

Draft Land Acquisition and Resettlement Framework

September 2018

Cambodia: National Solar Park Project

CURRENCY EQUIVALENTS

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ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected household
CAO	–	Cadastral Administration Office
DP	–	displaced person
DMS	–	detailed measurement survey
EDC	–	Electricité du Cambodge
GRC	–	Grievance Redress Committee
GRM	–	Grievance Redress Mechanism
GS6	–	Grid Substation 6
ha	–	hectare
kV	–	kilovolt
LARF	–	land acquisition and resettlement framework
LARP	–	land acquisition and resettlement plan
MW	–	megawatt
NGO	–	nongovernment organization
PIC	–	project implementation consultant
PV	–	photovoltaic
ROW	–	right-of-way
SEPRO	–	Social and Environmental Public Relations Office
SPS	–	Safeguard Policy Statement

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DEFINITION OF TERMS

Compensation	Refers to payment in cash or in kind for an asset or resource that is acquired or affected by a Project at the time the asset needs to be replaced. All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market rates, plus any transaction costs such as administrative charges, taxes, registration and titling costs.
Consultations	A process that (i) begins early in the project preparation stage and is carried out at different stages of the project and land acquisition and involuntary resettlement cycle; (ii) provides timely disclosure of relevant and adequate information in Khmer Language that is understandable and readily accessible to Displaced Person (DP); (iii) is undertaken in an atmosphere free of intimidation or coercion with due regard to cultural norms; and (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; enables to consider the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures and implementation issues.
Cut-off-date	The date that establishes the eligibility for compensation and resettlement assistance for the project DPs. Only those DPs who own, occupy or reside on the land to be acquired under the Project as of this date, will be eligible for receiving compensation and resettlement assistance in accordance with the Entitlement Matrix specified in the LARP.
Detailed Measurement survey	With the aid of detailed engineering design, this activity involves the finalization of the inventory of losses, measurement of losses, 100% Socio-economic Survey, and 100% census of DPs.
Displaced Household (DH)	Any household physically and/or economically directly affected because of land acquisition and involuntary resettlement. Household means all persons living and eating together as a single social unit.
Displaced Person (DP)	In the context of involuntary resettlement, DPs are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (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.
Economic Displacement	Refers to loss of land, assets, access to assets, income sources, or means of livelihood because of (i) involuntary acquisition of land, or involuntary restrictions on land use or on access to legally designated parks and protected areas.
Eligibility	Refers to any person or persons, household, firm, private or public institution who has settled in the Project area before the cut-off date, that (i) loss of shelter, (ii) loss of assets or ability to access such assets, permanently or temporary, or (iii) loss of income sources or mean of livelihood, regardless of relocation will be entitled to be compensation and/or assistance.
Entitlements	Refers to a range of measures comprising compensation, income restoration support, transfer assistance, relocation support, etc. which are due to the DPs, depending on the type and severity of their losses, to restore their economic and social base.
Income Restoration	Refers to re-establishing productive livelihood of the DPs to enable income generation equal to or, if possible, better than that earned by the DPs before the resettlement or of pre-project levels.
Inventory of Losses	This is the process where all fixed assets (i.e. lands used for residence, commerce, agriculture, including ponds; dwelling units; stalls and shops; secondary structures, such as fences, tombs, wells; trees with commercial value; etc.) and sources of income and livelihood inside the Project right-of-way are identified, measured, their owners identified, their exact location pinpointed, and their replacement costs calculated. Additionally, the severity of impact to the

	affected assets and the severity of impact to the livelihood and productive capacity of DPs will be determined.
Involuntary Resettlement	Refers to when displaced persons have no right to refuse land acquisition by the state that result in their displacement which occurs when land is acquired through (i) expropriation by invoking the eminent domain power of the state, or (ii) land is acquired through negotiated settlement when the pricing is negotiated, and the failure will result in expropriation through invoking the eminent domain of power of the state.
Land Acquisition	Refers to the process whereby individual, household, firm or private institution is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for compensation at replacement costs.
Physical Displacement	Refers to relocation, loss of residential land, or loss of shelter because of (i) involuntary acquisition of land; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Relocation	This is the physical relocation of a displaced people from her/his pre-project place of residence and/or business.
Replacement Cost	Replacement cost involves replacing an asset, including land, at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should not be considered for replacement cost. Where there are no active market conditions, replacement cost is equivalent to delivered cost and building materials, labour cost for construction or relocation costs. Where land market conditions are absent or in a formative stage, the DPs and host populations will be consulted with to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information.
Replacement Cost Study	This refers to the process involved in determining replacement costs of affected assets and land and performed by an independent qualified national consultant (firm or individual) with necessary expertise to carry out asset valuation.
Resettlement Plan	This is a time-bound action plan, with budget, setting out the resettlement objectives and strategies, entitlements the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and implementation schedule.
Significant Impact	Refers to DHs who will (i) lose 10% or more of their total productive land and/or assets; (ii) have to relocate; and/or (iii) lose 10% or more of their total income sources due to the Project.
Vulnerable Groups	These are distinct groups of DPs who are likely to be more adversely affected than others and who are likely to have limited ability to reestablish their livelihoods or improve their status and comprise: (i) all households living below the national poverty rate established by the Government, ¹ (ii) female headed households with dependents living below the national poverty rate, (iii) disabled headed households with no other means of support, (iv) elderly headed households who are landless and with no other means of support, (v) landless poor living below the national poverty rate, and (vi) indigenous people or ethnic minorities (who often have traditional land rights but no formal titles)

¹ This includes squatters and those without land titles

I. INTRODUCTION

1. This Land Acquisition and Resettlement Framework (LARF) has been prepared for the National Solar Park Project. It outlines the resettlement policy principles, procedures, and institutional arrangements to mitigate risks and offer sustainable livelihood and development opportunities to the people affected by the project. It is based on applicable laws and regulations of Royal Government of Cambodia and the Safeguard Policy Statement (SPS) of the Asian Development Bank (ADB).

A. Project Description

2. ADB is working with Cambodia's national electric utility, Electricité du Cambodge (EDC), to develop a National Solar park Project where power of up to 100 megawatts (MW) is to be procured from solar photovoltaic-based (PV) power plants from the private sector through a competitive tendering process. The aim is to demonstrate the ability of a large-scale solar PV to improve the electricity supply and stability of the Cambodian national grid, and substitute for fossil-fuel and hydropower generation in the future. The expansion of solar energy production will help diversify the power generation mix and complement the existing base of hydropower plants to meet daytime peak demand and dry season shortages, as well as increase the percentage of clean energy supply which is in line with the Government of Cambodia's stated greenhouse gas emissions reduction targets. The project is the first of its kind in Cambodia and builds on lessons learnt from ADB Private Sector Operations Department's financing of a 10 MW solar plant at Bavet, Svay Rieng Province in 2016.

3. The Cambodia National Solar park Project will support EDC to construct a solar power park in the border area between Kampong Chnang and Kampong Speu Province, near the Phnom Penh demand centre, and a transmission interconnection system to the nearest grid substation (GS6) selected by EDC, to supply power to both rural and urban areas. The Park will initially consist of 75 hectares of land, fencing, drainage, roads, a pooling substation and common facilities and infrastructure to accommodate solar power plants being the first to be built at least 30 MW capacity. The Solar park is envisaged to be further expanded to accommodate more solar plants up to 200 MW aggregated capacity over a 300–400 ha area.

4. The project will also construct an approx. 37-kilometer 115-kilovolt double circuit overhead line or transmission line between the Solar park substation and the nearest grid substation GS6. EDC will tender out the first solar plant to be established in the Solar park to private sector and execute a long-term power purchase agreement. The development of the individual solar plants will be financed by the private sector through private sector equity and commercial debt. More tenders shall be released to increase solar PV capacity while the park will be expanded over additional land to accommodate subsequent solar plants sharing the common infrastructure.

5. EDC will own, operate and maintain the Solar park facilities including all the grid connection infrastructure installed under the project. An independent power producer will have ownership and responsibility for operating and managing the solar plants and bound to supply electricity to EDC under a long-term Power Purchase Agreement.

B. Rationale for a Resettlement Framework

6. Land acquisition will be required for Output 1, where land is needed for (i) the common facilities of the National Solar Park (NSP) (ii) and the 37 km 115 kV double circuit overhead line between the SS and the GS6. The GS6 is an existing operational facility with fenced and titled

land tract owned by EDC. Land requirement for the 115-kV transmission line consists of plots required for the 15x15m power towers, with the total land acquisition of 3ha. EDC will also compensate to land owners 30% of the land value and the full value of trees above 3m in height within a right-of-way (ROW) of 15m (7.5m on each side of the transmission line midline), totaling 53ha. Transmission line construction will not affect houses or other structures, and there will be no relocation of people. Draft Land Acquisition and resettlement Plan (LARP) has been prepared for the 115-kV transmission line component in accordance with ADB's SPS 2009 and the Royal Government of Cambodia (the Government) laws, rules and regulations, to mitigate the impacts.

7. EDC intends to acquire the land required for the NSP through negotiated settlement based on meaningful consultation with affected persons. It engaged an independent external party to document the negotiation and settlement processes and agreed with ADB on consultation process, applicable laws and regulations, third-party validation, replacement cost calculation mechanism and the reporting.

8. ADB Safeguard requirement 2 does not apply to negotiated settlements unless expropriation results upon the failure of negotiations.¹ This LARF has been prepared to provide guidance in preparing the LARPs for this project and its components. It defines the objectives, principles, eligibility criteria and entitlements for displaced persons (DPs) based on (i) ADB's SPS 2009; and (ii) the Royal Government of Cambodia (the Government) laws, rules and regulations.

9. It describes entitlements and compensation and assistance to be provided to the DPs; information disclosure, participation and consultation procedures; and grievance redress mechanisms that will be employed during the preparation of the LARP. This framework will guide how any LAR issues are addressed if the negotiation process for acquiring the selected land plots for the NSP fails and result in expropriation and EDC will prepare a LARP in accordance with the principles set out in this LARF.

10. The Project will not directly or indirectly affect the dignity, human rights, livelihood systems, or culture of Indigenous Peoples (IPs), neither will it affect the territories or natural or cultural resources that IPs own, use, occupy, or claim as their ancestral domain. Therefore, Safeguard Requirements 3: Indigenous Peoples is not triggered.

II. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS

A. Objective of the Land Acquisition and Resettlement Framework

11. This LARF provides the procedures and key safeguard principles that will govern the preparation and implementation of the LARPs for this Project in line with ADB's SPS requirements and legal and regulatory framework of the Government.

B. Policy and Legal Framework

12. The project's land acquisition and compensation policies will be in planned and implemented accordance with ADB requirements and the Cambodian law. A detailed analysis on the existing legislation and policies of the country was carried out in order to describe their applicability within this framework as follows:

¹ ADB Safeguard Policy Statement, Appendix 2 Safeguard Requirement 2: Involuntary Resettlement para. 25, page 48.

1. Constitution of Cambodia 1993

13. The 1993 Constitution of Cambodia sets out the basic principle for land acquisition. Article 44 of the 1993 Constitution states that all persons, individually or collectively, shall have the rights to own property. Only natural persons or legal entities of Khmer nationality shall have the rights to own land. Legal private ownership shall be protected by law. Expropriation of ownership from any person shall be exercised only in the public interest as provided for by law and shall require fair and just compensation in advance.

2. Land Law 2001

14. The 2001 Land Law is a comprehensive law that land and property rights in Cambodia. Based on the provisions of the 1993 Constitution, it defines the regime of ownership of immovable properties, such as land, trees and fixed structures.

15. The rights and responsibilities of the government with respect to eminent domain are specified in the Land Law. The government can acquire private land for public purposes but must pay a fair and just compensation in advance of the land acquisition. The Land Law, Article 5, states that "No person may be deprived of his ownership, unless it is in the public interest. Ownership deprivation shall be carried out in accordance with the forms and procedures provided by law and regulations and after the payment of fair and just compensation in advance."

- i) Legal possession as defined by the Law is the sole basis for ownership, and all transfer or changes of ownership shall be carried out in accordance with the required general rules for sale, succession, exchange and gift or by court decision. (Article 6);
- ii) Any regime of ownership of immovable property prior to 1979 shall not be recognized. (Article 7);
- iii) Only persons or legal entities of Khmer nationality are entitled to own land in Cambodia; or to buy or sell land. (Article 8, 66);
- iv) State public land includes, among other categories, any property: (a) that has a natural origin, such as forests, courses and banks of navigable and floatable rivers or natural lakes; (b) that is made available for public use such as roads, tracks, oxcart ways, pathways, gardens, public parks and reserved land; or (c) that is allocated to render a public service, such as public schools, public hospitals or administrative buildings. (Article 15);
- v) Persons that illegally occupy, possess or claim title to state public land cannot claim any compensation. This includes land established by the government as public rights-of-way for roads and railways. Moreover, failure to vacate illegally occupied land in a timely manner is subject to fines and/or imprisonment. (Article 19);
- vi) Persons with legally valid possession of land for five years (at the time the law came into effect) are allowed to be registered as the owner of the land (Article 30). Persons who (at the time the law came into effect) held legally valid possessions for less than five years, can remain in possession until they are eligible to be registered as the owner. (Article 31);
- vii) However, temporary possession claims made by persons after the law comes into effect will not be recognized, rescinding a previous right under the 1992 Land Law for acquiring land by taking possession. (Articles 29, 34);
- viii) Landless people may apply for land for residential and subsistence-farming purposes at no cost, as part of a social land concession scheme. The

- concessionaire may obtain ownership of this land after fulfilling conditions set out in a separate Sub-Decree on Social Land Concessions. (Articles 50, 51); and
- ix) Acquisition of land through gift is permitted with the following conditions: (a) the gift of immovable property is only effective if it is made in writing and registered with the Cadastral Registry Unit; (b) once accepted, gifts or immovable property are irrevocable; and (c) the donor may retain the right of usufruct in the property and the right of use and habitation of an immovable property. (Articles 80–84).

3. Expropriation Law

16. The law was passed by the National Assembly on 29 December 2009 and promulgated by the King on 4 February 2010, contains 8 Chapters with 39 Articles. It provides clear procedures on acquiring private properties for national and public interests. Some of the Key Articles of the Law are listed below:

- i) Article 2: the law has the following purposes: (a) ensure just and fair deprivation of a legal rights to private property; (b) ensure prior fair and just compensation; (c) serve the national and public interests; and (d) development of public physical infrastructure.
- ii) Article 7: Only the State may carry out an expropriation for use in the public and national interests.
- iii) Article 8: The State shall accept the purchase of part of the real property left over from an expropriation at a reasonable and just price at the request of the owner of and/or the holder of right in the expropriated real property who is unable to live near the expropriated scheme or to build a residence or conduct any business.
- iv) Article 11: Before exercising any expropriation, the government shall prepare enough annual budgets, and grant adequate and timely fund to the Expropriation Committee at the request the MEF for compensating the owner of and/or holder of real right to the immovable property by the expropriation.
- v) Article 12: An Expropriation Committee shall be established and headed by a representative from the MEF and composed of representatives from relevant ministries and institutions. The organization and functioning of the Expropriation Committee shall be determined by a sub-decree [Sub Decree No 22 ANK/BK promulgated on 22 February 2018].
- vi) Article 16: Before proposing an expropriation project, the Expropriation Committee shall publicly conduct a survey with detailed description about the owner and/or rightful owner of the immovable property and other properties which might need compensation; and all other problems shall be recorded as well. In conducting this survey, the Expropriation Committee shall arrange a public consultation with the authorities at provincial, district and commune level, the commune councils and village representatives or the communities affected by the expropriation in order to give them clear and specific information and to have all opinions from all concerned parties about the proposed public infrastructure project.
- vii) Article 22: An amount of compensation to be paid to the owner and/or holder of rights in the real property shall be based on the market value of the real property or the alternative value as of the date of the issuance of the Prakas on the expropriation scheme. The market value or the alternative value shall be determined by an independent commission or agent appointed by the expropriation committee.
- viii) MEF Sub-Decree No. 115 dated 26 May 2016 on promoting Resettlement Department to GDR provides mandate to the GDR to lead all resettlement activities

including preparation of RP, implementing, and internal monitoring of the RP.

4. Other Relevant National Laws and Regulations

17. **Sub-Decree on Social Land Concession** of March 2003 provides for allocations to landless people of state lands for free for residential or family farming purposes, including the provision of replacement land lost in the cases of involuntary resettlement.

18. **Sub-Decree No. 25 on Providing House Ownership** of April 1989 recognize private house ownership including land and confirmed in the 2001 Land Law (Article 4). Cambodians are able to register the land they occupy with the local Cadastral Administration Office (CAO), whereupon a Certificate of Land Title is granted. Issuing a land title is a lengthy process and most offices have major backlogs and pending applications. People are given a receipt and until the official title deed is issued, and the receipt is acceptable proof of real occupants of the land for purposes of sale. The present legal status of land use in Cambodia can be classified as follows:

- i) Privately-owned land with title: The owner has official title to land and both owners and the CAO have a copy of the deed;
- ii) Privately owned land without title: The owner has a pending application for land title and is waiting for the issuance of a title deed. The Cadastral Administration Office recognizes the owner;
- iii) Land Use Rights Certificate: In this case, a receipt for long-term land use has been issued. This land use right is recognized by CAO;
- iv) Leased Land: The government or private owners lease the land, usually for a short period. The government can reclaim land if it is needed for a development;
- v) Non-legal occupation: The user has no land use rights on land s/he occupies or uses. The CAO does not recognize the use of this land.

19. **Circular No. 2 of 26 Feb. 2007** states that:

- i) illegal occupants of state land have no right to compensation and can be punished in accordance with the land law 2001, and
- ii) illegal occupants who are poor, landless and part of vulnerable group can be provided a plot of land.

20. **Sub-Decree No. 22 ANK/BK**. It is promulgated on 22 February 2018 on the Standard Operating Procedures for Land Acquisition and Involuntary Resettlement for Externally-Financed Projects in Cambodia sets out the policies, regulations and procedures for carrying out LAR under the cited projects.

5. ADB's Policy on Resettlement, Safeguard Policy Statement, 2009

21. The Involuntary Resettlement Safeguards cover 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. It covers whether such losses and involuntary restrictions are full or partial, permanent or temporary.

22. The objectives of ADB Involuntary Resettlement Safeguards 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.

23. For any ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be addressed from the earliest stages of the project cycle, considering the following basic policy 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 affected persons (DPs), including a gender analysis, specifically related to resettlement impacts and risks.
- ii) Carry out meaningful consultations with DPs, host communities and concerned nongovernment organizations (NGOs). Inform all displaced persons of their entitlements and resettlement options. Pay particular attention to the needs of the 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.
- iii) Improve, or at least restore, the livelihoods of all DPs 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 DPs 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 affected 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.
- vii) Ensure that DPs 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 LARP elaborating on DPs' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- ix) Disclose a draft LARP, including documentation of the consultation process in a timely manner, before project appraisal, in an acceptable place and a form and language(s) understandable to DPs and other stakeholders. Disclose the final RP and its updates to DPs 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 cost 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 LARP under close supervision throughout the project's implementation.
- xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of DPs, and whether the objectives of the LARP have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

6. Other Relevant ADB Policies

24. The ADB Public Communication Policy (ADB 2011) seeks to encourage the participation and understanding of people affected by and other stakeholders to ADB-assisted activities. Information on ADB-funded projects should start early in the preparation phase and continue throughout all stages of project development, in order to facilitate dialogue with affected people and other stakeholders. With respect to land acquisition, compensation and resettlement, information should be distributed to the displaced people (DPs) and publicly in the following manner:

- i) prior to loan appraisal, the draft LARP;
- ii) following completion of the final LARP; and
- iii) following any revisions, the revised LARP.

25. This information can be in the form of brochures, leaflets or booklets, in the local language(s) as well as in English. In case of illiterate persons, other culturally appropriate methods of communications will be used.

C. Comparison of Applicable National Laws and Regulations with ADB's Safeguard Policy Statement 2009

26. Comparison of the applicable national laws and regulations shows that some of the principles are in general aligned with the ADB SPS requirements. The gaps between the Government laws and regulations and ADB SPS requirements as well as the agreed gap-filling measures that serve a basis for the mitigation measures and the entitlements and benefits are presented in the table below.

Table 1: Comparison of National Laws and Regulations vis-à-vis ADB's Safeguard Policy Statement 2009

ADB's SPS Requirements	Cambodian laws and regulations	Comparison of ADB's SPS requirements and Cambodian Legislation	Measures provided in the Draft LARP
Screen early to identify past, present and future involuntary resettlement impacts and risks and	Early screening is not required under the laws and regulations.	Early screening and surveys at draft RP stage, including census of DPs and	For this Project Census and IOL as well as FGDs with the vulnerable groups will

ADB's SPS Requirements	Cambodian laws and regulations	Comparison of ADB's SPS requirements and Cambodian Legislation	Measures provided in the Draft LARP
determine the scope of resettlement planning through a survey and/or census of Displaced Persons (DPs), including a gender analysis, specifically related to resettlement impacts and risks.	The SOP under Sub Decree 22 ANK/BK provides for drafting the Basic RP which covers sample surveys of DPs.	IOL (Inventory of Losses).	be conducted as part of LARP preparation
Carry out meaningful consultations with DPs and affected local communities, host communities and relevant stakeholders. Inform all DPs of their entitlements and resettlement options and ensure their participation in planning, implementation, monitoring and evaluation of resettlement; pay attention to the needs of vulnerable groups.	<p>Article 16 of the Expropriation Law requires Expropriation Committee organizing public consultations at the Capital, Municipal, Provincial, and District Khan authority levels with Commune/ Sangkat councils and village or community representative to be affected by the expropriation to provide specific and concise information and collect inputs from all stakeholders regarding the proposed basic public infrastructure project.</p> <p>The SOP under Sub Decree No. 22 ANK/BK include provisions of conducting meaningful consultations through four rounds of formal public consultations as per SOP Section B page 40. House-to-house consultations are done to share information about the project and the entitlements.</p> <p>Para 127 provides for feedback from the public consultation meetings to be incorporated at the basic RP/RF stage to the extent possible.</p>	Enabling the incorporation of all relevant views of affected people and other stakeholders, including vulnerable people into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues is missing.	District and village level consultations as well as consultations with various stakeholders are conducted and will continue throughout the project cycle. Views and concerns of the various stakeholders, including the vulnerable groups will be considered at the detailed design stage. A Stakeholder communication strategy prepared for the project outlines methods of ensuring meaningful consultations;
Establish a grievance redress mechanism to receive and facilitate	The owner and/or the rightful owner who do not agree with a decision by	GRM is provincial and formal mechanism. Not	A Project-specific GRM will be established during the detailed

ADB's SPS Requirements	Cambodian laws and regulations	Comparison of ADB's SPS requirements and Cambodian Legislation	Measures provided in the Draft LARP
<p>resolution of the DPs' concerns. Support the social and cultural institutions of DPs and their host population.</p>	<p>the Expropriation Committee can bring their complaints to the Grievance Redress Committee (GRC) (Article 33 of Expropriation Law).</p> <p>If the decision of the GRC is not accepted by the DH, they can bring their complaint to the competent court (Article 34 of Expropriation Law).</p> <p>The SOP provides for arrangement at the provincial level, DPs are not represented in the GR Committee at the local level, however the province level GRC includes representative of local-based CSO (SOP para 146).</p> <p>Detailed guidelines and procedures and form on GRM are prepared in Khmer language.</p>	<p>readily accessible and affordable to DPs to lodge complaint.</p> <p>As per the Law on Expropriation (provided legal framework for GRM in SOP para 142) GRM covers only rightful owners, not broader project affected persons.</p> <p>ADB will closely monitor implementation of the GRM guidelines throughout the project cycle.</p>	<p>design phase, DPs will be properly informed and adequate support will be provided to them in filing complaints as needed.</p>
<p>Monitor and assess resettlement outcomes, their impacts on the standards of living of DPs, and whether the objectives of the RP have been achieved by considering the baseline conditions.</p>	<p>The SOP provides for the following objective: (i) measure and report on the progress in the preparation and implementation of the detailed RP; (ii) identify problems and risks, if any and the measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the detailed RP.</p>	<p>Does not assess impacts of resettlement outcomes on DPs living standards against the baseline conditions.</p>	<p>Quarterly monitoring of the LARP will be undertaken by EDC assisted by PIC following the monitoring indicators agreed with ADB, and monitoring reports will be prepared and submitted to ADB.</p>

D. Land Acquisition and Resettlement Framework Principles and Entitlements adopted

27. Based on Cambodian laws and regulations on land acquisition and ADB's SPS 2009 requirements on Involuntary Resettlement, core involuntary resettlement principles are adopted

for this Project are as follows:

- i) Land acquisition, and other involuntary resettlement impacts will be avoided or minimized exploring all viable alternative project designs;
- ii) Where unavoidable, a time-bound LARP will be prepared and DPs will be assisted in improving or at least regaining their pre-program standard of living;
- iii) Consultation with DPs on compensation, disclosure of resettlement information to DPs, and participation of DPs in planning and implementing sub-projects will be ensured;
- iv) Vulnerable and severely affected DPs will be provided special assistance;
- v) Non-titled DPs (e.g., informal dwellers or squatters, DPs without records/titles) will receive a livelihood allowance in lieu of land compensation and will be fully compensated for losses other than land;
- vi) Legalizable DPs will be legalized and fully compensated for land losses;
- vii) Provision of income restoration and rehabilitation will be ensured to all entitled DPs;
- viii) EDC will set up transparent, consistent and equitable procedures if land acquisition is through negotiated settlement. It will engage an independent external party to monitor and document the negotiation and to ensure that those people who enter into negotiated settlements maintain the same or better income and livelihood status;
- ix) The LARP will be disclosed to the APs in the local language;
- x) Payment of compensation, resettlement assistance and rehabilitation measures will be fully provided prior to the contractor taking physical acquisition of the land and prior to the commencement of any construction activities on a particular package; and
- xi) Establishment of appropriate grievance redresses mechanisms to solve DPs grievance if occurs.

E. Measures to Avoid and Minimize Resettlement Impacts

28. Measures were taken to avoid or at least minimize the resettlement impact by considering potential alternatives and/or adjustment to the design, the route of the transmission line etc. The solar park area and the transmission line alignment have been selected to avoid impacts to the greatest extent possible on any residential areas, houses and other structures, and plantation areas. The proposed transmission line alignment has been adjusted accordingly to have only a minimum impact on land, crops and trees. Impact on houses and/or other primary and secondary structures has been avoided.

29. The solar park location was selected among three considered alternative sites (identified as site 5, 6 and 7) in the prefeasibility study in the border areas between Kampong Chhnang and Kampong Speu provinces at a distance of about 70 km from the capital, Phnom Penh. Larger areas than the actual space needed for the park were screened in order to find sufficient alternative land areas within each site. Table 1 below provides a summary comparison based on social criteria of the three alternative solar park sites identified in the prefeasibility study. Based on an assessment using combined social-environmental-technical criteria in the inception of the feasibility study, one of the three sites were selected as the most suitable one to be assessed in the study as it was found to have the least negative social impacts.

Table 2: Comparison of three alternative solar park sites based on social criteria

Criteria	Site 5	Site 6	Site 7
Land use	Paddy, small orchards (cassava, mango, coconut), shrub forest	Paddy; small orchards (cassava, eucalyptus, bamboo, cashew, mango, orange)	50% of site within a large sugarcane plantation; orchards (mango, coconut, cassava)
Land titles	Traditional land occupation certificates –no official land titles	Private ownership with formal land titles, or traditional land holding; farmland owned by the Cambodian Royal Police Force	Economic land concession; traditional land occupation certificates –no official land titles
Land acquisition impact	Probably many small holders losing productive land, land in active use	Large areas of land appear not to be in economic use/production	Loss of work opportunities in plantation, newly established orchards

30. The route for the transmission line has been walked through by the team of engineers, social specialists and geographic information systems (GIS) expert to avoid impact on houses and structures resulting from location of poles. Hence, the route with the least impact scope has been identified at the feasibility study stage, that serves the basis for this draft LARP.

F. Eligibility

31. The following types of displaced persons are eligible for compensation under the Project; (i) persons with formal legal rights to land(land title) lost in its entirety or in part; (ii) person who lost the land they occupy in its entirety or in part who have no formal legal rights to such land (land title) , but have claims to such lands that are recognized or recognizable under Cambodian Laws; and (iii) person who lost the land they occupy in its entirety or in part who have neither formal legal rights (land title) nor recognized or recognizable claims to such land.

32. The DPs persons covered under (i) and (ii) will be provided with replacement land or cash compensation at full replacement cost for the land they lose, payment for partially or fully affected non-land assets they own and resettlement assistance in cash or in-kind. DPs covered under (iii) will be provided compensation at full replacement cost for loss of assets they own (other than land), and for improvements they made on land, and resettlement assistance if they occupy the area prior to the established cut-off date.

33. Eligibility will be limited to the “Cut-off Date”. The Cut-off Date will be established, documented and disseminated through the Project area through posting on commune/Sangkat/public boards and through pagodas. Those who encroach into/or occupy the Project area after the Cut-off Date will not be eligible for any compensation or any other assistance. DPs who occupy the Project area after the cut-off date will not be eligible to any compensation or assistance.

III. SOCIOECONOMIC INFORMATION

A. Methodology for Socioeconomic Surveys, Census and Inventory of Losses

34. The methodology for surveys and impact assessment for preparing LARP includes both qualitative and quantitative data collection. Quantitative data collection includes a 100% socioeconomic survey (SES), census and inventory of losses (IOL) of the DPs that should be conducted to identify all persons who will be displaced by the Project, to assess the Project's

socio-economic impact on them. Qualitative data collection includes Focus Group Discussions (FGDs) with vulnerable groups, including women, ethnic minorities, elderly, youth, etc. This is done to supplement the quantitative data on DPs, as well as to enable the disadvantaged and vulnerable groups to share their views and participate in the decision-making process on the Project.

35. **Socioeconomic survey.** Socioeconomic information of DPs will be obtained through a SES. The SES will serve as a referenced baseline of DP's living conditions and will form part of the monitoring and evaluation data that will assess the extent to which the measures in the LARP are effective in mitigating land acquisition and resettlement impacts. The SES will be conducted by the EDC/ Social and Environmental Public Relations Office (SEPRO) with support from the project management and implementation consultants, and in cooperation with local authorities and village representatives.

36. The SES shall be conducted in parallel with the IOL survey so that the IOL includes gender disaggregated data. The SES should include the socioeconomic data of the AHs and DPs and a record of type and level of loss. The following data will be collected through SES:

- i) Data on AHs: (a) demographic data (household composition by age, gender, relationship, ethnicity, (b) education levels); (c) social data (such as on family, community, ethnic, religious background); (d) income and assets (individual, corporate, or collective incomes as well as ownership of land, livestock, fishing boats, shops, wood lots, among households) as well as expenditures; (e) occupation (farmers, teachers, shopkeepers, artisans, laborers, transporters, students, spiritual leaders, etc.); (f) access to public services (health care, water supply and sanitation, education, transport, etc.); (g) gender roles and issues; and (h) attitudes and preferences on resettlement.
- ii) Data on Land and Area: (a) Map of the area and villages affected by land acquisition; (b) Total land area acquired for the proposed project; (c) Land type and land use; (d) Ownership, tenure and land-use patterns; (e) Land acquisition procedures and compensation; (f) Existing civic facilities and infrastructures; and (g) Cultural systems and sites.

37. **Census and inventory of losses.** A Census and Inventory of Losses (IOL) need to be undertaken to prepare the LARP. Census of the affected persons and their affected assets will be undertaken based on the preliminary design to determine the magnitude of displacement and prospective losses, identify vulnerable groups for targeting, ascertain costs of resettlement, and prepare a rehabilitation program for implementation. The purpose is to: (i) register all the potentially affected/displaced persons; (ii) assess their income and livelihoods; and (iii) carry out inventory of their assets affected due to the project; (iv) provide gender-disaggregated information pertaining to the economic and socio-cultural conditions of the displaced persons; (v) identify the individuals and groups who may differentially or disproportionately affected by the project due to their vulnerable status. The census will cover 100% of displaced persons.

38. **Detailed measurement survey.** Upon completion of the detailed engineering design, the draft LARP prepared based on the preliminary design will need to be finalized. To do this, EDC/SEPRO will complete the census of displaced persons after the Detailed Measurement Survey (DMS). The DMS will survey 100% of AHs and collect data required to verify the details of AHs for finalizing the LARP. This includes details on:

- i) Land ownership;

- ii) Total landholdings and tenure;
- iii) Land, structures and other assets entirely or partially affected by land acquisition for the Project;
- iv) Types and conditions of affected structural buildings;
- v) Number and types of affected trees and crops;
- vi) Income losses and proportion of total productive income lost; and
- vii) Category of affected people and types of assistance that DPs are entitled to.

39. Conducting the DMS is a critical activity in preparing and finalizing the LARP.

40. **Focus group discussions.** FGDs will be conducted using a questionnaire guide and in a smaller group of 6-8 persons. Separate FGDs will be conducted for women, poor, disabled, elderly as identified based on the SES and consultations with the affected communities. The FGDs will allow collecting suggestions and recommendations and identify concerns that the vulnerable groups have with regards to the project and its anticipated impact. These will also enable devising an inclusive information materials and find better ways to disclose Project related information.

B. Methodology for Assessing Affected Assets

41. The methodology for assessing unit compensation values of different items for LARP purposes is based on the identified types of potentially affected assets, and as follows:

- i) Agricultural Land will be valued at replacement rates according to two different methodologies depending on whether in affected areas active land markets exist or not. 1. Where active land markets exist land will be compensated at replacement rate based on a survey of land sales in the year before the impact survey. 2. Where active land markets are non-existent, land will be compensated based on the reproduction cost of a plot with equal features, access and productivity to the plot lost. A clear valuation methodology for these cases will be detailed in the LARPs.
- ii) Houses/buildings will be valued at full replacement value based on construction type, cost of materials, type of construction, labor, transport and other construction costs. No deduction for depreciation and transaction costs will be applied. For the partial impact (if the loss is less than 15% then compensation is paid for the repair of the affected structure).
- iii) Annual crops will be valued at net market rates at the farm gate for the one-year crop/yield. In the eventuality that more than one-year compensation is due to the APs the crops after the first will be compensated at gross market value.
- iv) Trees will be valued depending on the type. If the tree lost is a wood tree or a productive tree (i) Wood trees will be valued based on age category (a. seedling; b. medium growth and c. full growth) and wood value and volume. (ii) Fruit/productive trees will be valued based on age (a. seedling; b. adult not fruit bearing; and c. fruit bearing). Seedlings and adult not fruit bearing trees will be compensated based on the value of the investment made; Fruit bearing trees will be compensated at net market value of 1-year income/yield multiplied by number of years needed to grow a new fully productive tree.

42. **Replacement cost study.** The LARP will include the cost estimates and budget. All the compensation entitlements should be at full replacement cost. EDC will recruit a professional appraiser or firm to conduct a Replacement Cost Study (RCS) in the Project area following the detailed engineering design, and during the DMS. The RCS will be provided to EDC in the form

of a report with detailed calculation of unit rates for all the identified affected assets, including land, and any potential income/employment loss.

43. The RCS will determine compensation rates reflecting the full replacement cost of acquired assets in accordance with the ADB's SPS requirements². The RCS in the subproject areas will be valid for one year after the completion of DMS and if the offer of the compensation and/or assistance is not made to the DP within this period, the replacement cost will be updated to reflect the then prevailing market valuation by the RCS Consultant. The RCS results will be the basis for estimating the budget for financing the resettlement costs.

44. For replacement costs of land, the RCS Consultant will directly interview households that have recently bought or sold land to collect the evidence of the rate of land transaction; and, interview households who are looking for properties to sell or buy within and around the subproject area. The RCS Consultant will also find out from local residents, subject to confirmation/validation through official records of local authorities, the price of various types of land that have been the subject of transactions in the past six (6) months to one (1) year in the community or nearby areas and the prices of various types of land local residents are willing to buy or sell as well as collects data from government offices on recent land transactions and land market assessment.

45. For structures, the RCS Consultant will interview owners of structures to determine the construction materials usually used in the locality for each type of building following existing government categories or standards; sources of construction materials used and the unit costs of said materials, including the costs of transporting the same to the locality; and the cost of labor for constructing each type of building found in the locality. In the survey, interviews will also be conducted with building contractors to determine the cost of construction materials for each type of structures in the subproject area following existing government categories; the cost of transporting construction materials to the subproject area (community); the cost of labor for constructing each type of building; and the unit cost per meter square of each type of building in the subproject area following existing government categories. The replacement cost will be based on the latest item rates for construction within the subproject area.

46. For the crops and trees, interviews will be conducted with owners, market vendors and seedling suppliers to determine the current selling farm gate price of fruits or crops in the area and compensated accordingly as described above. RCS will collect data from statistics offices on average yields per type of crop and/or tree identified during the DMS.

IV. CONSULTATION, PARTICIPATION AND INFORMATION DISCLOSURE

A. Consultation and Participation

47. The ADB's SPS requirements provides for conducting meaningful consultation with affected persons, their host communities and civil society for the project. The APs must be fully consulted and provided with opportunities to participate in the planning and implementation of land acquisition and resettlement. They also must be informed in an appropriate and timely manner of the outcomes of the planning process, as well as the schedules and procedures for implementation of the LARP.

48. Public information and consultation will be carried out by EDC's SEPRO during all stages

² Calculation of full replacement cost is based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued; (iv) transitional and restoration cost; and (v) other applicable elements, if any.

of the land acquisition and resettlement process. In addition, the SEPRO will also ensure public information meetings, participation of the DPs in the DMS, full disclosure of the LARP and informing the DPs about the procedures for payments of compensation and relocation.

49. In line with the ADB's SPS requirements, public consultations will be conducted at district and village levels to enable informed participation of the potential project affected persons in preparing, implementing and monitoring of the resettlement plans. FGDs will be conducted with the vulnerable DPs such as women, elderly, ethnic minorities, disabled etc. throughout the project lifecycle.

50. A Stakeholder Engagement Plan has been prepared for the Project which details consultation requirements for various target audiences, including the affected persons, vulnerable groups and other stakeholders. undertaken during the project planning and design phase to inform and consult with project stakeholders, especially with the people to be affected by a project. Public consultations were conducted at district and village levels to ensure full participation and coverage of the views and concerns of the affected communities and persons. In total, 226 persons, 151 men and 75 women, participated in the public consultation meetings. Additionally, 86 women and 66 men participated in the gender-separated FGDs arranged at village level.

51. The EDC through SEPRO will ensure the consultations are gender inclusive and special attention will be made to ensure participation of women and DPs belonging to vulnerable group. All efforts will be made to incorporate mitigation measures to address their concerns, where relevant and possible.

52. Consultations with the DPs will include information of the project impacts (positive and negative), project implementation schedule and process, land acquisition and compensation process, affected households, DPs' right to complain and the Grievance Redress Mechanism (GRM). Consultations with the displaced persons will provide a two-way information flow, ensuring that the concerns, questions and ideas of the DPs will be discussed and responded to in an appropriate and gender inclusive way.

B. Information Disclosure

53. Summaries of the approved LARF, draft LARP and the implementation-ready LARP, will be translated in the Khmer language and posted at the village, commune and district offices for easy and free access of the DPs and affected communities. For illiterate people, suitable other communication methods will be used based on the discussion and in consultation with the DP. The LARF and LARPs will also be uploaded on ADB' and EDC's websites in Khmer and English once approved by the EDC and ADB.

54. An updated project information booklet/ leaflet in Khmer will be made available for the affected communities at public consultation meetings and villages and in commune offices. The EDC will submit the following documents to ADB for disclosure on ADB's website after their approval by EDC and a concurrence by ADB:

- i) The updated LARP prepared after the detailed design;
- ii) Quarterly progress reports;
- iii) Semi-annual safeguards monitoring reports; and
- iv) Any corrective action plans prepared during project implementation, if relevant.

V. COMPENSATION ELIGIBILITY AND ENTITLEMENTS

A. Eligibility

55. All LAR impacts under the Project will be identified and compensated according to the eligibility criteria and entitlement matrix conforming to the legislation of Cambodia as well as ADB's safeguards policy.

56. All DPs in the Project are entitled to various types of compensation and resettlement assistance to help restoration of their livelihoods to the pre-Project levels. The combination of compensation measures and resettlement assistance offered to them, depends on the nature of the lost assets and the magnitude of the Project's impact, including the social and economic vulnerability of the displaced persons.

57. In the context of land acquisition and resettlement, the term '*entitlements*' encompasses the benefits comprising compensation, income restoration, transfer assistance, income substitution and relocation due to the people physically or economically displaced by a Project (DPs, under the Cambodian Laws and in accordance with the safeguard policies of ADB).

58. The eligibility of compensation will be limited by the cut-off date. For the Transmission Line component. The Cut-off Date will be established following the completion of the detailed design provided that the TL route is based on concept design and there may be considerable changes from the preliminary design. EDC will document the Cut-off Date and announce it immediately after the Census and IOL have been finalised. DPs who move into the project area after the Cut-Off Date will not be eligible for land acquisition compensation, though any such DPs would be eligible for compensation caused by construction activities. When the cut-off date for determining eligibility for compensation will be announced by EDC, DPs and local authorities or their representatives will sign the survey forms agreeing to detailed measurement survey for each AH.

59. The purpose of the Cut-Off Date is to protect EDC against any claims by unauthorised persons. The Cut-Off-Date is intended to minimise the incentive for land speculation and for people to move into the project area in the hope of gaining compensation. However, some DPs may have been missed in the Census. Therefore, those who can demonstrate that they are eligible will also be included in the final record of the DPs.

B. Entitlements

60. The overall objective of the resettlement policy of the Project is to ensure that all people affected by the Project can 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 re-establish their affected livelihood.

61. An Entitlement Matrix has been developed for the Project considering all possible potential impacts of the Project. This will guide the preparation of the LARP and is based on Cambodian's Laws and the requirements of ADB SPS (2009). The Entitlement matrix in this LARF will be specific to and based on the identified affected assets during preparation of the LARP but the entitlements may not be downgraded. The entitlements for DPs eligible for compensation and/or at least rehabilitation, are detailed in the following table:

Table 3: Entitlement Matrix

Type of loss	Eligible persons	Entitlement	Implementation issues
1. Land acquisition			
<p>1.1. Permanent acquisition of private agricultural land, including animal grazing grassland, fruit tree orchard and plantation forest (required for transmission line power towers and permanent access roads)</p>	<ul style="list-style-type: none"> • Owners with formal legal titles; • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (unofficial land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> • Acquisition of the affected land at full replacement cost through cash compensation; • Severely affected farmers eligible for income rehabilitation assistance; • No compensation for state or public land. 	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled land holders; • Payment of all compensation for which DHs are entitled to at least 30 days prior to the scheduled start of civil works; • All transfer costs of land ownership to be borne by EDC; • DHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project; • The owner can continue to have use of the land within the ROW for agriculture, animal grazing and trees less than 3m in height.
<p>1.2. Permanent acquisition of residential land (required for transmission line power towers and permanent access roads)</p>	<ul style="list-style-type: none"> • Owners with formal legal titles; • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> • Acquisition of the affected land at full replacement cost through cash compensation. 	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled land holders; • Payment of all compensation for which DHs are entitled to at least 30 days prior to the scheduled start of civil works; • All transfer costs of land ownership to be borne by EDC; • DHs to be notified at least 15 days in advance before the start of civil works in the locality of the

Type of loss	Eligible persons	Entitlement	Implementation issues
			actual date that the land will be utilized by the project;
1.3. Restriction from building structures within the ROW requiring change of land use from residential to agricultural	<ul style="list-style-type: none"> • Owners with formal legal titles; • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> • Easement fee equivalent to 30% of the replacement cost of the residential land; • Full Replacement cost of structures 	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled land holders; • All transfer costs to be borne by EDC.
1.4. Scrubland and degraded forest (required for transmission line power towers and permanent access roads)	<ul style="list-style-type: none"> • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized locally as having ownership/use rights. 	<ul style="list-style-type: none"> • Acquisition of the affected land at full replacement cost through cash compensation. 	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled land holders; • Payment of all compensation for which AHs are entitled to at least 30 days prior to the scheduled start of civil works; • All transfer costs of land ownership to be borne by EDC; • AHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project.
2. Removable trees			
2.1. Trees located on private land for power tower poles	<ul style="list-style-type: none"> • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized 	<ul style="list-style-type: none"> • Compensation for the affected trees at full replacement cost, independent on the type of tree. 	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled land holders; • Payment of all compensation for which AHs are entitled to at least 30 days prior to the

Type of loss	Eligible persons	Entitlement	Implementation issues
	locally as having ownership/use rights.		scheduled start of civil works; • AHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project.
2.2. Trees growing 3m in height within the defined ROW	<ul style="list-style-type: none"> • Owners/occupiers, eligible for formal legal title under Cambodian law; • Owners/occupiers with other evidence (land use certificates, applications for land use certificates, etc.) of ownership/use rights; • Others recognized locally as having ownership/use rights. 	Compensation for the affected trees at full replacement cost, independent on the type of tree.	<ul style="list-style-type: none"> • Replacement value to be identified by RCS during the detailed design phase; • No distinction between titled and non- titled owners; • Payment of all compensation for which AHs are entitled to at least 30 days prior to the scheduled start of civil works; • AHs to be notified at least 15 days in advance before the start of civil works in the locality of the actual date that the land will be utilized by the project.
3. Removal of houses and other structures (If found during the DMS)			
3.1. Removal of houses and other structures from ROW (required to be removed for safety reasons)	Owners of houses and other structures (well, pond, fence, latrine, shed, kiosk or shop, etc.) independent of existing land title or not	<ul style="list-style-type: none"> • Full replacement cost of structures (no reduction for depreciation or salvage value); • Where structure only partly within ROW, but whole structure needs to be moved, then compensation shall be due for whole structure; • Reinstatement of equivalent improvements and infrastructure including other buildings, fences, wells, ponds, etc.; • Provision of transport allowance based on distance; • Provision of living allowance for AHs whose main structure will be affected. 	<ul style="list-style-type: none"> • Affected structures to be confirmed during the DMS; • Replacement value to be identified by RCS during the detailed design phase; • Materials to be available for salvage by owner, with no reduction in payment; • Payment of compensation to be made before construction begins; Any required permits for building to be arranged by EDC; • AH retains ownership of the affected land, but with restricted use; • Sufficient time to be allowed for re-establishment of structures before construction start.

Type of loss	Eligible persons	Entitlement	Implementation issues
4. Loss of livelihoods and income			
4.1. Permanent loss of Livelihood or Income	All AHs permanently losing livelihood and/or income source	Participate in the Income restoration Program that includes: One-time cash allowance of \$200 per AH; Enrollment in training program based on discussion with the AHs during the detailed design	Eligible AHs will be identified during the detailed engineering design, following DMS. Income Restoration Program will be devised in consultation with the AHs, including the details of the vocational/skills training, its duration and institutional responsibilities The IRP entitlement is in addition to other compensation and assistance; In case at finalizing the LARP eligible AHs are not identified, Income Restoration Program will not be part of the final LARP, as won't be relevant
4.2. Living allowance during transition period to severely affected households	<ul style="list-style-type: none"> • Farmers losing equal to 10% or more of their total affected productive landholding; • AHs losing business income equal to 10% or more - AHs losing their houses 	<p>One-time allowance of \$200 in cash for eligible AHs</p> <p>This is in addition to other entitlements and allowances</p>	One-time payments to eligible AHs to be agreed through consultation with AHs as identified during the DMS
4.3. Special assistance to socially or economically vulnerable affected households	<ul style="list-style-type: none"> • ID poor AH; • Female-headed AH with dependants; • Elderly AH without dependants; • AH with disabled HH head. 	<ul style="list-style-type: none"> • One-time payment of \$300 will be provided to every identified vulnerable AH; • This is in addition to other entitlements and allowances. 	One-time payments to eligible AHs to be agreed through consultation with AHs as identified during the DMS
5. Temporary construction impacts and ongoing impacts due to maintenance activities			
5.1. Damage to crops during construction (temporary impact)	Owner of crops	Compensation for lost production in cash at replacement cost (value of lost production within ROW or for access) for the period of construction or maintenance). This will be a minimum of one harvest where damage occurs during growing season.	<ul style="list-style-type: none"> • Every effort will be made to schedule construction and maintenance activities not during the growing season (including field preparation, planting, harvesting and other agricultural activity); • Construction and maintenance will be carried out so as to

Type of loss	Eligible persons	Entitlement	Implementation issues
5.2. Damage to fields, and associated infrastructure including drains and channels	Person using the field	Repair of damage, or payment for repair of damage, at replacement cost	minimise damage. This will include preparation of a Construction Environmental Management Plan (EMP), including social aspects, incorporating environmental and social requirements in the contract, and monitoring to ensure compliance, and financial penalties on the EDC or contractor for non-compliance; <ul style="list-style-type: none"> • Construction will be required by contract to stay within ROW; • Contractor will be required by contract to pay damages.
5.3. Damage to any other assets or infrastructure during construction (including communally owned resources such as roads, drainage and irrigation facilities)	Owners of the assets or infrastructure damaged	Repair of damage, or payment for repair of damage, at replacement cost	
6. Unanticipated impacts			
Any upcoming impacts or damage during the construction on structures, land, crops, trees, people and their livelihoods will be properly assessed and compensated according to the project compensation policy and cost levels. EDC will clarify in the internal monitoring reports. any such impacts and how these have been mitigated.			

C. Income Restoration and Relocation

62. The DPs who permanently lose their source of livelihood will be provided with support to re-establish means of their livelihood. The potential income losses under the Project may occur due to loss of land under the rice paddy or fruit trees. Those DPs who are classified as poor and vulnerable will also be provided additional assistance to improve their living status.

63. **Income restoration program.** One-time allowance of \$200 will be paid per DH to compensate for permanent loss of livelihood or income source. This is in addition to the compensation for land. Severely affected DHs and the vulnerable DHs will also be entitled for Income Restoration Program (IRP). In addition to the one-time cash allowance, IRP will also include vocational or skills training for the eligible DHs. Details of the IRP such as types of vocational/skill training, number of DHs eligible for IRP, institutional arrangements, enrolment procedure etc. as well as the budget will be described in the final LARP. The IRP will be design in close consultation and participation with the DHs.

64. **Loss of fruit trees.** In addition to compensation for loss of land and fruit trees at full replacement value, a onetime allowance of the value of the annually lost income from fruit sell will be provided per DHs.

65. **Special package for poor and vulnerable groups.** The DPs who are classified as poor and vulnerable will receive one-time payment of \$300 to assist in restoring their livelihood. They will also be prioritized in project related employment during construction.

66. **Severity of impact.** Households losing 10% or more of their total productive landholding, losing business income equal to 10% or above, and/or losing their houses will be provided one-time allowance of \$200 in cash per HH.

67. **Relocation.** Physical relocation is not anticipated under any of the Project component. Therefore, there is no provision for new resettlement sites and/or relocation allowance.

VI. INSTITUTIONAL ARRANGEMENTS

A. Capacity Assessment

68. EDC has a dedicated SEPRO responsible for safeguards planning and implementation. SEPRO has been working on EDC's ADB funded projects for many years and has considerable LARP implementation experience and a resettlement unit responsible for implementing and overseeing LAR activities across EDC's portfolio.

69. SEPRO resettlement officers together with the Procurement Unit officers, responsible for financial management of LAR activities participated in number of safeguards training. The last brief informal training session SEPRO and Procurement Unit participated on ADB SPS 2009 was conducted in February 2018 for the NSP Project and was conducted by ADB CARM Safeguard Specialist together with FS National Resettlement Consultant. SEPRO will continue seeking on-the-job capacity building and training from ADB CARM on LAR throughout the Project lifecycle.

70. Although SEPRO has developed some capacity there is still the need for additional support to back up and support SEPRO to plan, implement, monitor and report on LAR activities. There will be no need for additional staff unit under SEPRO, but Project Implementation Consultant (PIC) team will provide additional support in order to:

- i) Prepare and secure the approval of the LARP by the EDC Board and ADB;
- ii) Secure prior approval by EDC, and the ADB for any variations in the approved LARPs;
- iii) Secure the data base of affected persons and assets that will be gathered during the preparation and updating of the LARPs; and
- iv) Prepare progress reports on LARP implementation for submission to EDC management and ADB.

71. **Asian Development Bank.** ADB will be the funding agency of the Project. In addition to funding, ADB will periodically review the Project and LARP implementation as well as provide clearance for contract awards and the signing/initiation of civil works on the Project. The main responsibilities of ADB are: guidance for LARP preparation, approval and disclosure of the LARP and issuance of a no objection letter for the beginning of the construction works.

72. EDC, the executive agency (EA), through its SEPRO, and Procurement Unit (as the Implementation Agency), will be wholly responsible for the implementation of the Project as agreed jointly between the government and ADB. ADB will be responsible to support project implementation, including compliance by the EA and IA of their obligations and responsibilities for project implementation in accordance with ADB policies and procedures. Any changes to the project implementation arrangements made following ADB Board approval of the project will be subject to approval in the context of government and ADB procedures and subsequently incorporated into the project administration manual.

73. EDC's SEPRO and Procurement Unit will be responsible for/preparing updating the Land Acquisition and Resettlement Plan and managing all the land acquisition procedures for the project. The EDC major responsibilities are as follows:

- i) Undertake meaningful consultations with all the displaced persons as described in the ADB SPS in the communities affected by the project.
- ii) Conduct separate consultations with vulnerable groups in addition to the public consultations.
- iii) Identify displaced persons in the remaining part of the transmission line, including vulnerable groups, complete the Census and conduct DMS;
- iv) Update the information on the project and its expected impacts, schedule, land acquisition procedures, entitlement policy and GRM, including GRC, and distribute the updated Project Information Booklet to the displaced persons;
- v) Establish and disclose the cut-off date for eligibility right after the completion of census and DMS;
- vi) Disclose the approved LARP to displaced persons and communities through village, commune, and district offices;
- vii) Document and report all the consultations and compensation procedures and prepare a LARP Implementation Compliance Report as soon as all the procedures have been completed;
- viii) Collect and promptly address complaints and grievances, monitor and document ongoing impacts;
- ix) Prepare and submit quarterly progress reports to ADB throughout the project time.

74. PIC will assist EDC in applying government laws and regulations and ADB's SPS 2009 requirements in all procedures and activities related to the updating, implementation and monitoring of the LARP, including consultations, negotiations and payments to DPs, potential grievances filed by DPs and their settlement. The major tasks and responsibilities of the PIC include:

- i) Assist EDC in updating the LARP and in consultations with the displaced persons and communities;
- ii) Assist EDC in updating the Project Information Booklet and formulating its contents, including cut-off date, project impacts and entitlement matrix, GRM, GRC and detailed GRM guidelines;
- iii) Provide training for personnel responsible for conducting a DMS of affected assets based on the detailed engineering designs;
- iv) Prepare the TOR of the specialist that will conduct the RCS for affected land and assets.;
- v) Prepare, implement and monitor a Project Stakeholder Communication Plan, based on the prepared Stakeholder Communication Strategy, including nominating a focal point for communication with stakeholders, ensuring delivery of relevant project information to stakeholders and obtaining feedback from them, and fostering an understanding and acceptance of the project;
- vi) Prepare guidelines and train EDC SEPRO and assist them in conducting consultations with affected households.
- vii) Throughout project implementation, on an ongoing basis, assist EDC with information disclosure, consultations and public participation;
- viii) Assist EDC with the establishment and maintenance of a database of affected households and institutions, including information on the socio-economic situation

- of the affected households, their affected assets, and their compensation entitlements and payments;
- ix) Assist EDC in implementing the Land Acquisition and Resettlement Plan and any corrective actions as relevant and in preparing the LARP implementation compliance monitoring report and overall safeguards monitoring reports.
 - x) Assist EDC in quarterly monitoring of the LARP implementation and its results, fielding and assessing the grievances and preparing monitoring reports for submission to the Government and ADB.

75. **Cadastral administration office.** The Cadastral Administration Offices under the Ministry of Land Management, Urban Planning and Construction is responsible for issuing titling documents, including the certificate of land use rights, hard titles and social land concession as part of securing tenure for landless and issuing title documents for the land plots acquired in favor of EDC.

VII. GRIEVANCE REDRESS MECHANISM

76. The objective of GRM is to resolve any disagreements and conflicts as early and quickly as possible and at the local level through a reconciliation process, and if that is not possible, to provide clear and transparent procedures for appeal. If the affected people filing complaints will not be satisfied with the outcome of the GRM, they may also resolve the issue through the Cambodian legal system (see Step 4 below).

77. EDC will ensure through public consultation meetings in the project areas and through a Project Information Booklet distributed to the AHs that all the affected people are fully aware of their rights to complain and about the grievance redress mechanism. Any party who is affected by land acquisition or any other impacts related to the project construction and operation, is eligible to file a complaint.

78. A GRC will be established at provincial level with a process starting from commune offices. As practiced, the GRC includes the relevant local commune or village chiefs and where needed, a local NGO may assist the affected persons in filing complaints. The designated commune officials shall exercise all efforts to settle complaints and issues at the commune level through appropriate community consultations. All grievance resolution meetings shall be recorded, and copies shall be provided to the affected persons. A copy of the minutes of meetings and actions undertaken shall be provided to EDC and ADB upon request.

79. All costs for resolving complaints (meetings, consultations, communication and reporting/information dissemination) will be borne by EDC. The GRM will consist of the following steps:

- i) **Step 1.** Affected person/household will submit a letter of complaint/request either directly or through the village chief to the commune office. The commune office will be obliged to provide immediate written information of receipt of the complaint to EDC SEPRO. SEPRO will have 15 days to resolve the complaint through negotiation. If the issue is not handled within 15 days, or if the complainant is not satisfied with the result, he/she can bring the issue to the District office.
- ii) **Step 2.** The District office has 15 days to negotiate the complaint and bring it into a resolution. If the complaint cannot be resolved in a way that is satisfactory to all parties, the District office will bring the issue to the Provincial Grievance Redress Committee.

- iii) **Step 3.** The Provincial Grievance Redress Committee will, within 15 days, meet the complainant and try to resolve the issue. The Committee will resolve the complaint within 30 days of the submission, take a decision and inform in writing the complainant and SEPRO.
- iv) **Step 4.** If the complainant gets no response from the Provincial GRC or is not satisfied with the result, he/she can bring the case to the Provincial Court. The Court will make a written decision and submit copies to the executing and implementing agencies. If any party is still unsatisfied with the Provincial Court judgment, he/she can bring the case to a higher-level court.

80. If DPs do not have sufficient writing skills or are unable to express their grievances verbally, it is a common practice that they are allowed to seek assistance from any recognized local NGO or other family members, village heads or community chiefs to have their complaints or grievances written for them. DPs will be allowed to have access to the detailed measurement survey or contract document to ensure that all the details have been recorded accurately enabling all parties to be treated fairly. Throughout the grievance redress process, the responsible committee will ensure that the concerned DPs are provided with copies of complaints and decisions or resolutions reached.

81. If efforts to resolve disputes using the grievance procedures remain unresolved or unsatisfactory, DPs have the right to directly discuss their concerns or problems with the ADB Cambodia Resident Mission (CARM). If DPs are still not satisfied with the responses of CARM, they can directly contact the ADB Office of the Special Project Facilitator. The Office of the Special Project Facilitator procedure can proceed based on the accountability mechanism in parallel with the project implementation.

VIII. FINANCING AND IMPLEMENTATION SCHEDULE

A. Budget and Financing

82. The cost for all land acquisition, compensation, resettlement assistances, including the cost of any income restoration or support program, if required, for the Project will be financed by EDC. The cost of the preparation of the detailed LARP will also be met from the EDC budget. No financing will be required from the loan proceeds of the Project provided by the ADB. Estimated budget will be prepared on the basis of the latest item rates within the project area, following the preliminary census and inventory of Project affected assets and reflected in the draft LARP. The final budget for the LAR will be prepared after the completion of the DMS, updated IOL and will be included in the implementation-ready LARP based on then RCS.

83. The EDC Board will approve LARPs prepared for the Project and based on this will allocate the budget for implementing those LARPs. EDC through SEPRO will pay the compensation and entitlements to the affected persons and make any other relevant transactions, including those related to title adjustments, recruitment of the RCS.

84. The LARP budget will include costs of: compensation; assistance; income restoration where/if necessary; recruitment of RCS; administrative costs and contingency. EDC will be responsible for sufficient and timely allocation of funds to ensure smooth LARP implementation.

B. Implementation Schedule

85. Implementation schedule of the LARP will be in concurrence with the civil works

construction schedule, so that the LARP implementation will be completed before the civil works start. EDC will be responsible for the LARP implementation and monitoring. Civil works will commence only after the payment of compensation at full replacement cost and other entitlements listed in the implementation-ready LARP and a comprehensive income program supported by an adequate budget is in place for any LAR impacts.

IX. MONITORING AND REPORTING

86. The LARP will be subject to internal monitoring as its impacts are not deemed significant; thus, external monitoring will not be required. The purpose of internal monitoring is to ensure that the LARP implementation, including information and consultation with the affected persons and all the land acquisition and resettlement procedures are undertaken according to the ADB safeguards requirements as well as the laws and regulations of the RGC.

87. The objective of internal monitoring will be to (i) measure and report on the progress in the preparation and implementation of the detailed, implementation-ready LARP; (ii) identify problems and risks, if any, and the measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the detailed LARP.

88. EDC will be responsible for carrying out the internal monitoring, will review the quarterly progress reports provided by SEPRO. The following indicators will be monitored and reported to ensure compliance of LARP implementation:

Table 4: LARP Internal Monitoring Indicators

Purpose	Activities	Monitoring Indicators
Identification of compensation recipients	Verify the list of compensation recipients against eligibility criteria for compensations	Number of persons in the list of compensation recipients, who do not meet eligibility criteria (included by mistake)
	Identification of persons, who may claim eligibility for compensation, but are not included in the lists of compensation recipients. Separate verification should be performed on each type of compensation	Number of persons who meet the criteria, but are not included in the list of compensation recipients (excluded by mistake)
Verification of affected area	Confirmation of the areas of affected assets (including land plots and real property) against the RP	Area of land subject to acquisition, for which compensation has been paid
		Area of structures subject to acquisition for which compensation has been paid
Verification of compensation amount, processing and payment	Examination of financial documents	Number of persons who received compensation in time and in full amount disaggregated by compensation types
	Identification and analysis of reasons for compensations not being paid in full amount and in time.	Number of persons who did not receive compensation in time and in full amount, disaggregated by compensation types
		Amount of funding allocated for payment of compensations

Purpose	Activities	Monitoring Indicators
	Identification of reasons for which funds for compensations have been under/overspent	Rate of spending of funds allocated for compensations, % of amount envisaged in the RP
Verification of compensation timeline	Identification of reasons for which payment of compensations was delayed (e.g. due to the court trial, inheritance issue, etc.)	Number of persons who received compensation with delay, disaggregated by compensation types and reasons of delay; changes in amount of compensation (if any) should also be noted
Verification of consultation and participation	Determine the level of involvement and identification of reasons of inadequate participation	Number of compensation recipients who participated in consultations and coordination meetings at each stage of land acquisition
	Examination of grievance cases; analysis of disputes and complaints content, and resolution of conflicts	Number of complaints received
		Number of complaints resolved

ANNEX A: OUTLINE OF LARP

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 subproject 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;
- (i) 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 programme, including technical assistance, if required;
- (iii) Describes role of NGOs, 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.

ANNEX B: PROCEDURES FOR NEGOTIATED SETTLEMENT

I. Procedures for Negotiated Settlement

Land for the Project purposes may be acquired through a negotiated settlement. In case of acquisition of private land where the seller is willing to sell, and the buyer is willing to buy, such land may be acquired under a commercial contract. The price will be negotiated as part of commercial norms based on the replacement cost, and the owner will have the right to refuse the offer. In this case, the site will be changed, and the same procedure will be undertaken for the newly identified site and private landowner. The government will ensure that any negotiations with displaced persons openly address the risks of asymmetry of information and bargaining power of the parties involved in the negotiated settlement. For this purpose, government will engage an independent external party to document the negotiation and settlement processes in line with the requirements of the ADB SPS (2009)³.

Where market rates for land might be largely absent, a Replacement Cost Study for the Project will be developed in consultation with affected landowners/users to determine compensation amounts for land to be purchased and assets on such land. This will be based on (i) information about recent land transactions – if any; (ii) land types; (iii) cropping patterns and crop production; and (iv) availability of land in pilot areas. The Project will ensure that compensation amounts are based on the replacement cost principle in accordance with ADB SPS (2009).

EDC will employ a third party (agency or individual, but not associated with the Project or the government) to provide the independent verification of the agreements reflecting that: (i) consultation/s with landowner/s have been undertaken meaningfully, freely and in good faith and the landowners have made informed decisions on use of land, and (ii) terms and conditions of the agreements have been explained to them and understood and agreed by the landowner/s.

The third-party will perform following tasks: (i) Review of the documentation on the identification of affected landowners and the consultation and negotiation process leading up to the signing of the agreements; (ii) Validate that consultations with the landowners have been undertaken and that they were provided with relevant information as per the resettlement framework; (iii) Validate that the agreement is voluntary (free of coercion) and that the landowner/s have fully understood and agreed to the agreement's terms and conditions; (iv) Validate that the landowner representative/s signing the agreement duly represent the landowners; (v) Validate that landowner/s or any other users/occupants will not experience major adverse impacts from land use or purchase by the Project; (vi) Validate that any minor impacts have been identified, sufficiently addressed and documented by the Project; (vii) Validate that compensation for any land purchase represents a fair and reasonable replacement cost based on market prices; and (viii) Validate that the agreement is in compliance with safeguard requirements stipulated in this framework.

The External Validation report will not be publicly disclosed because transaction will be based on the commercial contract, and not under involuntary acquisition under the Expropriation Law. The external party validation report will be kept in files of EDC and copy sent to ADB for internal concurrence.

³ Safeguard Requirements 2 does not apply to negotiated settlements, unless expropriation would result upon the failure of negotiations. However, it clearly specifies that to ensure any negotiations with displaced persons address the risks of asymmetry of information and bargaining power of the parties involved in such transactions, it will engage an independent external party to document the negotiation and settlement processes and agree with ADB on the processes, policies, calculation of costs and record-keeping.

In case if negotiations fail, expropriation will be followed, and LARP will be prepared based on the LARF prepared for the Project, and according the ADB SPS (2009).

II. Outline for Due-Diligence Report

APPENDIX 1: OUTLINE OF DUE DILIGENCE REPORT

(Land Purchase through Negotiated Settlement)

A due diligence report will be required for all non-state land to be acquired. The following outline will serve as a guide.

- A. Executive Summary.** A concise statement of key findings.
- B. Project Description:** This section provides descriptions of the National Solar Park (NSP) project. Alternatives considered to avoiding or minimizing use of non-sate land and a rationale for the final decision.
- C. Scope of Land Use/Purchase:** This section includes a map of the area of the NSP common infrastructure; scope of proposed use/purchase of non-state land; descriptions of land (type, size, plot no, etc.), its current ownership, usage. A description whether there are any houses/structures/trees/crops/economic-activities/non-titled-persos, etc. on the land. If yes, description about their owners/users/occupants.
- D. Socioeconomic Information:** This section identifies and enumerates landowners/APs and assesses any impacts to them from proposed land use/purchase.
- E. Information Disclosure, Consultations, and Participation:** This section describes activities undertaken to disseminate information, results of consultations with landowners/APs; confirms disclosure of the information on the Project and its impact and entitlements according the national laws and regulations and ADB SPS in case if people refuse to sell and expropriation will be applied, including the GRM details and contacts; describes any further planned measures during implementation. Attach records of consultations and disclosures.
- F. Grievance Redress Mechanism:** This section describes mechanisms to receive and facilitate the resolution of concerns and grievances at project level.
- G. Applicable Policies and Laws:** This section describes or references to the applicable national laws and ADB policies and how they have been applied in the given context.
- H. Agreements on Land Use:** This section describes the process arriving at the land use or purchase agreement and terms and conditions of such agreements. Also describes the process and outcome of third-party verification of the land use agreement. Attach signed and verified copies of agreements in appendix.
- I. Compensation and Benefits** (applicable mainly in case of land purchase): This section defines agreed compensation and/or benefits that will be provided to landowners/APs. Describe how compensation at replacement cost was calculated in case of land purchase. Any assistance to vulnerable groups and sharing of project benefits with communities. This section should also specify that any transaction costs related to adjustment of titles resulted from land purchase will not be borne by the APs and will be settled by EDC and shown in the budget/cost separately.
- J. Budget and Sources of Funds:** This section provides an estimate of costs for the land use/purchase agreement and its further implementation. Specifies sources of funding.
- K. Monitoring and Reporting:** This section describes the monitoring and reporting arrangements, as appropriate.