

# Resettlement Framework

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## Nepal: Earthquake Emergency Assistance Project

Department of Education  
Department of Local Infrastructure Development and Agricultural Roads  
Department of Roads  
Department of Urban Development and Building Construction

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## CURRENCY EQUIVALENTS

(as of 02 June 2015)

Currency unit – Nepalese rupee (NRe/NRs)

NRe1.00 = \$0.0097892

\$1.00 = NRe102.1528

## ABBREVIATIONS

ADB	–	Asian Development Bank
COI	–	corridor of impact
DIMU	–	District Implementation Monitoring Unit
DIU	–	District Implementation Unit
DMS	–	detailed measurement survey
DOE	–	Department of Education
DOLIDAR	–	Department of Local Infrastructure Development and Agricultural Roads
DOR	–	Department of Roads
DSC	–	Design and Supervision Consultants
DUDBC	–	Department of Urban Development and Building Construction
GESI/AP	–	Gender Equality and Social Inclusion Action Plan
GRC	–	Grievance Redress Committee
GRM	–	Grievance Redress Mechanism
IOL	–	inventory of losses
LAC	–	local area committee
MOF	–	Ministry of Finance
NGO	–	nongovernmental organization
PIU	–	Project Implementation Unit
PMC	–	Project Management Consultants
PMU	–	Project Management Unit
ROW	–	right of way
SES	–	socio-economic survey
SPS	–	Safeguards Policy Statement

## WEIGHTS AND MEASURES

kilometer – km

## NOTE

In this report, "\$" refers to US dollars unless otherwise stated.

## I. INTRODUCTION

1. The Project will restore and strengthen the resiliency of critical public and social infrastructure and services and has four outputs:

- (i) **Output 1: Schools are rebuilt and upgraded.** At least 700 schools will be rebuilt or retrofitted in line with school reconstruction plans to disaster-resilient standards and equipped with water and sanitation facilities, including sex-disaggregated toilets.<sup>1</sup> About five will be model schools built with information and communication technology equipment, science laboratories, and improved learning spaces.
- (ii) **Output 2: Roads and bridges are rehabilitated and/or reconstructed.** About 135 km of strategic roads and about 450 km of rural roads damaged by the earthquake and landslides will be rehabilitated.<sup>2</sup> Project roads and bridges will have built back better features for road safety and climate resilience. Construction and maintenance equipment will also be procured.
- (iii) **Output 3: District-level government facilities constructed and/or rebuilt.** About 300 district-level government buildings will be rebuilt or retrofitted to disaster resilient standards with basic utilities, and furnished.<sup>3</sup> Transitional district-level government offices will also be established to enable services to continue throughout the reconstruction period.
- (iv) **Output 4: Disaster preparedness and management capacities strengthened.** All outputs are assured to be disaster risk resilient. Engineering divisions of all implementing agencies will be strengthened.

2. The Project will restore and reestablish use of earthquake damaged infrastructure. Restoration work is expected to be within existing facilities and rights-of-way (ROW) and minimal or no land acquisition is anticipated. Minimal or no involuntary resettlement impacts are also anticipated. This resettlement framework will guide the preparation of resettlement plans developed for education (output 1), roads and bridges (output 2), and district (output 3) infrastructure subprojects during project implementation if required. Output 4 is not expected to have involuntary resettlement impacts. A separate indigenous peoples planning framework is not required, as the Project will not include subprojects that affect indigenous peoples.

3. This resettlement framework was endorsed by the government, disclosed in the Asian Development Bank's (ADB) website, and will be translated and disclosed in the websites of the four implementing agencies.

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<sup>1</sup> The total number of classrooms to be rebuilt or retrofitted is at least 7,000, or almost one-fourth of the 30,000 damaged classrooms, benefiting at least 350,000 children.

<sup>2</sup> PDNA preliminary estimates are damages to 4,400 km of roads in rural areas, requiring \$250 million for reconstruction. Their reconstruction is critical to restore the livelihoods of the affected population.

<sup>3</sup> This responds to the urgent need for restoration of public service delivery in district headquarters. PDNA preliminary estimates are \$250 million in damages to government buildings.

## **II. OBJECTIVES, POLICY FRAMEWORK, AND ENTITLEMENTS**

### **A. Government of Nepal Laws**

#### **1. Resettlement Policies and Acts**

4. The Land Acquisition Act, 2034 (1977) is the core legal document on land acquisition and resettlement activities in Nepal. There is provision in Clause 3 of the Act to acquire land for any public purpose, subject to award of compensation. According to Clause 4, institutions seeking land acquisition may also request the Government of Nepal to acquire land under regular provisions, subject to compensation by such institutions. Clause 27 of the Act provides for land acquisition through negotiation with the plot owners, where all processes specified in the Act is not required.

5. The Land Reform Act 2021 (1964) establishes a tiller's right to land he is tilling. The Land Reform Act (LRA) additionally specifies the compensation entitlements of registered tenants on land sold by the owner or acquired for development purposes. The most recent Act Amendment (2001) established a rule that when the State acquires land under tenancy, the tenant and the landlord will each be entitled to 50% of the total compensation amount. Tenants are verified through a record of tenancy at the Land Revenue Office.

### **B. ADB Safeguard Policy Statement (2009)**

6. The objectives of ADB's Safeguards Policy Statement, 2009 (SPS) with regard to involuntary resettlement 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.

7. ADB's SPS covers permanent and temporary 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. The SPS covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.

8. For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into account the following basic principles:

- (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 nongovernment organizations (NGOs). 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

people, 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 social preparation.

- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (a) land-based resettlement strategies when affected livelihoods are land-based, or cash compensation at replacement value for land when the loss of land does not undermine livelihoods; (b) prompt replacement of assets with access to assets of equal or higher value; (c) prompt compensation at full replacement cost for assets that cannot be restored; and (d) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (a) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, economic and social integration of resettled persons into their host communities, and extension of project benefits to host communities; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) 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 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 recognizable 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 in 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 program. Include the full costs of resettlement in the presentation of the 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.

### C. Gap Filling Between ADB and Government of Nepal Policies

#### 1. Resettlement

9. The Government of Nepal's legal frameworks and ADB's SPS share the following:
- (i) Both permanent and temporary involuntary resettlement shall be avoided to the extent possible or minimized where feasible, exploring all viable alternative project designs.
  - (ii) Where displacement is unavoidable, people losing assets, livelihood, or other resources shall be assisted in improving status at no cost to them.
10. There are certain differences as shown in Table 1, and where different, ADB's SPS will be applied for subprojects.

**Table 1: Key Difference between ADB Policy and Government of Nepal Legal Framework**

<b>ADB Policy</b>	<b>Government of Nepal Legal Framework</b>
Compensation for assets regardless of legal ownership.	Legal ownership is required for compensation eligibility; however, tenants registered with the Land Revenue Office are also recognized.
Compensation to all affected persons regardless of tenure for all affected structures.	Encroachers are not entitled to compensation.
Compensation for affected assets at replacement cost.	Compensation is to be determined by the Compensation Fixation Committee to be formed under the Chief District Officer which may not be replacement cost.

### D. Screening and Classification

11. During project preparation, the Project was classified by ADB as Category B with impacts that are not deemed significant. The subproject selection criteria excludes Category A subprojects or subprojects with significant involuntary resettlement impacts. To ensure completion within the project period, subprojects which do not have land acquisition and involuntary resettlement impacts will be prioritized. Subprojects which affect indigenous peoples will also be excluded from the Project.

12. The subproject selection criteria minimize land acquisition and involuntary resettlement. Any impacts noted during detailed design will be minimized by comparing technical design and construction method alternatives. Impacts, if any, are likely to be related to access disruptions and impacts on assets that are on the edge of ROWs.

13. Following screening through the subproject selection criteria, the implementing agency will classify subprojects at the earliest stage of preparation when sufficient information is available for this purpose. The Project will adopt ADB's classification system to reflect the significance of a subproject's potential involuntary resettlement impacts. Subprojects will be classified into the following categories:

- (i) Category A. A proposed subproject is likely to have significant involuntary resettlement impacts, 200 or more persons will be physically displaced from home, 200 or more persons lose 10% or more of their productive or income generating assets, or 200 or more persons experience a combination of both.
- (ii) Category B. A proposed subproject includes involuntary resettlement impacts that are not deemed significant.
- (iii) Category C. A proposed subproject has no involuntary resettlement impact.

14. Classification will be aided through the form in Appendix 1. The implementing agency will submit the classification of each subproject to the executing agency and ADB for review and approval. Category A subprojects will be excluded from the Project. To comply with ADB's SPS—Category B subprojects require the preparation of a resettlement plan that is commensurate with the extent and degree of the impacts: the scope of physical and economic displacement and the vulnerability of the affected persons. The PIU (Project Implementation Unit) and Design and Supervision Consultants (DSC) will prepared the draft resettlement plan. The outline of a resettlement plan is in Appendix 2.<sup>4</sup> Category C subprojects require no further action.

15. In cases where subprojects involve voluntary donation and no other land acquisition and involuntary resettlement impacts, the subproject will be classified as Category C, but the PIU will prepare a report to ADB (to be attached to the classification form) which will document that: (i) the subproject site is selected in full consultation with landowners and any non-titled affected persons; (ii) voluntary donations do not severely affect the living standards of affected persons and the amount of agricultural or other productive land to be acquired from each affected household does not exceed 5% of the total productive landholdings of the household; (iii) voluntary donations are linked directly to benefits for the affected persons; (iv) any voluntary donation will be confirmed through written record and verified by an independent third party; (v) there is an adequate grievance process (vi) no affected household will be displaced from housing and severely affected; (viii) no affected household is vulnerable; and (ix) a process is in place to provide official documentation to those who donated land of their landholding post-donation. In cases where the subproject is classified as B and involves voluntary donation, the voluntary donation report will be attached to the resettlement plan.

### **III. SOCIOECONOMIC INFORMATION**

#### **A. Determining Resettlement Impacts**

16. Socio-economic information of affected households will be obtained through a socio-economic survey (SES). The SES will serve as a baseline of affected household living conditions and will form part of the monitoring and evaluation data that will assess the extent to which the measures in resettlement plans are effective in mitigating land acquisition and resettlement impacts. The SES instrument will be developed by the PMU with the Project Management Consultants (PMC) and the SES will be undertaken by PIUs and District Implementation Units (DIU).<sup>5</sup> The SES will be supplemented with consultations to cover the need for land acquisition and resettlement impacts, and the community's views on measures to mitigate the anticipated impacts, including preferred forms of compensation.

<sup>4</sup> Further guidance on the preparation of an RP is in ADB. 2011. "Involuntary Resettlement Safeguards: A Planning and Implementation Good Practice Sourcebook—Draft Working Document." Manila: ADB.

<sup>5</sup> Guidance on the conduct of an SES is in ADB. 2011. "Involuntary Resettlement Safeguards: A Planning and Implementation Good Practice Sourcebook—Draft Working Document." Manila: ADB.

17. The potential impacts of the Project will be determined through an inventory of losses (IOL) and census of affected households, conducted in parallel with the SES, where all fixed assets (i.e., lands used for residence, commerce, agriculture including ponds; dwelling units; stalls and shops; miscellaneous structures such as fences, tombs, and wells; trees with commercial value; crops; etc.) located in the subproject construction area (e.g. the corridor of impact (COI) for transport infrastructure subprojects) will be identified, tagged, measured, their owners identified, and exact location recorded. Likewise, the severity of impact on the affected assets and the severity of impact to the livelihood and productive capacity of persons affected by such losses will be determined. Photographs of the affected assets with a placard indicating their location and owners will be taken. Information on the affected households, such as sources of livelihood, income level, and ownership of productive assets will also be gathered as part of the IOL. The PMU with PMC consultants will develop the IOL instrument and the IOL will be implemented by the PIUs and DIUs. The cut-off-date for eligibility will be the announcement of the subproject and the IOL survey. Affected households will be informed of the cut-off-date in prior consultations and the information will be included in materials disclosed.

#### **B. Updating Resettlement Plans**

18. The draft resettlement plans will be updated after the completion of the detailed design for the subproject. The PIUs and DIUs will conduct the detailed measurement survey (DMS) as part of updating the resettlement plan. The DMS will include 100% of affected households and will collect data required to verify the details of affected persons for finalizing the resettlement plan, including details of land ownership, plot sizes, types of land use, number and types of trees and crops, types and conditions of affected structural buildings, land prices, affected livelihoods and the required restoration activities as well as associated costs of land for resettlement of displaced people and development costs.

### **IV. CONSULTATION, PARTICIPATION, AND DISCLOSURE**

#### **A. Consultation and Participation**

19. Participation provides for the occasion and the process by which stakeholders influence and become co-responsible for development initiatives and decisions that affect them. Through participation, the needs and priorities of the local population are known; the adverse social impacts of subprojects, including the corresponding mitigating measures, are collectively identified; and the commitment and feeling of ownership for subprojects is developed among affected households.

20. The public, especially affected households, the local governments and beneficiaries will be consulted and their opinions solicited, and will participate in the preparation, updating, and implementation of the resettlement plan. Table 2 summarizes the roles and responsibilities of the executing agency, implementing agencies, the local governments, and the affected households in the preparation, updating, and implementation of the resettlement plan.

**Table 2: Roles and Responsibilities**

<b>Project Process</b>	<b>Participatory Activities/Participants</b>	<b>Responsible Institution</b>
Preparation <u>Pre-feasibility/Feasibility</u>	<p>Briefing of local government officials, and stakeholders about the Project, the resettlement policy, and the activities of the consultants</p> <p>Conduct of IOL, preliminary inventory of affected persons, and social impact assessment</p> <p>Discussion with PMU, PIUs and DIUs about the proposed resettlement framework</p> <p>Initial disclosure meeting with affected households to discuss the results of the IOL and gather suggestions on how to minimize and mitigate impacts, and discuss relocation options</p> <p>Drafting of the resettlement plan and project information brochure<sup>6</sup> and submission to PMU and ADB for review and approval</p> <p>Distribution of information leaflets to affected households, posting of summary resettlement plan at local government offices</p>	<p>PIU and Consultants</p> <p>PIU, DIU, and Consultants, assisted by local government officials</p> <p>PMU, PIU, DIU, Consultants</p> <p>PIU, DIU and Consultants, assisted by local government officials</p> <p>PIU and Consultants</p> <p>PIU and Consultants</p>
<b>Updating and Implementation</b> <u>Drafting/Finalization of Technical Design</u>	<p>DMS, updating unit costs (as necessary)</p> <p>Second disclosure meeting/consultation with affected households to discuss results of DMS and discuss the resettlement policy, entitlements and relocation options</p> <p>Updating/revision of the resettlement plan and project information brochure</p> <p>Submission of updated resettlement plan and project information leaflet to PMU for approval and endorsement to ADB</p> <p>Distribution of the updated project information brochure to the affected households and posting of summary updated resettlement plan at local government offices, PIUs, and DIUs</p>	<p>PIU assisted by Consultants</p> <p>PIU, DIU assisted by Consultants</p> <p>PIU assisted by Consultants</p> <p>PMU</p> <p>PIU and DIU</p>

<sup>6</sup> The project information brochure, written in local language, contains the following brief information: (i) project background, specifically about civil works to be done; (ii) results of the IOL; (iii) entitlements due to the DPs/AHs; (iv) bases for computing compensation for affected assets;(v) schedule of delivery of entitlements and displacement; (vi) grievance redress mechanism; and (vii) contact persons at PIU and DIU.

Project Process	Participatory Activities/Participants	Responsible Institution
	Implementation of updated resettlement plan	PIU and DIU
	Monitoring of resettlement plan implementation	PIU (internal) and PMU (external)

DIU-District Implementation Unit, DMS-detailed measurement survey, IOL-inventory of losses, PIU-Project Implementation Unit, PMU-Project Management Unit

21. Survey teams will conduct consultations in the subproject areas prior to IOL and SES activities. Among the issues to be discussed are (i) explaining to local officials and residents what the subproject is about; (ii) introducing the members of the survey team, the reasons for the survey and the schedule for the conduct of the survey, including the policy on cut-off date for eligibility to entitlements; and, (iii) identifying the major subproject stakeholders in the districts and getting their views regarding the subproject, including their suggestions on how to avoid and minimize adverse impacts.

22. Following consultations during the IOL and SES, the resettlement survey team will hold a second round of consultations, specifically with affected households. The issues to be discussed includes (i) sharing results of IOL, such as information on the types and magnitude of impacts; (ii) basic resettlement principles to be used in the subproject, such as compensation at replacement cost, public participation, and grievance redress; and, (iii) obtaining affected household's views and suggestions regarding compensation, allowances and assistance, relocation of structures, grievance redress, and participation.

23. Consultations with affected households will continue during resettlement plan updating and resettlement plan implementation. Particular attention will be given to the poor and other vulnerable affected households. All consultations undertaken will be documented in draft and updated resettlement plans, and in monitoring reports during resettlement plan implementation. This will include minutes of meetings, photos, and attendance sheets.

## B. Disclosure

24. Draft and updated resettlement plans will be disclosed through a meeting with affected households and by posting in key locations such as local government, PIU and DIU offices during public information meetings and dissemination of the project information brochure. Key information to be disclosed includes (i) relocation and rehabilitation options, (ii) entitlements, (iii) grievance procedures, (iv) schedule of assistance delivery and (v) displacement schedule. Translated copies of the resettlement plan will also be disseminated to each local government, PIU and DIU offices within the subproject area and will be publicly accessible. The resettlement plans (draft and updated) will be endorsed by the government to ADB and uploaded in the implementing agency, and ADB's websites. Corrective action plans (if any) and resettlement monitoring reports will also be endorsed by the Government and uploaded on ADB's website. Safeguards monitoring reports will also be uploaded on implementing agency websites. Disclosure will follow ADB's Public Communication Policy, 2011.<sup>7</sup>

<sup>7</sup> <http://beta.adb.org/documents/pcp-2011?ref=site/disclosure/publications>

## V. COMPENSATION, INCOME RESTORATION, AND RELOCATION

25. The Project has prepared this resettlement framework, laying out the purpose, principles, and procedures to be used in the planning, updating and implementation of resettlement for any subproject with resettlement impacts.

### A. Objectives

26. The overall objective of the project resettlement policy is to ensure that all persons affected by the Project are able to maintain and, preferably, improve their pre-project living standards and income-earning capacity by providing compensation for the loss of physical and non-physical assets and, as required, other assistance and rehabilitation measures to reestablish affected livelihood.

### B. Resettlement Principles

27. In support of the resettlement policy objective, the following principles have been adopted for the Project:

- (i) Acquisition of land and other assets, and resettlement of people will be avoided or minimized as much as possible by identifying possible alternative construction methodology during rehabilitation.
- (ii) Affected households residing, working, doing business and/or cultivating land within the subproject impacted areas during the conduct of the IOL, to be validated or updated during the DMS, are entitled to be compensated. Compensation will be provided for lost assets, incomes and businesses at market prices, and depending on the severity of impact on their livelihood and income capacity, affected persons will be provided with rehabilitation assistance to improve or restore their pre-project living standards, income-earning capacity and production levels.
- (iii) Affected households will be eligible for compensation and rehabilitation assistance, irrespective of tenure status, social or economic standing and any such factors that may discriminate against achievement of the resettlement objectives. Lack of formal legal title or rights will not be a barrier to eligibility for compensation and assistance under the Project.
- (iv) Affected households in a particular subproject will be fully consulted and given the opportunity to participate in decisions that may have adverse impacts on their lives during detailed design, implementation, and operation of the subproject. Development of plans for the acquisition of land and other assets will be carried out in consultation with the affected households who will receive prior information of the compensation, relocation and other assistance available to them.
- (v) All acquisition of, or restriction on access to, resources owned or managed by the Affected households as common property, e.g., communal forest, communal farm, will be mitigated by arrangements that will ensure access of those affected households to equivalent resources on a continuing basis.
- (vi) There will be no deductions in compensation payments for land, structures or other affected assets for salvage value, depreciation, taxes, stamp duties, fees or other payments.
- (vii) Shop owners and operators will be allowed to construct replacement for their stalls before demolishing the existing ones in order to minimize, if not avoid, loss of income arising from the disruption of business operation.

- (viii) If ownership over any affected asset is under dispute, the compensation for the assets will be held in a court designated bank until its lawful owner is decided by competent legal authorities.
- (ix) Affected households that lose only part of their physical assets will not be left with a portion that will be inadequate to sustain their current standard of living. The minimum size of remaining land and structures will be agreed during the resettlement planning process.
- (x) Temporarily affected land and common property infrastructure will be restored to pre-project conditions.
- (xi) Effective mechanisms for hearing and resolving grievances during the planning, updating, and implementation of the resettlement plan for any subproject will be established and made known to all affected person.
- (xii) Existing cultural and religious practices will be respected and, to the maximum extent possible, preserved.
- (xiii) Special measures will be incorporated in the each resettlement plan to protect socially and economically vulnerable groups at risk of impoverishment, such as women-headed households, disabled-headed households, landless households, children and elderly people without support structures, and people living in poverty. Appropriate assistance will be provided to help them improve their socio-economic status.
- (xiv) Adequate resources will be identified and committed during the preparation of the resettlement plan of any subproject. This includes adequate budgetary support fully committed and made available to cover the costs of land acquisition, compensation, resettlement and rehabilitation within the agreed implementation period for the subproject; and, adequate human resources for supervision, liaison and monitoring of land acquisition, resettlement and rehabilitation activities.
- (xv) Appropriate reporting, monitoring, and evaluation mechanisms will be established as part of the resettlement management system. Monitoring and evaluation of the land acquisition, resettlement, and rehabilitation processes and the final outcomes will be conducted by an independent external monitoring organization.
- (xvi) The resettlement plan or an appropriate summary for any subproject will be translated into local language and placed in local government offices for the reference of affected households.
- (xvii) ADB will not approve any civil works contract to be financed from the loan proceeds for any given geographic location, subproject, component or section unless the Government has satisfactorily completed, for that given location, subproject, component or section, payment of compensation for affected assets and any relocation to new sites, in accordance with the approved resettlement plan. Rehabilitation measures must also be in place but not necessarily completed, as these may be ongoing activities.
- (xviii) Cash compensation or replacement land for affected households losing entire residential land that are covered with titles and other recognized proof of ownership, or home plot in a group relocation site or individual sites for landless affected households needing to move, will be made available ahead of implementation of civil works to allow the affected households sufficient lead time to reconstruct their houses.
- (xix) No demolition of assets and/or entry to properties will be done until the affected household is fully compensated and relocated.

### C. Entitlements

28. Consistent with Project-specific resettlement principles, policies on compensation and other entitlements are summarized in Table 3. Furthermore, compensation to be paid for affected assets will be based on the principle of replacement cost, which is the amount needed to replace an affected asset without deduction for taxes and/or costs of transaction before displacement and which is operationally defined as follows:

- (i) Productive land (agricultural, ponds, and forest) based on replacement cost that reflect recent land sales, and in the absence of such recent sales, based on productive value;
- (ii) Residential land based on replacement cost that reflect recent land sales, and in the absence of such recent land sales, based on similar location attributes;
- (iii) Houses and other related structures based on replacement cost reflecting current market prices of materials and labor without depreciation nor deductions for salvaged building materials;
- (iv) Annual crops equivalent to current market value of crops at the time of compensation;
- (v) For perennial crops and trees, cash compensation at replacement cost is equivalent to current market value given the type, age, and productive value (future production) at the time of compensation. Timber trees based on diameter at four feet height at current market value.
- (vi) For temporary impacts, no compensation for land if returned to the legal owners, permissory and non-legal right users, and the land restored to pre-project condition within 3 months after use. If the land is not returned and restored to pre-project condition within 3 months, the affected person will receive compensation at replacement cost for the land. A penalty clause will be included in the contractor's contract to ensure that the cost of such compensation is recovered from the contractor.

**Table3: Entitlement Matrix**

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
1.	Productive land (agricultural, fishpond, forest, etc.)	<p><u>Marginal loss</u> (i.e., land is still economically viable for use or meets the expected yield)</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during the detailed measurement survey (DMS).</p>	Owners with legal or legalizable/ recognized right	<p>A. <u>For the portion to be used temporarily during construction:</u></p> <ul style="list-style-type: none"> <li>▪ No compensation for land if returned to the legal owner and the land restored to pre-project condition within 3 months after use. If the land is not returned and restored to pre-project condition within 3 months, the affected person will receive compensation at replacement cost for the land. A penalty clause will be included in the contractor's contract to ensure that the cost of such compensation is recovered from the contractor.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Compensation for loss of net income from subsequent crops that cannot be planted within the duration of the temporary use of the land.</li> <li>▪ Affected household will be notified 1 month in advance of the actual date</li> </ul>

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
				<p>that the land will be temporarily used or affected by the subproject.</p> <p>B. <u>For the portion that will be acquired permanently:</u></p> <ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost for the acquired portion of the land.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Affected household will be notified 1 month in advance of the actual date that the land will be acquired by the subproject.</li> </ul>
			Users with lease or permissory right	<p>A. <u>For the portion to be used temporarily during construction:</u></p> <ul style="list-style-type: none"> <li>▪ No compensation for loss of land use if returned to the lessee and the land restored to pre-project condition within 3 months after use. If the land is not returned and restored to pre-project condition within 3 months, the affected person will receive compensation at replacement cost for the subject land. A penalty clause will be included in the contractor's contract to ensure that the cost of such compensation is recovered from the contractor.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Compensation for loss of net income from subsequent crops that cannot be planted within the duration of the temporary use of the land and within the remaining lease/assigned period.</li> <li>▪ Affected household will be notified 1 month in advance of the actual date that the land will be temporarily used or affected by the subproject.</li> </ul> <p>B. <u>For the portion that will be acquired permanently:</u></p> <ul style="list-style-type: none"> <li>▪ Cash compensation for loss of net income for the remaining leased/assigned period.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Affected household will be notified 3 months in advance of the actual date that the land will be acquired by the subproject.</li> </ul>
			Non-legal users	<p>A. <u>For the portion to be used temporarily during construction:</u></p> <ul style="list-style-type: none"> <li>▪ No cash assistance for loss of land use if returned to original user and the land restored to pre-project condition within 3 months after use. If the land is not returned and restored to pre-project condition within 3 months, the affected</li> </ul>

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
				<p>person will receive cash assistance for permanent loss of land use equivalent to the net income from the affected land during the immediate past year multiplied by 2 years. A penalty clause will be included in the contractor's contract to ensure that the cost of such compensation is recovered from the contractor.</p> <ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Compensation for loss of net income from subsequent crops that cannot be planted within the duration of the temporary use of the land.</li> <li>▪ Affected household will be notified 1 month in advance of the actual date that the land will be temporarily used or affected by the subproject.</li> </ul> <p><u>B. For the portion that will be acquired permanently by the Project:</u></p> <ul style="list-style-type: none"> <li>▪ Cash assistance for permanent loss of land use equivalent to the net income from the affected land during the immediate past year multiplied by 2 years.</li> <li>▪ Cash compensation for the loss of standing crops and trees at replacement cost.</li> <li>▪ Affected household will be notified 3 months in advance of the actual date that the land will be temporarily used or affected by the subproject.</li> </ul>
		<p><u>Severe loss</u> (i.e., land no longer viable for continued use or does not meet the expected yield, therefore the entire property has to be acquired).</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during the detailed measurement survey.</p>	<p>Owners with legal or legalizable/ recognized right</p> <p>Users with lease or permissory right</p>	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost for the entire land, or land-for-land of equivalent productive value with secure tenure, and acceptable to the affected household.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Entitled to take part in the income restoration program.</li> <li>▪ If the loss is equivalent to 10% or more of the total productive assets of the affected household, see Item 7 below.</li> <li>▪ Affected household will be notified 3 months in advance of the actual date that the land will be acquired by the subproject.</li> </ul> <ul style="list-style-type: none"> <li>▪ Cash compensation for loss of net income from subsequent crops that cannot be planted within the remaining lease/assigned period.</li> <li>▪ Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Entitled to take part in the income</li> </ul>

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
				restoration program. <ul style="list-style-type: none"> <li>▪ If the loss is equivalent to 10% or more of the total productive assets of the affected household, see Item 7 below.</li> <li>▪ affected household will be notified 3 months in advance of the actual date that the land will be acquired by the subproject.</li> </ul>
			Non-legal users	<ul style="list-style-type: none"> <li>▪ Cash assistance for permanent loss of land use equivalent to the net income from the affected land during the immediate past year multiplied by 4 years. Cash compensation at replacement cost for the loss of standing crops and trees.</li> <li>▪ Entitled to take part in the income restoration program.</li> <li>▪ If the loss is equivalent to 10% or more of the total productive assets of the affected household, see Item 7 below.</li> <li>▪ Affected household will be notified 3 months in advance of the actual date that the land will be acquired by the subproject.</li> </ul>
2.	Residential / commercial land	<p><u>Marginal loss</u> (i.e., land is still economically viable for use or meets the expected personal yield)</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during the detailed measurement survey.</p>	Owners with legal or legalizable/ recognized right	<p>A. <u>For the portion to be used temporarily during construction:</u></p> <ul style="list-style-type: none"> <li>▪ Cash rental to be negotiated with the affected household.</li> <li>▪ Restoration of the land within 3 months after use. If the land is not returned and restored to pre-project condition within 3 months, the affected household will receive compensation at replacement cost for the subject land. A penalty clause will be included in the contractor's contract to ensure that the cost of such compensation is recovered from the contractor.</li> <li>▪ For affected non-land assets, see Items 3-5 below.</li> <li>▪ Affected household will be notified 1 month in advance of the actual date that the land will be acquired by the subproject.</li> </ul> <p>B. <u>For the portion that will be acquired permanently:</u></p> <ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost.</li> <li>▪ For affected non-land assets, see Items 3-5 below.</li> </ul>
			Non-legal users	<ul style="list-style-type: none"> <li>▪ No cash assistance or compensation for land, except affected properties on the land.</li> <li>▪ For affected non-land assets, see Items 3-5 below.</li> </ul>
		<u>Severe loss</u> (i.e., land no longer viable for continued use; the entire	Owners with legal or legalizable/ recognized right	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost for the entire land, or land-for-land of similar attributes with secure tenure</li> </ul>

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
		<p>property has to be acquired).</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during DMS</p>		<p>and acceptable to the affected household.</p> <ul style="list-style-type: none"> <li>▪ For affected non-land assets, see Items 3-5 below</li> <li>▪ For allowances due to relocation of house, see Item 9 below.</li> <li>▪ Affected household to be notified at least 3 months in advance of the date the land will actually be acquired by the Project.</li> </ul>
3.	House and shops	<p><u>Marginal impact</u> (i.e., unaffected portion of the house is still viable for use and no relocation required)</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during the DMS</p>	<p>Non-legal users</p> <p>Owners of the structures with or without acceptable proof of ownership over the land; with or without building permit</p>	<ul style="list-style-type: none"> <li>▪ No cash assistance or compensation for land, except affected properties on the land.</li> <li>▪ Compensation at replacement cost for non-land assets.</li> <li>▪ For allowances due to relocation of house, see Item 9 below.</li> <li>▪ Affected household to be notified at least 3 months in advance of the date the land will actually be acquired by the Project.</li> </ul>
4.	Secondary structures (kitchen, latrine, etc.)	<p><u>Severe impact</u> (i.e., house is no longer viable for continued use and the entire structure is to be acquired)</p> <p>This will be confirmed by the implementing agency and concurred with by the affected household during the DMS</p>	<p>Owners of the structures with or without acceptable proof of ownership over the land; with or without building permit</p>	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost for the affected portion.</li> <li>▪ Repair allowance equivalent to not less than 20% of replacement cost of the affected portion, or equivalent to the actual cost of repair.</li> </ul>
5.	Loss of, or damage to, assets	Loss of, or damage to, assets	Owners of the structures with or without acceptable proof of ownership over the land; with or without building permit	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost</li> </ul>
6.	Crops and trees	Loss of, or damage to, assets	Owners regardless of tenure status	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost</li> </ul>
7.	Public facilities, common property structures and facilities	Loss of, or damage to, assets	Owners	<ul style="list-style-type: none"> <li>▪ Cash compensation at replacement cost to restore the affected facilities.</li> </ul>
7.	Loss of income / livelihood due to loss of	Loss of 10% or more of total productive land	Affected household losing productive land regardless of	<ul style="list-style-type: none"> <li>▪ One time assistance allowance of 3 months minimum wage per adult for the household.</li> </ul>

No.	Type of Loss/Impacts	Application	Eligible Persons	Entitlements
	productive land		tenure status	<ul style="list-style-type: none"> <li>Entitled to take part in income restoration program.</li> </ul>
8.	Loss of income/livelihood due to disruption of business or employment	<u>Marginal impact</u> (i.e., disruption of business due to reorganization of the shop on the residual land; disruption of employment of less than 3 months)	Shop owners (regardless of tenure status) and employees/laborers of affected assets	<ul style="list-style-type: none"> <li>One time assistance allowance of 1 month minimum wage per adult for the household</li> </ul>
		<u>Severe impacts</u> (i.e., disruption of business due to relocation of shop; and disruption of employment for more than 3 months)	Shop owners (regardless of tenure status) and employees/laborers of affected assets	<ul style="list-style-type: none"> <li>Materials transport allowance equivalent to 1 month minimum wage per adult for the household if relocating in the same village; 2 month minimum wage per adult for the household if relocating elsewhere in the district.</li> <li>One time assistance allowance of 1 month minimum wage per adult for the household</li> <li>Entitled to take part in income restoration program.</li> </ul>
9.	Impacts on houses that require relocation	Severe impacts on houses	Relocating affected households regardless of tenure status	<ul style="list-style-type: none"> <li>Materials transport allowance equivalent to 1 month minimum wage per adult for the household if relocating in the same village; 2 month minimum wage per adult for the household if relocating elsewhere in the district.</li> <li>One time assistance allowance of 2 month minimum wage per adult for the household for those who will move to another plot of land and 1 month minimum wage per adult for the household for those who will move within their plot of land.</li> </ul>
10.	Higher risks of impoverishment /hardship due to loss of resource base	Loss of land and non-land assets	Affected vulnerable groups regardless of severity of impacts	<ul style="list-style-type: none"> <li>One time assistance allowance of 3 month minimum wage per adult for the household to cover for additional human resources needed to help them, rebuild their houses, and re-establish their livelihood.</li> <li><b>Entitled to take part in income restoration program.</b></li> </ul>

#### D. Income Restoration

29. For vulnerable groups and severely affected persons losing 10% or more of their productive assets and livelihoods regardless of tenure status, income restoration programs will be designed. The income restoration program will be designed in a participatory manner during the preparation of the resettlement plan and which will include, among others, any of the following measures: (i) alternative livelihood; (ii) improved agricultural production; (iii) access to credit facilities for productive endeavors; and (iv) appropriate skills training.

#### E. Eligibility

30. Only those affected households confirmed to be residing in, doing business, or cultivating land, or having rights over resources within the subproject right-of-way (ROW) or land to be acquired or used for the subproject during the conduct of the IOL and census of affected households (the cut-off date), to be validated and confirmed later during the detailed

measurement survey (DMS), are eligible to compensation for lost assets and for other assistance as described in the preceding section.

## F. Gender Equality

31. A Gender Equality and Social Inclusion Action Plan (GESI/AP) has been prepared for the Project and subprojects will be prepared and implemented in accordance with the GESI/AP. Consistent with the GESI/AP, resettlement planning and implementation will ensure that women, as members of the affected households, are adequately considered when they are physically or economically displaced by subprojects. They will be given equal opportunity for participation in public consultations. To ensure gender-sensitive and culturally responsive measures, the executing agency and the implementing agencies will adopt suitable strategies to ensure the active involvement of women consistent with the GESI/AP.

## VI. GRIEVANCE REDRESS MECHANISMS

32. The objective the grievance redress mechanism (GRM) is to resolve complaints as quickly as possible and at the local level through a process of conciliation; and, if that is not possible, to provide clear and transparent procedures for appeal. A well-defined grievance redress and resolution mechanism will be established to resolve grievances and complaints in a timely and satisfactory manner. All affected persons will be made fully aware of their rights, and the detailed grievance redress procedures will be publicized through an effective public information campaign. The grievance redress process includes four levels:

33. **First level of GRM:** The first level and most accessible and immediate contact for the fastest resolve of grievances are the contractors, and design and supervision consultants on site. Prior to construction of any works, the PIU and DIU will ensure local community meetings are held to notify local residents and businesses of any temporary disturbances, and to inform them of the Project. If a local area committee (LAC) exists in the area, they should also be informed. If any complaints arise, the contractors, consultants, and DIU can immediately resolve the complaint on site. The PIU can also be involved in grievance redress at this stage. The PIU and DIU office phone number will be posted in public areas within the subproject areas and construction sites. Any person with a grievance related to the project works can contact the project to file a complaint. The DIU offices will have a safeguards focal person to field and resolve complaints. The safeguards (environment and resettlement) focal person will document the complaint, and immediately address and resolve the issue with the contractor within 1-2 days, if the complaint remains unresolved at the field level. The DIU may seek the assistance of the consultant safeguards specialists (the environmental specialist or social safeguards specialist) to resolve the issue. The DIU safeguards focal person will notify the PIU safeguards focal person that a complaint was received, and whether it was resolved. The DIU safeguards focal person will fully document the following information: (i) name of the person; (ii) date complaint was received; (iii) nature of complaint; (iv) location, and (v) how the complaint was resolved.

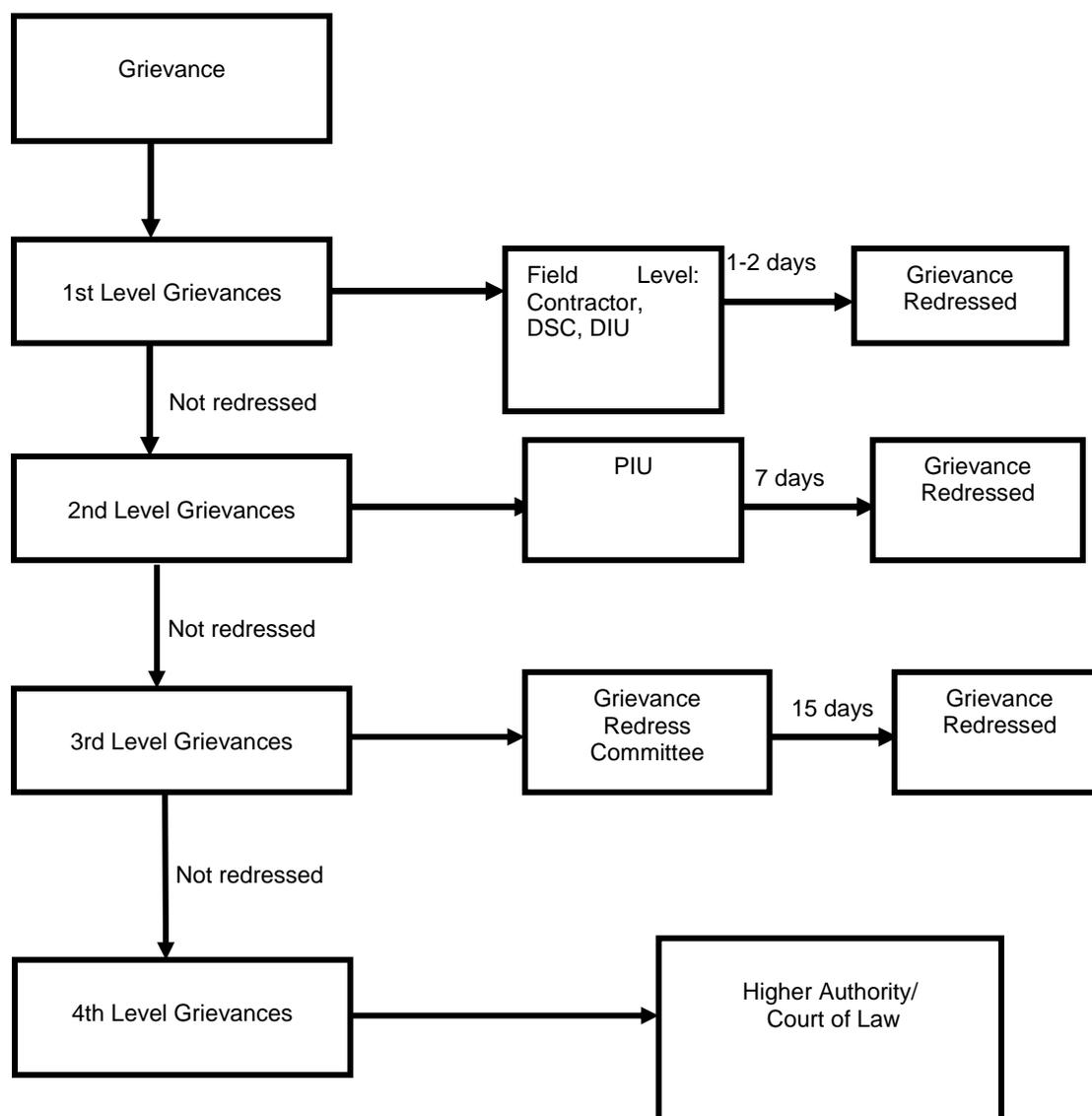
34. **Second level of GRM:** Should the grievance remain unresolved; the DIU will forward the complaint to the PIU safeguards focal person. The person filing the grievance will be notified by DIU safeguards focal person that the grievance was forwarded to the PIU safeguards focal person. The PIU will address the grievance. Grievances will be resolved through continuous interactions with affected persons, and the PIU will answer queries and resolve grievances regarding various issues including environmental or social impacts. Corrective measures will be undertaken at the field level by the PIU safeguards focal person within 7 days. He/she will fully

document the following information: (i) name of the person; (ii) date complaint was received; (iii) nature of complaint; (iv) location and (v) how the complaint was resolved.

35. **Third level of GRM:** Should the grievance remain unresolved, the PIU's project director will activate the third level of the GRM by referring the issue (with written documentation) to a Grievance Redress Committee (GRC) constituted by the EA, which will, based on review of the grievances, address them in consultation with the PMU, PIU, DIU, and affected persons. The GRC will consist of PMU leadership, affected persons, and local area committee, among others—determined to provide impartial, balanced views on any issues. The GRC should consist of at least five persons. A hearing will be called with the GRC, if necessary, where the affected person can present his/her concern and issues. The process will promote conflict resolution through mediation. The GRC will meet as necessary when there are grievances to be addressed. The GRC will suggest corrective measures at the field level and assign clear responsibilities for implementing its decision within 15 days. The functions of the GRC are as follows: (i) to provide support to affected persons on problems arising from environmental or social disruption, asset acquisition (where required), and eligibility for entitlements, compensation, and assistance; (ii) to record grievances of affected persons, categorize and prioritize them, and provide solutions within 15 days; and (iii) to report to the aggrieved parties developments regarding their grievances and decisions of the GRC. The PMU safeguards focal person will be responsible for processing and placing all papers before the GRC, recording decisions, issuing minutes of the meetings, and taking follow-up action to see that formal orders are issued and the decisions carried out.

36. **Fourth level of GRM:** In the event that a grievance is not addressed by the contractor, DSC, DIU, PIU or GRC, the affected person can seek legal redress of the grievance in the appropriate courts, the fourth level of the GRM, which is the formal legal court system. The GRM however does not prevent affected persons from seeking legal redress at any time. The grievance redress mechanism and procedure is depicted in Figure 1.

**Figure 1: Grievance Redress Mechanism**



Note: DIU-district implementation unit, DSC-design and supervision consultant, PIU= project implementation unit

37. Safeguard monitoring reports will include the following aspects pertaining to progress on grievances: (i) number of cases registered with the GRC, level of jurisdiction (first, second, and third levels), number of hearings held, decisions made, and the status of pending cases; and (ii) lists of cases in process and already decided upon may be prepared with details such as affected person, date of notice, date of application, date of hearing, decisions, remarks, actions taken to resolve issues, and status of grievance (i.e. open, closed, pending).

38. All costs involved in resolving the complaints (meetings, consultations, communication and reporting / information dissemination) will be borne by the PMU.

39. ADB's Accountability Mechanism<sup>8</sup> will also be explained to affected households.

<sup>8</sup> <http://beta.adb.org/site/accountability-mechanism/main>

## VII. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION

### A. Project Management Unit (PMU)

40. The Ministry of Finance (MOF) is the executing agency for the Project. A Project Management Unit (PMU) will be formed at the executing agency. The PMU will coordinate social safeguards planning and implementation and ensure that the resettlement framework is followed during subproject implementation. The PMU will be assisted by PMC. Consultants will include a Resettlement Specialist engaged during project implementation. The PMU assisted by PMC will:

- (i) Review and approve resettlement plans, ensuring that the resettlement plans are consistent with ADB's SPS, the resettlement framework, and the loan agreement;
- (ii) Endorse resettlement plans to ADB for review and concurrence;
- (iii) Orient, as needed, the PIUs on their tasks relative to developing, updating, and implementing resettlement plans;
- (iv) Secure the budget for carrying out resettlement plans, ensuring that funds are available in a timely manner and in sufficient amounts;
- (v) Approve all disbursements connected with the implementation of the resettlement plans, such as payment of compensation and other entitlements, operational expenses of personnel, etc.;
- (vi) Ensure that funds for resettlement are spent judiciously; and
- (vii) Monitor the implementation of the resettlement plan, ensuring that this is carried out in compliance with the project resettlement principles, the resettlement framework, and with loan agreement.

### B. Project Implement Units

41. The four implementing agencies: Department of Education (DOE), Department of Local Infrastructure Development and Agricultural Roads (DOLIDAR), Department of Roads (DOR), and Department of Urban Development and Building Construction (DUDBC) will form PIUs. The PIUs will also form DIUs and District Implementation Monitoring Units (DIMUs). The PIUs will be assisted by DSC. Consultants will include Resettlement Specialists engaged during project implementation.

42. The PIU and DIU tasks include the following:

- (i) Undertake involuntary resettlement screening and classification of subprojects for submission to PMU and ADB;
- (ii) Prepare the RP and submit to PMU and ADB for review;
- (iii) Secure the approval of the resettlement plan from PMU and concurrence from ADB;
- (iv) Secure prior approval by PMU and concurrence from ADB for any variations in approved resettlement plans;
- (v) Secure the data base of affected households and assets gathered during the preparation and updating of the resettlement plan;
- (vi) Ensure all government requirements are complied with;

- (vii) Facilitate a sustained public information campaign, ensuring that the public, especially the affected households, are updated on any developments regarding the Project and resettlement activities;
- (viii) Lead the DMS and updated census of affected persons, including the updating of the rates used in calculating compensation and other entitlements to reflect prevailing market rates at the time of compensation;
- (ix) Lead the selection, acquisition, and preparation of replacement plots if required, including the preparation of a coordinated schedule of delivery of compensation and other entitlements, the relocation of people, harvesting of standing crops, and the start of civil works in a particular section of the subproject;
- (x) Lead the delivery of compensation and other entitlements to the affected households;
- (xi) Receive and act on the complaints and grievances of affected households in accordance with the project resettlement principles and the resettlement framework; and
- (xii) Maintain a record of all public meetings, grievances, and actions taken to address complaints and grievances.
- (xiii) Monitor and prepare progress reports on resettlement plan implementation.

### **C. Design and Supervision Consultants**

43. The DSCs together with the PIU and DIU, will assist in developing and updating resettlement plans through the conduct of the DMS in a participatory and transparent way and consistent with the project resettlement principles and the resettlement framework. Once approved by the PMU and reviewed and concurred by ADB, the DSC will provide technical advice in the implementation of the approved resettlement plan. The DSC will likewise provide capacity-building orientation and skills training, as needed, to concerned personnel of the PMU, PIU, and DIU.

44. Together with the PMU, PIU, and DIU the DSC will supervise civil works activities to ensure that the contractors adhere with the terms of their contract relative to avoiding and/or minimizing resettlement impacts, in addition to ensuring that contractors provide the necessary compensation and/or assistance to the affected households prior to and/or during construction activities. The DSC will assist the PIU in regular monitoring of resettlement plan implementation.

## **VIII. BUDGET AND FINANCING**

45. The costs of resettlement for subprojects will be calculated based on (i) the IOL and the DMS, (ii) the entitlements set out in the entitlement matrix of this resettlement framework, and (iii) replacement costs. A contingency of 20% will be included in these cost estimates to be used as required during implementation of the resettlement plan. Major items in estimating resettlement costs and cost items are in Appendix 3. All costs for subproject resettlement, including compensation and allowances, operation and administration costs, surveys, monitoring and reporting, and income restoration will be financed by the Government as counterpart funds.

## **IX. MONITORING AND REPORTING**

46. The PIU through the DIU, DIMU and DSC will conduct regular monitoring and evaluation of the updating and implementation of the resettlement plan. Monitoring and evaluation is intended to help ensure that the resettlement plan is prepared and implemented according to the resettlement framework.

47. The following key indicators will be monitored periodically by PIUs (further suggested monitoring indicators are in Appendix 4):

- (i) Compensation and entitlements are computed at rates and procedures as provided in the approved resettlement plan;
- (ii) Affected households are paid as per agreement with project authorities;
- (iii) Public information, public consultation and grievance redress procedures are followed as described in the approved resettlement plan;
- (iv) Public facilities and infrastructure affected by the Project are restored promptly; and,
- (v) The transition between resettlement and civil works is smooth.

48. The PMU as the Project's external monitor who will carry out external monitoring and post-implementation evaluation. Suggested indicators for verification are in Appendix 5. The PMU will provide the executing agency and ADB a copy of its semi-annual monitoring reports. The PMU will likewise conduct a post-resettlement plan implementation evaluation study one year following the completion of resettlement.

### APPENDIX 1: Involuntary Resettlement Impact Categorization Checklist

Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
<b>Involuntary Acquisition of Land</b>				
1. Will there be land acquisition?				
2. Is the site for land acquisition known?				
3. Is the ownership status and current usage of land to be acquired known?				
4. Will easement be utilized within an existing Right of Way (ROW)?				
5. Will there be loss of shelter and residential land due to land acquisition?				
6. Will there be loss of agricultural and other productive assets due to land acquisition?				
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				
8. Will there be loss of businesses or enterprises due to land acquisition?				
9. Will there be loss of income sources and means of livelihoods due to land acquisition?				
<b>Involuntary restrictions on land use or on access to legally designated parks and protected areas</b>				
10. Will people lose access to natural resources, communal facilities and services?				
11. If land use is changed, will it have an adverse impact on social and economic activities?				
12. Will access to land and resources owned communally or by the state be restricted?				
<b>Information on Displaced Persons:</b>				
Any estimate of the likely number of persons that will be displaced by the Project? If yes, approximately how many?				[ ] No [ ] Yes
Are any of them poor, female-heads of households, or vulnerable to poverty risks?				[ ] No [ ] Yes
Are any displaced persons from indigenous or ethnic minority groups?				[ ] No [ ] Yes

Note: Subproject description; subproject area maps; maps identifying structures against alignments, corridors-of-impact, rights-of-way, and subproject infrastructure; photos; and other relevant materials should be attached.

## **APPENDIX 2: Outline of a Resettlement Plan**

This outline is part of the Safeguard Requirements 2. A resettlement plan is required for all projects with involuntary resettlement impacts. Its level of detail and comprehensiveness is commensurate with the significance of potential involuntary resettlement impacts and risks. The substantive aspects of the outline will guide the preparation of the resettlement plans, although not necessarily in the order shown.

### **A. Executive Summary**

This section provides a concise statement of project scope, key survey findings, entitlements and recommended actions.

### **B. Project Description**

This section provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area. It also describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

### **C. Scope of Land Acquisition and Resettlement**

This section:

- (i) discusses the project's potential impacts, and includes maps of the areas or zone of impact of project components or activities;
- (ii) describes the scope of land acquisition (provide maps) and explains why it is necessary for the main investment project;
- (iii) summarizes the key effects in terms of assets acquired and displaced persons; and
- (iv) provides details of any common property resources that will be acquired.

### **D. Socioeconomic Information and Profile**

This section outlines the results of the social impact assessment, the census survey, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- (i) define, identify, and enumerate the people and communities to be affected;
- (ii) describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
- (iii) discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and
- (iv) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

### **E. Information Disclosure, Consultation, and Participation**

This section:

- (i) identifies project stakeholders, especially primary stakeholders;
- (ii) describes the consultation and participation mechanisms to be used during the different stages of the project cycle;

- (iii) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
- (iv) summarizes the results of consultations with affected persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
- (v) confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and
- (vi) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with affected persons during project implementation.

## **F. Grievance Redress Mechanisms**

This section describes mechanisms to receive and facilitate the resolution of affected persons' concerns and grievances. It explains how the procedures are accessible to affected persons and gender sensitive.

## **G. Legal Framework**

This section:

- (i) describes national and local laws and regulations that apply to the project and identify gaps between local laws and ADB's policy requirements; and discuss how any gaps will be addressed.
- (ii) describes the legal and policy commitments from the executing agency for all types of displaced persons;
- (iii) outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes, and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided.
- (iv) describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

## **H. Entitlements, Assistance and Benefits**

This section:

- (i) defines displaced persons' entitlements and eligibility, and describes all resettlement assistance measures (includes an entitlement matrix);
- (ii) specifies all assistance to vulnerable groups, including women, and other special groups; and.
- (iii) outlines opportunities for affected persons to derive appropriate development benefits from the project.

## **I. Relocation of Housing and Settlements**

This section:

- (i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified);
- (ii) describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;

- (iii) provides timetables for site preparation and transfer;
- (iv) describes the legal arrangements to regularize tenure and transfer titles to resettled persons;
- (v) outlines measures to assist displaced persons with their transfer and establishment at new sites;
- (vi) describes plans to provide civic infrastructure; and
- (vii) explains how integration with host populations will be carried out.

## **J. Income Restoration and Rehabilitation**

This section:

- (i) identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;
- (ii) describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
- (iii) outlines measures to provide social safety net through social insurance and/or project special funds;
- (iv) describes special measures to support vulnerable groups;
- (v) explains gender considerations; and
- (vi) describes training programs.

## **K. Resettlement Budget and Financing Plan**

This section:

- (i) provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation.
- (ii) describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items).
- (iii) includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs.
- (iv) includes information about the source of funding for the resettlement plan budget.

## **L. Institutional Arrangements**

This section:

- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- (ii) includes institutional capacity building program, including technical assistance, if required;
- (iii) describes role of non-government organizations, if involved, and organizations of affected persons in resettlement planning and management; and
- (iv) describes how women's groups will be involved in resettlement planning and management,

**M. Implementation Schedule**

This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction, and provide land acquisition process and timeline.

**N. Monitoring and Reporting**

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of affected persons in the monitoring process. This section will also describe reporting procedures.

**APPENDIX 3: Cost Items for Resettlement Budget**

<b>Category</b>	<b>Cost Item</b>
Resettlement plan preparation and compensation for acquired assets	<ul style="list-style-type: none"> <li>• Cost of census and socioeconomic survey of displaced persons and inventory of assets</li> </ul>
	<ul style="list-style-type: none"> <li>• Compensation for assets lost (land, structures, etc.) at replacement cost</li> </ul>
	<ul style="list-style-type: none"> <li>• Cost of preparation of replacement farmland</li> </ul>
Relocation and Transfer	<ul style="list-style-type: none"> <li>• Cost of moving and transporting movable items</li> </ul>
	<ul style="list-style-type: none"> <li>• Cost of replacement housing</li> </ul>
	<ul style="list-style-type: none"> <li>• Cost of site and infrastructure development and services</li> </ul>
	<ul style="list-style-type: none"> <li>• Subsistence allowances during transition</li> </ul>
	<ul style="list-style-type: none"> <li>• Cost of replacement businesses and downtime</li> </ul>
Income/ Livelihood Programs	<ul style="list-style-type: none"> <li>• Cost estimates for income restoration plans (e.g., training, small business, community enterprise)</li> </ul>
	<ul style="list-style-type: none"> <li>• Cost of incremental services (extension, health, education)</li> </ul>
	<ul style="list-style-type: none"> <li>• Environmental enhancement packages (forestry, soil conservation, grazing land, etc.)</li> </ul>
Administrative/ Services Costs	<ul style="list-style-type: none"> <li>• Physical facilities (office space, staff housing, etc.)</li> </ul>
	<ul style="list-style-type: none"> <li>• Transport/vehicles, materials</li> </ul>
	<ul style="list-style-type: none"> <li>• Operation staff (managerial, technical), and support staff</li> </ul>
	<ul style="list-style-type: none"> <li>• Staff training for capacity development and monitoring</li> </ul>
	<ul style="list-style-type: none"> <li>• Information disclosure, consultations, and grievance redress mechanism</li> </ul>
	<ul style="list-style-type: none"> <li>• NGO services for resettlement plan implementation</li> </ul>
Monitoring and Reporting	<ul style="list-style-type: none"> <li>• Cost of monitoring the resettlement plan implementation</li> </ul>
	<ul style="list-style-type: none"> <li>• Verification of monitoring by qualified and experienced external experts or qualified NGOs for projects with significant involuntary resettlement impacts</li> </ul>
	<ul style="list-style-type: none"> <li>• Evaluation of resettlement plan implementation and reporting</li> </ul>
Contingency	<ul style="list-style-type: none"> <li>• About 20 percent of the estimated resettlement project costs</li> </ul>

### APPENDIX 4: Monitoring Indicators

Monitoring Aspects	Potential Indicators
<b>Delivery of Entitlements</b>	<ul style="list-style-type: none"> <li>• Entitlements disbursed, compared with number and category of losses set out in the entitlement matrix.</li> <li>• Disbursements against timelines.</li> <li>• Identification of the displaced persons losing land temporarily, e.g. through soil disposal, borrow pits, contractors' camps, been included.</li> <li>• Timely disbursements of the agreed transport costs, relocation costs, income substitution support, and any resettlement allowances, according to schedule.</li> <li>• Provision of replacement land plots.</li> <li>• Quality of new plots and issue of land titles.</li> <li>• Restoration of social infrastructure and services.</li> <li>• Progress on income and livelihood restoration activities being implemented as set out in the income restoration plan, for example, utilizing replacement land, commencement of production, the number of the displaced persons trained in employment with jobs, microcredit disbursed, number of income-generating activities assisted.</li> <li>• Affected businesses receiving entitlements, including transfer and payments for net losses resulting from lost business.</li> </ul>
<b>Consultation and Grievances</b>	<ul style="list-style-type: none"> <li>• Consultations organized as scheduled including meetings, groups, and community activities.</li> <li>• Knowledge of entitlements by the displaced persons.</li> <li>• Use of the grievance redress mechanism by the displaced persons.</li> <li>• Information on the resolution of the grievances.</li> <li>• Information on the implementation of the social preparation phase.</li> <li>• Implementation of special measures for vulnerable persons.</li> </ul>
<b>Communications and Participation</b>	<ul style="list-style-type: none"> <li>• Number of general meetings (for both men and women).</li> <li>• Percentage of women out of total participants.</li> <li>• Number of meetings exclusively with women.</li> <li>• Number of meetings exclusively with vulnerable groups.</li> <li>• Number of meetings at new sites.</li> <li>• Number of meetings between hosts and the displaced persons.</li> <li>• Level of participation in meetings (of women, men, and vulnerable groups).</li> <li>• Level of information communicated—adequate or inadequate.</li> <li>• Information disclosure.</li> <li>• Translation of information disclosure in the local languages.</li> </ul>
<b>Budget and Time Frame</b>	<ul style="list-style-type: none"> <li>• Land acquisition and resettlement staff appointed and mobilized on schedule for the field and office work.</li> <li>• Capacity building and training activities completed on schedule.</li> <li>• Achieving resettlement implementation activities against the agreed implementation plan.</li> <li>• Funds allocation for resettlement to resettlement agencies on time.</li> <li>• Receipt of scheduled funds by resettlement offices.</li> <li>• Funds disbursement according to the resettlement plan.</li> <li>• Social preparation phase as per schedule.</li> <li>• Land acquisition and occupation in time for implementation.</li> </ul>
<b>Livelihood and Income Restoration</b>	<ul style="list-style-type: none"> <li>• Number of displaced persons under the rehabilitation programs (women, men, and vulnerable groups).</li> <li>• Number of displaced persons who received vocational training (women, men, and vulnerable groups).</li> <li>• Types of training and number of participants in each.</li> <li>• Number and percentage of displaced persons covered under livelihood programs (women, men, and vulnerable groups).</li> <li>• Number of displaced persons who have restored their income and livelihood patterns (women, men, and vulnerable groups).</li> <li>• Number of new employment activities.</li> <li>• Extent of participation in rehabilitation programs.</li> <li>• Extent of participation in vocational training programs.</li> </ul>

	<ul style="list-style-type: none"> <li>• Degree of satisfaction with support received for livelihood programs.</li> <li>• Percentage of successful enterprises breaking even (women, men, and vulnerable groups).</li> <li>• Percentage of displaced persons who improved their income (women, men, and vulnerable groups)</li> <li>• Percentage of displaced persons who improved their standard of living (women, men, and vulnerable groups)</li> <li>• Number of displaced persons with replacement agriculture land (women, men, and vulnerable groups)</li> <li>• Quantity of land owned/contracted by displaced persons (women, men and vulnerable groups)</li> <li>• Number. of households with agricultural equipment</li> <li>• Number of households with livestock</li> </ul>
<b>Benefit Monitoring</b>	<ul style="list-style-type: none"> <li>• Noticeable changes in patterns of occupation, production, and resource use compared to the pre-project situation.</li> <li>• Noticeable changes in income and expenditure patterns compared to the pre-project situation.</li> <li>• Changes in cost of living compared to the pre-project situation.</li> <li>• Changes in key social and cultural parameters relating to living standards.</li> <li>• Changes occurred for vulnerable groups.</li> <li>• Benefiting from the project by the displaced persons.</li> </ul>
<b>Voluntary Donation</b>	<ul style="list-style-type: none"> <li>• Progress on the process of providing official documentation to those who donated land of their landholding post-donation. In cases where the subproject is classified as B and involves voluntary donation, the voluntary donation report will be attached to the resettlement plan.</li> </ul>

## APPENDIX 5: Monitoring Verification

Monitoring Indicator	Basis for Indicator
<p>Basic information on displaced persons' households</p> <p>(Gender disaggregated data essential for all aspects)</p>	<ul style="list-style-type: none"> <li>• Location of the project</li> <li>• Composition and structure, ages, educational, and skill levels</li> <li>• Gender of household head</li> <li>• Ethnic group</li> <li>• Access to health, education, utilities, and other social services</li> <li>• Housing type</li> <li>• Land and other resource-owning and resource-using patterns</li> <li>• Occupations and employment patterns</li> <li>• Income sources and levels</li> <li>• Agricultural production data (for rural households)</li> <li>• Participation in neighborhood or community groups</li> <li>• Access to cultural sites and events</li> <li>• Valuation of all assets</li> </ul>
Restoration of living standards	<ul style="list-style-type: none"> <li>• Were house compensation payments made free of depreciation, fees, or transfer costs to the displaced persons?</li> <li>• Have displaced persons adopted the housing options developed?</li> <li>• Have perceptions of community been restored?</li> <li>• Have displaced persons achieved replacement of key social and cultural elements?</li> </ul>
<p>Restoration of livelihoods</p> <p>(Disaggregate data for displaced persons moving to group resettlement sites, self-relocating displaced persons, displaced persons with enterprises affected.)</p>	<ul style="list-style-type: none"> <li>• Were compensation payments free of deductions for depreciation, fees, or transfer costs to the displaced persons?</li> <li>• Were compensation payments sufficient to replace lost assets?</li> <li>• Was sufficient replacement land available of suitable standard?</li> <li>• Did income substitution allow for reestablishment of enterprises and production?</li> <li>• Have affected enterprises received sufficient assistance to reestablish themselves?</li> <li>• Have vulnerable groups been provided income-earning opportunities?</li> <li>• Are these opportunities effective and sustainable?</li> <li>• Do jobs provided restore pre-project income levels and living standards?</li> </ul>
Levels of displaced persons' satisfaction	<ul style="list-style-type: none"> <li>• How much do the displaced persons know about resettlement procedures and entitlements?</li> <li>• Do the displaced persons know their entitlements?</li> <li>• Do they know whether these have been met?</li> <li>• How do the displaced persons assess the extent to which their own living standards and livelihoods have been restored?</li> <li>• How much do the displaced persons know about grievance procedures and conflict resolution procedures?</li> </ul>
Effectiveness of resettlement planning	<ul style="list-style-type: none"> <li>• Were the displaced persons and their assets correctly enumerated?</li> <li>• Was the time frame and budget sufficient to meet objectives, were there institutional constraints?</li> <li>• Were entitlements too generous?</li> <li>• Were vulnerable groups identified and assisted?</li> <li>• How did resettlement implementers deal with unforeseen problems?</li> </ul>