

Resettlement Plan

March 2015

SRI: Mahaweli Water Security Investment Program

This resettlement plan is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature. Your attention is directed to the "terms of use" section of this website.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

**Sri Lanka
Project Number: 47381
March 2015**

Sri Lanka: Mahaweli Water Security Investment Program

North Western Province Canal Project Tranche 1

Resettlement Implementation Plan

**Ministry of Mahaweli Development and Environment
Democratic Socialist Republic of Sri Lanka**

This resettlement implementation plan is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or Staff.

CONTENTS

	Page
Executive Summary	i
I. PROJECT DESCRIPTION	1
A. Background	1
B. Rationale of the Project	2
C. Project Description and Location	3
D. Avoidance of Resettlement Impacts	3
II. SCOPE OF LAND ACQUISITION	7
A. Condition of the Building Structures	7
B. Affected Trees	8
C. Access to Land and Properties	8
D. Acquisition of Special Properties	10
E. Land Values	11
F. Resettlement options	11
III. SOCIO-ECONOMIC INFORMATION AND PROFILE OF PROJECT AREA	12
A. Population	12
B. Occupations	13
C. Infrastructure Facilities in the Project Area	14
D. Land Use Patterns	15
E. Highland Cultivation	15
F. Homestead Development	15
G. Chena Cultivation	15
H. Land ownership	15
IV. SOCIO-ECONOMIC CONDITIONS OF PHYSICALLY DISPLACED HOUSEHOLDS	18
A. Population	18
B. Demography of Affected Households	20
C. Affected Homesteads	20
D. Income and Livelihood Sources	21
E. Affected Dwelling Houses	22
V. POLICY AND LEGAL AND FRAME WORK AND PROCEDURE OF LAND ACQUISITION	23
A. Land Acquisition Act	23
B. National Involuntary Resettlement Policy	23

C.	National Policy on Payment of Compensation (2008) and LA Regulations (2008)	24
D.	National Environmental Act (NEA) 1980 and 1988	25
E.	Safeguard Policy Statement of ADB, 2009 (SPS)	25
F.	Gap Analysis: Resettlement Regulatory Framework of the Investment Program and Involuntary Resettlement Safeguard Policy of ADB	27
G.	IR Principles Applied to the Project	28
H.	Land Acquisition Procedure	29
VI.	CONSULTATION, PARTICIPATION, AND INFORMATION DISCLOSURE	35
A.	Objectives of Consultation	35
B.	Public Opinion on Resettlement and Related Issues	38
C.	Disclosure of Resettlement Information	38
D.	Gender Impacts and Vulnerabilities, and Mitigation Measures	39
E.	Cut-off-Date	39
VII.	COMPENSATION	40
A.	Valuation of Lost and Affected Assets	40
B.	Assessment of 'Replacement Cost'	40
C.	Compensation Package for Land and Resettlement	42
D.	Allocation of Special Grant for Purchasing Residential Land Plots (Homesteads)	42
E.	Allocation of Special Grant for Acquired Agricultural Land	43
F.	Special Assistance to Household who Live on Temple Land	43
G.	Special Assistance to the Bambawa Temple	43
H.	Technical Assistance for House Construction	43
I.	Compensation, Assistance and Land Entitlements of Other Affected Households	44
J.	Compensation for Trees and Crop Losses	44
K.	Compensation for Loss of Houses and Other Structures	45
L.	Displacement Assistance	45
M.	Damages Caused During Construction	46
N.	Temporarily Loss of Private Land	46
O.	Special Assistance to Vulnerable Households	46
P.	Displacement Support	47
Q.	Damages Caused During Construction	47
VIII.	INCOME RESTORATION AND IMPROVEMENT	48
A.	Income Restoration Programs	49
B.	Institutional Arrangement for Training	49
C.	Special Programs for Women	50

D.	Rehabilitation Assistance	50
IX.	GRIEVANCE REDRESS MECHANISM	52
A.	Types of Grievances	52
B.	Legal Frame work of Grievance Redress	52
C.	Grievance Redress Committee	53
D.	Composition of the Grievance Redress Committee	53
X.	INSTITUTIONAL ARRANGEMENTS FOR RESETTLEMENT ADMINISTRATION	55
A.	Project Management Unit	55
B.	Resettlement Staff and Consultants	55
C.	Project Implementation Unit	55
XI.	MONITORING AND REPORTING	57
XII.	RESETTLEMENT BUDGET	59
A.	Preparation of Budget Estimates	59
B.	Investment Budget	59
C.	Total Investment Budget	60
XIII.	IMPLEMENTATION SCHEDULE	62
Annexes:		
	Annex 1: Gap Analysis: Safeguard Requirements and Capacity	64
	Annex 2: Stakeholder Workshop – Participants	69
	Annex 3: Brochure on Resettlement for Distribution to Project-Affected Peoples	78

ABBREVIATIONS

A-R-P	Acre-Rood-Perch
CCGs	Community Consultative Groups
DOI	Department of Irrigation
DRC	Depreciated recovery cost
DS	Divisional Secretary
DSD	Divisional Secretary Division
EA	Executive Agency
EIA	Environment impact assessment
GN	<i>Grama Niladhari</i> (Village)
GND	<i>Grama Niladhari</i> Division
GRC	Grievance redress committee
GRM	Grievance redress mechanism
HH	Household
IA	Implementing agency
IR	Involuntary resettlement
ISEWP	improving system efficiencies and water productivity
KMTC	Kaluganga-Moragahakanda Transfer Canal
LA	Land Acquisition
LAA	Land Acquisition Act 1950
LDO	Land Development Ordinance
MASL	Mahaweli Authority of Sri Lanka
MCB	Mahaweli Consultancy Bureau (Pvt) Limited
MMDE	Ministry of Mahaweli Development and Environment
MFF	Multitranchise financing facility
MLLD	Ministry of Land and Land Development
MDP	Mahaweli Development Program
MRB	Mahaweli River Basin
MLBCRP	Minipe Left Bank Canal Rehabilitation Project
MMDE	Ministry of Mahaweli Development and Environment
NCPCP	North Central Province Canal Program
NEA	National Environmental Act
NIRP	National Involuntary Resettlement Policy
NPPC	National Policy on Payment of Compensation
NWPCP	North Western Province Canal Project
PAH	Project-affected household
PAP	Project-affected person
PD	Project Director
PIU	Project implementation unit
PMDSC	program management, design and supervision consultant
PMU	Project management unit
RDA	Road Development Authority
RIP	Resettlement Implementation Plan
SIWRM	Strengthening integrated water resources management
SLRs	Sri Lanka rupees
SPS	Safeguard Policy Statement
UEC	Upper Elahera Canal
UECP	Upper Elahera Canal Project

GLOSSARY

Acre-Rood-Perch: Measurement of land size commonly used in land registration data. Conversion of these units is as follows: 1 acre = 4 roods; 1 rood= 40 perches, and 1 acre is equivalent to around 0.40 hectares (ha)

Cut-off-date: For land to be acquired from titled landowners, the date of notification for acquisition under the Land Acquisition Act (LAA) will be treated as the cut-off date. For non-title holders such as squatters, encroachers, the starting date of the project census or a designated date declared by the executing agency in consultation with Divisional Secretaries will be considered as the cut-off date.

Disturbance: Disturbances caused to normal living of a person arising from compulsory acquisition of private land.

Encroacher: A person who has illegally occupied state land. Any legal title holder to a piece of land becomes an encroacher if he/she establishes boundaries of the holding to include adjacent state land without prior approval.

Entitlement: A variety of measures including compensation, income restoration and interim support, transfer assistance, relocation and other benefits given to project-affected persons (PAPs) to restore and improve their post-displacement socio-economic conditions.

Entitlement matrix: It identifies categories of eligible persons and their specific entitlements under the project, and what agency/department is responsible to deliver them on time.

Host population: Persons, households and communities who reside in resettlement areas where PAPs are relocated.

Income restoration: Re-establishing income sources and livelihoods of PAPs to pre-project level in real terms.

Injurious affection: Adverse impact on the value of the remaining land due to acquisition of a part of a land.

Inventory of losses: Complete and accurate count of houses, land, business structures, trees and crops and other assets on land that will be affected by the project.

Involuntary Resettlement: The unavoidable physical or economic displacement of persons arising from a development project. In case of physical displacement, PAPs need assistance to rebuilding their livelihood, income and asset bases and social and cultural systems. If economically displaced, PAPs still need assistance to restore their livelihood and assets.

Jayabhoomi: Land entitlement granted for long-term use with limited outright to sell. Jayabhoomi was granted as part of land grant program between 1994 and 2002, the previous grant is known as **Swarnabhoomi** that was granted between 1978 and 1994, **Isurubhoomi** granted between 2002 and 2004, and the recent land grant program has known also as Jayabhoomi (2005 till today).

Project-affected persons (PAPs): Any person, who as a result of the implementation of a project, losses the right to own, use, or otherwise benefit from a built structure, land (residential, agricultural or pasture), annual or perennial crops and trees, or any other fixed or moveable asset, either in full or in part, permanently or temporarily.

Rehabilitation: Re-establishing and improving incomes, livelihoods and social systems of PAPs.

Relocation: Moving PAPs and their moveable assets, rebuilding their houses, developing new land, and providing public infrastructure at the relocation site.

Replacement cost: The method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets are not to be taken into account. For losses that cannot easily be valued or compensated in monetary terms such as access to public services, customers and suppliers; to fishing, grazing or forest areas, the project will establish access to equivalent and culturally acceptable resources and earning opportunities.

Resettlement: Involuntary physical or economic displacement of persons caused by a project that covers compensation, relocation and rehabilitation measures to mitigate the effects of such displacement.

Resettlement Budget: A detailed breakdown of all costs of a resettlement implementation plan (RIP). This is a part of project costs.

Resettlement effects: Loss of physical and non-physical assets, including homes, communities, productive land, income earning assets and sources, resources, cultural sites, social structures, networks and ties, cultural identity and mutual help mechanisms.

Resettlement Implementation Plan: The government document as described in the National Involuntary Resettlement Policy. The contents of the document include time bound action plan with a budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring, evaluation, and reporting.

Resettlement Plan (RP): Time bound action plan with a budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring, evaluation and reporting, as described in the ADB Safeguards Policy Statement 2009. The RIP and RP cover the same contents, and RIP will be used in the report instead of RP.

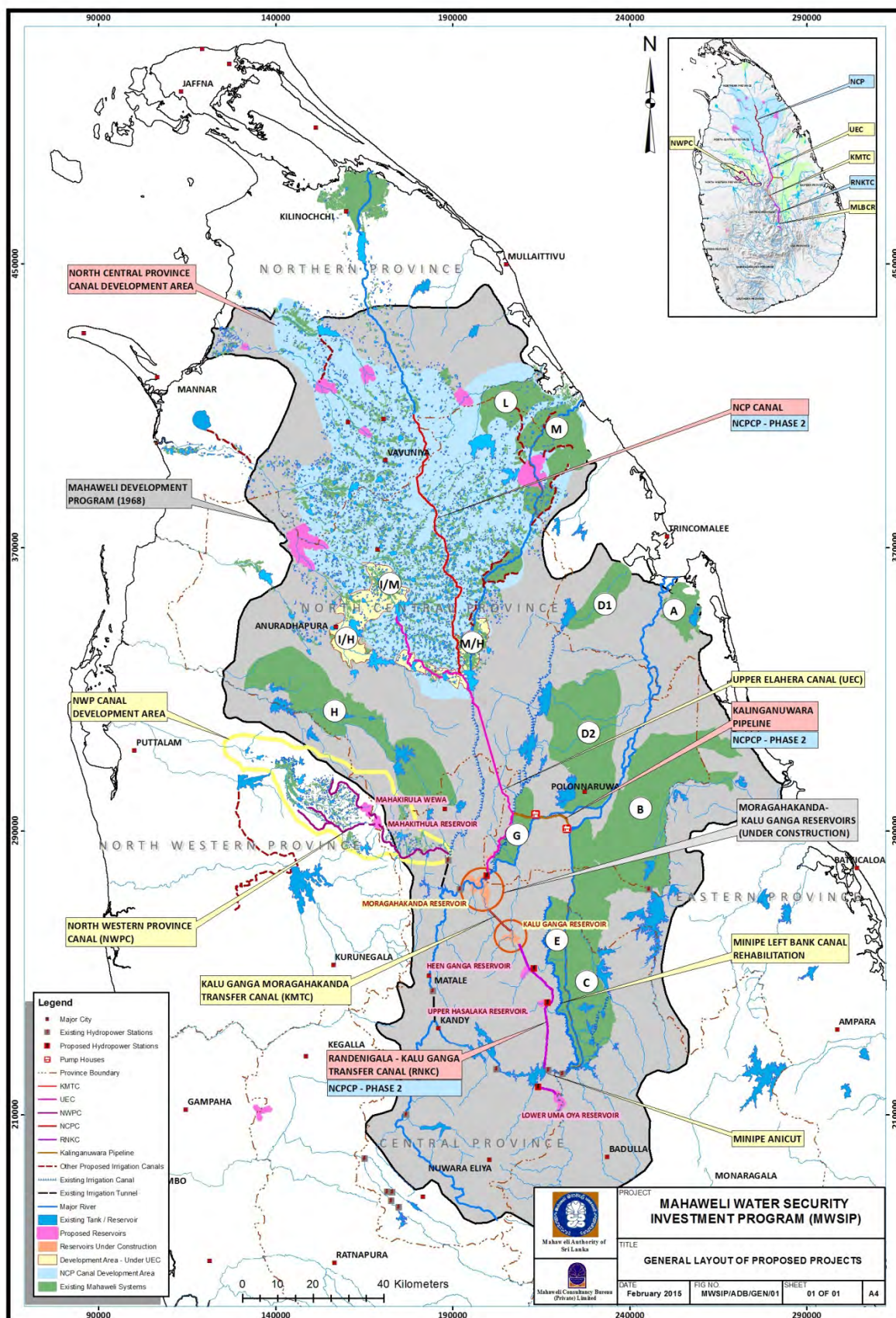
Severance: Dividing a landholding into two or several parts due to acquisition of the middle portion for a public purpose.

Social preparation: A process of consultations with PAPs conducted before key involuntary resettlement decisions are decided

Squatter: A person who occupies a piece of land without a title or any recognizable legal rights to that land.

Value to owner: Valuation based on actual cost to the landowner.

Vulnerable groups: Distinct groups of poor people who might suffer disproportionately from resettlement effects. Among them are the old, the young, the handicapped, the poor, isolated groups and female-headed of households.



EXECUTIVE SUMMARY

1. **Project Description.** The North Western Province Canal Project (NWPCP) Stage 1 is part of the Tranche 1, SRI: Mahaweli Water Security Investment Program. This Stage 1 will construct 29-kilometer (km) of open canals between the existing Wemedilla tank, and the Mahakithula and Mahakirula reservoirs. The 30-meter wide canal at Stage 1 will start at the Welamitiyawa Grama Nilandhary in Dambulla, and it will flow through jungles and a few human settlements before reaching the Mahakirula Reservoir in Palagala Divisional Secretary Division (DSD) in Anuradhapura District.
2. **Objective of the Resettlement Implementation Plan.** The objective of this Resettlement Implementation Plan (RIP) is to mitigate physical and economic involuntary displacement impacts caused by the Project and provide adequate compensation and rehabilitation assistance to the affected households to restore or improve their pre-project standard of living.
3. **Scope of Resettlement Impacts.** It is estimated that 29 acres and 46 perches of land (around 11.78 hectares {ha}) will be acquired from 128 households: 4.25 acres are paddy lands; 24.20 acres are highland allotments; and 1.01 acres are homesteads. There will be 119 households who will lose some part of their land, but less than 10% of their productive land, and 9 households with 2 households having 2 families each, will be physically displaced. These physically displaced families are categorized as severely impacted group. In addition, there will be no resettlement site as the displaced households have opted for cash payment. The resettlement census also identified that around 3,136 perennial trees and 360 non-perennial trees will be uprooted for the canal. Most perennial trees are valuable trees which bring periodic income to households.
5. **Socio-economic Profile of the Displaced Households.** Only a total of 27 persons live in the 9 physically displaced households. The average household size is four persons. The population is largely a young population. They are all Sinhala Buddhists. There are no female-headed households among the physically displaced households. One family is categorized as vulnerable, because their income is below the poverty line. All project-affected persons (PAPs) are in good health, and the census found no disabled PAP. The census did not find a household with divorced or separated parents.
6. **Public Consultation, Information Dissemination and Disclosure.** Several consultation meetings with the PAPs were held in March and April 2014 by Grama Nilandhari Officers with the support of Divisional Secretaries of Dambulla, Galewela, Polpithigama and Mahawa DSD. Also in attendance were: (i) officers of the Department of Irrigation (DOI), (ii) Economic Development Officers, (iii) Grama Nilandhari (GN) Secretary, and (iv) officers of the Mahaweli Consultancy Bureau. Representatives of ADB participated in the small group discussions held in Pannampitiya and Lenadora South Grama Nilandharis Divisions (GNDs). A series of project awareness creation workshops were held at the Galgamuwa Irrigation Training Institute for Divisional Secretaries (DSs), Chairmen of Pradeshiya Sabhas and officials of the Agrarian Development Department, DOI, Department of Wildlife Conservation, Forest Department, Mahaweli Authority of Sri Lanka at Dambulla, Gelewela and Polpithigama Divisional Secretariats.
7. The Tranche 1 project's cut-off date is 1 July 2014 as the date when the resettlement census was completed. This applies to titleholders, non-titleholders such as squatters and

informal settlers, encroachers, tenants, and leaseholders. The relevant local authorities have requested through GN officers to refrain from granting approvals for new constructions within the subproject area after the cut-off-date. The Ministry of Mahaweli Development and Environment (MMDE), the project's executing agency, has disseminated information regarding the cut-off date throughout the project area through GN officers and DSs.

8. **Grievance Redress Mechanism.** A Grievance Redress Committee (GRC) will be established at the project level to resolve disputes and grievances relating to land acquisition, relocation and implementation of the RIP, and environment-related grievance and complaints. The GRC will be an ex-gratia, legal, semi-structured body empowered to make decisions on disputes resolution during the implementation of RIP. The fundamental objective of the formation of a GRC is to resolve disputes at the grass-roots level in order to avoid lengthy and costly judicial process. The GRC will not deal with matters pending in the court of law. Project management would take necessary action to create awareness of the PAP's on GRC to make it as an easy and trusted mechanism.

9. **Legal Framework.** The RIP was prepared in accordance to the Resettlement Framework (RF) formulated based on the Government Land Acquisition Act, National Involuntary Resettlement Policy (NIRP), National Policy on Payment of Compensation and Amendment of Land Acquisition Act (2009), and also based on the ADB principle on involuntary resettlement described in ADB Safeguards Policy Statement 2009.

10. **Entitlement and Compensation Strategy.** The compensation for any loss associated with land acquisition under the first tranche of NWPCP was calculated based on the entitlement matrix described in the RF. The compensation of loss property will be at replacement costs. The compensation under this RIP include compensation package for land and resettlement, compensation for lost houses and other structures, and compensation for lost trees and crops. There are also several allowances provided in the entitlement matrix such as allowance for temporary sheds, relocation, and incentive allowance to urge displaced households to timely move out from affected areas. For displaced households, a program has been designed to assist them in livelihood improvement or income restoration.

11. **Resettlement Budget and Financing.** The estimate total cost for implementing RIP is about SLRs 171,798,331. This covers cost for (i) compensation land, structures and trees; (ii) relocation; (iii) income restoration program; (iv) monitoring and evaluation; and (v) institutional development.

12. The full budget will be provided by the government through the MMDE. The final budget will become available only after the Survey Department and Chief Valuer determine the value of land, houses, crops and trees affected.

13. **Implementation Arrangement and Monitoring.** While the MMDE will be responsible for overall coordination, planning, and financing of the resettlement program, the implementation of RIP is the responsibility of the MMDE's program management unit (PMU) that will be supported by its project implementation unit (PIU). The PMU will have a resettlement unit or cell with a full time specialist(s) who will assist with: the formulation of RIPs and updated RIPs as required, monitoring implementation of RIP including monitoring on payment of compensation, and will prepare RIP monitoring reports.

14. The PMU/PIU monitoring RIP implementation will also determine whether resettlement goals have been achieved and that livelihood and living standards have been restored. They will also recommend how to further improve implementation, if required. The PMU/PIU will prepare semi-annual monitoring reports to submit to the MMDE and ADB. This report will also provide a summary of grievances or complaints lodged by PAPs and actions taken to redress. The monitoring report will also provide information on the implementation of RIPs including payment of compensation and implementation of the income restoration program, and its results.

I. PROJECT DESCRIPTION

A. Background

1. The North Western Province Canal Project (NWPCP) Stage 1 is part of the Tranche 1, SRI: Mahaweli Water Security Investment Program. ADB supports the Government of Sri Lanka through the Ministry of Mahaweli Development and Environment (MMDE) by providing a multitranche financing facility (MFF) that will comprise three tranches. The three tranches MFF will include are the following:

- (i) The Upper Elahera Canal Project (UECP) comprises two components. The first component is the 9 kilometer (km) Kaluganga-Moragahakanda Transfer Canal, including an 8 km tunnel that transfers water between the Kaluganga and Moragahakanda Reservoirs.¹ The second component is the Upper Elahera Canal that connects the Moragahakanda Reservoir to the existing reservoirs: Huruluwewa, Manankattiya, Eruwewa and Mahakanadarawa via 82 km of canals (including in total 28 km of tunnels). These reservoirs supply existing irrigation and water supply schemes. The project is divided into three stages: (a) Stage 1 will construct the first 6.2 km of UEC's open canals and associated structures; (b) Stage 2 will construct the Kaluganga-Moragahakanda Transfer Canal and a 26 km tunnel of the UEC; and (c) Stage 3 will construct the remaining 50 km of open and cut-cover canal sections, and four tunnels with lengths ranging from 70 m to 1.7 km.
- (ii) The North Western Province Canal Project (NWPCP) will construct 96 km of new and upgraded canals, including a 940 meter (m) tunnel, and two new 25 m tall earth gravity dams impounding the Mahakithula and Mahakirula Reservoirs. It will transfer water from the Dambulu Oya River and the existing Nalanda and Wemedilla Reservoirs to command existing irrigation and water supply reservoirs. The project is divided into two stages: (a) Stage 1 will construct two new dams impounding the new Mahakithula and Mahakirula Reservoirs, the 29 km of open canals between the Wemedilla tank and the new Mahakithula and Mahakirula Reservoirs, and the tunnel; and (b) Stage 2 will construct the remaining open canal sections and associated structures.
- (iii) Minipe Left Bank Canal Rehabilitation Project (MLBCRP), located in the downstream reaches of the Mahaweli River, will: (a) add upstream storage by heightening the headwork's weir by 3.5 m, (b) construct new intake gates to the left bank canal and emergency spill weirs to both left and right bank canals; and (c) rehabilitate the 74 km Minipe Left Bank Canal to improve conveyance and reliability of service to existing farmers.

¹ These reservoirs are currently under construction.

2. The investment program will be implemented over 10 years and its proposed structure is shown in Table 1.

Table 1: Investment Program Structure and Implementation Schedule

Project	Project	Schedule
Civil Works		
Project 1 (Tranche 1)	UECP Stage 1 NWPCP Stage 1 MLBCRP	Q3 2015 – Q4 2019
Project 2 (Tranche 2)	UECP Stage 2 KMTCP Stage 1	Q1 2017 – Q4 2024
Project 3 (Tranche 3)	UECP Stage 3 NWPCP Stage 2 KMTCP Stage 2	Q1 2018 – Q4 2024
Consulting Services		
PMDSC	Stage 1 (Tranche 1) Stage 2 (Tranche 3)	Q3 2015 – Q4 2019 Q1 2020 – Q4 2024
ISEWP		Q3 2016 – Q3 2018
SIWRM		Q1 2019 – Q4 2020

ISEWP = improving system efficiencies and water productivity, MLBCRP = Minipe Left Bank Canal Rehabilitation Project, NWPCP = North Western Province Canal Project, PMDSC = program management, supervision and design consultant, SIWRM = strengthening integrated water resources management, UECP = Upper Elaheera Canal Project

Source: Asian Development Bank

B. Rationale of the Project

3. Water is the principal medium in the dry zone of Sri Lanka through which climate change exhibits its environmental, economic and social impacts. Many regions, particularly poorer communities are vulnerable to droughts and water-related disasters such as floods that destroy lives, assets and incomes. Moreover, widespread kidney diseases caused by bad drinking water threaten the lives of rural populations of the northern dry zone. The risks associated with climate uncertainty and change can be mitigated to some extent by storing and distributing water wisely when it is scarce, and by planning ahead to protect communities from droughts and floods. Coping with water-related risks requires a collective involvement and broad planning perspective. The investment program takes this key development issues as one of its objectives.

4. No new lands are identified to irrigate by the NWPCP. The main benefit of the Project will be increased cropping intensity of existing cultivated lands under major and minor irrigation schemes. In addition, the Project will provide safe drinking water to a large population who suffers now from drought and lack of safe drinking water.

5. Providing safe water services and managing water resources wisely will improve health, and open opportunities for all to improve their life chances through education and capacity-building. In many poor communities, fetching water from distant sources and queuing for water are physically-demanding and time-consuming responsibilities borne primarily by women and girls. Women, as a result, have less time to engage in productive economic activities and this lack of involvement leads to increased poverty. In case of girls, school attendance is often considered a lesser priority: a gender bias that creates an imbalance in school enrolment ratios

has been noted in the project areas, although the imbalance has been progressively declining. Disparities in women's education and involvement in decision-making can place them at a significant disadvantage in earning an income or voicing their views on affairs of their communities.

C. Project Description and Location

6. The proposed NWPCP is located in North Western Province (NWP). The Project originates from a point about 1 km downstream of the outlet of the Bowatenna Tunnel at Lenadora in Matale District. A contour canal will transfer water to water scarce systems in NWP. On the way, the transfer canal will supply water to Wemedilla and then to Dewahuwa reservoirs. The transfer canal will go through the Kahalla Palkeleke Sanctuary in Kurunegala District, and Maha Kirula and Maha Kitula reservoirs which will serve as storage reservoirs. The Mahakithula Reservoir will enable the transfer of water to Hakwatuna Oya reservoir.

7. The new irrigation conveyance canal to divert the Mahaweli water to Upper Mi Oya and Daduru Oya-Hakwatuna. Oya Basins would traverse through 41 villages in 31 Grama Niladari Divisions in 5 Divisional Secretary Divisions (DSDs) of Matale and Kurunegala districts. The canal trace will be 78.6 km long, out of which, 12.4 km run through lands belong to the Wildlife and Forest conservation departments; the balance 66.2 km will traverse through human settlements and agricultural land. The NWPCP Project will be implemented in two stages: (i) Stage 1 - Nalanda – Wemedilla - Devahuwa feeder Canal - Hakwatuna Oya Diversion, and (ii) Stage 2- Diversion of Mahaweli water to Mi Oya Basin from downstream of existing Bowatenna Irrigation Tunnel. The 30-meter wide canal at stage 1 will start at the Welamitiyawa GND in Dambulla, and it will flow through jungles and a few human settlements before reaching the Mahakirula Reservoir in Palagala DSD in Anuradapura District.

D. Avoidance of Resettlement Impacts

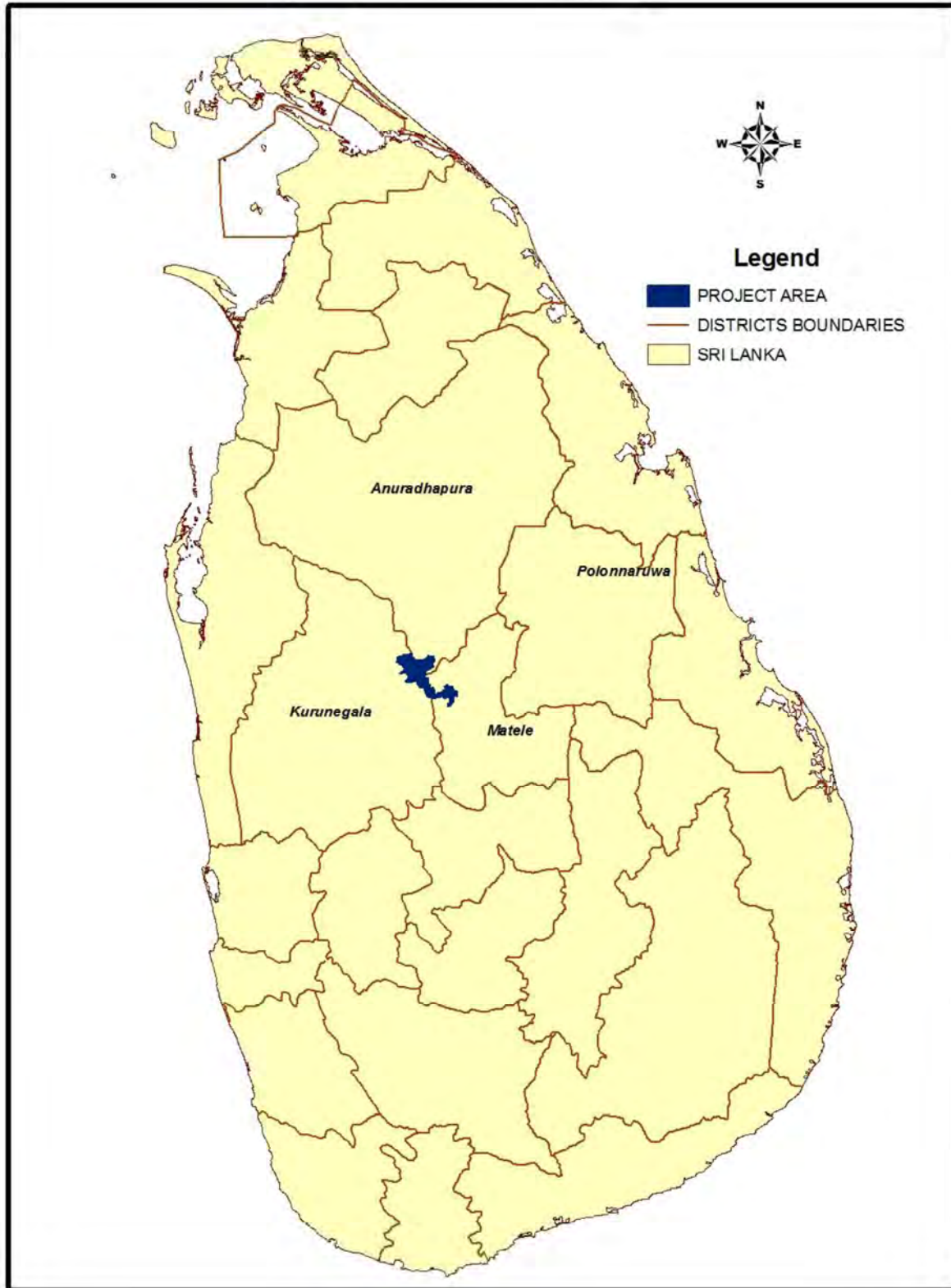
8. During the canal trace design, every attempt was taken to minimize social impacts associated with land acquisition. The canal trace has been revised several times to reduce environmental and social impacts of the canal to homestead. Because of these adjustments to the canal trace, the land area and number of households affected by the Project have been substantially reduced. The discussions between the social safeguard team and design engineers of the investment program resulted in the change of the canal trace to avoid the acquisition of the four houses.

9. The NWPCP will have limited resettlement impacts as only nine households with two unit families will be physically displaced. In addition, 119 households will have minor economic impacts as only a strip of land will be taken from each affected land allotment as each of them will lose less than 10% of its land because of the Project. Therefore, the resettlement impacts of the NWPCP is categorised as 'B'.

10. The 30-meter wide Tranche 1 section of the NWPCP will start at the Welamitiyawa GND in Dambulla DSD. It will flow through jungles and a few human settlements before reaching the Mahakirula Reservoir in Palagala DSD in Anuradapura District. Its locational information is given below:

- (i) The Dewahuwa Feeder Canal starts at Wemedilla in Dambulla DSD and ends at the Nabadagaswewa in Galewela DSD. A few private land allotments will be affected by the canal.
- (ii) The canal section starts at Nabadagawewa and ends at the Mahakitula Reservoir. Nine households will be affected by this section of the canal.
- (iii) The canal section starts at the Mahakithula Reservoir and ends at the Mahakirula Reservoir. This section of the canal will traverse through the wildlife reserve and there are no human settlements.

LOCATION MAP OF PROJECT AREA (Proposed NWP Canal)



II. SCOPE OF LAND ACQUISITION

11. It is estimated that 29 acres and 46 perches of land (11.78 ha) will be acquired from 128 households. 4.25 acres (14.5%) are paddy lands; 1.01 acres (3.5%) are homesteads; and 24.20 acres (82%) are highland allotments (Table 2). As discussed above, 119 households will lose some part of their land, and 9 households with 2 families will be physically displaced. Since there is no available government land, displaced households prefer to self-relocate in the vicinity of their settlements or to rebuild houses on their remaining homesteads after the acquisition, and therefore, the resettlement site will not be required.

Table 2: Project-affected Land (Tranche 1)

Type of land	Acreage	Percentage
Paddy	4.25	14.5
Homesteads	1.01	3.5
Highland	24.20	82.0
Chena (Slash and Burn)	0	0
Total	29.46	100.0

Source: MCB Resettlement Census, June 2014

12. Table 3 shows the marginal resettlement impacts the subproject will have on PAPs. 93% of affected households will lose less than 10% of their lands to the program. Those who lose 100% of their lands are, in fact, physically displaced households.

Table 3: Resettlement Impacts of Land Acquisition on Affected Households

% of Land Acquired	Number of Households	Percentage of Households
Less than 10%	119	93
More than 10%	9	7
Total	128	100

Source: Socioeconomic survey and Resettlement Census 2014

A. Condition of the Building Structures

13. Seven permanent and two semi-permanent houses will be affected (Table 4). All nine partially affected houses will be considered as fully affected in paying compensation.

Table 4: Project-affected Structures (Dwellings)

GND	Fully	Partially
Danduyawa	0	1
Ranwediya	0	3
Pahalabambawa	0	3
Kospotha	0	2
Total	0	9

Source: MCB Resettlement Census, June 2014

14. Seven out of nine houses are roomy and well-furnished houses, and seven out of nine houses have cemented floors, brick walls and roof tiles. Two are semi-permanent small houses with a few pieces of furniture. Each house has electricity, and four of them (45%) are connected to pipe-borne water supply (Table 5).

Table 5: Type of Houses Affected: Basic Information

GND	Tile / Cement / Bricks			Asbestos / Cement / Bricks			Tile / Floor tile / Bricks			Semi-permanent			Temporary			Electricity		Pipe-Bourne water	
	<750 ft ²	751 - 1500 ft ²	>1501 ft ²	<750 ft ²	751 - 1500 ft ²	>1501 ft ²	<750 ft ²	751 - 1500 ft ²	>1501 ft ²	<750 ft ²	751 - 1500 ft ²	>1501 ft ²	<750 ft ²	751 - 1500 ft ²	>1501 ft ²	Yes	No	Yes	No
1. Danduyawa	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
2. Ranwediya-wa	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	3	0	1	0
3. Pahalabam-bawa	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0	3	0	3	2
4. Kospotha	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	2	0	0	0
Total	3	3	1	0	0	0	0	0	0	2	0	0	0	0	0	9	0	4	3

B. Affected Trees

15. The resettlement census identified 3,136 perennial trees and around 364 non-perennial trees which will be uprooted for the canal (Tables 6, 7 and 8). Most perennial trees are valuable trees which brought periodic income to households. Other trees provide food and a surplus to sell in the market.

C. Access to Land and Properties

16. In a meeting held with affected people at Galewela, some of them complained that they may lose access to their lands and properties during canal construction. Alternate access is to be provided to enable them to access their land and properties.

Table 6: Number of Trees Affected on Homesteads

GND	Coconut	Teak	Arecanuts	Jak	Mango	Ketakela	Bread Fruit
1	8	3	-	-	1	-	1
2	9	-	8	-	4	-	-
3	16	28	6	7	7	2	-
4	8	2	-	2	3	2	1
Total	41	33	14	9	15	4	2
GND	Banana	Kaluwara	Murunga	Papaw	Orange	Lime	Guava
1			1	6			
2	17	1		2	1	29	4
3					2	1	1
4							
Total	17	1	1	8	3	30	5

Source: MCB Resettlement Census, June 2014
 1=Danduyawa; 2=Ranwedyawa; 3= Pahalabambawa;
 4 = Kospotha

Table 7: Number of Affected Perennial Trees on Highland Allotments

GND	Coconut	Cashew	Teak	Jack	Mango	Neem	Halmilla	Burutha	Bread Fruit	Arica nut
Aluthwewa	225	45	105	5	25	8	6	-	-	30
Pibidunugama	82	38	92	2	-	8	-	-	-	-
Hombawa	438	36	238	15	32	1	-	-	-	2
Ranwedyawa	120	3	4	-	3	1	-	-	1	-
Nilagama	125	-	228	3	17	5	10	-	-	20
Danduyaya	99	1	26	12	15	4	15	2	-	-
PahalaBambawa	310	2	31	5	5	1	1	-	-	-
Kospotha	441	50	96	10	27	11	9	-	-	-
Total	1840	175	810	52	124	39	41	2	1	52
Grand Total =3136										

Source: MCB Resettlement Census, June 2014

Table 8: Number of Affected Medium Term Crops on Highland Allotments

GND	Banana	Guava	Mandarin
Aluthwewa	40	2	0
Pibidunugama	0	0	0
Hombawa	32	0	0
Ranwediya	46	0	1
Nilagama	0	0	0
Danduyaya	0	0	5
PahalaBambawa	27	1	0
Kospotha	26	0	1
Total	171	3	7

Source: MCB Resettlement Census, June 2014

D. Acquisition of Special Properties

17. As mentioned earlier, during the project design stage, the canal trace was changed several times to minimize project impacts on houses and other property. During the resettlement census, it was noticed that the canal trace would traverse through the playground of the Keppetiya Muslim College in Galewela DSD. It was also noticed that during the construction phase of the canal, children's sport activities and class programs would be disrupted. The discussions among design engineers, local people and census team on how to avoid such temporary and permanent disruption to the school resulted in the decision the canal section will be built during school holidays. The canal section will be a covered canal section. They also agreed to restore the playground to its original status, minimizing hardships to school children and the school staff.

18. The resettlement census identified 5 acres of land belonging to the Beligamuwa Farm of National Livestock Development Board which will be acquired for the canal. The canal will affect a coconut plantation of about 300 coconut trees.

19. During consultations with potential PAPs of Umbawa village, several PAPs pointed out that the public well at Umbawa should be spared as it provides year-round clean water to the village community. A slight change in the canal trace is required to meet this request. Project engineers will decide on the feasibility of the proposal and inform villagers and the MMDE.

20. The project in Tranche 1 will affect 5 land allotments of the Bambawa Temple. The total area of the allotment is about 40 perches (1/4 acre). During consultations, the chief incumbent priest expressed his concerns on the manner in which land values are determined when acquired for a public purpose. He pointed out that the cash compensation paid for land acquired (as it is temple land) is not sufficient to buy replacement land. Therefore, he requested that replacement land instead of cash compensation should be provided by the subproject in the vicinity of the temple. The final arrangement is to give 5 acres of irrigated land, and 1 acre of highland at the Mahaweli resettlement site in Madirigiriya, Polonnaruwa District.

E. Land Values

21. The value of the acquired land is specified as 'market value' by Land Acquisition Act (LAA). This is the price that the owner would receive if sold in the open market on the date of publication of the section 2 Notice under LAA. However, the valuation officer has the discretion to specify what the 'market value' should be for a particular parcel of land.

22. Land value varies from place to place and according to the type of land. In the subproject areas, land prices vary from SLRs. 50,000 to 60,000 per perch. These prices were confirmed by the Divisional Secretary of Galewela DSD, and will be used in determining the market value of acquired land.

F. Resettlement options

23. During the resettlement census, seven households opted to resettle on the remaining portions of the acquired land. The other four households requested the EA to purchase land in the vicinity as replacement land, where they will build their new houses with compensation and the special grant. However at the stakeholder workshop held in August 2014, these four households indicated that they could find land for relocation in the vicinity of their existing communities. Divisional Secretary (DS) Galawela informed that there is no government land available in Galewela and the Project should motivate them to find private land to buy.

24. No land will be acquired under the 'urgency section' of 38 A of the Land Acquisition Act. In acquiring land and other property, the proposed actions of this RIP will be applied to expedite the land acquisition process.

III. SOCIO-ECONOMIC INFORMATION AND PROFILE OF PROJECT AREA

25. A comprehensive field information survey (socio-economic survey) was conducted in 2013 as a part of environmental assessment to identify the scope and significance of potential project impacts on project-affected households (PAHs). As the Project is a linear development project, the survey team interviewed more than 90% of identified potential PAHs in order to develop a comprehensive socio-economic profile. The survey identified 70 households in 26 villages as potentially affected households and interviewed 64 households. This section outlines the key findings of the socio-economic assessment highlighting the impacts of the project on human settlements.

A. Population

26. According to the survey, there are 70 households with 248 persons who will be affected by the project. They live in 26 village communities located in 22 GNDs of 5 DSDs (Table 9).

Table 9: Potential Project-affected Population by Location and Gender

DS Division	No. of Displaced Households	Population		
		Male	Female	Total
Galewela	39	63	73	136
Dambulla	8	10	15	25
Naula	0	0	0	0
Polpithigama	11	24	24	48
Mahava	12	17	22	39
Total	70	114	134	248

Source: EIA Field Information Survey, NWCP, October 2013

27. Infant population constitutes 10% of the affected population. 21% of the population is at the school going age. Half of the population (48%) constitutes the labour force in the Project area. Although the old population is as high as 17%, only a small percentage of it is in fact retired, as farmers do not retire till they become disabled. Male to female ratio is 40:60 (Table 10).

Table 10: Project-affected Population - Disaggregated by Age and Gender

Age (years)	No. of Person	Percentage
5 and below	25	10
6 – 18	51	21
19 – 35	74	30
36 – 50	45	18
Older than 50	44	17
Data not provided	9	4
Total	248	100

Source: EIA Field Information Survey, NWCP, October 2013

B. Occupations

28. Agriculture is a source of income and livelihood. Small irrigation tanks and irrigation systems, and monsoons rains are the principal water sources for agriculture. Almost every village in the project area has an irrigation tank to collect rainwater, and a canal system to convey water to cultivated lands. The cultivable area in a given season depends on the size and capacity of the irrigation system and rain water availability. Farmers distribute water collectively using well established traditions and rules.

29. Only 25% of households are engaged in agriculture as their main source of income in the project area because of high risks associated with farming. In good rainy seasons, villagers store water in irrigation reservoirs and collectively manage water carefully for irrigation and domestic purposes. If a drought sets in during a cultivation season, they could lose the entire crop. Another risk is wild animals harming the crops. As a result, the majority (75%) are engaged in different occupations such as government employment (14%), private sector employment (25%), self-employment (17%), wage labour (14%), and agricultural labour (Table 11). Despite the risks associated with agriculture, uneducated and poor villagers engage in agriculture by finding their own solutions within their limited capacities for the difficulties encountered a season after another.

Table11: Occupations of Potential PAPs in the Project Area

Sector	No. of Persons Engaged	Percentage
Government	15	14
Private	27	25
Self employed	18	17
Daily wage labour	15	14
Agriculture labour	5	5
Farming	27	25
Total	107	100

Source: EIA Field Study, NWP Canal Project 2013 October

30. There are 16 households in the project area identified by the government as low-income households. Many of them are headed by widows. Each household receives a monthly grant from the government under the *Samurdhi* Relief Program (Table 12). They work as daily wage workers in agriculture and non-agricultural activities to supplement the grant, as it is not sufficient to cover their household expenditure.

Table 12: Samurdhi Recipients in the Project Area

Monthly Grant in Rs	No. of Households
350 and less	2
351 – 700	5
701 – 1000	8
More than 1001	1
Total	16

Source: EIA Field Information Survey, NWPCP, October 2013

C. Infrastructure Facilities in the Project Area

31. The project area includes urban, semi-urban and rural settlements. Although the settlement patterns are widespread over a large area, they are well connected through transport facilities.

32. **Roads.** Main towns in the project area are Galewela, Dambulla, Ambanpola and Galgamuwa. The affected villages are directly connected with major road network of the country. Mahawa, Polpithigama and Ahatuweva also can be easily accessed through a secondary road network. Rural areas can be reached through motorable road network although some roads have not been repaired for many years. Gravel roads connect hamlets within villages.

33. **Transport Facilities.** The road networks connecting towns have excellent transport facilities operated by both the government and private sector. In rural areas, transport facilities are satisfactory. Many villagers own bicycles, two-wheeled tractors, motor bicycles, and three-wheelers. Rural villages are also served by private buses, trucks and tractors operated on daily basis by town-based transport providers. They transport people as well as local produce to the market centres.

34. **Health Facilities.** In the project area, there are two base hospitals, three 'A' grade district hospitals, one 'B' grade district hospital and one 'C' grade district hospital, administered by the Department of Health. In addition, depending on the population size, each DSD has a rural hospital and central dispensaries to provide health services to rural village communities. In addition, there is a community health service reaching to the remotest areas functioning under a Regional Director of Health Services. Several communities in the project area are affected by chronic kidney disease (CKDu). Polpithigama and Mahawa DSDs are the areas where increased incidence of CKDu has been reported. For example, the Polpithigama Divisional Secretariat in 2013 had records of 228 kidney patients.

35. **Marketing Facilities:** Dambulla Town is the key commercial centre in the project area. It is connected with Galewela, Kurunagala and Colombo. Many farmers of project-affected villages use private transport facilities to transport vegetables, fruit and grains from their villages to Dambulla commercial centre for sale. Another market network is Galgamuwa and Ambanpola towns and their environs. Farmers buy their agricultural inputs and sell their produce through these market networks. Market centers also provide computer services and skill training programs for the youth.

D. Land Use Patterns

36. Several sections of the canal traverse through land owned by the Forest and Wildlife Departments. In the project-affected villages, farmers cultivate paddy, other field crops (OFCs), vegetable, and fruit trees. Valuable timber such as Teak, Burutha, and Halmilla are also cultivated in homesteads and highland allotments as an investment. Households depend on the monsoons rains to cultivate their crops mainly in the Maha (main) season. In the Yala (minor) season, as discussed earlier, rains often fail destroying their crops. As a result, many farmers cultivate only a portion of their holdings during the Yala season to avert disaster arising from prolonged droughts. The Yala season of 2013 in the project area was a failure.

E. Highland Cultivation

37. During the dry (Yala) season, farmers cultivate root-crops such as beet, radish, leafy vegetables, maize and chilli using micro irrigation systems such as drip irrigation and sprinklers on highland allotments. As the dry season progresses the water level in shallow dug wells drops and the streams and village reservoirs dry out causing threats to crops. This often results in reducing crop yield and yield quality. With assured water supply especially in the Yala season farmers can cultivate their land and improve cropping intensity by using irrigation methods such as drip and sprinkler irrigation.

F. Homestead Development

38. As in other areas of the dry zone, villagers in the project area have neglected their homesteads mainly because of the difficulty in maintaining them during the dry season. Traditionally, homesteads in the dry and intermediate zones were located closer to the village reservoir. Homesteads are mostly cultivated with coconut, mango, cashew, tamarind, jack, kohomba (margosa) which provide an income and shade to the homestead. In addition, they cultivated fruit trees such as banana, orange and lime. Growth and the yield of these trees are affected during yala season due to scarcity of water. The Project is expected to create a high ground water table throughout the year by augmenting water level in village reservoirs enabling the cultivation of crops in both Maha and Yala seasons.

G. Chena Cultivation

39. Chena (slash-and-burn) cultivation of government forests is an avenue of earning a living for dry zone villagers. Depending on the man-power available at a household or the resources available to mobilize labourers, a slash-and-burn cultivation plot could be as big as 5 acres or more. Both poor and non-poor engage in slash-and-burn cultivation of crops such as maize, sesame, millet and vegetable.

H. Land ownership

40. The canal will traverse through a land over which both the government and individuals have a variety of land tenure interests and rights. Part of the canal traverses through government land most of which belongs to the Wildlife Department. Over the years, some of these lands have been distributed among landless poor in surrounding areas on 'government permits' which range from 1 year to 30 years of tenure, enabling them to earn their living by cultivating the land and in some cases to construct their dwellings.

41. Main land tenure types in the project area are:

- (i) **Private Titled Deeds.** The private deeds are registered at the Land Registry under the Act of Registration of Documents. A deed can be transferred to any person through sale or lease, or rent on agreed terms between parties in the presence of a Notary Public.
- (ii) **Jayabhoomi Deeds.** These deeds are issued under the Land Development Ordinance for agricultural and residential purposes with certain conditions. A *Jayabhoomi* land can be transferred to a specified person described in the Schedule of the Land Development Ordinance. A *Jayabhoomi* holder is the owner of the allotment.
- (iii) **Land Development Ordinance (LDO) Permits.** They are issued under the Land Development Ordinance for a specified period of time. An allotment can be transferred to another person following the rules given in the Schedule of the Land Development Ordinance.
- (iv) **Long-term Leases.** These leases are issued under the State Land Ordinance [SLO] for commercial, residential and other purposes described in the Act. Lease period is 30 years with certain conditions. A long-term lease can be transferred to another person with the approval of the concerned authority. Some of the leases are upgraded to freehold ownership after paying the valuation for the land particularly housing allotments under the provision of SLO.
- (v) **Annual Permits.** The permit is a legal document that allows the permit holder to cultivate a piece of state land for a period of 12 months. A levy is charged from the permit holder. He cannot claim any right or interest over the land allotment.
- (vi) **Encroached Land.** Use of state land without permission for various purposes, mainly to cultivate highland crops is prohibited. However, an encroachment could continue over several years with the connivance of state officials. Periodically, the state 'regularizes' some encroachments mainly as a part of the strategy to alleviate rural poverty.
- (vii) **Temple Land.** Several old Buddhist temples have been given large extent of land by the kings. These lands have been recognized by the government as temple lands. The incumbent priests of the temples use the land to obtain services and rituals from people of different castes. These people have become tenants or leaseholders of the temples and pay annual dues to the temple to accept the fact that the temple owns the land. They also perform some traditional services such as painting the temple in lieu of land rights to cultivate temple land. Temple lands come under the purview of Temple Land Ordinance of 1944. Several households of Pahala Bambava GND located close to Galewela town, and Kanadana village in Ranvadiyawa GND live on the lands owned by Bambava Purana Raja Maha Viharaya (Buddhist temple). Several affected households in Valamitiyawa village in Dambulla DSD live on the land that belongs to the Dambulla Buddhist Temple on long-term lease basis. They do not have any legal rights over the land that they cultivate although they have built permanent houses and have developed land as if they were their own.

42. In the project area, dominant land tenure type is titled land in various forms: private ancestral land (30%), *jayabhoomi* grants (26%), *swarnabhoomi* grants (8%) and freehold licensed land allotments (5%). The next largest tenure type is temple land (20%) (Table 13).

**Table 13: Distribution of Different Types Land Tenure
in Project Area**

Type of Tenure	Number of Households	Percentage
Private titled	19	30
Freehold	3	5
<i>Swarnabhoomi</i>	5	8
<i>Jayabhoomi</i>	17	26
<i>Isurubhoomi</i>	0	0
Government permit	2	3
Encroachment	5	8
Temple land	13	20
Total	64	100

Source: EIA Field Information Survey, NWPCP, November 2013

IV. SOCIO-ECONOMIC CONDITIONS OF PHYSICALLY DISPLACED HOUSEHOLDS

43. An involuntary resettlement census was conducted in May and June 2014 in the project area. It covered PAHs' assets and main sources of livelihood affected and their socio-economic status. The gender-disaggregated socio-economic data have been used to determine if special actions are needed by poor and vulnerable households, especially female-headed households, to overcome their socio-economic marginality and disarticulation. As the detailed project designs are being completed parallel to the census of PAHs and PAPs, the data presented in this RIP could be taken as final for the subproject area.

44. Under the first tranche the project area is located in Aluthwewa, Pibidunugama, Hombawa, Ranwediya, Nilagama, Danduyaya, Pahalabambawa and Kospotha GNDs. The subproject will affect 128 households. They include 9 households which has 2 families (for the IR proposed, there will be 11 families) will be physically displaced. The PAH distribution among the GNDs and villages is given in Table 14.

Table 14: Project Affected Households

Division	GND	Village	No. of Households Affected
Galnawa	Aluthwewa	Aluthwewa	22
	Pibidunugama	Pibidunugama	13
	Hombawa	Hombawa	23
	Ranwediya	Kanadana	13
	Nilagama	Nilagama	14
	Danduyaya	Danduyaya	5
	Pahalabambawa	Pahalabambawa Bogaswewa	4
	Kospotha	Kospotha	34
Total			128

Source: MCB Resettlement Census, 2014

45. Of the 128 Tranche 1 PAHs, 9 households will be physically displaced. The canal will traverse through their land affecting their dwellings and homesteads. These 9 dwelling houses for 11 families need to be rebuilt either on the remaining homesteads after land acquisition or at their choice.

A. Population

46. The physically displaced nine households are not 'native' to the project area. All of them in different time phases arrived in their current settlements, when the dry zone land development programs opened up more land for the landless and poor households. Table 15 shows that 7 displaced households arrived in the subproject area after 1970. By holding land permits from the government over a period of time, the majority of households have become eligible to receive *swarnabhoomi* and *jayabhoomi* land titles for the land that they have been cultivating over several decades.

Table 15: Arrival Phases of Displaced Household in the Project Area

Arrival Phase	Number of Households
1960-1970	2
1970-1980	3
1980-1990	2
1990-2000	0
2000-2010	2
After 2010	0
Total	9

Source: MCB Resettlement Census, June 2014

47. Only 27 persons live in the 9 physically displaced households. The average household size is three. The population is largely a young population. They are all Sinhala Buddhists. There are no female-headed households among the physically displaced households (Table 16). All PAPs are in good health, and the census found no disabled PAP. Also, the census did not find a household with divorced or separated parents.

Table16: No. of Affected Households

DSD	GSD	Type of HH		Impact on Residence		Condition of HH		
		Male – headed	Female - headed	Relocation	Isolation	Good Health	Disabled	Vulnerable
Galewela	Danduyaya	1	-	1	-	1	-	-
	Ranwediya	3	-	3	-	3	-	-
	Pahalabambawa	3	-	3	-	3	-	-
	Kospotha	2	-	2	-	2	-	-
Total		9	-	9	-	9	-	-

Source: MCB Resettlement Census, July 2014

48. The physically displaced households live in Ranwediya, Danduyaya, Pahalabambawa, and Kospotha GNDs. All of them are male-headed households. Only one household falls below the poverty line. It will be considered as a vulnerable household and will receive special attention from the Subproject to restore and improve its livelihood.

49. The physically displaced households are well connected with nearby townships such as Galewela and the provincial capital of Matale. Regular bus service connects PAPs with Kurunegala, Dambulla and Anuradhapura cities, and also with markets.

B. Demography of Affected Households

50. 22% of the population is below 18 years and 15% is above 60 years. Of the labour force (19-60 years), 35% are men and 65% are women. This is also a reason for low engagement in agriculture (Table 17).

Table 17: Population, Sex, Marital Status and Age Distribution of Affected Households

GND	Below 18 years				19 – 59 years						Over 60 years					
	Male		Female		Male			Female			Male			Female		
	Married	Unmarried	Married	Unmarried	Married	Unmarried	Widow	Married	Unmarried	Widow	Married	Unmarried	Widow	Married	Unmarried	Widow
Danduyaya	-	2			1		-	1	-	-	-		-	-	-	-
Ranwediyaawa	-	1	-	-	2		-	3	-	-	-	-	-	-		-
Pahalabambawa	-	-	-	1	2	-	-	4	1	-	2	-	-	1	-	-
Kospotha		1	-	1	1	-	-	2	-		1	-	-	-	-	-
Total	-	4		2	6	-	-	10	1		3			1	-	-
Total population = 27																

Source: MCB Resettlement Census, July 2014

C. Affected Homesteads

51. The total area of homesteads affected by the project in Tranche 1 is 3 acres and 15 perches. These are either outright titled land or temple lands (Table18).

Table 18: The Size of Acquired Land based on Land Ownership for Homesteads

Residence Land (Affected Portion)																		
GND	Outright			Swarnaboomi			Jayaboomi			LDO			Temple Land			Encroached		
	A	R	P	A	R	P	A	R	P	A	R	P	A	R	P	A	R	P
Danduyaya	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ranwediyaawa	-	1	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pahalabambawa	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kospotha	-	-	25	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Total		3	15										1					

Source: MCB Resettlement Census, July 2014

52. 75% of the land to be acquired is titled land including outright, jayabhoomi and swarnabhoomi land allotments. 12% of acquired land allotments are government land belonging to the Wildlife Reserve (Table19). A few encroachments on state highland were noted during the resettlement census.

Table 19: Size of Acquired Land based on Land Ownerships for Highland and Paddy Land

Type of Land	High land			Paddy Land		
	Area of land affected			Area of Land Affected		
	A	R	P	A	R	P
Outright deeds	10	0	0	1	3	20
Jayabhoomi deeds	6	0	0	0	1	20
Swarnabhoomi deeds	2	0	0	2	0	0
Encroachment	1	2	15	0	0	0
Government land	2	3	18	0	0	0
Temple land	1	3	0	0	0	0
Total	24	0	33	4	1	0

Source: MCB Resettlement Census, July 2014

53. Most of the landholdings identified for acquisition are dry highland cultivated only during the Maha (main) season in each year under rain-fed conditions. Highland cultivators do not have sufficient resources to dig deep wells or to pump water from a nearby water source to their allotments. The main crops cultivated on these lands are maize, sorghum, chillies, lime, groundnuts, vegetable, and few perennial trees such as jack, breadfruit and mango.

54. Only 4.25 acres of paddy land in the project area will be affected by the construction of the canal. Paddy land holdings too are cultivated only during the Maha season under rain-fed conditions. In the Yala season, some farmers cultivate paddy in a portion of their paddy land with a high risk of crop failure due to drought. During the past two Yala seasons, paddy crops failed owing to drought.

D. Income and Livelihood Sources

55. As in case of other areas of the Project, in the Tranche 1 area, agriculture is not the main source of income of more than 75% of households. Most of households are engaged in private sector employment (55%) as security guards, sales assistants and vehicle drivers (Table 20).

Table 20: Income and Livelihood Sources

GND	Farming	Government	Private Sector	Self-Employment	Business	Hired Labor
Danduyaya	0	0	0	0	0	1
Ranwediya	0	0	1	1	0	0
Pahalabambawa	1	0	3	0	0	0
Kospota	1	0	1	0	0	0
Total	2	0	5	1	0	1

Source: MCB Resettlement Census, July 2014

56. No household is engaged in business or in government service. This indicates the poor educational and skill level among the affected population (Table 20). During the survey, 1 head

of household could not provide information on education, and therefore data was collected only from 10 families. Only 1 out of 10 passed the GCE (O/L) examination. No household has a member who has gained some formal skill training (Table 21).

Table 21: Educational Level of Head of Households

GND	Up to 5Std		6 to 10Std		GCE (O/L)		GCE (A/L)		Degree	
	M	F	M	F	M	F	M	F	M	F
Danduyaya	0	0	0	0	1	0	0	0	0	0
Ranwediya	0	0	2	0	0	0	0	0	0	0
Phalabambawa	2	0	2	0	0	0	0	0	0	0
Kospota	1	0	2	0	0	0	0	0	0	0
Total	3	0	6	0	1	0	0	0	0	0

Source: MCB Resettlement Census, July 2014

E. Affected Dwelling Houses

57. Each homestead and house will only be partially affected by the canal. Remaining portions of homestead could be used for rebuilding new houses or for cultivation. Partly affected houses will not be used as dwellings. Therefore, compensation will be paid for whole structures regardless of the extent of damage in case of affected houses. Moreover, most of the secondary structures which are located close to the affected houses will also be affected by the canal. If a household relocates, compensation will be paid for secondary structures such as wells and small sheds as well.

58. No household will be separated by the canal from other households in an affected village. Each affected household has electricity, and 4 houses have pipe-borne water supply (Table 5).

Table22: Affected Dwelling Houses and Homesteads

GND	Houses Affected			Homesteads Affected	
	Fully	Partly	Isolated	Fully	Partly
Danduyawa	0	1	0	0	1
Ranwediya	0	3	0	0	3
Pahalabambawa	0	3	0	0	3
Kospota	0	2	0	0	2
Total	0	9	0	0	9

Source: MCB Resettlement Census, July 2014

V. POLICY AND LEGAL AND FRAME WORK AND PROCEDURE OF LAND ACQUISITION

59. Land acquisition, compensation, relocation and income and livelihood restoration of the subproject will be guided by the LAA, 1950 and its amendments, National Involuntary Resettlement Policy (NIRP), 2001, National Policy for the Payment of Compensation, 2008, the Land Acquisition Regulations of 2009 (LA Regulations 2009), National Environmental Act of 1980 and amendments, and ADB's Safeguard Policy Statement 2009 (SPS 2009).

A. Land Acquisition Act

60. The LAA provides a legal framework for acquisition of land for a 'public purpose'. It provides detailed procedures for land acquisition, consultations, calculation of compensation for land, structures, and crops at 'market value' and assistance packages. It guarantees that no person is deprived of his land except under the provisions of LAA, and provides a compensation package for acquired land, structures, damaged crops and disturbances caused by the project. The normal procedure for land acquisition begins with a request from a government agency made to the Minister of Land and Land Development (MLLD) to acquire a piece of land for a public purpose. Once acquired, the land is vested in the government agency.

61. Provisions of the LAA are inadequate to address all adverse impacts associated with land acquisition and involuntary relocation. The LAA is indifferent to land losers' socio-economic conditions and long-term adverse impacts on their incomes and livelihoods. The LAA prescribes that market value of land should be paid as compensation which amounts the price a property owner could expect if sold in the open market, whereas the SPS (2009) stipulates that 'replacement cost' should be paid as compensation which includes market value and other resettlement assistance packages. Post-acquisition monitoring of IR impacts is not part of LAA.

B. National Involuntary Resettlement Policy

62. The Government adopted NIRP in 2001 to ensure that (i) PAPs are fairly and adequately compensated, relocated, and rehabilitated; (ii) delays in project implementation and cost overruns are reduced; and (iii) better community relations are restored among PAPs and host communities.

63. The NIRP is based on LAA and its amendments, National Environmental Act of 1980 and amendments, and several other applicable laws such as Urban Development Authority Act and Coastal Conservation Act, Regulations of the Acts, and also on legal opinions of courts on land acquisition, compensation, consultation and income restoration.

64. Principles of the Policy are:

- (i) IR should be avoided as much as possible by reviewing alternatives to the project as well as alternatives within the project.
- (ii) Where IR is unavoidable, PAPs should be assisted to re-establish themselves and improve their quality of life.
- (iii) Gender equality and equity should be ensured and adhered to throughout.
- (iv) PAPs should be fully involved in the selection of relocation sites, livelihood compensation and development options at the earliest opportunity.

- (v) Replacement land should be an option for compensation in the case of loss of land; and in the absence of replacement land cash compensation should be an option for all PAPs.
- (vi) Compensation for loss of land, structures, other assets and income and livelihood losses should be based on full replacement cost and should be paid promptly. This should include transaction costs.
- (vii) Resettlement should be planned and implemented with full participation of the provincial and local authorities.
- (viii) Participatory measures should be designed and implemented to assist those economically and socially affected to be integrated into their host communities.
- (ix) Common property resources and community and public services should be provided to re-settlers.
- (x) Resettlement should be planned as a development activity for PAPs.
- (xi) PAPs who do not have title deeds to land should receive fair and just treatment.
- (xii) Vulnerable groups should be identified and given appropriate assistance to improve their living standards.
- (xiii) Project executing agencies should bear the full costs of compensation and resettlement.

65. The Policy applies to:

- (i) All development-induced land acquisition or recovery of possession by the State.
- (ii) All projects regardless of the source of funding.
- (iii) All projects in the planning phase on the date the policy came into effect and all future projects.

66. The MLLD is responsible for implementing of NIRP. This is done in collaboration with a wide network of public agencies including the CEA, Survey Department, Valuation Department, Ministries concerned, and Divisional Secretariats.

67. NIRP ensures that PAPs are treated in a fair and equitable manner, and that they are not impoverished in the process of land acquisition and resettlement. The Policy also enables establishing a framework for project planning and implementation that would meet international best practices in involuntary resettlement including involuntary resettlement safeguard policy principles and requirements of ADB.

C. National Policy on Payment of Compensation (2008) and LA Regulations (2008)

68. The Cabinet of Ministers approved the National Policy on Payment of Compensation (NPPC) in November 2008 in order to establish a uniform system of adequate compensation payment, based on LAA, NIRP and several other laws applicable to land acquisition and resettlement, and also to supersede all other *ad hoc* and special compensation packages used by government agencies such as Road Development Authority. The LA Regulations 2008, ratified by the Parliament of Sri Lanka in 2009 as Regulations of LAA gave effect to both NIRP and NPPC. The LA Regulations 2008 incorporated NIRP and NPPC principles into Sri Lanka's

legal framework thereby improving the congruence between local regulatory framework for land acquisition and resettlement, and international best practices for involuntary resettlement.

D. National Environmental Act (NEA) 1980 and 1988

69. The National Environmental Act (NEA), No.47 of 1980, amended by Act No.56 of 1988 has some provisions relevant to involuntary settlement. The Gazette notification No.859/14 of 23 February 1995 determined the projects and undertakings for which Central Environmental Authority (CEA) approval is needed in terms of Part IV – C of the NEA. Item 12 in the Schedule requires the formulation of RIP to address involuntary resettlement of 100 or more households.

E. Safeguard Policy Statement of ADB, 2009 (SPS)

70. The objectives of the involuntary resettlement (IR) safeguards policy of ADB are: (i) to avoid involuntary resettlement wherever possible; (ii) to minimize involuntary resettlement by exploring project and design alternatives; (iii) to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and (iv) to improve the standards of living of the displaced poor and other vulnerable groups.

71. IR safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. IR safeguards apply whether such losses and involuntary restrictions are full or partial, permanent or temporary.

72. The IR policy principles are:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.
- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full

replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.

- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance such as land development, credit facilities, training or employment opportunities, and (iii) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (vii) Ensure that displaced persons without titles to land or any recognisable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- (x) Conceive and execute involuntary resettlement as part of a development project or programs. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

F. Gap Analysis: Resettlement Regulatory Framework of the Investment Program and Involuntary Resettlement Safeguard Policy of ADB

73. LAA is the legal framework for compensation for acquired land and structures and land development. The NIRP and LA Regulations 2009 together with LAA provide a comprehensive resettlement regulatory framework which broadly matches IR safeguard policy objectives and principles. A Gap Analysis Matrix is given in Annex 1.

74. The key gaps between LAA and IR policy principles of SPS were (i) the entitlements of non-titled PAPs, (ii) compensation at replacement cost, (iii) income restoration and improvement, (iv) consulting PAPs and their host communities on relocation options; (v) special assistance to vulnerable PAPs, (vi) monitoring and assessment of resettlement outcome and impacts, and (vii) the formulation of RIP to address these issues.

75. The issue of non-titled PAPs' entitlements is addressed in LAA and elaborated in NIRP and LA Regulations 2009. Under the LAA any person having a 'right, title or interest in or over the land which is to be acquired or over which a servitude is to be acquired' (section 10(1)) is entitled to compensation. A person who has 'interest' in land apart from owner and co-owners area mortgagee, a lessee, or an occupier absolutely for himself or in trust for another person or for any charitable, religious or other purpose, or a person having a servitude over the land (section 65 as amended in 1964). The Court of Appeal in 2001 added tenants to this list. The court also held that the occupier 'could not, in any event, be evicted without being compensated in respect of his improvement (if, in fact, he is the owner of such improvements)'. The court distinguished between 'ownership of the property' and 'ownership of land improvement'. This matches with ADB's IR safeguard Policy Principle 7 that those who do not hold title to land are eligible for resettlement assistance and compensation for loss of non-land assets.

76. NIRP takes replacement cost as the norm for cash compensation. The LA Regulations 2008 detail how the total compensation package amounts to replacement cost of acquired land and other properties such as dwelling and business structures. MLLD's 'A Guide for Public Officials on Good Practices' (MLLD 2013) guides that in preparing the entitlement matrix 'to determine replacement cost for land and structures which will be acquired to the project'.

77. Restoration and improvement of income sources and livelihood of PAP is a key resettlement principle of NIRP. MLLD (2013) states that in preparing a RIP it is necessary to identify persons and households severely affected in terms of their income and employment losses; conduct consultations to develop an income restoration program for all PAPs; and develop a special income improvement program for vulnerable PAPs.

78. Consulting PAPs and their host communities on relocation issues is also a key resettlement principle of NIRP. Special assistance to vulnerable PAPs constitutes a core resettlement principle of NIRP and is elaborated further in LA Regulations 2009.

79. Monitoring and assessment of resettlement outcome and impacts which is an IR safeguard policy principle is not addressed in the resettlement regulatory framework.

80. NIRP and LA Regulations 2009 require the formulation of a RIP to address IR safeguard requirement. LA Regulations 2009 states that 'formulation of an RP and its implementation is the responsibility of the project executing agency and project management unit (PMU) of a development project.

G. IR Principles Applied to the Project

81. Based on the comparative review of various resettlement policies, laws, regulations and guidelines of Sri Lanka and the ADB Involuntary Resettlement Policy, the following broad resettlement principles are distilled for this investment program to apply to its projects:

- (i) Screen each project of the investment program to determine whether it triggers the following IR principles and to determine the scope of resettlement planning required.
- (ii) Take every effort to avoid physical displacement and/or any other adverse impacts on livelihood and income sources and community resources and infrastructure. If physical displacement and economic displacement are unavoidable, the following actions will be taken to ensure that they improve or at least restore their income and livelihoods and rebuild their socio-cultural systems.
- (iii) Consult and inform all PAPs on land acquisition, compensation, and rehabilitation, and their entitlements and grievance redress mechanism.
- (iv) Provide special project assistance to meet the needs of affected vulnerable people such as poor, landless, elderly, woman-headed households, informal settlers and squatters.
- (v) Improve or at least restore livelihoods of all affected households through cash-for-land compensation at replacement cost for acquired or damaged non-land property, and cash-for-land or land-for-land for land acquired.
- (vi) Provide well-planned and budgeted income restoration and improvement programs for the benefit of PAPs, especially for the poor and vulnerable groups.
- (vii) All common property resources lost due to the project will be replaced or compensated by the project;
- (viii) If land acquisition is through negotiated acquisition, the project will ensure that PAPs who enter into negotiated acquisition will maintain the same or better income and livelihood status.
- (ix) PAPs without title to land are eligible for resettlement assistance.
- (x) Disclose resettlement information and RIPs including consultation documentation before the project appraisal in a form, manner and language(s) accessible to PAPs and other stakeholders. The final RIPs and their updates, if any, will also be disclosed to PAPs and other stakeholders in the same manner.
- (xi) The full costs of resettlement will be included in project costs.
- (xii) Pay compensation and provide other entitlements to each eligible displaced person before physical displacement due to starting any construction work starts.
- (xiii) Monitor and assess the progress of RIP implementation and prepare monitoring reports to share with ADB, PAPs and other stakeholders.

82. In accordance with IR principles outlined above, all PAPs are entitled to a combination of compensation packages and resettlement assistance according to the nature of ownership/user/occupier rights and interests on lost assets and the degree of project impacts on socio-economic conditions and vulnerability of PAPs. Please refer to Figure 1. It summarises

the entitlements of PAPs/PAHs against different losses. The full description and budget allocations are given in sections 8 and 9.

H. Land Acquisition Procedure

83. Land for the subproject will be acquired under the regulations and guidelines of the Land Acquisition Act as elaborated in this section.

Figure 1: Entitlement Matrix

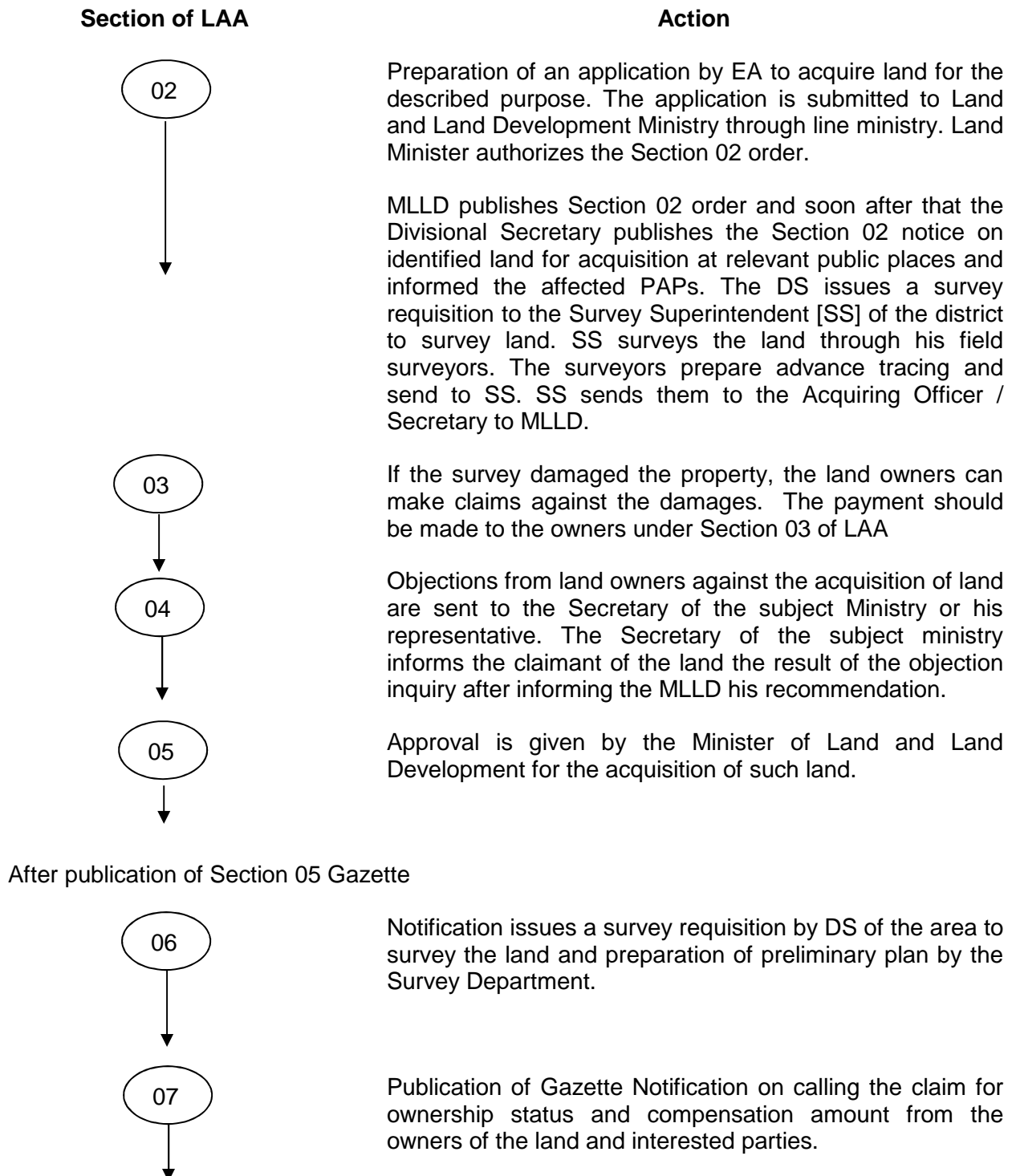
Type of Loss	Application	Entitled persons	Entitlements	Implementation Agency	Implementation Procedures
Loss of Agricultural Land	Land acquired for the canal and related facilities such as service roads	Owner of titled land	a) Compensation for land at replacement cost b) Market value for trees and crops.	EA/PIU	<p>1. Compensation rates are determined based on NIRP, and LA Regulation, 2009</p> <p>2. Replacement land: PAHs will purchase replacement land in same locality using the statutory compensation and special grant provided regardless of the tenure type of the acquired land. The formula is given below:</p> <p>(a) homestead – Rs 5,000,000 per acre; (b) Highland allotment – Rs 2,000,000 per acre (c) Paddy land – Rs 450,000 per acre; and (d) Chena land – Rs 200,000</p> <p>3. Other assistance outlined in RIP will also be provided by PIU</p>
Loss of Agricultural Land	-do-	Lease holder of state land	a) Compensation for loss of lease-hold land right b) Market value for trees and crops	-do-	
Loss of Agricultural Land	-do-	Owner of State grant land	a) Compensation for land at replacement cost, and trees and crops at market value	-do-	
Loss of access to agricultural land	-do-	Owner of titled land	a) Compensation for land on replacement cost b) Compensation for crops and trees at market value	-do-	
Loss of access to agricultural land	-do-	Ande Farmer (Share cropper)	a) Compensation for loss of Ande right; and b) compensation for crops destroyed/damaged	-do-	
Loss of access to agricultural land	-do-	Non-titled user or squatter on State land	a) Compensation for land development; b) Replacement cost of structures built; and c) Compensation for trees and crops at market value	-do-	
Residential Land and Structures					
Loss of Residential land and structures	Land acquired for canal, related facilities such as service roads	Owner of titled land (Main HH)	a) Compensation for structures and land at replacement cost b) Trees/crops at market value c) Salvage materials from structures and trees without cost d) Cash grant for purchase of housing allotment e) Transport cost and other transaction cost f) Cash grant for temporary shed (Rs 50,000)	EA /PIU	<p>1. Compensation rates are determined based on NIRP, and LA Regulation 2009.</p> <p>2. Replacement home-stead will be purchased by each physically displaced household for relocation in the same locality with the cash grant provided by PIU.</p> <p>The cash grant will enable PAH to:</p> <p>a) purchase 20 perches of land, if lost up to 20 perches of land; b) purchase 40 perches of land, if lost between 21 and 40</p>
Loss of Residential land and structures	-do-	Owner with State grant land (Main HH)	a) Compensation for structures and land at replacement cost, b) Trees and crops at market value. c) Salvage materials of structures and trees without cost; d) Cash grant to purchase of housing allotment. e) Transport cost and other transaction cost;	-do-	

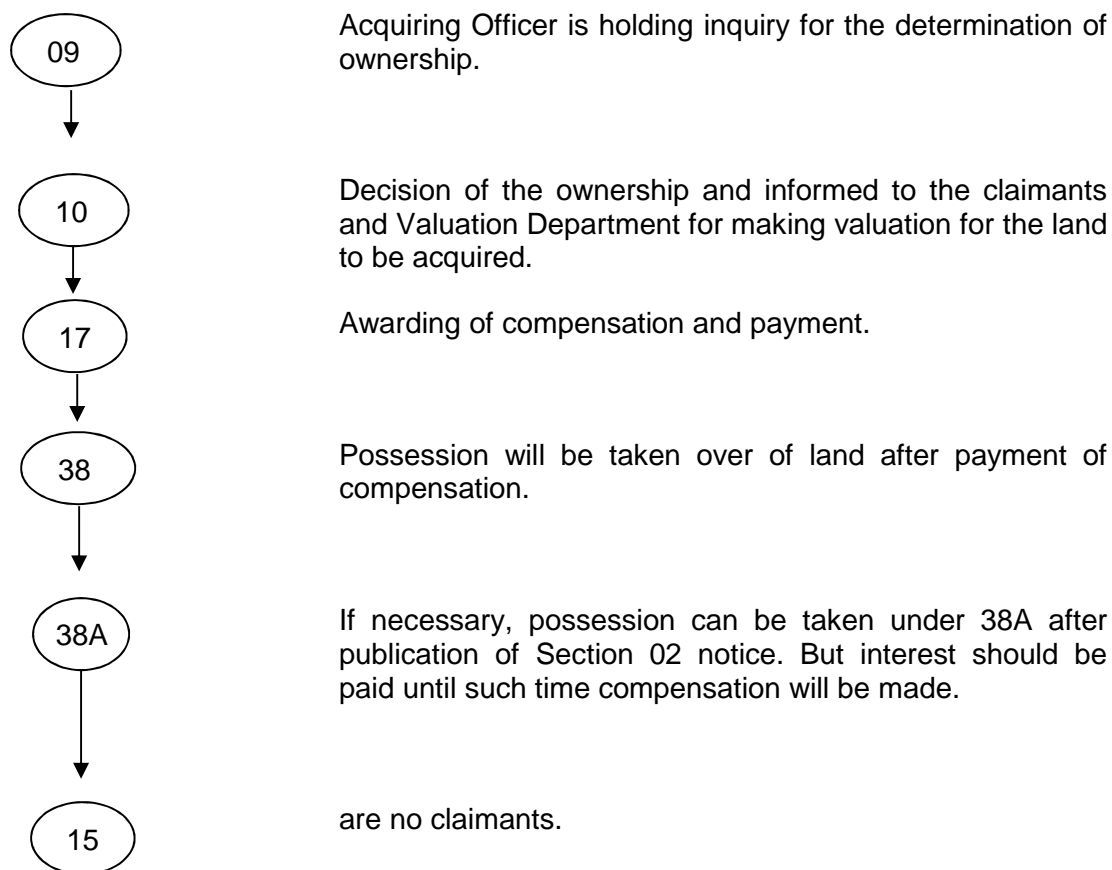
Type of Loss	Application	Entitled persons	Entitlements	Implementation Agency	Implementation Procedures
Loss of Residential land and structures	-do-	Lease holder of state land	e) Cash grant for temporary shed (Rs 50,000). a) Compensation for structures at replacement cost; b) trees and crops at market value, compensation for leasehold right for land; c) Salvage materials of structures and trees without cost; d) Cash grant for purchase of housing allotment; e) Transport cost and other transaction cost; f) Cash grant for temporary shed.	-do-	perches of land; c) purchase 60 perches of land, if lost between 41 and 60 perches of land; d) purchase of 80 perches of land, if lost between 61 and 80 perches of land. The above special grant applies to the 2 sub-families who will be physically displaced with their main households. Each sub-family will receive the special grant as if it lost less than 40 perches of land to the Subproject. 3. Other assistance outlined in RIP will also be provided by PIU
Other Private Properties or Secondary Structure					
Partial or complete loss of other property or secondary structure (i.e. shed, outdoor latrine, rice store, animal pen etc.)	Land acquired for canals, related facilities such as service road	Owners of structures regardless of whether the land is owned or not)	a) Compensation for structure and land at replacement cost b) trees at market value; c) cash grant for purchase of housing allotment; d) Salvage materials without cost; and e) Cash grant for temporary shed (Rs 50,000).	EA /PIU	1. Compensation rates are determined based on NIRP, and LA Regulation, 2009 2. Other assistance outlined in RIP will also be provided by PIU
Loss of tombs or graves	-do-	All owners	a) In case of a family cemetery, compensation will be paid for the lost land and structure b) If it is a public facility run by a local authority, compensation will be paid to the local authority	-do-	
Livelihood Restoration and Rehabilitation Assistance					
Materials Transport Allowance					
i) Loss of house and other structures		PAHs rebuilding house and other structures on same plot	a) Shifting allowance	EA/ PIU	
ii) Loss of house and other structures		PAH rebuilding house and other structures at a	a) Shifting allowance b) Transport allowance	EA/PIU	

Type of Loss	Application	Entitled persons	Entitlements	Implementation Agency	Implementation Procedures
		relocation site.			
Transition Subsistence Allowance					
Loss of house		Each member of severely affected household	As per LA 2009 Regulations.	EA / PIU	
Livelihood Restoration (Grant and Training)					
Loss of source of income or livelihood		PAPs/ household	a) Vocational & skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	-do-	
Permanent loss of income or livelihood sources		One member per household	a) Vocational & Skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	-do-	
Permanent loss of income or livelihood sources		Severely affected household remaining on the affected land	a) Vocational & Skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	-do-	
Special Assistance					
Loss of income or livelihood sources		Vulnerable PAHs including the poor and woman-headed household	a) Rs.25,000/= cash grant b) Priority in membership in Income restoration and improvement programs c) Assistance in official document search and registration.		
Community Assets					
Loss of local roads, footpaths, bridges, irrigation, water ways		Divisional Secretary's Division, Local Authority and local community	a) All lost infrastructure facilities will be rehabilitated to their original conditions. b) If such affected infrastructure facilities cannot be provided, alternative infrastructure facilities will be provided	EA / PIU	- do-

HH = household; PIU = Project Implementing Unit, EA = Executive Agency, R = Road, P= Perch,

Figure 2: Land Acquisition Procedure



Section of LAA**Action**

84. The above flow chart indicates that the time frame is 71 weeks for the completion of land acquisition and compensation payment under LAA. However, delays can occur due to poor coordination among the agencies such as DS Office, Valuation Department, Survey Department and Land Registry. Therefore, a Land Acquisition and Resettlement Unit will be established at the PMU. The EA will appoint a well experienced Acquiring Officer to conduct the process and liaise with the Divisional Secretariat, Valuation Department, Survey Department and Land Registry to expedite the acquisition tasks. With efficient administration of the process, it is possible to complete the entire acquisition and compensation program in 25 to 40 weeks.

85. Under the provision of Part IV C of the National Environmental Act No.72/22 of 24 June 1993 and No.859/14 of 23 February 1995, the Central Environmental Authority (CEA) approval is required for a resettlement implementation plan for project causing involuntary resettlement exceeding 100 families other than resettlement affected under emergency situation.

VI. CONSULTATION, PARTICIPATION, AND INFORMATION DISCLOSURE

A. Objectives of Consultation

86. The main objectives of consultations with PAPs and other stakeholders are:

- (i) To provide PAPs with information on their entitlements including compensation package and resettlement assistance schemes.
- (ii) To obtain comments from PAPs on how to improve the resettlement process and comments on draft RIP.
- (iii) To create goodwill among PAPs and the project personnel.
- (iv) To describe project benefits to PAPs.
- (v) To identify their issues and problems and find ways and means to resolve them.

87. The MMDE contacted PAPs and other stakeholders through MCB and DSs to discuss the scope of the Project, its benefits and potential adverse impacts and proposed mitigation measures. The MMDE actively engaged in examining project alternatives, scope of land acquisition, potential direct and indirect impacts on economic activities, and social and cultural identity and networks of the affected persons, and resettlement planning, implementation, and monitoring needs. In these key activities ADB assisted the EA.

88. The MMDE conducted several project awareness programs to meet PAPs, especially the potential physical displaced, vulnerable households, religious and community leaders, local elite, and community-based organizations (CBOs) such as farmer organisations. In such meetings, their views, opinions and recommendations on compensation packages, relocation programs, and regarding the final trace of the canal were obtained. In these discussions, representatives of relevant government agencies (GN officers, representative of the Divisional Secretary of the area) and local business community also participated.

89. In December 2013, a series of project awareness creation workshops were held at the Galgamuwa Irrigation Training Institute for Divisional Secretaries, Chairmen of Pradeshiya Sabhas and officials of the Agrarian Development Department, Irrigation Department, Department of Wildlife Conservation, Forest Department, Mahaweli Authority of Sri Lanka at Dambulla, Gelewela and Polpithigama Divisional Secretariats.

90. Several grassroots level awareness meetings were organized by GN officers with the support of Divisional Secretaries of Dambulla, Galewela, Polpithigama and Mahawa DSD. Officers of Irrigation Department, Economic Development Officers and GN officers and officers of the MCB attended these meetings. Representatives of ADB participated in the small group discussions held in Pannampitiya and Lenadora South GNDs.

91. Table 23 indicates the dates and location of grassroots level project awareness meetings.

Table 23: Grassroots Level Awareness Meetings

DS Division	GN Division	Date of Meeting	Venue of Meeting	No. of Stakeholders Present	No. of Officers Attended
Galewela	PahalaBambawa and Ranwediya	24 March 2014 (Morning Session)	Pahala Bambawa Temple	27	9
Galewela	Danduyaya, Dambagolla and Nabadagahawatta	24 March 2014 (Evening)	Danduyaya Temple	22	10
Polpithigama	Polpithigama, Bogolla	25 March 2014 (Morning)	DS Office	25	13
Polpithigama	Amunukole, Hathigamuwa	25 March 2014 (Evening)	Amunukole temple	50	9
Polpithigama	Bulnewa, Moragllagama	26 March 2014 (Morning)	Bulnewa temple	28	9
Polpithigama	Kattambuwwa	26 March 2014 (Evening)	Private house	38	8
Galewela	Nilagama, Aluthwewa, Pibidunugama	27 March 2014 (Morning)	Aluthwewa temple	42	9
Galewela	Hombawa	27 ^t March 2014 (Evening)	Andagala temple	26	7
Galewela	Koapotha	28 March 2014 (Morning)	Danduwwagolla temple	27	6
Polpithigama	Pallekele	28 March 2014 (Evening)	SANANSA meeting hall	37	5
Dambulla	Pannampitiya	1 April 2014 (Morning)	Parakum Community hall	29	12
Dambulla	Lenadora north	1 April 2014 (Evening)	Lenadora Community hall	31	13
Dambulla	Ethabendiwewa	2 ⁿ April 2014 (Morning)	Menikdena Community hall	37	9
Dambulla	Welamitiyawa	2 April 2014 (morning)	Welamitiyawa temple	14	7
Mahawa	Mahawa	3 April 2014 (Evening)	Konwewa Community hall	47	13

92. Several key issues were highlighted at the meetings which are summarised below:

- (i) Potential PAPs emphasised that they have no objection to the Project and its implementation, and they are willing to give their utmost support in the Project activities. However, they highlighted their past experience with difficulties in obtaining their compensation for their properties acquired by other development projects, and pleaded not create similar situation under the Project.
- (ii) PAP's, officers of line agencies and general public requested they be made aware of the project activities, canal tracing and compensation process. All

project activities connected with communities should be done with transparency, and the true scope of the Project should not be concealed from project beneficiaries. Decision making on behalf of the community should be done in the presence of the representatives.

- (iii) A strategy should be formed to listen, discuss and provide solutions to community problems at the GND level.
- (iv) Displacement of households should be done minimally, and where unavoidable. Resettlement of such households should be done in an area where basic infrastructure facilities similar to what they enjoy at present are present, and also in close to their original community.
- (v) Cash compensation should be paid as a single payment after a fair assessment based on market prices.
- (vi) Relocation should be done only after the payment of compensation. Compensation should be paid to both husband and wife to avoid family disputes.
- (vii) If livelihood is lost, a comprehensive income restoration program should be introduced before the project activities start.
- (viii) Implementation of the Project should be done with minimum damage to houses and other private property.
- (ix) There should be a mechanism to uplift the displaced persons who are vulnerable - suffering with chronic illnesses, disabled people and widows, and to provide housing facilities for them.
- (x) The Project should engage PAPs in construction work and inform them of time schedule of such activities well in advance.
- (xi) PAPs who live on temple and *devala* lands on long term leases need special attention of the Project and should be treated fairly and justly in paying compensation. Good communication and coordination system should be established with head priest of temples and *devalas* to avoid issues in paying compensation.
- (xii) The formulation of a detailed RIP should be done by competent and experienced resettlement consultants.

93. A stakeholder consultation workshop on resettlement issues was held on 28 August 2014 at the Galewela Divisional Secretariat. 66 PAPs and 28 government officials participated in the workshop. The key issues discussed at the meeting were the comprehensive cash compensation packages and income restoration and improvement programs under the project. Among the participants were the representatives of the 9 households who will lose their dwellings and land, and those who will lose land only to the Project. The participants supported the Project and wanted to be its beneficiaries.

94. The consultations were held in an atmosphere conducive to free exchange of views and recommendations without any intimidation from the government officials or project officials who attended the workshop. In fact, they supported the MMDE in understanding the resettlement issues better and PAPs who need special attention and the issues that need urgent attention such as finding replacement land in the locality.

95. The physically displaced households who earlier wanted the Project to find replacement land for homesteads and highland allotments indicated that they would prefer to purchase replacement land by themselves using the cash that they will receive in the form of compensation and special grant (See Annex 2).

B. Public Opinion on Resettlement and Related Issues

96. During the socio-economic survey, the EIA and resettlement census PAP supported the Project. They, however, were interested to know about their compensation packages and the relocation options. They were of the view that their present livelihood pattern would be affected if they were to move out of their villages and resettle in far-away settlement sites. Their key worry is that they might not get a reasonable compensation package prior to the commencement of project activities.

97. Most of the participants at consultations indicated that they possess a good knowledge of the Project and of how it would affect them adversely and positively. Each household which will lose its house to the subproject indicated its compensation and resettlement preferences. Those who lose dwellings but will have sufficient land left after land acquisition prefer to reconstruct their houses on the same landholdings without moving out to a resettlement site. Those who will lose dwellings and land to the Project, and will not have sufficient remaining land to rebuild households want to remain in their current village or community. They plan to buy land in the same area to rebuild houses, so that they could continue with their current livelihoods and maintain socio-economic networks.

98. Consultations with PAPs and other stakeholders will continue during RIP implementation to inform PAPs and other stakeholders about the Project activities and their progress and to learn any corrective actions that the Project should take. During the implementation of income restoration program, project officers will be responsible for assisting and facilitating PAPs on development programs designed for them.

C. Disclosure of Resettlement Information

99. Resettlement information - measurement of losses, detailed asset valuations, entitlements and special provisions, grievance redress procedures, timetable for cash compensation payment, physical displacement schedule and project construction schedule - will be disseminated by the MMDE through brochures, leaflets, or booklets written in Sinhala. For non-literate people, other communication methods such as small group discussions and posters will be used.

100. The RIP will be implemented in close consultation with the stakeholders, particularly with PAPs through focus group discussions and stakeholder consultation meetings. Women's participation will be ensured by involving them in public consultations at various stages of project preparation and implementation, and by arrangements which would enhance their ability to attend such meetings.

101. The MMDE will submit the following planning documents to ADB for disclosure on ADB's website:

- (i) RIP before project appraisal;
- (ii) A new RIP or an updated RIP for ADB approval, and a corrective action plan (CAP), if any, prepared during project implementation; and

- (iii) Resettlement monitoring reports

D. Gender Impacts and Vulnerabilities, and Mitigation Measures

102. In the subproject areas, most of private lands are owned by heads of households who are men. There are several built in inheritance or sale barriers, and as a result, many transactions take place under the table, and in such exchanges invariably only men are involved. In order to avoid fragmentation of a land holding which would make the holding economically unviable, it is the general practice in the area to pass on the land holding to one child. If there is a son, he will get the holding. Rarely a daughter gets a holding from her father. No women hold land as the owner or renter or tenant among the households affected by the subproject.

103. Although women are not the owners of land, they play a significant role in land cultivation, irrigation decisions, local organizations, agricultural production and marketing activities. An example is that 35% of the attendees at the stakeholder workshop were women.

104. The communication strategy of the Project will include women group discussions that focus on possible displacement and relocation, potential impacts on their socio-cultural systems, any potential threats regarding their safety during construction owing to the presence of labourers from outside, potential opportunities for women to engage in project activities to earn an income, and on special care to be taken by contractors during project construction activities, if women are recruited as workers.

E. Cut-off-Date

105. Tranche 1 project cut-off date for compensation was on 1 July 2014. The resettlement census of the subproject households was completed on this date. This applies to non-title holders such as squatters and informal settlers, encroachers, tenants and leaseholders. The relevant local authorities will request through GN officers to refrain from granting approvals for new constructions within the subproject area after the cut-off-date. The MMDE will disseminate information regarding the cut-off date throughout the project area through GN officers and DSs. Persons who occupy land in the project area after the cut-off-date are not eligible for compensation or resettlement assistance. Structures such as houses, crops, fruits, trees and wood lots established after this date are also not eligible for compensation.

VII. COMPENSATION

A. Valuation of Lost and Affected Assets

106. The LAA, NIRP and LA Regulations 2009, outlined in section 5, constitute the resettlement regulatory framework for determining the replacement cost. Replacement cost comprises fair market value of the property and other compensation packages that are elaborated in NIRP and LA Regulations 2009 (see below). The valuation of acquired property will be done by the Valuation Department on the request of by the Divisional Secretary of the area where land is located. DS is the land acquiring officer. The compensation package has two components: compensation package under the LAA, and special assistance scheme under the LA Regulations 2009. The latter is given regardless of the type of land tenure of the affected households. Both packages together amount to the replacement cost of a property acquired; and in some cases, such as annual permit holders, exceeding the replacement cost. The entitlement matrix reflects these compensation packages and who is responsible for distributing these packages to PAPs.

B. Assessment of 'Replacement Cost'

107. LAA provides for determining compensation based on 'market value'. It defines market value as 'the amount which the land might be expected to have realized if sold by a willing seller in the open market as a separate entity on the date of publication of that notice in the Gazette ... [Section 46(1)]. The NIRP states that compensation will be based on 'replacement cost' of acquired land and structures. 'Compensation for loss of land, structures, other assets and income should be based on full replacement cost and should be paid promptly. This should include transaction costs [Principle 6].

108. The LA Regulations of 2009 under section 63(2) (f) of the LAA did not adopt 'replacement cost' as the basis for compensation as LAA does not use the concept, instead it used 'market value' as defined in LAA together with several safeguard provisions to eliminate inequities arising from methods of valuation and determining 'market value' there by upgrading compensation to the level of replacement cost.

109. The current IR regulatory framework ensures that persons affected by land acquisition receives replacement cost, so that they could maintain the same socio-economic status that they enjoyed prior to land acquisition, or that their living standards are raised to a higher level compared with the pre-acquisition level particularly in case of the poor. As outlined above, LA Regulations of 2009 under 'Disturbances' make the necessary provisions for compensating every possible cost incurred by a PAP during the acquisition of their properties. Section 3.11 of the LA Regulations 2009 provides a range of compensation for 'disturbances' that are caused by land acquisition. The total package of compensation and other payments would bring compensation to the level of 'replacement cost' which is also a best international practice in involuntary resettlement. The LA Regulations 2009 provides the following compensation packages to those who lost land to a public project.

- (i) Where part of a land is acquired and when its value as a separate entity deems to realize a value proportionately lower than the market value of the main land, the compensation will be proportionate to the value of the main land.
- (ii) A building used for occupation or for business purpose, or was intended to be used for occupation or business purpose on the date the intention to acquire was

published, the difference between the cost of re-construction and the value of building based for determination of market value will be paid as additional compensation.

- (iii) Value based on 'development potential' is considered in determining the value of land when a paddy land plot is acquired if the Agrarian Services Commissioner General's approval has already been obtained to convert it into a non-agricultural land.
- (iv) Where an acquired building is occupied by a tenant/statutory tenant protected under the provision of the Rent Act No. 7 of 1972 (as amended thereafter) compensation will be ascertained in proportion having regard to the provisions of Rent (amendment) Act No. 26 of 2006.

110. Damages caused by injurious affection and severance should be allowed fully. Compensation for disturbance is based on the "value to owner" will be paid based on written claims:

- (i) Expenses incurred during appearing under LAA Section 9 Inquiry: maximum payment is SLRs 10,000.
- (ii) Expense of finding an alternative accommodation: If the anticipated physical displacement is temporary, maximum of three months rental; if the anticipated physical displacement is permanent, a maximum of 6 months rental of SLRs 10,000 per month is payable for a house where floor area is less than 1,000 square feet.
- (iii) Cost incurred in change of residence: SLRs 10,000 for houses where floor area is less than 1,000 square feet and SLRs 15,000 for houses where floor area is between 1,000 and 2,000 square feet. SLRs 25,000 for houses where floor area is more than 2,000 square feet. If sub families live in a house, the payment should be divided proportionately. For other properties, maximum of SLRs 25,000 is paid based on the nature of the occupation.
- (iv) Cost of advertising: permanent displacement of informal business establishment will get SLRs 2,500 and a formal business establishment, SLRs 15,000.
- (v) Re-fixing cost of fixtures and fittings; transport expenses: SLRs 5,000 for a house/residence. In case of a business premises or any other structure of specific nature, the amount should be based on actual expenses.
- (vi) Loss of earnings from business: SLRs 15,000 a month for informal businesses. For formal businesses compensation amount is based on accounts and tax returns pertaining to preceding three years.
- (vii) Increased overhead expenses: will be paid according to the circumstances.
- (viii) Double payments, for example, rent or rates: This is to be calculated based on actual expenditure; all other expenses incurred by the owner in relation to the acquisition: losses sustained because of the compulsory sale of the business due to the acquisition, for example, sale of livestock.
- (ix) Other additional expenses for disturbance or compensation not considered under any other compensation item above: disturbance experienced by tenants fall into this category. A payment in respect of vulnerable persons such as old and

disabled people who are dependent on affected persons. Another category is self-employment. The maximum payment for any of these disturbances is SLRs 15,000.

- (x) When an owner of a house or of an investment property is displaced, additional 10% of the market value is paid as compensation. This is conditional upon leaving the acquired property on the stipulated date.
- (xi) When a value of a piece of land acquired is based on its agricultural potential, the displacement cost and loss of income will be taken into consideration in determining its value.

111. Having considered the above regulatory framework and the desire of the Cabinet of Ministers to provide adequate assistance to all PAPs of the subproject, the following compensations package area approved for the Project.

C. Compensation Package for Land and Resettlement

112. Community Consultative Groups (CCGs) will be established in each affected GND to assist affected households and PAPs in compensation determination, payment, appeals, housing and income restoration programs. CCGs will also help affected households in finding alternative lands and in re-investment of cash compensation in productive activities especially in income-generating programs. (See Section 10 Grievance Redress Mechanism).

113. The 11 households (including 2 sub-families) who will be losing their houses will be considered as severely affected households. These households are entitled to a compensation package under Land Acquisition Act as well as under the special assistance scheme at least to restore their livelihood at pre-project status. These entitlements will be given to them on a priority basis prior to the acquisition of land and other property.

114. Seven out of 11 (including 2 sub-families) physically displaced households have opted to rebuild their new houses on the remaining portions of the acquired residential allotments. During stakeholder consultation workshop, other four households, who initially prefer land to land, agreed to find suitable lands (with their understanding and confirmation from the government, that there is no government land available) to construct their new houses and requested replacement cost of the lost land for this purpose.

D. Allocation of Special Grant for Purchasing Residential Land Plots (Homesteads)

115. The following formula has been approved by the EA in consultation with MLLD and the Divisional Secretary for provision of a special grant in addition to statutory compensation. The two sub-families will get the special grant to buy land for constructing their own houses. They will be treated as those who lost less than 20 perches of land.

116. The special grant is applicable to each of the physically displaced households regardless of whether it has sufficient left-over land after the acquisition to rebuild the house lost. Therefore, it will apply for 11 families who will be physically displaced,

- (i) A household which loses 20 perches (1/8 acre) of land or less to the subproject is entitled to receive SLRs 750,000 to purchase a piece of land of similar quality and size in the locality.

- (ii) A household which loses between 21 and 40 perches (1/4 acre) of land to the subproject is entitled to receive SLRs 1,250,000 as cash compensation enabling it to buy a land plot of similar quality and size in the locality.
- (iii) A household which loses between 41 and 60 perches of land is entitled to receive SLRs 1,750,000 to buy a land plot of similar quality and size in the locality.
- (iv) A household which loses between 61 and 80 perches (1/2 acre) of land is entitled to receive SLRs 2,000,000 to buy a piece of land in the locality.

E. Allocation of Special Grant for Acquired Agricultural Land

117. Each affected PAP who cultivates highland, paddy land and chena (slash-and-burn) land and occupies a homestead is entitled to receive compensation as follows:

- (i) Housing allotment (homestead): SLRs 5,000,000 per acre of land
- (ii) Highland allotment: SLRs 2,000,000 per acre of land
- (iii) Paddy land: SLRs 450,000 per acre
- (iv) Chena land: SLRs 200,000

F. Special Assistance to Household who Live on Temple Land

118. The resettlement census identified one household living on the Bambawa Temple land on lease. He is not eligible to receive compensation according to the land law. Under the project, the household will be given a cash grant to purchase land under the special grant scheme. The person will also be entitled to compensation on leasehold rights.

G. Special Assistance to the Bambawa Temple

119. During the resettlement census, 5 land parcels that belong to the Bambawa Temple were identified as affected land. The total area of the 5 land parcels is 40 perches. Several discussions with the chief incumbent of the temple have been held on the scope of land acquisition, compensation rates, resettlement policy and strategies. He requested the EA to find replacement paddy land in the area. But the EA cannot find replacement paddy land in Galewela area as requested. Therefore, the EA proposes that the temple be allocated 5 acres of paddy land and 1 acre of high land in System D of the Mahaweli system in Medirigiriya as replacement land.

H. Technical Assistance for House Construction

120. The 11 physically displaced households are expected to self-relocate or to stay on their current premises. The above calculation of land replacement values has taken into consideration the availability of infrastructure facilities such as electricity, water, and access roads. Therefore those who relocate will have to pay for such facilities when rebuild their houses.

121. The MMDE will provide technical assistance in house planning and construction to each physically displaced household. A Technical Officer will assist in planning and construction households and in obtaining necessary permits and raw materials. He will ensure that displaced

households will get salvage articles from acquired buildings free of cost. Each relocated household will be allowed sufficient time to rebuild its new house, so that it does not have to move out of its existing house until the replacement house is ready. Nonetheless, allowance for temporary shed and incentive to move have also been introduced.

I. Compensation, Assistance and Land Entitlements of Other Affected Households

122. The subproject authorities will assist PAPs to assess and their skills and assets and in reinvesting their compensation in income-generating scheme.

123. The subproject authorities with the assistance of the Department of Agriculture and Department of Agrarian Services will help PAPs in improving land productivity. An encroacher who has been cultivating state land before the cut-off date, but it cannot be regularised because the land is reserved for other purpose will be entitled to the following:

- (i) Compensation for trees and crops at market value.
- (ii) Compensation for any improvement (structures) on the land at full replacement cost.

124. CCGs will be established in each affected GND to assist PAPS through facilitation and consultation on special assistance schemes, income restoration programs, and land alienation programs.

J. Compensation for Trees and Crop Losses

125. Farmers will be allowed to harvest their crops before construction work starts. Where crops cannot be harvested or the destruction of crops is unavoidable, cash compensation will be paid based on the market value of affected crops. All other structures and trees remain in the property such as privately owned trees (timber, fuel wood) would remain in the property. PAPs are entitled to sale of trees after determination of compensation.

126. Compensation for crops in land under tenancy and lease agreements will be based on the tenancy/lease agreement. Final compensation rates for such crops will be determined by the Chief Valuer.

127. The lost trees that belong to the state will be replenished through re-forestation schemes undertaken by the Project in consultation with the Forest Department.

128. Each PAP will be entitled to receive assistance under the Project's Home Garden Development Program. They will receive planting material and extension assistance from the Project (Table 24).

Table 24: Cost of Planting Materials

Type of Plants	No. of plants per person	No. of PAPs including (highland and paddy land)	Unit Cost (SLRs)	Total Cost (SLRs)
Fruit plants	10	141	200	282,000
Forestry plants	25	141	50	176,250
Perennial plants	10	141	50	70,550
Total				528,800

K. Compensation for Loss of Houses and Other Structures

129. Owners of acquired houses and other structures such as sheds, wells, water tanks, retaining walls and fences will be compensated for full or partial losses at full replacement cost. This entitlement applies title holders, lease holders, tenants and encroachers occupying state land at the time of the cut-off date. Furthermore, structures that are partly affected will be entitled to compensation at full replacement cost.

130. Owners of the property will have the right to taken salvage materials of the affected structures. The value of salvaged materials will not be deducted from the final compensation amount.

131. In case of partial loss, in order to recognize its injurious effect, the remaining land and other property, if renders useless or uneconomical, they too will be acquired applying the relevant compensation package to other land and property.

132. Re-locating households will be entitled to remove trees on their lands without cost if vacated the premises at the stipulated time. All entitlement will be paid before a household is required to move out from the affected area. It is also expected that their new house be rebuilt by the time they have to move out from affected areas.

L. Displacement Assistance

133. In addition to paying cash compensation for lost property, each physically displaced household is qualified for the following assistance. Each physically displaced household is entitled to:

- (i) A shifting allowance which will be determined by the Department of the Chief Valuer according to the LA 2009 Regulation)
- (ii) Transport facilities will be provided free of charge for transportation of households goods. Two free trips will be provided to each relocated household.
- (iii) An allowance of SLRs 50,000 to build a temporary shed at the new location (Total cost is SLRs 550,000). Two sub-families will also get this allowance.
- (iv) A temporary accommodation allowance until the house is rebuilt and ready for occupancy, if in any circumstances they have to move out from affected areas. The allowance will be determined according to the rates prevailing in the area. Temporary relocation should be avoided because it would cause hardship to the household.

M. Damages Caused During Construction

134. Contractors will avoid damaging public and private property during the construction phase of the Project. If any such damaged is caused, the subproject authorities or contractor will pay compensation promptly to the affected household, community or government agency based on the EM. The Contractors will restore such damages to land, structures and infrastructures immediately. The households affected by contractor activities are also eligible to use GRM established under this RIP to raise and find resolution for their concerns.

N. Temporarily Loss of Private Land

135. Two options are offered to affected households:

- (i) Option 1: Borrow pits will be established on state land whenever possible. If borrowed materials are to be obtained from land occupied, regardless of the tenure type, the land user is expected to sign a formal agreement with subproject authorities or the contractor indicating the following in the contract:
 - (a) Period of occupancy
 - (b) Terms and compensation amount determination by the Chief Valuer
 - (c) Compensation for other disturbances and damages caused to property
 - (d) The frequency of compensation payment
 - (e) Guarantee that the land will be returned to the user at the end of the lease after restoring it to its original condition or better condition, as agreed with the APS.
- (i) Option 2: The project contractor obtain borrow areas at his own cost. Under this option, the Contractor could contract with private land owners/users and obtains permits to extract borrow materials. The Contractors under the agreement will pay the owner/user:
 - (a) Compensation for material losses during temporary occupation
 - (b) Compensation for other disturbances and damages caused to the property
 - (c) The Contractor will rehabilitate/restore the land to its original condition
 - (d) Returns the land to the owner at the end of lease period

O. Special Assistance to Vulnerable Households

136. One household is identified as a vulnerable household whose income is below the poverty line. Other PAPs requiring special assistance should also be identified during resettlement implementation with the assistance of CCGs.

137. A vulnerable household will be entitled to SLRs 25,000 as an income restoration grant. This household will also be entitled to receive the assistance scheme under economic rehabilitation and income restoration program.

138. A vulnerable household will receive preferential access project construction employment opportunities. At least one member of a vulnerable household will receive priority assistance in skill and vocational training programs organized the EA.

P. Displacement Support

139. In addition to compensation for lost property, affected households are entitled to receive the following assistance and support from the MMDE.

- (i) A relocating household will be entitled to a shifting allowance as determined by Chief Value according to the 2009 regulation. It will get SLRs 50,000 as an allowance to build a temporary shed. Total cost would be SLRs 550,000 for 11 households including the 02 sub-families who will move to their own houses.
- (ii) For families that will opt for self-relocation, the allowance for temporary accommodation/shed is provided to the households that cannot find a suitable plot of land to rebuild its house or fail to complete the construction of the house before the subproject activities starts is entitled to a temporary accommodation allowance until the resettlement sites are ready for occupancy.

Q. Damages Caused During Construction

140. Contractors are expected to be vigilant to avoid damages to public and private property during construction work. If any damage does occur to public and private property as a result of construction work, the Contractor will pay adequate compensation immediately to the affected households, communities or government agencies. Damaged land, structures, and infrastructures shall be restored immediately to their former conditions. Temporarily affected land and community infrastructures and property will be restored to pre-project level.

VIII. INCOME RESTORATION AND IMPROVEMENT

141. In the project area, the majority of PAPs are engaged in non-agricultural employment. This is partly because of their proximity to towns and cities, and partly because of low economic viability of their allotments of paddy and highland to earn a living. Such land cultivation does not provide them sufficient income to live above the poverty threshold. As a result, they engage themselves in various other supplementary employments to augment their household incomes. In the subproject area, the affected households are mostly nuclear households and only two households have sub-families living with them.

142. Land acquisition and physical displacement will adversely impact on their fragile income sources. Land acquisition for the Project will cause the following losses to households:

- (i) They lose a part of household income because of the acquisition of agricultural land.
- (ii) They will lose income because of their engagement in house reconstruction and movement.
- (iii) They lose day-to-day income as they will have to find time to attend to administrative requirements such as filling applications, searching for legal documents, and meeting officials and bank managers to collect their compensation packages.
- (iv) Temporary disturbances to their environment, dust and heavy vehicle movement in the vicinity and the need to use alternative routes affect their living during the construction period of the canal.

Table 25: Annual Average Household Income of Physically Displaced households

Below SLRs60,000	SLRs60,000 to SLRs120,000	SLRs120,000 to SLRs500,000	Above SLRs500,000
1	2	8	0

Source: MCB Resettlement Census – July 2014

143. Table 25 indicates that 1(9 percent) household earns less than SLRs 5,000 a month and is a Samurdhi recipient. In case of 2 households, monthly household income is between SLRs 5,000 to SLRs 10,000. These 3 households deserve special income restoration and improvement program. Those 8 households who earn between SLRs 10,000 to SLRs 42,000 a month will need the assistance of an income restoration program to restore their household incomes.

144. Income restoration program should be prepared considering the skills, expertise, experience and specific abilities of PAP's and market avenues. In formulating an income restoration and improvement program for their benefit, several findings among the affected households are relevant. Among them are:

- (i) Lack of institutional support
- (ii) Lack of entrepreneurship attitude
- (iii) Lack of working capital
- (iv) Lack of marketing support and

- (v) Lack of opportunity for skill development

145. To overcome these constraints the program designed under RIP is expected to be multi-dimensional and flexible. It is also aimed to broader socio-economic benefits of the target group of people who will be provided with training, working capital and institutional support. The main features of these programs are:

- (i) Provision of capacity building training programs
- (ii) Development of entrepreneurship skills
- (iii) Development of managerial skills among the selected APs
- (iv) Formation of societies among women, youth and low income groups
- (v) Provision of skill training facilities for youth
- (vi) Provision of employment opportunities

A. Income Restoration Programs

146. Skill Development Program for Unemployed Youth. The unemployed youth will receive skill development training such as carpentry, masonry, plumbing, and electrical work, focusing on the job market in the area, particularly in construction activities. The project personnel will identify such opportunities. Moreover, at least one person per household will receive training in one of the following skills. 50% of trainees will be women. Priority will be given in selecting for training to those households which are physically displaced and vulnerable households. Both physically displaced and economically displaced households will be eligible to receive employment training under the project.

147. The training fields are:

- (i) Computer literacy and computer-based programs
- (ii) TV and radio repairing programs
- (iii) Motor mechanism
- (iv) Vehicle driving
- (v) Heavy machine operation
- (vi) Sawing machine training

148. The young men and women from the subproject area will be selected based on their educational qualification and abilities. There will be a Community Development Officer attached to the Project Office who will prepare the training curricula and liaise with vocational training institutions. Training period will be 2 weeks to 6 months depending on nature and quality of the training. A trainee will get SLRs 6,000 as an allowance per month.

B. Institutional Arrangement for Training

149. There are few training institutions available in the country. Among them are the Vocational Training Authority, Department of Technical and Education Training, Territory and Educational Commission are prominent. There are several non-governmental organizations

conducting various vocational training programs. These sources will be contacted by the project personnel before the subproject work starts.

150. Training budget is given below:

- (i) 2-week training program = SLRs 5,000/- per person
- (ii) 1-month training program = SLRs 10,000/- per person
- (iii) 2-month training program = SLRs 15,000/- per person
- (iv) 3-month training program = SLRs 25,000/- per person

C. Special Programs for Women

151. Cottage industries will be introduced for benefit of unemployed women PAPs. A sewing program will be started for the benefit of women. Each PAP will receive SLRs15, 000 to SLRs 30,000 as a grant over a period of 6 months. PAPs will be selected for this grant (Table 26).

Table 26: Cost Estimate of Training Program for Women

Area of Training	No. of Trainers	No. of Months	Cost per Trainee (SLRs)	Allowance for Trainee (SLRs)
Dress making	11	6	550,000	396,000

152. The Project will provide cash assistance to encourage physically displaced households to recover from their resettlement experience and trauma as early as possible. For this purpose, special income generating program has been formulated. It will help them to restart their animal husbandry and skill development (Table 27).

Table 27: Cost of Income Generation Program

Description	No. of Houses	Unit Cost (SLRs)	Total Cost (SLRs)
Livestock development	06	50,000	300,000
Poultry	05	25,000	125,000
Grant for sewing machine	11	30,000	330,000
Total			755,000

D. Rehabilitation Assistance

153. Apart from the provision of displacement support, the severely affected and vulnerable households will be supported through the following measures:

- (i) Counselling on project impacts, preparation of compensation claims and bank investment assistance.
- (ii) Counselling on savings scheme and cash management.
- (iii) Assessment of current economic activities and potentials for improvement of these activities as well as advice on alternative income-earning opportunities.

- (iv) Assessment and establishment of small-scale income generating schemes for severely affected households.
- (v) Assistance to gain access to National and Local Poverty Alleviation and Credit programs.
- (vi) One person in each severely-affected household will be entitled to skills and vocational training that would help in obtaining employment.
- (vii) Establish self-employment programs through skill development assistance. Cost of training, accommodation, and subsistence during the training period will be borne by the Project. CCGs will determine who the severely-affected households are and select them on priority basis.
- (viii) Provide general information construction schedules, acquisition data, valuation, compensation, grievance resolution mechanism and employment opportunities at project sites and development initiatives and opportunities.
- (ix) Establishment CCGs to assist severely-affected and vulnerable people in particular and the other PAPs in general and to monitor the progress of physical and economic rehabilitation programs and to recommend corrective measures, where necessary.

IX. GRIEVANCE REDRESS MECHANISM

154. The grievance redress mechanism of the project will address PAPs' complaints and grievances promptly, using a transparent process that is gender responsive, culturally appropriate, and readily accessible to all segments of PAPs at no costs and without retribution.

A. Types of Grievances

155. Legal issues:

- (i) Application of LAA and its limitations to arrive at the replacement cost of acquired property
- (ii) Difficulties in obtaining abstracts of deeds from the Land Registry
- (iii) Rules and regulations determining the ownership of land and amount of compensation

156. Practical Issues

- (i) Lack of knowledge on the acquisition process and how to present claims. Delays in the payment of compensation.
- (ii) Delays in the payment of resettlement assistance and provision of benefits.
- (iii) Most contacts on leased land are verbal. Difficulty in transforming into written contracts.
- (iv) Inability to find land for building new houses
- (v) Inability to construct new houses in a short period of time
- (vi) During the construction period temporary disruptions

157. During the socio-economic survey and resettlement census, several CBOs were identified who actively participate in people's affairs in the project area. It was also observed that almost all PAPs are members of CBOs. Farmer organizations and Death Donation Associations are popular among PAPs. These organizations can be enlisted to deal with grievances of PAPs as a 'primary level redress forum' regarding land acquisition and resettlement issues.

B. Legal Frame work of Grievance Redress

158. Under the Land Acquisition Act, an Appeal Board has been constituted to deal with appeals against compensation offers. This process will minimize the grievances. However, a person who does not agree with the decision of the Board of Appeal can go before the Supreme Court claiming higher amount of compensation. But such an action is rare as it would consume money and time. Appeal Board and the Supreme Court are located in Colombo and as a result, most PAPs are reluctant to go that far.

159. PAPs will need to obtain abstracts of land title deeds from the Land Registry which is located in Polonnaruwa which is about 50km from their villages.

C. Grievance Redress Committee

160. A grievance redress committee (GRC) will be established at the project level to resolve disputes and grievances relating to land acquisition, relocation and implementation of the RIP, and environment-related grievance and complaints. The GRC will be an ex-gratia, legal, semi-structured body empowered to make decisions on disputes resolution during the implementation of RIP. The fundamental objective of formation of a GRC is to resolve disputes at the grass-roots level in order to avoid lengthy and costly judicial process. The GRC will not deal with matters pending in the court of law. Also it has no jurisdiction over the rate of compensation. Project should take necessary action to create awareness of the PAP's on GRC to make it as an easy and trustful mechanism.

161. The GRC will meet according to a well-advertised timetable, but also will have a meeting based on urgency such as if complaint will cause serious consequences. This information will be disseminated among all PAPs. It will call public meetings to arbitrate grievances. Each session/meeting will be held at a place which is convenient to PAPs to attend. GRC procedures will be publicized through notices and community meetings. PAPs will be made aware of the presence of GRM, its powers and benefits during consultations and group discussions. At such gatherings, PAPs will be encouraged to discuss their views on the structure and functions of GRM.

D. Composition of the Grievance Redress Committee

162. **GRC at the EA level.** This GRC consists of senior officer of the EA, Divisional Secretary in the area, and Project Director (PD) of the NWPCP. The Chairman of GRC will be a senior officer of the EA appointed by the Secretary of the MMDE. GRC meetings will be held once a month at the Project Office. The PD will be the convenor of GRC. The Committee will inform the grieved parties of its decision, through the convenor, after recording the grievance, supporting documents and evidence. The total period of arbitration will not exceed 6 weeks.

163. **GRC at the Project Level.** The project level GRC will have as ex-officio members the PD as the chairman of the Committee, officers who handle land acquisition and resettlement, Divisional Secretary and 4 representatives of the community consultative groups including women PAPs. Dispute resolution process will be quick, impartial and legitimate. Any PAP could present its case or evidence without any fear of harassment or intimidation.

164. If the committee cannot resolve the issue, the PD as the convenor of the higher committee should submit the complaint or grievances to the Higher Committee. When PD submits the complaint to the Higher Committee, PD will make his observations on the issue. Once the Committee makes its decision on the issue, it will inform to the complainants in writing the decision. Every attempt will be taken to resolve the issue by the Committee within 4 weeks.

165. **GRC Process.** A PAP can make their complaint either in writing or verbally to the GN officer of the division or directly to a project officer. If the complaint is made verbally, the GN officer or the project officer will record it and forward the complaint to the Project Director who will record observations of project on the compliant.

166. PD will submit complaints and the observations that he received from PAPs to the Committee at the project level at the monthly meeting of the Committee. If necessary, it will call relevant parties to obtain their evidence and views. If there is a legal barrier to resolve the

issues, Committee will inform the complainants how they should resolve the issue through legal institutions.

167. The GRC will attend to grievances and complaints on land acquisition cases, compensation payments, resettlement issues, ownership disputes, delays of payment of compensation issues and rehabilitation assistance programs. In addition, GRC will also attend any complaint related with temporary or permanent acquisition of land by contractors.

168. Information about the GRC and its procedures will be published as a leaflet and widely disseminated. Notices and timetable of community meetings will also be widely disseminated among PAPs.

X. INSTITUTIONAL ARRANGEMENTS FOR RESETTLEMENT ADMINISTRATION

A. Project Management Unit

169. The investment program will have a PMU established at the MMDE. It will oversee social safeguard compliance during social impact assessments, formulation of RIPS, their implementation and monitoring of implementation progress. The PMU will have resettlement unit or cell with a full time specialist who will assist the formulation of RIPS, and update RIPS if required, monitoring progress of compensation payment, prepare resettlement due diligence reports and resettlement monitoring reports. PMU will develop the specialist's TOR and forward them to ADB for review. The specialist key activities include (i) screening of proposed projects for potential resettlement impacts and risks; (ii) reviewing of project alternatives to avoid or minimize resettlement impacts; (iii) assessing social impacts of the Project; (iii) formulating an appropriate strategy for public consultations and resettlement information disclosure; (iv) formulating RIPS with resettlement consultants; (v) establishing GRM and monitoring of their effectiveness; and (vi) undertaking day today monitoring include progress on compensation payments.

B. Resettlement Staff and Consultants

170. While the MMDE will be responsible for overall coordination, planning, and financing of resettlement program, the implementation of RIP is the responsibility of PMU. Before commencing socio-economic surveys and the formulation of RIP, the MMDE will recruit a social development specialist as a staff member of PMU who is familiar with land and resettlement regulatory framework and ADB involuntary resettlement policy and procedures. The specialist conducts surveys and formulates RIPS of the Project. The specialist through the MMDE could hire resettlement consultants to assist resettlement planning and implementation.

171. Involuntary resettlement is a sensitive process and officials who are engaged in resettlement program need field experience in resettlement and rehabilitation and community development. In order to facilitate good rapport with affected communities and oversee resettlement implementation, experienced and well-qualified civil society organization should be hired in project areas to assist PMU/PIU in RIP implementation especially in case of category 'A' project. Such organizations could play the role of facilitator and will work as a link between PMU and affected communities. They will assist PAPs in income restoration through training in skill development and getting access to various government development schemes and to agencies that provide financial assistance and loans for small enterprises

C. Project Implementation Unit

172. The PMU will be supported by PIUs in the field. Each project will have a PIU working under the supervision of PMU of the investment program. If required, resettlement officers will be hired to assist PIU/field offices for social impact assessment, formulation of RIP and their implementation and monitoring.

173. The roles and responsibilities of various agencies to be involved in resettlement planning process and implementation of resettlement activities are summarized below.

Figure 4: Roles and Responsibilities of Resettlement Agencies

Roles and Responsibilities of Agencies in Resettlement Planning and Implementation	
Activity	Agency Responsible
Establishment of Resettlement Unit at EA and appointment of a Resettlement Specialist (RS)	EA
Hiring of resettlement consultants (RC), external monitors (EM)	EA
Organizing resettlement training workshop (optional)	EA, RC
Screen project affected area for resettlement effects	RS, RC
Determine the scope of RIP	EA in consultation with ADB
Social Assessment and preparation of land acquisition plan, Census, Socio-economic Surveys, RIP	EA/PMU and RS and RC
Hiring of Civil Society Organizations (NGOs) in case IR impacts are categorized as A	EA
Public consultation and disclosure of RIP	RS,RC, NGO/CBO
Co-ordination with divisional administration for land acquisition	EA, PMU/PIU, RS and RC
Declaration of cut-off date	EA, Divisional Secretary (DS), RS
Review and obtaining of approval of RIP from ADB	EA
Appointment of GRC	EA/ PMU/PIU
Submission of land acquisition proposals to Divisional Secretary (DS)	PIU
Compensation award and payment of compensation	DS, PMU/PIU, RS
Payment of replacement cost and allowance	DS, PIU
Taking possession of acquired land and structures	DS
Handing over the acquired land to contractors for construction	DS
Notify the date of commencement of construction to PAPs	RS, RC, PMU/PIU, NGO
Assistance in relocation, particularly for vulnerable groups	RS, PMU/PIU, NGO, DS
Internal monitoring of overall RP Implementation	PIU, RS, RC,NGO
External Monitoring and Evaluation (M&E)	EM

XI. MONITORING AND REPORTING

174. The PMU together with PIU of the subproject will monitor the implementation of RIP to determine whether resettlement goals have been achieved and livelihood and living standards have been restored, and also to recommend on how to further improve RIP implementation.² The PIU will prepare half-yearly monitoring reports to submit to the EA/PMU and ADB. The reports will focus on whether resettlement activities have complied with involuntary resettlement safeguard principles and loan covenants of the project. The report will also document consultations conducted with PAPs and summaries of issues identified and actions taken to resolve them. It will also provide a summary of grievances or complaints lodged by PAPs and actions taken to redress them and the specific activities conducted to restore and improve income sources and livelihoods of PAPs. The grievances include social and environmental issues and grievances.

175. Resettlement monitoring will involve (i) administrative monitoring to ensure that implementation is on schedule and problems are dealt with on a timely basis; (ii) socio-economic monitoring including income restoration and improvement during and after any resettlement impacts, utilizing baseline information established during socio-economic surveys; and (iii) overall monitoring to assess the socio-economic status of PAHs. If any deviations from resettlement loan covenants or safeguard principles are reported in monitoring reports, the EA will prepare a CAP and will submit to ADB for review and approval. The monitoring reports and CAP will be posted on ADB website.

176. The Project under Tranche 1 is categorized as “B” for involuntary resettlement impacts. The EA will engage a qualified and experienced external monitor (EM) who is not associated with the project planning and implementation to monitor the resettlement implementation process and to suggest how to address if any weakness is detected. The EM will also verify the implementation of RIPs including payment of compensation and implementation of income restoration program and its results.

177. In addition, the EM will document good practices as well as difficulties encountered in implementing RIP. This document will provide guidance for subsequent projects. A monitoring format is given below which needs to be elaborated during the RIP implementation stage.

178. As involuntary resettlement impacts envisaged in the project is limited and the number of households involved is only 128, the MMDE expects to complete land acquisition, compensation and special grant payment and income restoration and improvement in 12 to 18 months. The MMDE will hire qualified professionals as skill trainers and organizers of income-generating programs in the project area. They will liaise with the income restoration groups of other projects of the investment program and work out a comprehensive program for the benefit of PAPs. A separate and committed budget for this purpose is established as shown in the Section 12.

² Please see (<http://www.adb.org/documents/involuntary-resettlement-safeguards-planning-and-implementation-good-practice-sourcebook-d>) for sample internal and external monitoring indicators.

Figure 5: Monitoring Framework

Activity	Progress	Remarks
Assessment of IR impacts of changes in project design, if any,		
Updating of RIP based on changes in project design, if any.		
Approval of updated RIP by ADB		
Appointment NGO, if required		
Disclosure of updated RIP		
Establishment of GRM/Committee		
Capacity building of EA, if required		
Verification of Census; assessment on compensation and assistance, and readjustment		
Land Acquisition		
Payment of compensation at replacement cost of land & assets		
Disbursement of resettlement assistance to title holder PAPs		
Disbursement of assistance to non-title holder PAPs		
Disbursement of special assistance to vulnerable groups		
Number of vocational training provided to PAPs		
Linking PAPs with local, provincial development schemes		
Replacement/ shifting of community property resources		
Reinstallation of public utilities		

XII. RESETTLEMENT BUDGET

A. Preparation of Budget Estimates

179. Cost estimates for lands, structures and trees acquired or affected were prepared based on the prevailing rates in the project area. This information and data were gathered from the Divisional Secretary, GN officers and from informal sale agreements signed between land buyers and sellers in the area. In preparing the cost estimates, the memo of 19.01.2010 issued by the Chief Valuer on the determination of valuation of land, structures and trees were taken into consideration. The costs of land acquired, structures, crops and trees will be determined by the Valuation Department at the time of receiving 10.1.A Notice from the Acquiring Officer. Therefore, costs could be increased at that stage due to increase of land and building prices. In order to meet this risk, 20 percent contingency costs are added to cost estimates. Transport cost and other cost under LA 2009 Regulation can be met under the contingency estimate.

180. Cost of income restoration programs has been prepared based on the prevailing costs of each item. Cost of planting materials was prepared on the basis that each PAH will request planting materials.

181. Cost estimate for institutional development covers office accommodation, vehicles and other infrastructure facilities and staff salaries.

182. The full budget will be provided by the government through the MMDE. The cost estimates are given in the RIP covers the special assistance schemes limited to the project. Statutory compensation based on LAA will also be paid to PAHs. The estimates will become available only after the Survey Department and Chief Value determine the value of land, houses, crops and trees affected.

183. Sufficient funds will be available at the beginning of the subproject to defray. All land acquisition, compensation, and rehabilitation, administrative, monitoring and consultant cost, income and livelihood restoration cost will be considered as an integral component of project costs and will be borne by the MMDE. The MMDE will ensure timely disbursement of sufficient funds for RIP implementation. The MMDE, in consultation with PAPs and appropriate divisional and provincial officials, will determine the cost of land acquisition, resettlement and rehabilitation. The approved cost will be allocated in advance in the MMDE's annual budget. All cash compensation packages will be paid to PAPs before any construction activity of the project commences. Resettlement assistance programs will start before construction works start and may continue during the project implementation phase. Early actions to be undertaken in allocating sufficient funds, and providing timely approvals from the relevant authorities in order to avoid unnecessary delays and issues.

B. Investment Budget

184. The total investment budget for land acquisition and resettlement has been developed into under five components.

- (i) Cost of compensation for land, structure and trees
- (ii) Cost of relocation (purchase of land)
- (iii) Cost of income restoration program
- (iv) Cost of monitoring and evaluation

- (v) Cost of institutional development

C. Total Investment Budget

185. The total investment budget is SLRs **171,798,331**.

Table 28: Cost of Compensation for Land, Structures and Trees (SLRs)

Land	Extent			Unit Cost Per Acre, Rs/ ft²	Total Cost, Rs
Housing allotments	A. 01	R. 00	P. 15	5,000,000.00	5,500,000
Highland allotments	23	03	01	2,000,000.00	47,500,000
Paddy lands	04	01	01	450,000.00	1,900,000
Chena lands	00	00	00	200,000.00	-
Sub Total					54,900,000
Structures	Type	ft²			
Permanent houses	07	8750		3,000	26,250,000
Semi-permanent houses	02	1500		1,750	2,625,000
Sub Total					28,875,000
Trees					
No. of trees – perennial	3254 x 10,000/-				32,540,000
No. of trees – non perennial	229 x 1000/-				229,000
Sub Total					32,769,000
Grand Total					116,544,000

Table 29: Cost of Buying Land for Relocation and Building Sheds

Loss of Land	No. of Households	Unit Cost (SLRs)	Total Cost (SLRs)
Households losing up to 1/4 acre of land	11*	750,000	8,250,000
Temporary sheds	11	50,000	550,000
Total			8,800,000

* including the 2 sub-families

Table 30: Cost of Income Restoration Program

Cost Item	Cost (SLRs)
Cost of planting materials	528,800
Cost of training programs	946,000
Cost of special assistance to vulnerable HHs	25,000
Cost of income generation program	755,000
Total	2,254,800

Table 31: Total Cost of Resettlement Implementation and Monitoring

Description	Amount (SLRs)
Cost of compensation for land, structure and trees	116,544,000
Cost of relocation (purchase of land)	8,800,000
Cost of income restoration program	2,254,800
Sub Total	127,598,800
Monitoring and Evaluation (2%)	2,551,976
Sub Total	130,150,776
Cost estimate for institutional development 10%	13,015,017
Sub Total	143,165,793
Contingencies 20%	28,633,138
Grand Total	171,798,931

186. The disbursement of cash compensation to PAPs for land and other property losses and damages will be done by the Division Secretariats in the project areas. The approved amount will be deposited by the MMDE in the Divisional Secretariat accounts and the disbursement will be done by the divisional administration.

187. The MMDE will bear the total cost of land compensation, housing, relocation, and income restoration and improvement programs. The payments will be made in cheques which will be deposited in PAPs accounts by the Divisional Secretariat of the area.

XIII. IMPLEMENTATION SCHEDULE

188. The key IR-related activities such as census and socio-economic survey, cut-off-date publication, resettlement planning, public consultation have already been completed. Disclosure of information on land acquisition, compensation payment, relocation, income restoration and improvement, monitoring and evaluation of resettlement implementation are be detailed in the implementation schedule.

189. The MMDE will ensure that no physical/or economic displacement of affected households will occur until: (i) compensation at full replacement cost has been paid to each displaced person for project components or sections that are ready to be constructed; (ii) other entitlements listed in the resettlement plan are provided to PAPs; and (iii) a comprehensive income and livelihood rehabilitation program, supported by adequate budget, is in place to help displaced persons, improve, or at least restore, their incomes and livelihoods.

Figure 6: Implementation Schedule

Resettlement Activity	Time Schedule	Progress
Screen project areas to identify potential resettlement impacts	2014 June – August	completed
Determine the scope of resettlement planning and resources required	2014 August – September	completed
Socio-economic Survey	2014 May and June	Completed, however some update maybe required
Census	2014 June and July	Completed, however some update maybe required
Declaration of cut-off date	2014 June 01	Completed, but if survey and census find another factor that will affect the “cut-off date”, a new declaration will be issued according to government regulation
Determine land acquisition plan (by segment or as a whole)	2014 August	
Preparation of draft RIP	2014 September	Draft RIP was approved by
Undertake continue consultation and determine whether Update RIP will be required	2015 March	
Public consultations and disclosure of RIP	2015 May-August	Continued process
Co-ordination with divisional administration on land acquisition	2015 January onwards	Continued process
Approval of updated RIP by ADB	2015 May 2015	
Submission of land acquisition proposals to ministry of land and land development	2015	
Compensation award and payment of compensation	2015 June and July	
Payment of replacement cost and other IR allowances	2015 June and July	
Taking possession of acquired land and structures	2015 July – August	
Handing over of acquired land to contractors	2015 August – September	
Notify the date of commencement of construction to PAPs	2015	
Assistance to PAPs, especially to vulnerable groups	2015 June-August	
Internal monitoring of RP Implementation	2015 June to 2016 December	
Project Completion Report		

Gap Analysis – Investment Program’s Involuntary Resettlement Safeguards and ADB Involuntary Safeguard Policy Principles, and the Investment Program’s Safeguard Implementation Capacity

ADB Policy Principle	Triggered by the Investment Program	Assessment	
		Assessment of Adequacy of Investment Program Involuntary Resettlement Safeguard Regime to Meet ADB Requirements	Assessment of Implementation Capacity
1. Screen the project to identify involuntary resettlement (IR) impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons and a gender analysis	Yes	IR country safeguard system provides for screening IR and risks as part of resettlement planning. NIRP requires that a RIP is prepared for projects where 20 or more households are affected. If less than 20 households are affected a RIP is to be prepared at a 'lesser level of detail'. Part of resettlement planning is identifying key stakeholders and exploration of viable project alternatives to minimize social impacts especially involuntary displacement, and assess whether resettlement and social impacts are significant or not. See 2008 LAA Regulations	MLLD is responsible for implementing of NIRP in collaboration with network of public and CSOs including CEA, PEA, the Ministries concerned and Divisional Secretaries. These agencies and EA have sufficient experience in applying this principle in formulating RIPs for projects.
2. Conduct meaningful consultations with affected persons (APs), host communities, and NGOs. Inform APs of their entitlements and resettlement options. Ensure APs, especially vulnerable household participation in project planning, implementation and monitoring. Establish a grievance redress mechanism. Support socio-cultural institutions of APs. If IR impacts are complex and sensitive, provide social preparation phase	Yes	The country safeguard system (CSS) has specific guidelines on consultations with PAPs, vulnerable groups and other stakeholders and NGOs; establishment of a GRM; recording of decisions at consultative meetings; and social preparation phase of RIP planning.	EA of the investment program have excellent experience in conducting meaningful consultations with PAPs and other stakeholders. GRM is a component of RIPs in the Mahaweli Systems and other irrigation programs. EA has used social preparation phase in their projects. The capacity to implement this principle exists at the investment program and project levels.
3. Improve or at least	Yes	The country safeguard system provides	The EA is aware of

ADB Policy Principle	Triggered by the Investment Program	Assessment	
		Assessment of Adequacy of Investment Program Involuntary Resettlement Safeguard Regime to Meet ADB Requirements	Assessment of Implementation Capacity
restore the livelihoods of all DPs. Land-for-land compensation when affected livelihoods are land-based where possible or cash-for-land compensation when the loss of land does not undermine livelihoods; prompt replacement of assets, prompt compensation at replacement cost for assets that cannot be restored. Provide additional revenue and services through benefit-sharing schemes.		opportunity to identify persons, households severely affected in terms of their income and employment losses. Income restoration programs are to be developed in consultations with APs in order to re-establish themselves and improve their quality of life. Replacement land is It is an option for compensation in the case of land loss; in the absence of replacement land cash compensation is an option for all APs. See NIRP Payment of full replacement cost of lost assets to PAPs is a key principle of NIRP. LA Regulations 2008 provide a comprehensive compensation package including the market value of property acquired. The total package amounts to replacement cost of lost assets.	this key principle and have applied in several projects.
4. Provide all APs needed assistance: if relocated, secured tenure to resettlement land, better housing, access to employment and production opportunities, integration of resettlers with host communities, extension of project benefits to host communities, transitional support and civic infrastructure and community services, as required.	Yes	The CSS recognizes the special needs of physically relocated PAPs. PAPs involve in the selection of resettlement sites, livelihood compensation and development options at the earliest opportunity. Gender equality and equity are to be ensured and adhered to in resettlement programs. The CSS provides for assisting PAPs to be economically and socially integrated into the host communities. Participatory measures are to be designed and implemented by the resettlement planners and implementers.	Our field visits to current resettlement sites of projects (Moragahakanda Reservoir project) indicate that the EA has sufficient understanding of this principle and have applied in several other projects.
5. Improve the standards of living of the displaced poor and vulnerable groups	Yes	CSS, especially NIRP and LA Regulations 2008, emphasize the importance of improving standard of living of the affected vulnerable and poor groups. The program will compensate affected households regardless of their tenure rights over the lost property together with assistance to re-establish income	The EA in their previous RIPs have paid sufficient attention to this key principle. Entitlement Matrices indicate this practice which is satisfactory.

ADB Policy Principle	Triggered by the Investment Program	Assessment	
		Assessment of Adequacy of Investment Program Involuntary Resettlement Safeguard Regime to Meet ADB Requirements	Assessment of Implementation Capacity
		sources. Vulnerable households will receive additional cash assistance and help in registering deeds etc.	
6. Develop procedures in a transparent, consistent and equitable manner if land acquisition through negotiated settlement to ensure that APs maintain the same or better income and livelihood status	Yes	Although negotiated acquisition is recognized as a method of land acquisition by CSS, it is subject to LAA procedures of land acquisition which could cause delays. However, the NIRP and LA Regulations 2008 provide a legal framework for ensuring that PAPs maintain the same or better income and livelihood status	The application of LA Regulations 2008 and NIRP by the EA in several other projects is satisfactory. They have the capacity to apply this principle.
7. Ensure that APs without titles to land or recognizable legal rights. Non titled households are eligible for resettlement assistance and compensation for loss of non-land assets.	Yes	Compensation for non-land assets of non-titled persons is a well-established principle in CSS. Often such non-titled persons are provided with land at resettlement sites to ensure that they will have better socio-economic status during post-displacement.	The EA has planned and implemented several RIPs which include this key principle. The EA possesses sufficient capacity.
8. Prepare a resettlement plan with APs' entitlements, income and livelihood strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule	Yes	CSS, especially NIRP and LA Regulations 2008 require RIP for any project which is likely to have resettlement impacts. Necessary guidance is also published by MLLD on how to prepare RIP.	The EA has vast experience in RIP formulation and implementation
9. Disclose resettlement plan including documentation of the consultation process in a timely manner, before project appraisal in an accessible place and a form and language under stable to APs and other stakeholders. Disclose final resettlement plan and	Yes	CSS, especially NIRP and LA Regulations 2008 require disclosure of RIP. LAA discloses the land which has been identified to acquire for a public purpose and calls for views, opinions and objections.	The EA possesses sufficient experience and capacity in RIP disclosure and consultations on resettlement information with PAPs. This has been done in several projects.

ADB Policy Principle	Triggered by the Investment Program	Assessment	
		Assessment of Adequacy of Investment Program Involuntary Resettlement Safeguard Regime to Meet ADB Requirements	Assessment of Implementation Capacity
its updates to APs and other stakeholders.			
10. Conceive and execute involuntary resettlement as a part of development project or programs. Include the full cost of resettlement in the project costs and benefits. If significant resettlement impacts are found, consider implementing the IR component of the project as a stand-alone operation.	Yes	IR is considered as a key component of any development project in Sri Lanka and in this regard, NIRP and LA Regulations 2008 provide sufficient guidance.	The EA has sufficient experience in calculating resettlement cost as part of project cost and in obtaining sufficient funds from the Treasury to pay compensation and implement resettlement programs including income restoration programs for the benefit of PAPs.
11. Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement RP under close supervision throughout project implementation	Yes	CSS focuses on this key safeguard principle. Payment of compensation before displacement is the law except in case of urgency clause 38(a) of LAA.	The EA is cognizant of the importance of paying compensation prior to displacement. Delays do occur because of lack of sufficient funds and litigation over land ownership. The EA has sufficient experience and capacity to apply this principle

ADB Policy Principle	Triggered by the Investment Program	Assessment	
		Assessment of Adequacy of Investment Program Involuntary Resettlement Safeguard Regime to Meet ADB Requirements	Assessment of Implementation Capacity
12. Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the RP have been achieved based on baseline conditions and the results of resettlement monitoring.	Yes	Monitoring and assessing resettlement outcomes are not well developed in the IR regulatory framework. Special arrangements are to be introduced to overcome this deficiency in CSS	Project-based internal and external monitoring of IR impacts is part of donor-funded projects which the EA has planned and implemented. They possess expertise in this regards which could be applied to the investment program.

**Minutes of the Meeting on Affected Persons and Stakeholders of NWP Canal Project-
Galewela Divisional Secretary Division**

Date : 28/08/2014

Time : 11.00 am – 1.00 pm

Venue : Meeting Hall, Divisional Secretariat, Galewela

Officers Attended;

- | | | |
|----------------------------------|---|--------------------------------|
| 1. Ms. A.M.K.C.K.Atapattu | - | DS / Galewela |
| 2. Eng. G.M.R.A.Perera | - | DPD / NWPCP |
| 3. Eng. H.M.U.B.Herath | - | DIE / Dambulla |
| 4. Mr.Y.G.Wijeratne | - | Consultant / MCB |
| 5. Ms. R.M.SamanmaleeSwarnalatha | - | Consultant-Communication / ADB |
| 6. Eng. W.M.D.Wijesinghe | - | IE / NWPCP |
| 7. Mr. Roy Nanayakkara | - | EA / DIE-Dambulla |
| 8. G.P.S.Sanjeewa | - | EA / NWPCP |
| 9. M.L.A.V.Omeshani | - | EA / NWPCP |

Ms. A.M.K.C.K. Atapattu, Divisional Secretary, Galewela (DS, Galewela) who presided at the meeting, welcome all officers of NWPCP & Irrigation Department, Consultants and all the invitees. Starting the meeting, she explained the purpose of the meeting. She further expressed that the people of North Western Province face severe water shortage since the area receives water from no external sources. She urged the importance of NWP Canal and stated that people living in Galewela area have to do a commitment for the benefit of the people of North Western Province.

Eng. G.M.R.A. Perera, Deputy Project Director, NWP Canal Project (DPD, NWPCP), briefed on the Project and its current status.

Mr. Y.G. Wijeratne, Resettlement Consultant, MMDE, explained the resettlement procedures and methodology, compensation packages and income restoration and improvement programs. He further explained the resettlement census and its key findings on land, property and house-affected persons. He pointed out that only 9 houses will be affected due to project in Galewela area. He mentioned that there is a possibility of providing financial support for purchasing desired land plots, for the affected persons, those who will be dispossessed of their houses. He further mentioned it was just a suggestion and invited the participants for their suggestions and concerns on resettlement. He also

explained that although 09 households and 02 sub families will be relocated, only 04 households requested relocation sites. All other 07 households are willing to relocate their houses on the remaining portion of the acquired land. However these 04 households agreed to find relocation sites in the locality provided that PIA will give the funds for purchase of land plots.

Mr. W.A.G.G.S.C. Wickramasinge of Kanadana, Galewela in Rawediyawa GN Division questioned whether the compensation is received only for deeds of freehold lands. Mr. Wijeratne replied that not only the deeds of freehold lands, but also “Swarnabhoomi” and “Jayabhoomi” deed holders will duly receive compensation. Mr. Wickramasinghe then stated he has been informed that only a part of the building owned by him will be affected and he inquired whether the compensation is received for the entire building in such circumstances. Mr. Wijeratne said that the compensation is usually paid for the entire building in such cases. He further stated the final decision on building, which has been accounted to be affected for the time being, will be taken only after the final survey by Survey Department.

Ms. A. Raifa of Keppitiya, Galewela in Ranwediya GN Division expressed they had not received letters informing on the meeting. DPD, NWPCP replied that invitation letters were sent to all the land and house affected persons as per the list, sent by Mr. Wijeratne / Consultant, MMDE, by whom the persons were identified from the survey on resettlement.

After that, DS, Galewela read the list of names of the house affected persons and mentioned no government owned land available in the Galewela Town for resettlement and stressed the need of finding out desired land outside the town limits.

Ms. W.D. KrishanthiBiyatris, Welgama, GN, PahalaBambawa subsequently, questioned why the name of Mr. AnuraJayarathne is not available in the list, though his house is situated in between two affected houses owned by Mr. H.A. Lucas Singno and Mr. H.A. Asoka Titus. Mr. Wijeratne replied that only the details of those who were available in the houses during the survey had been recorded and there can be some names missing.

Mrs. G.L.A.C.D. Rajapakse, who claimed to be a widow, mentioned that a land of hers in Dambagolla Road, Galewela in Danduyaya GN Division will be affected and she had not yet been informed the exact affected extent. She stated that she has rented the house built in the land to other person and while living in a small house in Galewela town. She claimed that the rent from this house is one of her major incomes but there is a risk of losing her income since those who live in the house are going to leave the house due to the risk of being affected.

DS, Galewela requested to inform GNs of relevant areas before proceeding with any survey work related to project.

GN of Nabadagahawatte Division then, complained that no one from his division has been called upon the meeting though the canal trace lies within his division. In reply Mr. Wijeratne mentioned that as only the existing canal is improved and therefore, all persons living in that area will not be affected and not invited for the meeting He further stated that for the persons who need more clarifications for their issues on canal trace, to contact PD's Office, Kurunegala.

Mr. P.M. NimalKarunathilake, GN of Ranwediya and Hombawa Divisions stated that some persons in his division had not received the letters while some others had received. He further complained the official for not informing GNN in the relevant divisions before the works related to the project. He requested to inform them at least a week in advance before the task.

In reply ,DPD, NWPC stated that the project is at the initial phase and this meeting was also convened through Divisional Secretary and informed to respective GNN only as per the necessity and for future works also will be also informed to GNN through DS/Galewela before any future work related to the project within their divisions.

The meeting adjourned at around 1.00 pm.

Minutes taken by: Eng. W.M.D.Wijesinghe – Irrigation Engineer

Eng. G.M.R.A.Perera – Deputy Project Director/NWPC

වයඹ අලු මාහිස නිසා දේපළ අහිමිවන්නන් හා පාර්ශවකරුවන් සමඟ පැවති සාකච්ඡාව
ගලේවෙල ප්‍රාදේශීය ලේකම් කොට්ඨාශය 2014-08-28

Stakeholders meetings on affected persons and Stakeholders of NWP canal/
Galewela D.S. Division

සහභාගීත්වය / Participation (නලකාරීන්)

නම / Name	රැකියාව / Position	ලිපිනය / Address	අත්සන / Signature
අ.ක.ස.ස. විද්‍යාලීන	ග්‍රාමපාලික සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග	
W. D. ඉන්ද්‍රජිත් විජේසේන	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
A. G. K. ප්‍රනීතාරාම පබ්බාස	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
L. S. K. ආරච්ඡි	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
P. M. ආරච්ඡි	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
M. D. ආරච්ඡි	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
ර. ම. ස. L. ආරච්ඡි	ග්‍රාම පාලකාංග සභාවේ සාමාජිකයෙක්	ග්‍රාම පාලකාංග සභාවේ	
M. S. F. ආරච්ඡි	250. නි (අක්කරයක්)	250. නි (අක්කරයක්)	
M. H. F. RISMINA	250. නි	250. නි	
K. N. ආරච්ඡි	250. නි	250. නි	
W. M. D. ආරච්ඡි	250. නි	250. නි	
M. D. ආරච්ඡි	250. නි	250. නි	
ආරච්ඡි ආරච්ඡි	250. නි	250. නි	
PA. ආරච්ඡි	250. නි	250. නි	
P. M. ආරච්ඡි	250. නි	250. නි	
P. M. ආරච්ඡි	250. නි	250. නි	
N. D. S. ආරච්ඡි	250. නි	250. නි	
A. S. ආරච්ඡි	250. නි	250. නි	
R. D. N. ආරච්ඡි	250. නි	250. නි	
N. D. T. ආරච්ඡි	250. නි	250. නි	
M. I. M. ආරච්ඡි	250. නි	250. නි	
G. M. R. A. ආරච්ඡි	250. නි	250. නි	
R. M. Samanmalaee Swarnalath	250. නි	250. නි	
H. M. A. B. Heralath	250. නි	250. නි	
W. M. D. Wijesinghe	250. නි	250. නි	
R. M. Nanayakkara	250. නි	250. නි	
M. L. A. V. Omeskani	250. නි	250. නි	
G. P. S. Sanyal	250. නි	250. නි	

වයඹ ඇල මාර්ග නිසා දේපළ අහිමිවන්නන් හා පාර්ශවකරුවන් සමග පැවති සාකච්ඡාව
ගල්ලේවෙල ප්‍රාදේශීය ලේකම් කොට්ඨාශය 2014-08-28

Stakeholders meetings on affected persons and Stakeholders of NWP canal/
Galewela D.S. Division

සහභාගීත්වය / Participation

නම / Name	රැකියාව / Position	ලිපිනය / Address	අත්සන / Signature
W.A. A.G.S.C. වහලුගොඩ	නැවතත් සේවක	618 කොට්ඨාශ ගල්ලේ	
A. Raifa	—	591 Keppitiya Gallewela	
S. EWEERA	—	588 Keppitiya Gallewela	
M.G. ආනන්ද	නගරාධිපති	පරිපාලන කාර්යාංශය	
H.M. ආනන්ද	ගොවිතැන	" "	
ගා. H. පරිපාලන	"	" "	
K.A. ආනන්ද	—	නිලයා 3 කුණුව	
S.R. පුරුෂෝත්තම	රියාපද	බිට්ටි	
කේ. පී. රත්න	නැවත	කහල බිට්ටි	
ඩී. ආර්. පුරුෂෝත්තම	කොට්ඨාශ	කහල බිට්ටි	
ඩී. ආර්. පුරුෂෝත්තම	කොට්ඨාශ	කහල බිට්ටි	
H.M. ආනන්ද	නගරාධිපති	පරිපාලන කාර්යාංශය	
K.A. ආනන්ද	—	608 A. කොට්ඨාශ	
රි. ආර්. පුරුෂෝත්තම	නැවත	442 B. කොට්ඨාශ	
S.A.M. පුරුෂෝත්තම	කොට්ඨාශ	කොට්ඨාශ - බිට්ටි	
W.A. ආනන්ද	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
L.M. ආනන්ද	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
කේ. පී. රත්න	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
M.W. පුරුෂෝත්තම	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
X. ආනන්ද	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
කේ. පී. රත්න	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
P.A. පුරුෂෝත්තම	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
G.H. පුරුෂෝත්තම	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
G.L.A.C. ආනන්ද	කොට්ඨාශ	කොට්ඨාශ, බිට්ටි	
P.H. ආනන්ද	—	කොට්ඨාශ, බිට්ටි	
L.B. ආනන්ද	—	කොට්ඨාශ, බිට්ටි	
A.D. ආනන්ද	—	කොට්ඨාශ, බිට්ටි	
G.L.A. ආනන්ද	—	කොට්ඨාශ, බිට්ටි	
G.L.A. ආනන්ද	—	කොට්ඨාශ, බිට්ටි	

Stakeholders meetings on affected persons and Stakeholders of NWP canal/
Galewela D.S. Division

නම / Name	රැකියාව / Position	ලිපිනය / Address	අත්සන / Signature
H. M. ජයතිලක	ගොවිතැන	කටුනොහ, බඩගාස්වෙල	අශ්ව පුරුෂ
G. L. A. ප්‍රදීපාසිරි	ගුරු නමුණ	247, දිසානායක, හර්ට්ටොල	Abuthigala
H. D. පර්වි මාවති විජේසිංහ	ලේඛක	දිවුල්ලේ පාර, පුරාණ විද්‍යාලය	මා. ජ. අනිල්ක
H. චාන්දා ජයරත්න	පුද්ගලික ව්‍යාපාර	දිවුල්ලේ, ගඳවෙල	Ch
D. G. බණ්ඩාර, ගායානලේ	සිංහාන ක්‍රීඩාංගණය	දිවුල්ලේ, ගඳවෙල	Shyama
H. A. ඉන්ද්‍ර ජයරත්න	බෙදාහැරී සාර්වික	391/10, මානලේ, නරා, නායකයා	Anura
H. A. උදේ මානස	ගොවිතැන	පහල බඩවත, ගඳවෙල	ප්‍රදේ.
H. A. පුරාණ විජේසිංහ	කුරියන්	පහල බඩවත, ගඳවෙල	අනුරා.
H. A. සෝමරි කේශවර්ණී	තන	H. H. H. H. H.	සෝමරි
T. A. දිසානායක, පාලකයා	තන	ගඳවෙල, පහල බඩවත	ප
T. A. විජේරත්න බණ්ඩාර	පෞරුෂික පුරාණ	ගඳවෙල, පහල බඩවත	බණ්ඩාර
D. M. සිංහලේ චන්ද්‍ර	ගොවිතැන	බඩවත, පහල බඩවත	චන්ද්‍ර
M. ඩී පුරාණ	ගොවිතැන	බඩවත, පහල බඩවත	පුරාණ
R. H. A. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
R. H. A. පුරාණ	ගොවිතැන	බඩවත, පහල බඩවත	පුරාණ
T. M. පුරාණ	ගොවිතැන	බඩවත, පහල බඩවත	පුරාණ
ඉ. ඩී. පුරාණ	ගොවිතැන	බඩවත, පහල බඩවත	පුරාණ
A. M. U. C. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
M. A. C. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
H. A. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
K. M. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
R. M. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
R. P. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
H. M. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ
D. H. පුරාණ	පුරාණ	බඩවත, පහල බඩවත	පුරාණ

Stakeholders meetings on affected persons and Stakeholders of NWP canal/
Galewela D.S. Division

නම / Name	රැකියාව / Position	ලිපිනය / Address	අත්සන / Signature
ග. L. A. බුලත්	-	249, පුළුගොට-ගම	
ආ. ජ. ඒ. කරුණාතිලක	ගො.වි.ක.ප.	දකුණු	
කේ. ඩී. ඉන්ද්‍රානි	දි.වි.ක.ප.	අපාරි - බරපොලොන්නරුව	
ස. ආ. බණ්ඩාර	ගො.වි.ක.ප.	බරපොලොන්නරුව - බරපොලොන්නරුව	
ආ. ඩී. ඉන්ද්‍රානි	ගො.වි.ක.ප.	බරපොලොන්නරුව - බරපොලොන්නරුව	
S.P.M. සුමනසේන	ගො.වි.ක.ප.	බරපොලොන්නරුව - බරපොලොන්නරුව	
M.S.M. M.A.සේන	-	බරපොලොන්නරුව - බරපොලොන්නරුව	
ජී. ඒ. ඉන්ද්‍රානි	"	බරපොලොන්නරුව - බරපොලොන්නරුව	
ග. L. A. බුලත්	පාලක	දකුණු - බරපොලොන්නරුව	
ග. L. A. බණ්ඩාර	-	දකුණු - බරපොලොන්නරුව	

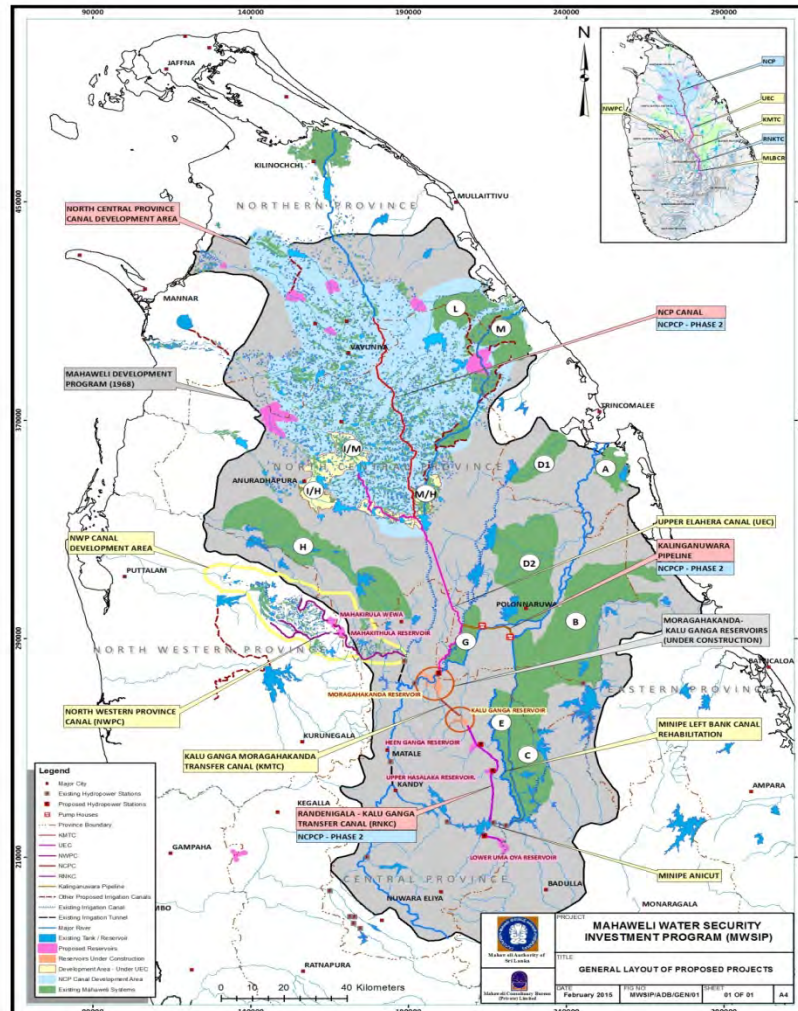
PAPs and Other Stakeholder Consultation Workshop on 28 August 2014, Divisional Secretary, Galewela, addressing the Workshop



Discussion on the Compensation and Special Grant Packages at the PAP and Other Stakeholders Consultation Workshop – 28 August 2014



The North Western Province Canal Project (NWPCP) Stage 1 is part of the SRI Lanka: Mahaweli Water Security Investment Program - Tranche 1



The North Western Province Canal Project (NWPCP) will be implemented in two stages: (i) Stage 1 - Nalanda – Wemedilla - Devahuwa feeder Canal - Hakwatuna Oya Diversion, and (ii) Stage 2- Diversion of Mahaweli water to Mi Oya Basin from downstream of existing Bowatenna Irrigation Tunnel. The 30-meter wide canal at stage 1 will start at the Welamitiyawa GND in Dambulla, and it will flow through jungles and a few human settlements before reaching the Mahakirula reservoir in Palagala DSD in Anuradapura District.

The stage 1 Project will acquire 29 acres and 46 perch land, and 128 households will be affected. 9 households with 11 families have to be physically displaced, and 119 households will lose some small part (less than 10%) of their productive lands. There will be uprooted 3,136 perennial trees and around 364 non-perennial trees.

This leaflet was prepared to inform project affected households that the resettlement plan was prepared to ensure that all affected households will be compensated in accordance requirement set up the Government Land Acquisition Act, NIRP and Land Acquisition Regulation 2009, and also based on the ADB principle on involuntary resettlement described in ADB SPS 2009.

Project Affected Households

Division	GND	Village	No. of Households Affected
Galnawa	Aluthwewa	Aluthwewa	22
	Pibidunugama	Pibidunugama	13
	Hombawa	Hombawa	23
	Ranwediya	Kanadana	13
	Nilagama	Nilgama	14
	Danduyaya	Danduyaya	05
	Pahalabambawa	Pahalabambawa Bogaswewa	04
	Kospotha	Kospotha	34
	Total		128

Source: MCB Resettlement Census, 2014

Entitlement and compensation strategy

The compensation for any loss associated with land acquisition for this NWPCP was calculated based on entitlement matrix described in the RF. The compensation of property loss will be at replacement costs based on market value. The compensation under this RIP include compensation package for land and resettlement, compensation for loss houses and other structures, compensation for loss trees and crops. There are also several allowance provided in the entitlement market such as allowance for temporary shed, relocation, and incentive allowance to urge displaced household to timely move out from affected areas. For displaced households, a program has been designed to assist them in livelihood improvement or income restoration program.

Project Implementation Schedule

The commencement of construction works is expected to start at around end of 2015. Therefore payment of compensation should be completed by August 2015

Entitlement Matrix

Type of Loss	Application	Entitled persons	Entitlements	Implementation Procedures
Loss of Agricultural Land	Land acquired for the canal and related facilities such as service roads	Owner of titled land	a) Compensation for land at replacement cost b) Market value for trees and crops.	<p>1. Compensation rates are determined based on NIRP, and LA Regulation, 2009</p> <p>2. Replacement land: PAHs will purchase replacement land in same locality using the statutory compensation and special grant provided regardless of the tenure type of the acquired land. The formula is given below: (a) homestead – Rs 5,000,000 per acre; (b) Highland allotment – Rs2,000,000 / acre (c) Paddy land – Rs 450,000 per acre; and (d) Chena land – Rs 200,000</p> <p>3. Other assistance outlined in RIP will also be provided by PIU</p>
Loss of Agricultural Land	-do-	Lease holder of state land	a) Compensation for loss of lease-hold land right b) Market value for trees and crops	
Loss of Agricultural Land	-do-	Owner of State grant land	a) Compensation for land at replacement cost, and trees and crops at market value	
Loss of access to agricultural land	-do-	Owner of titled land	a) Compensation for land on replacement cost b) Compensation for crops and trees at market value	
Loss of access to agricultural land	-do-	Ande Farmer (Share cropper)	a) Compensation for loss of Ande right; and b) compensation for crops destroyed/damaged	
Loss of access to agricultural land	-do-	Non-titled user or squatter on State land	a) Compensation for land development; b) Replacement cost of structures built; and c) Compensation for trees and crops at market value	<p>1. Compensation rates are determined based on NIRP, and LA Regulation 2009.</p> <p>2. Replacement home-stead will be purchased by each physically displaced household for relocation in the same locality with the cash grant provided by PIU.</p> <p>The cash grant will enable PAH to:</p> <p>a) purchase 20 perches of land, if lost up to 20 perches of land; b) purchase 40 perches of land, if lost between 21 and 40 perches of land; c) purchase 60 perches of land, if lost between 41 and 60 perches of land; d) purchase of 80 perches of land, if lost between 61 and 80 perches of land.</p> <p>The above special grant applies to the 2 sub-families who will be physically displaced with their main households. Each sub-family will receive the special grant as if it lost less than 40 perches of land to the Subproject.</p> <p>3. Other assistance outlined in RIP will also be provided by PIU</p>
Loss of Residential land and structures	Land acquired for canal, related facilities such as service roads	Owner of titled land (Main HH)	a) Compensation for structures and land at replacement cost b) Trees/crops at market value c) Salvage materials from structures and trees without cost d) Cash grant for purchase of housing allotment e) Transport cost and other transaction cost f) Cash grant for temporary shed (Rs 50,000)	
Loss of Residential land and structures	-do-	Owner with State grant land (Main HH)	a) Compensation for structures and land at replacement cost, b) Trees and crops at market value. c) Salvage materials of structures and trees without cost; d) Cash grant to purchase of housing allotment. e) Transport cost and other transaction cost; f) Cash grant for temporary shed (Rs 50,000).	
Loss of Residential land and structures	-do-	Lease holder of state land	a) Compensation for structures at replacement cost; b) trees and crops at market value, compensation for leasehold right for land; c) Salvage materials of structures and trees without cost; d) Cash grant for purchase of housing allotment; e) Transport cost and other transaction cost; f) Cash grant for temporary shed.	
Partial or complete loss of other property or secondary structure (i.e. shed,	Land acquired for canals, related facilities such as	Owners of structures regardless of	a) Compensation for structure and land at replacement cost b) trees at market value; c) cash grant for purchase of housing allotment;	

Type of Loss	Application	Entitled persons	Entitlements	Implementation Procedures
outdoor latrine, rice store, animal pen etc.)	service road	whether the land is owned or not)	d) Salvage materials without cost; and e) Cash grant for temporary shed (Rs 50,000).	will also be provided by PIU
Loss of tombs or graves	-do-	All owners	a) In case of a family cemetery, compensation will be paid for the lost land and structure b) If it is a public facility run by a local authority, compensation will be paid to the local authority	
i) Loss of house and other structures		PAHs rebuilding house and other structures on same plot	a) Shifting allowance	
ii) Loss of house and other structures		PAH rebuilding house and other structures at a relocation site.	a) Shifting allowance b) Transport allowance	
Loss of house		Each member of severely affected household	As per LA 2009 Regulations.	
Loss of source of income or livelihood		PAPs/ household	a) Vocational & skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	
Permanent loss of income or livelihood sources		One member per household	a) Vocational & Skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	
Permanent loss of income or livelihood sources		Severely affected household remaining on the affected land	a) Vocational & Skill training will be provided b) Training allowance and cash grant will be provided c) Work at project sites	
Loss of income or livelihood sources		Vulnerable PAHs including the poor and woman-headed household	a) Rs.25,000/= cash grant b) Priority in membership in Income restoration and improvement programs c) Assistance in official document search and registration.	
Loss of local roads, footpaths, bridges, irrigation, water ways		Divisional Secretary's Division, Local Authority and local community	a) All lost infrastructure facilities will be rehabilitated to their original conditions. b) If such affected infrastructure facilities cannot be provided, alternative infrastructure facilities will be provided	- do-

HH = household; PIU = Project Implementing Unit, EA = Executive Agency, R = Road, P= Perch,

Grievance Mechanism

A PAP can make their complaint either in writing or verbally to the GN of the division or directly to a project officer. If the complaint is made verbally, the GN or the project officer will record it and forward the complaint to the Project Director who will record observations of project on the complaint.

Project Director will submit complaints and the observations that he received from PAPs to the Committee at the project level at the monthly meeting of the Committee. If necessary, it will call relevant parties to obtain their evidence and views. If there is a legal barrier to resolve the issues, Committee will inform the complainants how they should resolve the issue through legal institutions.

The GRC will attend to grievances and complaints on land acquisition cases, compensation payments, resettlement issues, ownership disputes, delays of payment of compensation issues and rehabilitation assistance programs. In addition, GRC will also attend any complaint related with temporary or permanent acquisition of land by contractors.

Should you require further information and want to submit complaint, please contact

Name:

Designation

Address and Telephone Number:

Email Address: