

DESCRIPTION OF THE PROJECT

This GLAC has been prepared to provide information on the expropriation process of the Çanakkale Project to Project Affected Persons (PAP) and other interested stakeholders in the Project Area.

The GLAC is a supplement to the Stakeholder Engagement Plan (SEP), which is also made publicly available (see end of this form)

The Turkish General Directorate of Highways (KGM) is implementing the 324 km long Kinali - Tekirdağ - Canakkale - Savaştepe Motorway project in western Turkey as part of the country's "Vision 2023" expansion of roadway infrastructure. An Environmental Impact Assessment (EIA) was performed for this project and approved in 2016



Figure 1: Kınalı Savaştepe Motorway Route

A major purpose of this Motorway is to facilitate long-distance road travel and freight transport from western Anatolia (egl Izmir and Manisa Regions) into Europe by avoiding the current bottleneck through the congested metropolitan areas of Istanbul with population of about 20 million.

One central segment of the Kınalı – Tekirdağ – Çanakkale – Savaştepe Motorway project is the 88 km Malkara - Canakkale Motorway, including the 1915 Çanakkale Bridge across the Dardanelles Strait (the "Project").

The 1915 Çanakkale Bridge will be the world's longest suspension bridge with a center-span of 2023 m, and will enable the crossing of the Strait within a few minutes; this will also relieve the current congestion at local neighborhoods from the many trucks waiting at the ferry terminals.

KGM appointed Çanakkale Otoyol ve Köprüsü İnşaat Yatırım ve İşletme A.Ş. to construct and operate the Project under the terms of a Build-Operate-Transfer (BOT) contract for 15 years 2 months 12 days). The main construction phase of the Project is scheduled to begin later in middle of 2018 and will extend for 5.5 years. The Project will be commissioned and start operation in 2023.

Once completed, the Motorway and Bridge will be operated as toll facilities by the Appointed Company until expiration of the BOT contract period; thereafter the Motorway and Bridge will be fully transferred to KGM.

PROJECT ENVIRONMENTAL AND SOCIAL STANDARDS

The Appointed Company is working with an experienced team of Turkish and international design and construction contractors to implement the Project in accordance with KGM specifications and international technical standards.

Financing for the Project will be provided by a combination of Turkish and international financial institutions. These institutions have stringent environmental and social standards, and therefore the Appointed Company have engaged an independent team of international and Turkish consultants to prepare an Environmental and Social Impact Assessment (ESIA) and related studies to supplement the existing 2016 EIA and conform to lender standards.

The Appointed Company has committed to implementing an Environmental and Social Management Plan (ESMP), based on the ESIA results, which aims to mitigate potential negative impacts of the Project and provide benefits for the local people. For example, the construction and operation of the Project will create employment and skills training opportunities for the local people organized through an Employment Policy that will be developed by the Appointed Company and a Human Resources and Worker Management Plan that will be developed by the engineering, procurement and construction (EPC) Contractor.



LAND REQUIREMENTS OF THE PROJECT

The Project implementation will require expropriation of land properties and buildings and structures on these lands.

The Motorway will require on average a 100 m wide strip of land along its length (see Figure 2), which will entail permanent land take of about 1600 ha, of which about 1200 ha is from privately owned lands and 400 ha from public lands. In total it is expected that about 2500 land plots will be affected. Nearly all the plots are farmland, pasture or forest. There are only a small number of built structures affected by the Project.

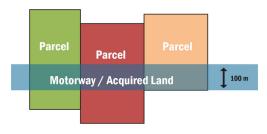


Figure 2: Indicative illustration of acquired land

The key impacts of the Project on peoples' lives due to land requirements in the affected Project Area can be categorized as follows:

- Loss of land for agricultural cultivation;
 Loss of land for grazing and pasture;
- Loss of forest lands;
- Reduced livelihood or productivity losses (due to the reduced land areas);
- Loss of man-made structures, several residences and businesses/shops;
- · Reduced access to agricultural land pastures and forests;
- Fragmentation of plot or several plots belonging to same owner.

The permanent land expropriation will be undertaken by KGM in accordance with Turkish legislation under the Expropriation Law. Furthermore, temporary allocation or lease may be needed for some public lands where construction sites will be located.



PAP – PROJECT AFFECTED PERSON

The Project will affect about 2,500 plots of land and related property owners / co-owners and additional persons who rent or use affected land temporarily or permanently. Project Affected Persons in the scope of expropriation can be classified as follows:

- · Private land owners and co-owners with legal rights (title deeds) on land
- . Owners of houses, commercial premises or other built structures
- · Owners of assets on land (e.g. irrigation systems, buildings, trees)
- Customary owners/users of treasury/ unregistered lands who have been using these lands for more than 20 years ("zilvet")
- . Communities as land owners
- Tenants of above mentioned lands, houses, commercial premises or other built structures.

RESPONSIBILITIES FOR LAND ACQUISITION

The land will be acquired from the current landowners by KGM and then handed over to Appointed Company for construction and operation of the Project. The acquisition of land and other assets is responsibility of KGM. Consultation with affected parties has already started and expropriation process will continue to be conducted by KGM.

The entire process is fully in accordance with the provisions of the Turkish Expropriation Law and KGM procedures for similar roadway infrastructure projects.

TURKISH LAW IMPLEMENTED BY KGM

The relevant Turkish Law for this Project is the Expropriation Law (No. 2942. amended in 2001 by No. 4650), which specifies the monetary compensation for the loss of land and immovable assets. The affected persons are free to choose how they will re-invest the compensation payments, e.g. if/where they wish to acquire new property or resettle and build or but their new housing.

Important: There will not be any planned resettlement of persons by KGM or other entities; the Expropriation Law solely provides for cash compensation.

Compensation is to be paid in cash and in advance of expropriation taking place. The Expropriation Law provides for compensation only to the legal owner for loss of land and assets. Actual occupants or users may be eligible in cases when the title deed for the land is not registered and there are no persons claiming rights on the immovable asset (e.g. zilyet).

The Project-related expropriation is in line with the formal Decision of Public Benefit, issued on 3rd February 2017; this also serves as the "cut-off date" relevant for consideration of PAPs for compensation.

Expropriation Process under Turkish Law



KGM notifies identified property owners by official registered letter of their intention to acquire the property. Valuation Commission determines the value of the property. Criteria to be considered to evaluate the property can be listed as; the type and quality of the property, the surface area, all property components (incl. vegetation, structures, water sources etc.), the tax position and the net revenue to be obtained from the property or the water resources on the land. Structures and vegetation, as components of land, also have considerable impact on property value.

A Negotiation Commission negotiates the amount of compensation with the owner(s) and finalizes acquisition. The agreed negotiated price cannot normally exceed the valuation amount. After the transfer, the owner has no right of appeal against the expropriation or the agreed compensation.



If the property owner and the Negotiation Commission cannot agree on the expropriation value, the authority applies to the local civil court of the first instance for determining said value. If still no agreement reached, a board of court experts will do an on-site survey of the property. If the involved parties still do not agree on the value at the next hearing, the judge will set a fair expropriation value based on reports by the valuation experts.

Important: Once a revised expropriation value has been set by the court, there is no possibility to go back to the initial KGM offer, even if that initial offer was higher.

KGM COMPENSATION

Under Turkish law compensation will be provided for:

- Expropriated land within the Motorway footprint and its associated facilities such as maintenance areas and service and parking areas
- Cultivated crops
- · Residential or other buildings/structures,
- · Physical assets (e.g. trees, walls, irrigation systems, etc.).

Fully eligible are all Title Deed Holders and the Zilyet customary owners. Further Land Users are eligible if they can provide evidence that the physical asset on the land they use was constructed or planted by themselves and not by the property owner.

Important: Construction of the Project components will in general ONLY start on land for which KGM has achieved an agreement with the owner and the compensation was paid. (In some exceptional cases the construction might commence even if the transaction is still under valuation).



KGM VALUATION AND PAYMENT

The valuation will be performed in accordance with the principles set down in Article 11 of the Turkish Expropriation Law. The value of Residential Buildings is based on the "Average Unit Costs of Buildings used for Calculation of Costs for Architecture and Engineering Works" annually published and updated by the Ministry of Environment and Urbanisation. The value of Trees is based on the lifetime yield of the tree, whereas the value of Crops is based on the annual yield. The value of Agricultural Land is based on the net income approach and includes all on-land physical assets. KGM compares also other local land market prices in setting its valuation.

Note: The valuation process is based on many factors, not only the size. Therefore, the compensation amounts for similar-sized plots can be different, e.g. due to the soil quality or types of crops being grown.

If only parts of a plot are expropriated, the land owner can apply for expropriation of the whole plot, if the remaining part is no longer valuable. This may be the case e.g. if only a small strip remains that is not feasible for further use, or access to the remaining part is now difficult. Further, KGM will bear all costs in cases where the expropriation value is determined by court.

The agreed price is made ready by KGM within 45 days and by assignation of the land to KGM in title deeds registry office, it is transferred to the owner's bank account.



SUPPORT TO LOCAL COMMUNITIES

Independent of the compensation to landowners by KGM as described above, the Appointed Company is planning to provide a programme of support to the villages located within the Project area; this will be called the Community-Level Assistance Programme (CLAP). The CLAP is still under development and will be planned with input from KGM, the village Muhtars and independent experts. The intention will be to provide a range of measures, such as training programmes and job coaching to help persons affected by the Project and all other villagers to improve their living situation and livelihoods. The CLAP measures will not replace the KGM measures in any way and will not involve any cash compensation to individuals.



THE COMMUNITY LIAISON OFFICERS

The Appointed Company will appoint Community Liaison Officers (CLOs) who will be stationed in the field at central locations of the Project area (planned to start approximately March 2018.). They will travel on a regular basis along the Motorway route and talk to the local people to inform them about the Project, the ESIA/ESMP and the Expropriation activities. They will collect the public views about the Project and answer questions. The CLOs will help with the resolution of conflicts, for example in cases of co-ownership of a plot. They will explain the expropriation process and grievance mechanism and assist the local people with filling out forms and applications.

GRIEVANCE MECHANISM

A Grievance Process has been set up so that local people or other stakeholders can freely report complaints, questions or comments relating to any aspect of the Project, without cost and without any threat of retailation. Grievances and comments can be submitted to Appointed Company by phone, mail, email or through the Muhtar offices in the village.

A full description of the Grievance Process is provided in the SEP.



DISCLOSURE OF ESIA AND RELATED DOCUMENTS

The ESIA Report and related documents (including a Non-Technical Summary – NTS, the ESMP, the SEP and this GLAC) were made publicly available during the formal Disclosure Period of 30 days from 8th January to 7th February. The documents were placed as hard-copies in 31 different convenient locations in the Project area to inform the PAPs and other stakeholders and to provide the opportunity to comment.



Overview of Document Disclosure

Type of Document	Availability during Disclosure
Full Draft ESIA Report (including NTS, SEP, ESMP)	Project Website 4 Municipality Offices (Malkara, Gelibolu, Lapseki, Çanakkale)
NTS of the ESIA	- Duniont Website
SEP	Project Website 4 Municipality Offices (Malkara, Gelibolu, Lapseki, Çanakkale)
GLAC	•27 Muhtar Offices of each affected settlement
Grievance Form	

In addition, seven meetings and presentation events were held in the Project area during this period to inform the public and offer opportunities for questions and discussion with the Appointed Company, KGM and the consultants who prepared the ESIA documents.

Information on the timing and location of these disclosure events was announced in the local and regional media and through the Muhtars and Municipalities.

The description of the disclosure activities and comments received during this period are compiled in a Consultation Report appended to the SEP. This Consultation Report will be made public together with the final ESIA Package as of end of March 2018.

Our communication channels are open

With this guide, we would like to inform and update you about the on-going expropriation process for the Project.

KGM Expropriation Offices are at your service

The expropriation process of the Project is carried out under the responsibility and authority of KGM. Accordingly, you may submit all your expropriation-related views, questions and grievances via mail or in person to the Project-designated expropriation offices providing service at the addresses in Gelibolu and Lapseki. As mandated by the Public Disclosure Law No. 4982, all submissions for information request by mail or in person will be responded within 30 work days.

Gelibolu: Yazıcızade Mah. Damla Sitesi C Blok D: 13 Gelibolu, Çanakkale Lapseki: Gazi Süleyman Paşa Mah. Onur Cad. No: 15 Lapseki, Çanakkale

We would like to hear from you

Also, you may use any of the following means to present your views other than expropriation-related subjects on the Project:

Thank you for your kind attention.

Project Hotline: 0 850 281 44 88 E-mail: info@1915canakkale.com

Postal Address:

Çanakkale Otoyol ve Köprüsü İnşaat Yatırım ve İşletme A.Ş. Yapı Kredi Plaza, B Blok, Kat: 12, Daire 30, Büyükdere Caddesi, Levent. 34330 İstanbul