Signing valuation report.

The valuator’s report is reviewed by another official valuator with at least two years’ experience, or expert council of valutors’ (art 22 of The Land Lease Law). The valuator’s report is valid for the period of one year from the date of its issuance (para.3.4 of The Land Valuation Law).

- Law of Ukraine “On Valuation of Property, Property Rights and Professional Assessment Activities in Ukraine”;
- Law of Ukraine “On State Land Cadastre” dated 07 .07.2011 №3613-VI; and
- Regulations for “Notarial Actions in Ukraine” approved by the Ministry of Justice of Ukraine dated 22 February 2012 №296/5.

TEMPORARY LAND USE DURING CONSTRUCTION

- 4.1.3. Compensation for the temporary use of land during construction is established in the following Regulations of the Cabinet of Ministers:
- Regulation of the Cabinet of Ministers of Ukraine of 17.11.1997 No.1279 "On Size of and Procedure for Calculation of Agricultural and Forestry Losses Subject to Compensation"; and
 - “Procedure for Calculation and Compensation of Losses to Land Owners and Land Users” approved by Regulation of the Cabinet of Ministers of Ukraine of 19.04.1993 No.284.
- 4.1.4. The evaluation of land shall be performed by the corporate entities properly licensed on the performance of land planning activity by the state as per para 3 Clause 17 of the Law of Ukraine “On Land Valuation”. The valuator shall be designated by a local executive body or local self-government body as per para 4 Clause 5 of the Law of Ukraine “On allocation (condemnation) of plots of land, other objects of private estate property situated thereon, for public purpose”.

ACCESS TO SOCIAL WELFARE AND EMPLOYMENT

- 4.1.5. The existing social protection schemes in Ukraine include the following:
- Pension system which covers ordinary old-age pensions, disability pensions, survivor of extreme events pensions, long (civil or military) service pensions and burial benefits;
 - Unemployment system which provides unemployment benefit, lump-sum benefit for employees, vocational training, retraining and occupational development for the unemployed, etc.;
 - Sickness benefits which cover ordinary sick benefits, maternity leave benefits, assistance with funeral costs, sanatorium treatment costs (if required as part of health-related treatment);
 - Employment injury payments which provide payments to injured persons in case of temporary disability, total disability and death due to industrial accident as well as long-term medical care which became necessary as a result of a Health and Safety (H&S) incident;
 - Social assistance system which provides assistance/payments to families with children, low-income families, disabled children;
 - Social protection for war veterans which provides lump-sum assistance, special privileges and grants for war veterans;
 - Social protection for the consequences of the Chernobyl accident; and
 - Social welfare service benefits for disabled people, providing free telephone installation, provision of specially-required vehicles, provision of carriages and prostheses, rehabilitation services and job creation for this category of people.
- 4.1.6. The social security system in Ukraine is financed by social security (salary) contributions and topped-up by the state and local budgets. Benefits and contributions are tax exempt in Ukraine. As for health insurance, currently Ukraine does not implement a contributory national social health insurance scheme.

- 4.1.7. Ukrainian law distinguishes between an employment agreement (which is used to formalise employment relations in most cases) and an employment contract (which is a more flexible form of employment agreement that can be used only in situations expressly provided by law). The rules differ on the minimum formal requirements that must be included in each of these types of document.
- 4.1.8. For employment under an employment agreement, signing a single document instrument is not mandatory to formalise the relevant employment relationship. Instead, an employer can issue an administrative order on employment of the relevant employee. The only explicit formal requirement is to specify a probation period, if any. The law requires that an employer and an employee agree on the job to be performed by the employee, and certain other conditions. However, the law does not specify how to formalise these conditions, that is, whether they can be included in any employment-related document or communicated in another way.
- 4.1.9. If the parties sign an employment contract (where required by law), they must include in it special provisions on:
- Its term (duration of the employment contract);
 - Rights, duties and liability of both parties; and
 - Grounds for termination of the contract.
- 4.1.10. Employment agreements (contracts) with employees for work in Ukraine must be in Ukrainian. There is a national minimum wage. Starting from 1 January 2019, a minimum wage is UAH 4,173/month. Mandatory salary caps apply to certain positions in the public sector.
- 4.1.11. Social inequality across the regions of Ukraine is low, but the social gap between urban and rural areas remains wide, according to a new World Bank report⁴. While employment protection measures apply to formal workers only, Ukraine still has a sizable informal labour sector. In addition, in Ukraine the social benefits are linked to official residential registration (propiska) to discourage people who might otherwise wish to relocate.
- 4.1.12. An employer is liable for damage caused by its employees while performing the employee's duties. Subsequently, an employer who is compensated for damage can seek recourse against the employee under the applicable labour law procedures. Ukrainian law does not provide any instances in which a parent organisation is liable for contractor's or subcontractor's employees.

ROMA-RELATED LEGISLATION IN UKRAINE

- 4.1.13. Ethnic Ukrainians form 77.8% of the population of just under 44 million (2001 National Census data, the next Census was postponed until 2020). Russians form the largest ethnic minority group, at 17.3% of the population. Belarusians form 0.6%, Crimean Tatars 0.5%, and Jews 0.2%. Numbers of Roma are estimated to be between 250,000 and 300,000 (around 0.6% of the population)⁵.
- 4.1.14. The constitution guarantees the right to equality and non-discrimination on the basis of race or ethnicity. The majority of Ukraine's different minority groups are integrated into society, although some itinerant Roma are reported to suffer discrimination and disadvantage.

⁴ Towards a New Social Contract, World Bank (2018). Europe and Central Asia Report.

⁵ UK Government (2019). Home Office Report: Ukraine-Minority Groups.

- 4.1.15. While most Roma in Ukraine have citizenship, many are at risk of statelessness. In most cases, although they may have the right to Ukrainian nationality under the law, they are undocumented, and their nationality remains undetermined. The resultant lack of documentation makes it difficult for affected Roma to establish that they are Ukrainian, which can result in their children also being denied documents and nationality rights, as well as access to social security and fundamental rights.
- 4.1.16. While in general terms, the discrimination and marginalisation of Roma populations in Ukraine has received substantial attention in the last few years, there is less awareness or information on resultant statelessness, how it is caused and whether this has an additional discriminatory impact on the rights of Roma.
- 4.1.17. As Roma constitute one of ethnic minorities in the country, as such, the protection of their rights falls under the scope of Ukraine’s anti-discrimination legislation. Art. 1 (1) (2) of the Law of Ukraine “On the Principles of Prevention and Counteracting Discrimination in Ukraine” № 5207-VI of 06 September 2012 defines discrimination as follows:
- “... discrimination is a situation, when a person and/or a group of persons based on their features of race, skin colour, political, religious and other beliefs, gender, age, disability, ethnic or social origin, citizenship, marital or financial status, place of residence, language and other features that are, have been and can be actual or assumed (hereinafter – certain features), is limited in recognition, realisation or enjoyment of rights and freedoms in any form under this Law, except for cases, when such limitation has a legitimate, objectively justified aim, means of reaching which are due and necessary”.*
- 4.1.18. Furthermore, Art. 161 (1) of the Criminal Code of Ukraine criminalises intentional direct or indirect limitation of rights or establishment of direct or indirect privileges of citizens based on their features of race, skin colour, political, religious and other beliefs, gender, disability, ethnic and social origin, financial status, place of residence, language or other features. Since 2013, a long-term national Strategy on Roma rights has been implemented in Ukraine, aiming at the protection and integration of Roma in Ukrainian society.

GENDER EQUALITY IN UKRAINE

- 4.1.19. In 2005 Ukraine introduced a Law on Ensuring Equal Rights and Opportunities of Women and Men. The objective of this Law is to achieve the equality of women and men in all spheres of social life by legally ensuring equal rights and opportunities of women and men, eliminating gender discrimination and applying special temporary measures aimed at adjusting the imbalance between the opportunities of women and men to exercise the equal rights guaranteed to them by the Constitution and laws of Ukraine.
- 4.1.20. In addition, Ukraine has taken the key international commitments on gender equality. The country adopted the Sustainable Development Goals (SDGs), joined the Beijing Declaration and the Platform for Action (BPfA) of the 4th World Conference for Women (1995) and ratified key human rights treaties, including Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and its Optional Protocol.
- 4.1.21. The Ukraine-EU Association Agreement, signed in 2014, entails a commitment to ensure equal opportunities for women and men in employment, education, training, the economy, and in society and decision-making. Gender equality is enshrined in the Ukrainian Constitution. Additionally, in 2017 Ukraine revised its legislation on preventing domestic violence, criminalising it to implement the

provisions of the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence (Istanbul Convention), although this hasn't been ratified yet.

ACCESS TO INFORMATION AND CONSULTATION

- 4.1.22. On 23 May 2017 the Parliament of Ukraine adopted the Law of Ukraine “On Environmental Impact Assessment” No. 2059-VIII (the “EIA Law”) which became effective in 18 December 2017. The EIA Law implements Directive 2011/92/ EU “On the Assessment of the Effects of Certain Public and Private Projects on the Environment”.
- 4.1.23. The new EIA procedure has the following steps: (a) preparation of the EIA report by the company/developer; (b) public consultation on the Project; (c) assessment of EIA report and results of the public consultation process detailed by the state agency (i.e. relevant subdivisions on ecology and natural resources of the local state administrations); (d) issuance by the state agency of the EIA conclusion (the “EIA Conclusion”); and (e) incorporation of the EIA Conclusion in the final report before the company gets a permit for the planned activity.
- 4.1.24. The companies that obtained the conclusion on state ecological expertise from the Ecological Expertise Law, before the EIA Law entered into effect, are exempted from the new EIA procedure. Although if it is necessary to introduce changes to the Project design documentation, which have been confirmed by the conclusion on state ecological expertise, the company should apply to obtain the EIA Conclusion under the new procedure.
- 4.1.25. Failure to comply with the EIA Law may result in a temporary suspension or termination of business activity. In December 2017 the Cabinet of Ministers of Ukraine adopted the following secondary legislation required for implementation of the EIA Law:
- Regulation “On Criteria for Determining Planned Activity, its Expansion and Change which are not Subject to the EIA” No.1010;
 - Regulation “On Procedure for Conducting Public Discussion while Preparing the EIA” No.989; and
 - Regulation “On Procedure for the Transfer of Documentation to Provide the EIA Conclusion and the EIA Funding and on Procedure for Maintaining the Unified Register on the EIA” No.1026.

ACCESS TO LEGAL AID

- 4.1.26. There are ongoing reforms being currently implemented in Ukraine, in relation to access to legal aid and legal support for the activities of institutions, including of local self-government bodies.
- 4.1.27. In 2011 Ukraine introduced a Law on “Free Legal Aid” which establishes the right to free legal aid, and procedures for the execution of this Law, the grounds and procedures for provision of free legal aid, and state guarantees with regards to providing free legal aid.
- 4.1.28. The Law obliges local self-government bodies to provide legal aid to the residents, and each local council is responsible to allocate approximately UAH 60,000 (USD 1 = UAH 26) per year to employ a lawyer for these services.

STATE SANITARY RULES FOR PLANNING AND CONSTRUCTION IN URBAN AREAS

- 4.1.29. In accordance with national policy, industrial facilities are required to establish a SPZ to provide a buffer between industrial facilities and nearby residential areas, in order to reduce the potential for the facility to result in adverse human health and environmental effects. SPZs for waste facilities are nominally of a 500m radial area surrounding the facility. The presence of residential areas, recreational zones, schools, hospitals or food production facilities is prohibited within the SPZ of a waste facility.

- 4.1.30. The SPZ prohibition has not been enforced for the existing landfill and there are currently residential properties within the SPZ. Whilst it may be possible to reduce the extent of the SPZ for the existing landfill a specific legislative process would need to be followed. Any application for a reduction must be supported by the required monitoring data.
- 4.1.31. The proposed landfill and the proposed MBT Facility will be required to establish SPZs. There are currently no permanent properties within the indicative SPZ for the proposed landfill extension, there are some cabins that are used to accommodate Roma, but this LRF includes measures to provide them with access to better accommodation. There are also no permanent properties within the indicative SPZ for the proposed MBT, provided it is located to the north of the proposed site to avoid the risk that it may extend into some gardens. Spetskomuntrans will need to design the proposed MBT Facility to be located away from the northern boundary of the site to avoid impacts on these gardens. Once the proposed landfill and the proposed MBT SPZs has been established, the construction of new residential houses within these SPZs will not be permitted.

4.2 EBRD REQUIREMENTS

- 4.2.1. EBRD requirements pertaining to economic and physical displacement can be summarised as follows:
- to avoid or, at least minimise Project induced economic and physical displacement whenever feasible by exploring alternative Project designs; where displacement is unavoidable, an appropriate livelihood restoration or resettlement framework or plan should be developed;
 - to mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons' use of and access to land, physical assets or natural resources by ensuring that livelihood restoration activities are planned and implemented with appropriate disclosure of information, consultation, and the informed participation of those affected;
 - improve living conditions among physically displaced persons through the provision of adequate housing;
 - for people who have no legal claim to the land they occupy, the Developer will offer them a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction;
 - Based on consultation with such displaced persons, the client will provide relocation assistance sufficient for them to restore, and where possible improve, their standards of living at an adequate alternative site;
 - to improve or, at a minimum, restore the livelihoods, income earning capacity and standards of living of displaced persons, including those who have no legally recognisable rights or claims to the land (present in the Project affected area at the time of the cut-off date), to pre-Project levels and support them during the transition period;
 - to make special provisions for assisting disadvantaged or vulnerable individuals or groups (present in the Project affected area at the time of the cut-off date) that may be more adversely affected by displacement than others and who may be limited in their ability to claim or take advantage of livelihood assistance and related development benefits;
 - to establish a grievance mechanism to receive and address in a timely fashion specific concerns about displacement and livelihood restoration that are raised by displaced persons.
- 4.2.2. The above list is only a summary of the EBRD PR 5 requirements and is qualified by reference to the full text of the applicable policy¹.

4.3 GAPS BETWEEN NATIONAL LEGISLATION AND EBRD REQUIREMENTS

- 4.3.1. There are some key gaps between Ukrainian legislation and EBRD Requirements, which are related to how to address potential economic displacement and livelihood impacts that could be caused by this Project. This LRF has been developed to set out how to address these gaps and consider how they Project may be made fully compliant with EBRD requirements.
- 4.3.2. The key gaps that will be addressed by the Project, include:

Table 4-1 – Gap Analysis

Item	Ukrainian Legislation	EBRD Environmental and Social Policy (2014), PR5 requirements	Proposed Measures to Fill the Gaps
Land owners	Land compensation only for titled land owners.	Lack of title is not a bar to compensation and/or livelihood restoration.	Spetskomunrans will assist untitled land owners to register their rights to land prior to purchase.
Land users	Crop and trees losses compensation provided only to registered landowners.	Informal users shall receive compensation for non-land assets and enhancement on land. Informal users are entitled to compensation for crops regardless of formal title and livelihood must be restored to at least pre-project levels.	Spetskomunrans will carry out a census and asset inventory survey to identify all potentially affected crops, trees and other immovable assets from land cultivated by people who have no legally recognisable claims or rights to the land.
Land use restrictions on construction of new residential houses in the SPZ	National legislation does not allow for the construction of new residential houses on the land plots which do not have ‘residential’ land use designation. People who have constructed houses on land that is designated as agricultural, are free to apply to change this designation to residential	A census and asset inventory survey should be carried out to identify all assets and properties currently present in the project area. Illegal activities or opportunistic claims are not to be compensated.	<p>Spetskomunrans will confirm the final SPZs around the proposed landfill and the proposed MBT Facility and the designation of land plots within the SPZs. Whilst it may be possible to reduce the extent of the SPZ for the existing landfill, depending on the potential effects of the Project, , a specific legislative process would need to be followed.</p> <p>Through regular stakeholder engagement Spetskomunrans will communicate to residents that illegal construction and/or opportunistic claims will not be compensated.</p>
Land valuation and compensation at replacement cost	Land valuation is based on current market value. Although the land acquisition for the Project is carried out on a “willing seller - willing buyer” basis, compensation is not fully in line with	Land valuation is based on current market rate at replacement cost including all registration fees, valuator report fees, notary fees, transaction costs and taxes that	For the proposed MBT Facility Spetskomunrans will ensure that full replacement cost including all registration fees, transaction costs and taxes that occur during the land acquisition process, is paid to those who agree to sell their land.

Item	Ukrainian Legislation	EBRD Environmental and Social Policy (2014), PR5 requirements	Proposed Measures to Fill the Gaps
	replacement value - The law requires that “just compensation” is provided, however, compensation does not take into account all applicable transaction costs.	might occur during the land acquisition process.	
Livelihood restoration	No provision for income or livelihood restoration planning and its specific tools, including preparation of any plan or establishing a cut-off date at the end of surveys to define eligibility to various entitlements and compensation.	Restoration of income and/or sources of livelihood based on entitlements for all groups of affected people.	Develop a Livelihood Restoration Framework (this document) and later a detailed Livelihood Restoration Plan based on EBRD PR5 requirements focusing on both formal and informal livelihoods that could be affected by the Project.
Public consultation and disclosure	No requirement for consultation with affected people, only information dissemination through public hearing is required.	Requires disclosure of the LRF and consultation with affected people during the LRP preparation=.	Continue to update the Stakeholder Engagement Plan in line with EBRD’s requirements that allows for meaningful participation of affected people through all stages of Project implementation.
Grievance Mechanism	The National Legislation provides for the presentation of applications, complaints, objections and suggestions to the Developer, as well as appeal to the court according to national requirements.	Requires the establishment of a grievance mechanism to respond to affected people and involved/interested parties’ questions and concerns regarding the livelihood restoration process.	Adapt and strengthen the existing grievance mechanism according to EBRD’s requirements and provide opportunities for affected people and the general public to raise comments, complaints and grievances related to the Project throughout all stages of Project implementation.

4.4 STEPS TO ADDRESS THE GAPS

4.4.1. The Spetskomuntrans Department for Land Acquisition will implement the following measures for the Project:

- Establish the final SPZs for the proposed landfill and the proposed MBT Facility, in accordance with Ukrainian legislation and informed by the ESIA / national EIA.
- Carry out a census and asset inventory survey in the Project area (supported by a licensed valuator) to identify all categories of potentially affected people and their assets, including:
 - All affected people (APs) including any identified informal land users and the waste pickers;
 - Patterns of land plots ownership and use, crop cultivation and use of natural resources within the SPZs;
 - Vulnerable people who require additional attention in order to equally benefit from the Project;
 - Any gender differences in the use of resources, employment opportunities and access to livelihoods; and
 - The timing of the census and asset inventory shall determine the cut-off date for eligibility. For waste pickers, this will be conducted in the spring / summer season and at least six months prior to the start of construction.
- Carry out a socio-economic survey of the APs to identify:
 - Household level data on the socio-economic background of affected people and Project impacts on their finances and economic activities;
 - Employment patterns and alternative economic activities undertaken to complement incomes from primary economic activities; and
 - Assessment of skills and qualifications to establish livelihood restoration measures and future training needs to enhance employability.
- For compensation purposes, Spetskomuntrans recognise the rights of waste pickers, and informal incomes (i.e. seasonal agricultural activities/growing vegetables and fruits for personal consumption).
- Develop a detailed Livelihood Restoration Plan⁶ according to EBRD requirements focusing on both formal and informal livelihoods, Roma and non-Roma waste pickers who could be adversely impacted by the Project and disclose such plan as per the EBRD requirements.
- Strengthen the resources dedicated to the existing grievance mechanism according to EBRD's requirements and provide opportunities for affected people and the general public to raise comments, complaints and grievances related to the Project throughout all stages of Project implementation. Be prepared to report to EBRD regularly on the number of submitted grievances, the number of grievances resolved and the number of outstanding grievances.

⁶ As aforementioned, references to the LRP throughout the Project documents collectively refer to both the LRP and the Waste Pickers Management Plan.

5 AFFECTED PEOPLE

- 5.1.1. During the preparation of the ESIA documentation, several site visits were undertaken to the current landfill, to meet with waste pickers present at the site, have a focus group discussion with them and also to engage with the representatives of local residents and specifically, meet with people who are selling or sold their land to Spetskomuntrans. The site visits also involved observations of the ongoing activities on and around the site.

5.2 WASTE PICKERS

LANDFILL SITE ACTIVITIES

- 5.2.1. Based on the information confirmed by Spetskomuntrans currently has contracts with two subcontractors providing waste-picking/waste-sorting services. The waste-pickers work in two shifts, with the first shift starting around 08:00 am and working until 12:00-13:00 after which the shifts swap and the second shift starts its work which lasts until approximately until 16:30 or thereafter. The two subcontractors operate two accommodation areas for their employees adjacent to the existing landfill.
- 5.2.2. Five (5) women were observed working on the site during the morning shift, all were in their 20s and 30s. None of these women were observed to wear any PPE, other than fluorescent vests with Spetskomuntrans logo on them. The women all spoke Roma language, and thus are assumed to be Roma.



Figure 5-1 – Female Waste Picker (observed during the morning shift, seen in orange protective clothing in the middle of the photograph)

- 5.2.3. Although some waste pickers were wearing high visibility clothing, a few violations of the most elementary H&S requirements were noted during morning and afternoon shifts, including: the lack of any protecting equipment (no head protection, no face-masks to protect against dust, bioaerosols and odour on the site, no cap-steel boots, no gloves, etc). In addition, the vehicle/waste trucks movement on the site itself was observed to be creating a number of potential traffic hazards for waste-pickers,

the vehicles were driven too close to the waste-pickers, particularly when they were offloading the waste.



Figure 5-2 – Observed Activities at the Existing Landfill (a male waste picker is visible in the middle of the photograph in high-visibility clothing)

- 5.2.4. In addition to the five women, there was also twelve males in the waste-picking team, bringing the observed shift's headcount to seventeen people for the morning shift. The second shift included around eighteen people working on the site. Most observed male waste-pickers were Roma. Based on the site observations, the total Roma waste pickers headcount is closer to 35-36 adults mostly in their 20s and 30s.
- 5.2.5. During the morning observations, two adolescent males were spotted on the site as part of the morning shift, who appeared to be 13-14 years old. Later in the evening, the same two children were observed around the waste-pickers' cabins, with one of them having a minor leg injury.
- 5.2.6. All labour and working conditions issues are addressed and mitigation is suggested in the SIA, based on the EBRD PR2 requirements.

WASTE-PICKERS' CABINS AND LIVING CONDITIONS OBSERVATIONS

- 5.2.7. It was confirmed by Spetskomuntrans that at least some of the waste pickers live in cabins on the site throughout the winter period, when they use chimneys for heating during winter temperatures. This was confirmed by the Head of the Village Council during a meeting which took place on the 6th of June 2019 (the first WSP site visit) and also by other village representatives during a meeting the 3rd of July 2019 (the second WSP site visit).

5.3 LAND OWNERS SELLING LAND TO SPETSKOMUNTRANS

- 5.3.1. Spetskomuntrans is carrying out its land acquisition programme in three Phases, where 17,357 Hectares (rounded number, ha) spread between 14 land plots were acquired during Phase I. Another 2,238ha (rounded) spread between 20 land plots were acquired during Phase II. As such, the land acquisition programme for Phase I and II (the proposed landfill) has been completed. Phase III land plots are marked for the future development by Spetskomuntrans and are outside of this Project.

- 5.3.2. The land plots required for the proposed MBT Facility are not part of the Phase I to III land acquisition programme. The land plots are currently designated as “agricultural use”. After the sale if this land is agreed, the land plots ownership rights will be transferred to Spetskomuntrans, and the land use will be changed to “industrial”.
- 5.3.3. The plots acquired during Phase I and II (the proposed landfill) were all officially designated for ‘agricultural use’, although in reality the land plots were not used for agricultural activities due to their proximity to the landfill. After each sale was agreed, the land plots ownership rights were transferred to Spetskomuntrans, and the land use was changed to ‘industrial’.
- 5.3.4. As mentioned in Section 2.3, Spetskomuntrans can only acquire land on the “willing seller-willing buyer” basis. All land acquisition activities will continue to comply with the applicable national regulations. The company will also review its land acquisition process to align with the Entitlement Matrix (Section 6.2).



Figure 5-3 – Spetskomuntrans’ Phased Land Acquisition Programme

5.4 VULNERABLE GROUPS

- 5.4.1. Some individuals or groups are more vulnerable than the majority of the affected population and, if affected by the Project, will thus require the implementation of special livelihood restoration and/or assistance measures. Such groups might include:
 - Roma waste pickers who work at the current landfill;
 - Women waste pickers may be more vulnerable than men, where for example they are able to collect less waste and earn less money, or if they are single mothers or have caregiving responsibilities in their households, or if their safety at the existing landfill is jeopardised, etc. Based on site observations, this impact is assessed as moderate primarily due to the H&S aspects.

- Owners of existing houses who are yet to change the land use to “residential”;
- Persons who depend on the affected land for incomes/livelihoods and it is the only land they own or use.
- Elderly single headed households, single parent households, households with multiple members, or those living below the poverty line;
- Persons who will be affected by economic displacement, whose socio-economic status is low, for example beneficiaries of social welfare;
- People with low literacy levels who may have difficulties accessing information about the Project and livelihood restoration or understanding contracts and other important documents, etc.

5.4.2. Vulnerability will be assessed and confirmed based on the results of:

- The socio-economic survey⁷ (the survey which will cover all waste pickers working at the existing landfill and any landowners affected by the SPZs);
- The census and asset inventory survey (to be carried out within the SPZs to capture all people whose land plots might be affected).

5.4.3. These surveys will be carried out by Spetskomuntrans after the disclosure of this LRF.

⁷ The purpose of this socio-economic survey is to establish a detailed and representative baseline of the livelihoods of those who could be affected by the project, for further monitoring. The sample of people to be covered by this survey was estimated and chosen based on the following considerations:

- Land tenure aspects (the survey should cover both: land-users and landowners); and
- Geographic proximity to the site (suggested within 1km radius around the project facilities).

Based on the tentative assessment that no more than up to 27 households are located within the existing 500m SPZ for the existing landfill, it is currently recommended that 14 randomly selected households within a 1km radial study area (i.e. a wider area that will include the SPZ boundary) surrounding the site (i.e. approx 50% sample) will be interviewed to create a representative sample of the wider socio-economic characteristics of the local residents population which then will be analysed and extrapolated to, and compared with, the socio-economic characteristics of the approx. 27 households estimated to be located within the narrower/current 500m SPZ area.

6 ELIGIBILITY AND ENTITLEMENTS

6.1 ELIGIBILITY FOR LIVELIHOOD RESTORATION ASSISTANCE

- 6.1.1. This section contains an Entitlements Matrix that identifies the categories of affected people and the compensation measures they are entitled to. The Matrix is provisional because it identifies all possible scenarios and groups of affected people. The detailed LRP will contain a refined and tailored Entitlements Matrix reflecting the categories of affected people identified during a census and asset inventory survey. The Matrix presented below contains entitlements in line with EBRD's PR 5. This means that compensation will be provided to people with legally recognisable formal claims to land, property and assets, as well as, to people who do not have formally recognisable claims but are users or tenants of the affected assets and properties. The Entitlements Matrix also identifies economic displacement impacts.
- 6.1.2. The suggested compensation measures also cover compensation at replacement cost to include all transaction-related fees and training to restore livelihoods. The eligibility for compensation will be established based on a census and asset inventory survey and a socio-economic survey to be carried out by Spetskomuntrans. The date of the survey's completion will serve as a cut-off date for eligibility, however, people with legally recognisable formal claims will have the chance to receive compensation after the cut-off date.

6.2 ENTITLEMENT MATRIX

Table 6-1 – Entitlement Matrix

Category of Affected Party and Impact	Estimated No. of Affected People	Compensation for Housing and Land	Compensation for Other Types of Assets	Other Assistance
Land owners who will be selling land to Spetskomuntrans on the “willing seller-willing buyer” basis (for the MBT site, Phase III of the Spetskomuntrans Land Acquisition Process).	Estimated to cover no more than 10 individual land owners in total (some of them are businesses, see below).	Continue with the current land acquisition process through negotiated settlements and compensate those who sell their land based on an independent valuator’s report.	As mentioned in Section 2.3.1 (see Step 3), land owners/sellers currently pay for transaction costs, including valuator’s report/fees.	Continue with the current land acquisition process to engage with this group of people on an individual basis to reach mutual agreements through negotiations (i.e. willing seller-willing buyer basis) and assist any untitled land owners to prepare the necessary documentation to register their rights.
Future Residential Construction Restrictions on Land plots potentially located in the SPZs related to the new landfill and MBT development	Not known and the spatial extent of the SPZs for the proposed landfill and proposed MBT Facility will be confirmed by Spetskomuntrans,. An indicative 500m SPZ has been applied from the boundary of the proposed landfill and proposed MBT Facility, although it is understood that these may be reduced further. There are currently no permanent residential houses within the indicative SPZs, although there is waste picker accommodation in the indicative SPZ for the proposed landfill.	Land plots with ‘residential’ land use designation, which experience a reduction in value due to the loss of this right, will be compensated in accordance with PR5. The detailed mechanism will be provided in the LRP (and will be subject to the SPZ sizes).	No cash compensation is envisaged for this category of people, who will be able to continue to use their land in the agricultural capacity and are within their right to develop temporary structures on their land (i.e. garden sheds, etc).	Spetskomuntrans will start a consultation campaign by routinely providing local residents with the Project-related information.
Land users whose assets (crops, garden plants or produce or productive trees) could be accidentally damaged during construction	Local land users.	Not applicable.	Cash compensation at market prices (estimated by an independent and certified valuator) for all damaged crops, trees and other related assets - at full replacement cost, without deduction for depreciation and taking into consideration certain productive trees re-establishment period until they become productive.	Spetskomuntrans will implement all relevant Environmental and Social Management Plans (ESMPs) relevant to the Project, as well as commit to avoiding impact through good Traffic Management, good engagement with local residents and careful sequencing of works. This will require Spetskomuntrans to regularly consult and notify (well in advance) local housing association and land users about any potential future works. Spetskomuntrans will strengthen and implement their existing Grievance Mechanism to capture, respond and report on all grievances received from local residents.
Employees currently working at the existing facilities (employed by Spetskomuntrans or their contractors) and whose accommodation is not tied to their employment contract	Estimated to be up to 40 individuals in total.	Not applicable.	Not applicable	Spetskomuntrans will develop HR Policy for their waste picking and construction contractors in line with EBRD PR2 and ensure all workers are aware of its content, as well as worker contracts for the project which cover all the requirements of EBRD PR2. These employees will be prioritised for employment at the proposed landfill and the proposed MBT Facility irrespective of whether their direct employer is engaged by Spetskomuntrans in the future.
Employees currently working at the existing facilities (employed by Spetskomuntrans or	Estimated to be up to 38 individuals in total.	The Roma waste pickers currently have their accommodation in shipment containers	This group of people will be compensated (cash) for installation or assets owned by	Spetskomuntrans will confirm their commitment to employ this group of people

Category of Affected Party and Impact	Estimated No. of Affected People	Compensation for Housing and Land	Compensation for Other Types of Assets	Other Assistance
<p>their contractors) whose accommodation is tied to their employment, including the Roma waste pickers who are accommodated at the current landfill site before the cut-off date as well as other vulnerable individuals who will need to be identified and confirmed during the future census and asset inventory survey.</p>		<p>located within 50m proximity to the existing landfill boundary. It was confirmed that the containers are owned by Podillya (their employer) and they will lose this accommodation if they lose their employment. Their current living conditions can be described as squalid. Podillya (and Spetskomunrans – through their supply chain relationship) are responsible to improve this situation due to health, safety and security reasons. As such, they need to be provided with more suitable accommodation as part of the EBRD PR2 OHS provisions (Para 16, PR2)</p> <p>Workforce accommodation will be provided for employees of the proposed MBT Facility or other employment opportunities provided by the City. As such, waste pickers who continue their employment will be provided with more suitable accommodation as part of the EBRD PR2 provisions (Paragraph 16).</p> <p>Transition allowance to support sourcing alternative accommodation will be provided.</p> <p>Assistance with finding alternative accommodation in the City if employees choose to remain will be provided.</p>	<p>them - that cannot be moved from their current accommodation facilities - at full replacement cost, without deduction for depreciation.</p>	<p>at the proposed landfill and the proposed MBT Facility and ensure that their salary is sufficient to rent local accommodation of adequate standard. Spetskomunrans will provide transport for this category of people or require all contractors to provide accommodation in compliance with EBRD PR2 requirements. Spetskomunrans will screen all waste pickers (and other vulnerable individuals affected by the Project) to determine who among them is entitled to relevant assistance available under national legislation and will assist them to access this assistance. This includes social services and social benefits, as defined by the Law (see Section 4.1 for details). The following opportunities will be provided to this category of people when moving them to the PR2 compliant accommodation to improve their primarily living conditions and also future livelihoods (As defined in Section 1, see footnote):</p> <ul style="list-style-type: none"> ■ Assistance with obtaining personal documents (where required); ■ Any children of school age will be allocated school places at local schools ■ Their work contracts will be formalised and aligned with the National Labour legislation, with all due entitlements, as well as PR2 requirements; and ■ This group will also receive access to other types of training (e.g. searching for and applying for employment, improved communication skills, etc.), also available from the National Employment Service. The types of trainings will be defined based on the needs and preferences of this group. <p>It is recognised that not all waste pickers may be interested in pursuing employment / income generation opportunities offered to them. A system will be developed by a nominated Spetskomunrans Community Officer (see Section 7.1) for managing detailed issues in connection to the waste pickers (all activities will be coordinated with the two sub-contractors who employ the waste pickers). For example, each individual in this group of people will be offered adequate employment opportunities a minimum of three times (this will be documented) before the company's obligation is considered closed. As it is</p>



Category of Affected Party and Impact	Estimated No. of Affected People	Compensation for Housing and Land	Compensation for Other Types of Assets	Other Assistance
				recognised that a few of the waste pickers are women, there is strong commitment by Spetskomuntrans to secure equal access to all these opportunities for women and men, including access to Project related employment.

7 IMPLEMENTATION OF LIVELIHOOD RESTORATION

7.1.1. The following section lists activities that will be undertaken during the implementation of this framework.

7.1 APPOINTMENT OF A LIVELIHOOD RESTORATION OFFICER

7.1.1. Spetskomuntrans will designate one employee, a Livelihood Restoration (LR) Officer, who will be in charge of implementing livelihood restoration in line with this Framework and who will report directly to the Deputy Director of Spetskomuntrans. This person will periodically engage with the waste pickers at the existing landfill and oversee the surveys (census and asset inventory and a socio-economic survey). Throughout his/her activities, the person will be assisted by Spetskomuntrans. The LR officer should ideally be fluent in Ukrainian, Romanian/Roma languages,

7.1.2. The LR Officer will also cooperate directly with service providers, particularly social workers from the Khmelnytsky City, and the persons involved in the local National Employment Service to work with waste pickers to ensure that adequate assistance is provided to each Roma waste picker.

7.1.3. The City of Khmelnytsky will facilitate and oversee the livelihood restoration process and provide any required assistance, for example participate in meetings with the waste pickers, assist with arranging training and passports/other documentation for them if required, etc.

7.1.4. For internal monitoring purposes, the LR Officer, with assistance from Spetskomuntrans will visit the landfill facilities regularly, at least once every two weeks and engage with all waste pickers working at the site and local properties within the SPZ.

7.1.5. Such internal monitoring activities (to confirm the livelihood restoration process progress and to pick up any grievances) could be undertaken on different week days, Monday through Sunday, at different times during the day, etc. An Excel data base should be built and regularly updated by the LR Officer with details on waste pickers and houses within SPZ.

7.1.6. Spetskomuntrans' obligation will be to work with and restore the livelihoods of all affected parties, particularly the Roma waste pickers who are working at the existing landfill before the cut-off date, as described in the Entitlements Matrix (Table 6-1).

7.2 IDENTIFICATION OF AVAILABLE SERVICES AND PROGRAMS FOR SUPPORT

7.2.1. The LR Officer will identify services and programmes of support which could be accessed for assisting the Roma waste pickers and other vulnerable individuals entitled to such assistance. This will include programmes and services which are implemented by a variety of stakeholders in the Khmelnytsky city or country, such as state authorities and agencies, private sector, and potentially non- governmental organisations, etc. As a priority, the LR Officer will cooperate with social workers from the Khmelnytsky city and the National Employment Service, who can provide access to existing programmes of support, which will be suitable and acceptable for vulnerable PAPs.

- 7.2.2. The LRF Officer will maintain contact with the Spetskomuntrans Employment department to ensure that when any employment opportunities become available, the waste pickers present at the current landfill facilities, are informed about them and are assisted in applying for them.

7.3 PROVISION OF SUPPORT AND ASSISTANCE

- 7.3.1. During surveys and internal monitoring (i.e. post-surveys) which will cover the owners of properties currently located within the SPZ, and also Roma waste pickers, the LR Officer will regularly communicate with them and provide them with information on any available employment opportunities or programmes of support. At this stage, information will be provided on a group level and more details will be provided at an individual level if any of the waste pickers demonstrate an active interest.
- 7.3.2. For example, if a potential employer (i.e. non-Spetskomuntrans) requests employment applications from the Project-affected people, the waste pickers will be informed about what they need to prepare and where it should be submitted, and by when. All those who are interested will be invited to meet with the LR Officer individually to discuss his/her needs for assistance or access employment opportunities, for example assistance to prepare the necessary documents (e.g. passports or Curriculum Vitae), guidance for the interview, etc.
- 7.3.3. After the cut-off date, the LR Officer will work individually with all entitled and interested waste pickers to access employment, training and other assistance, as per the Entitlement Matrix. The LR Officer will monitor progress of each waste picker and adapt his/her individual assistance plans throughout the implementation of this Framework, until his/her livelihood has been fully restored.

8 DISCLOSURE OF INFORMATION AND CONSULTATIONS

8.1 EARLIER STAKEHOLDER ENGAGEMENT

8.1.1. During the Project ESIA preparation and meetings with designers, meetings were also held with various stakeholders to prepare this Framework, including local residents within the SPZ area, individuals who sold their land to Spetskomuntrans and also Roma waste pickers. Numerous site visits were undertaken to the existing landfill, to collect the data on the Roma waste pickers' working routine at the site. The team also met with local authorities, and the Head of the Village Council, and other Heads of Villages, who were given information on the Project and invited to participate in the public consultation event held in Khmelnytsky on 4th July 2019. Further consultations will be planned during the ESIA preparation and disclosure and this information can be found in the ESIA report.

8.2 FUTURE STAKEHOLDER ENGAGEMENT

8.2.1. Public meetings and stakeholder consultations with representatives of local government of the municipalities will be organised by the consultants' team and Spetskomuntrans in the line with the Stakeholder Engagement Plan (SEP) to disclose the ESIA-related information.

8.2.2. For the implementation of this Framework, it is important to conduct separate meetings with waste pickers and land owners within the SPZ and other affected parties to gather insight to preferred livelihood restoration measures and seek their feedback on the suggested mitigation and compensation measures. The consultation activities should follow the schedule of the Project and should start prior to the construction activities at the existing site and the proposed new facilities' site.

8.2.3. Spetskomuntrans is committed to providing the public and affected people with all relevant Project information to enable their informed participation. The LRF together with other Project documents will be uploaded on the websites of the Khmelnytsky City Administration, while hard copies of the documents in Ukrainian will be available from the local municipality.

8.2.4. The LRF will be available in Ukrainian and English for review and comments as part of the ESIA disclosure package. An electronic version of this document will be available for a minimum of 120 days at the following websites:

- Khmelnytsky City website: <http://khm.gov.ua/>
- EBRD website: <http://www.ebrd.com>

8.2.5. Hard copies will be made available at the City Council Office, in the Mayor's Office in Khmelnytsky and in the schools (or equivalent) in all adjacent villages. The addresses of the schools (or equivalent) are:

- Oleshyn School – 13a Shkilna Street, Village of Oleshyn, 31312
- Ivankivtsi Lyceum – 2 Shkilna Street, Village of Ivankivtsi, 31314
- Cherepova School – 2 Centralna Street, Village of Cherepova, 31316
- Cherepivka School – 25 Trublaini Street, Village of Cherepivka, 31305

8.2.6. The exact details of these events, including the dates and timings will be presented in the updated version of the SEP and will be made public via announcements on the relevant websites mentioned above, on village notice boards and at the existing landfill site.

8.2.7. During the disclosure period, a meeting will also be held with the affected Roma waste pickers and the land owners whose properties are located within the SPZ, to present this Framework, receive



feedback from these two directly affected groups of people and reflect their preferences in the future Livelihood Restoration Plan to be prepared by Spetskomuntrans.

9 GRIEVANCE MECHANISM

- 9.1.1. The grievance mechanism established under the SEP will be used to collect feedback, questions and comments regarding this LRF and the livelihood restoration process, more generally. It will be put in place early in the process to receive and address stakeholder comments and questions in a timely manner and provide further information on compensation and livelihood restoration measures to the people affected by the Project.
- 9.1.2. Spetskomuntrans will establish an official system for receiving and addressing grievances and will allow affected people to raise complaints (including anonymously) through various channels including e-mails, letters, phone calls, personal visits to representatives and by using the grievance form provided as Appendix A of this document.
- 9.1.3. Grievances will be recorded in a grievance log with details of the issue, date and acknowledgement of receipt, actions taken and date of resolution.
- 9.1.4. Comments, complaints and/or requests for information could be submitted in person or via post, telephone or email using the following contact information:
- Attention: Ms Ksenia Kosiuk
 - Head of Local Population Enquiries Department (Grievance Manager)
 - Postal Address: 29008, 1 Tolstoho Street, City of Khmelnytskyi, Ukraine
 - Telephone +38 097 893 35 16
 - E-mail address: ksenia.kosyuk@gmail.com
- 9.1.5. Spetskomuntrans' Grievance Manager will keep a unique grievance log of all received grievances for this Project, including those in relation to livelihoods. These grievances will be addressed by the LR Officer, who will report on grievance management to Spetskomuntrans management and the EBRD.

10 INSTITUTIONAL RESPONSIBILITIES

- 10.1.1. Implementation of this LRF is the responsibility of Spetskomuntrans and the City.
- 10.1.2. A Livelihood Restoration Officer will be appointed to lead the implementation of livelihood restoration and he/she will be supported by other Spetskomuntrans and City employees when necessary, including for example those Spetskomuntrans employees working at the existing landfill who already have contacts with the waste pickers on a daily basis. Liaison with the sub-contractors who employ the waste pickers will also be undertaken. The Livelihood Restoration Officer will receive information on grievances which have been submitted to the Grievance Officer (see Section 9) in relation to livelihood restoration and will work with the Grievance Officer in addressing these grievances.
- 10.1.3. The LR Officer will report directly to the Director of Spetskomuntrans and will prepare draft monitoring reports for EBRD, which will be reviewed by Spetskomuntrans senior management and submitted to EBRD.
- 10.1.4. Assistance with providing the Roma waste pickers access to employment opportunities and social welfare will be provided by relevant public institutions and social workers of the Khmelnytsky City and the National Employment Service. Other service providers may also be involved, depending on the needs of affected waste pickers and available assistance programmes.

11 LRF IMPLEMENTATION, BUDGET, MONITORING, AND REPORTING

- 11.1.1. Spetskomuntrans will be responsible for the implementation of all aspects of the LRF. Parties involved in the different aspects of Project implementation will be required to comply with the requirements set out in this LRF and later in the detailed LRP.
- 11.1.2. The implementation of the detailed LRP shall start prior to construction activities commencing. In general, the LRP implementation will have three key stages:
1. Public meetings and a census and asset inventory and a socio-economic survey. The detailed LRP shall be developed at this stage based on information from the surveys. Additional consultations may be necessary to discuss the LRP with affected people;
 2. Provision of funds and payment of compensation, implementation of LRP and related activities;
 3. Monitoring and reporting process of the LRP.
- 11.1.3. The budget needed for the implementation of the livelihood restoration process and the LRP will be established after the completion of the survey activities and after the SPZs are finalised and the number of land plots within the SPZ areas are calculated. The budget will cover compensation, livelihood restoration, monitoring and evaluation as well as contingencies and administrative expenses.
- 11.1.4. The cost of livelihood restoration will be included in the overall costs of the Project.
- 11.1.5. The Company will conduct monitoring and maintain a Project Affected People (PAP) database (individuals/households/businesses etc.) whose properties have been affected, and the compensation and livelihood restoration measures that have been implemented, until all displacement impacts have been mitigated, as determined based on a Completion Audit, which will be carried out, as agreed with EBRD.
- 11.1.6. The data/information will be updated periodically in order to keep track of the affected individuals. This database will include information on the vulnerability of PAPs and any specific issues regarding the Project impacts. Spetskomuntrans' Project Implementation Team will be responsible for regularly updating the database. This will most likely be achieved through regular communication with the City Administration authorities and through participation in engagement with PAP.
- 11.1.7. All information on PAPs, their holdings and their compensation payments and assistance measures will be kept confidential.
- 11.1.8. The Company will monitor the implementation of the land acquisition and livelihood restoration processes through internal institutional arrangements as well as through an independent, external monitor. Corrective actions will be taken as necessary.
- 11.1.9. An internal monitoring system shall be established in Spetskomuntrans, consisting of:
- Progress monitoring of inputs and outputs which measures whether inputs are delivered on schedule and as defined in the LRP; and
 - Periodic measurement of outcome indicators against the information obtained during the survey.
- 11.1.10. The independent, external monitoring individual will be an experienced land access/resettlement consultant procured to do this by Spetskomuntrans, for example, performing audits at key stages. The

table below provides an example of indicators which will be used for monitoring. A final list of indicators will be finalised based on the results of the survey and will be included in the LRP.

Table 11-1 – Examples of Monitoring Indicators

Measure	Indicator
LRP Implementation	<ul style="list-style-type: none"> ■ Confirmed number of waste pickers working at the landfill site recorded during the surveys; ■ Confirmed number of land owners and land users whose properties are within the SPZ, recorded during the surveys; ■ Number of consultation meetings and meeting minutes; ■ Number and types of grievances submitted, the rate of successful resolving of grievances, number of outstanding grievances; ■ The timing of implemented activities in comparison to the LRP implementation schedule; and ■ The amount of total funds spent for the implementation of the LRP and the rate of spending.
Assistance with Employment and Livelihood Restoration	<ul style="list-style-type: none"> ■ Number and types of employment/income generation programmes offered to the relevant categories of PAPs; ■ Number of the Roma waste pickers completing their training courses (for each category of training provided and taken); ■ Number of formalised work contracts completed with the Roma waste pickers; ■ Number of Roma waste pickers' children and young adults assigned to education, type of assistance provided.
Assistance Programme and Training	<ul style="list-style-type: none"> ■ Number and type of assistance programmes provided to, and taken by the PAPs; ■ Number and type of trainings course organised; and ■ Number of training participants and training reports.
Access to Social Welfare and Healthcare	<ul style="list-style-type: none"> ■ Number of waste pickers who received social welfare and type of assistance provided; and ■ Number of vulnerable individuals (i.e. Disabled / chronically ill, elderly living on their own, etc) assisted to access appropriate health care or treatment.

11.1.11. Spetskomuntrans will include monitoring data and progress reports on LRP activities in quarterly reports during the livelihood restoration process and also summarise relevant information in their annual reports to EBRD as required by the overall Environmental and Social monitoring of the Project. Spetskomuntrans will also provide monitoring data on livelihood restoration.

Appendix A

GRIEVANCE MECHANISM FORM





Reference No:	
Full Name:	
Note: <i>you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent.</i>	<input type="checkbox"/> I wish to raise my grievance anonymously <input type="checkbox"/> I request not to disclose my identity without my consent
Contact Information: Please mark how you wish to be contacted (mail, telephone, e-mail).	<input type="checkbox"/> By Post: Please provide mailing address: _____ _____ _____ <input type="checkbox"/> By Telephone: _____ <input type="checkbox"/> By E-mail: _____
Language: Please mark your preferred language for communication.	<input type="checkbox"/> Ukrainian <input type="checkbox"/> Other (Please specify) _____
Description of Incident or Grievance:	What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident/Grievance	
	<input type="checkbox"/> One time incident/grievance (date _____) <input type="checkbox"/> Happened more than once (how many times? _____) <input type="checkbox"/> On-going (currently experiencing problem)
What would you like to see happen to resolve the problem?	



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