

Combined Resettlement and Indigenous Peoples Planning Framework

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NEP: Regional Urban Development Project

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ABBREVIATIONS

ADB	–	Asian Development Bank
BPL	–	below poverty level
CBO	–	community-based organizations
CDC	–	compensation determination committee
CDO	–	chief district officer
CFC	–	compensation fixation committee
CPR	–	community property resource
DDC	–	district development committee
DOR	–	Department of Roads
DSC	–	design and supervision consultants
DUDBC	–	Department of Urban Development and Building Construction
GRC	–	grievance redress committee
LA Act	–	Land Acquisition Act
MOPPW	–	Ministry of Physical Planning and Works
NGO	–	nongovernment organizations
PCO	–	project coordination office
PIU	–	project implementation unit
PCO	–	project coordination office
PMSC	–	project management and support consultant
PLI	–	poverty level income
PPTA	–	project preparatory technical assistance
PSA	–	poverty and social assessment
ToR	–	terms of reference
WHH	–	women Headed Households
VDC	–	village development committee

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Glossary of Terms

Affected person. In the context of involuntary resettlement, displaced persons are those who are displaced physically (relocation, loss of residential land, or loss of shelter) and/or economically (loss of land, assets, access to assets, income sources, or means of livelihood) as a result of (i) involuntary acquisition of land; (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas; (iii) or any other moveable or fixed assets acquired, possessed, restricted, or otherwise adversely affected, in full or in part, permanently or temporarily.

Census. Census is 100% enumeration of affected persons with the objective to document the socioeconomic status of potentially affected persons within the project footprint. The census will provide a demographic overview of the population, households' assets, source of incomes, and means of livelihood.

Compensation Determination Committee (CDC). The committee established as per Land Acquisition Act 2034 (1977) for the determination of compensation rate.

Compensation. Payment in cash or in kind in lieu of acquisition of an asset or a resource that is acquired or affected by a project.

Cut-off date. The completion date of the census that establishes the eligibility for receiving compensation and resettlement assistance by the project affected persons. For land, the cut-off date will be the date of notice published by the CDC.

Dalits. The group of people defined and recognized by National Dalit Commission. The word is usually designated for a group of people belonging to the lower castes, many of whom are traditionally regarded as "untouchable."

Grievance Redress Committee (GRC). The committee established under the projects to document, hear, and resolve the project related grievances/concerns.

Indigenous peoples. The ethnic groups and communities having distinct social and cultural characteristics such as distinct language/mother tongue, traditional customs, cultural identity, social structure from those of dominant populations and culture. The National Foundation for Upliftment of Adivasi/Janjati Act, 2058 (2002) has identified 59 groups as Adivasi/Janajati (or indigenous peoples or nationalities) in Nepal.

Land acquisition. The approaches (voluntary offer, negotiation, inter agencies transfer, and expropriation) adopted to acquire land for the project components.

Rehabilitation. The allowances/assistance provided as described in the resettlement plan other than compensation of the acquired property.

Relocation. Physical relocation of affected persons permanently from their shelter.

Replacement cost. The sum of market value of the affected assets plus any transaction costs such as administrative charges, taxes, registration, and titling costs to replace the affected assets.

Restoration. All the measures taken to mitigate all or any adverse impacts of the project on the affected person's property and/or livelihoods, including enhancement measures.

Severely affected households. The affected households (i) losing 10% or more of their total productive assets and/or income sources; (ii) requiring relocation due to the project.

Socioeconomic survey. The survey conducted to establish monitoring and evaluation parameters and establish a benchmark of socioeconomic status of affected persons.

Vulnerable. The vulnerable are individuals or groups who may experience adverse impacts from the proposed project more severely than dominant population because of their unique and inherit socioeconomic characteristics. Typically, they are those households falling below the poverty line¹, the landless, household members with disability, female headed households, single women, households having elderly (*Jestha Nagarik*) and children, dalits, indigenous peoples and those without legal title to land.

¹ NPR 19,262 person/year (source: Nepal Living Standards Survey 2010/2011)) i.e. an inflation-adjusted figure of NPR 23,307 per person per annum in 2014

I. INTRODUCTION

A. Overview

1. The Regional Urban Development Project (RUDP) aims to improve the quality of urban services in eight **municipalities** of the Terai region of Nepal through infrastructure investments and institutional strengthening. The project will provide financing for non-Far Western Region (FWR) municipalities - Biratnagar, Birgunj, Nepalgunj and Siddharthanagar- where there are ongoing ADB financed projects. The project also includes four FWR municipalities - Attariya, Bheemdatt, Dhangadhi, and Jhalari-Pipaladi. The project will provide financing for urban improvements in roads, drainage and waste management. In addition, for Attariya and Jhalari-Pipaladi, the project will provide municipal offices. It also aims to develop a project bank facility and strengthen capacity to prepare future, transformational projects for cities in Nepal.

B. Proposed Project Components and Descriptions

2. **Solid waste management** includes installation of Integrated Waste Processing Sites (IWPS), comprising facilities for waste separation, composting of organic waste, recycling facilities and disposal sites for waste material that cannot be used in any other way has been proposed under this component. A number of potential solid waste disposal sites both private lands and community forests were identified and assessed. Private land acquisition is required for construction of IWPS in Dhangadhi whereas public (community forest and government lands) is required to install Integrated Waste Processing Sites (IWPS) in Attariya and Jhaladi-Pipladi municipalities. The sites for IWP installation in Bhimdatta is being finalized by the municipality..

3. **Roads and drainage improvements** of selected urban roads have been proposed in all municipalities. This would mainly be an upgrading of existing roads, (width of lanes, according to importance of the road; lateral drainage and footpaths, and streetlighting in core areas).

4. **Municipal buildings** are proposed for Attariya, and Jhalari-Pipaladi municipalities. In case of Attariya municipality, the required land is yet to be identified but a number of alternative sites, including community forest lands have been proposed. The existing Jhalari VDC building site has been proposed for new municipal building; however additional land (originally belonging to the municipality and now used by health and telecom offices) has to be rearranged to accommodate the required public services buildings.

5. The land acquisition and involuntary resettlement impacts were assessed for the above project components. Output 1 of the project requires land acquisition. Other components do not include infrastructure activities. Four due diligence reports (DDRs) have been prepared for the subprojects which do not require involuntary resettlement. Four resettlement plans have been prepared for the subprojects anticipating involuntary resettlement impacts. However, detailed designs of a few subprojects in the municipalities are not yet completed for all packages. So, a Combined Resettlement and Indigenous Peoples Planning Framework (CRIPPF) has been prepared to guide resettlement and indigenous people planning for the ensuing subprojects under the project. The CRIPPF has been prepared in accordance with the ADB Safeguards Policy Statement (2009) and Government of Nepal's Land Acquisition Act, 2034 (1977) and the NFDIN Act 2002.

6. The indigenous peoples live in project areas and no confirmed negative impacts have been identified except impacts due to land acquisition to a few IP households. The

indigenous peoples living in the project areas may experience positive impacts due to improved road, waste management and drainage system. The indigenous peoples in the subprojects area share similar economic and political system with non-indigenous groups in terms of livelihood patterns, and access to health and educational opportunities. Land acquisition related impacts will be mitigated through resettlement plan and enhancement measures will be covered through the performance-based socioeconomic development program (PBSEDP) and gender and social inclusion action plan. Therefore, a CRIPPF has been prepared for the project with special assistance measures for vulnerable groups, including indigenous people. The framework ensures that indigenous peoples do not experience adverse impacts and receive appropriate benefits from subprojects. The elements for screening impacts on indigenous peoples and planning mitigation measures have been included in CRIPPF.

7. The CRIPPF identifies the project impacts and outlines the policies, procedures, and institutional requirements for preparing social safeguard planning documents for subprojects based on detailed design. It also provides guidelines for updating safeguard planning documents.

II. OBJECTIVES, POLICY FRAMEWORK, AND ENTITLEMENTS

A. Objectives of CRIPPF and Project's Safeguard Policies

8. The objective of the CRIPPF is to provide policy and procedural guidance to (i) avoid, minimize and mitigate involuntary resettlement impacts; and (ii) design and implement subprojects in a way that provide full respect for indigenous peoples' identity, dignity and livelihood system.

9. The CRIPPF (i) explains the general anticipated land acquisition and resettlement impacts of subprojects to be financed under the project; (ii) specifies requirements to be followed for subproject screening, categorization, assessment, and resettlement and indigenous peoples planning, including arrangements for stakeholders consultation and information disclosure; (iii) outlines objectives, policy principles, and procedures for any land acquisition, compensation and other assistance measures for any affected persons, (iv) assesses adequacy of executing agency capacity to implement national laws, policies, and regulations and ADB's SPS and identify needs for capacity building; (v) outlines social impact assessment and census methodologies; (vi) specifies implementation procedures, including budget, institutional, capacity development, and monitoring and reporting requirements; and (vii) describes responsibilities of the executing agency and ADB in relation to the preparation, implementation, and progress review of social safeguard documents.

B. Review of Policy Framework

1. Government of Nepal Laws

a. Resettlement Policies and Acts

The Land Acquisition Act, 2034 (1977)

10. The Land Acquisition Act, 2034 (1977) is the core legal document to guide tasks related to land acquisition in Nepal. There is provision in Clause 3 of the act to acquire land for any public purpose, subject to the award of compensation. According to Clause 4,

institutions seeking land acquisition (such as Water User Committees) may also request the government to acquire the land under the regularity provisions subject to be compensated by such institutions' resources. Clause 27 of the act provides an option for land acquisition through mutual agreement with the plot owners. Following this clause, the government may acquire any land for any purpose through negotiations with the concerned landowner. It shall not be necessary to comply with the procedure laid down in this Act while acquiring lands through negotiations Where Clause 27 is enacted, and the plot owner not satisfied with the compensation agreement offered, Clause 18 (Sub clause 2) states that the owner can file a complaint with the Ministry of Home Affairs.

11. As per the regulatory provision, while acquiring land, government forms a compensation determination committee (CDC) under the chairmanship of chief district officer (CDO) of the restrictive districts. The other members to be included in the committee comprise of the Chief of Land Revenue Office (LRO), an officer assigned by CDO, representative from district development committee (DDC), and concerned project manager. The project chief functions as the member secretary of the committee. The CDC determines the amount of compensation considering the following factors: (i) current price of land value; (ii) value of standing crops, houses, walls, sheds or other structures; (iii) loss incurred as a result of shifting residence or place of business; and (iv) relevant acts and periodic guidelines of government. According to Clause 6, if the land has to be acquired for institutions other than the local governance bodies and institutions fully owned by the government, the committee has to consider the following in fixing the compensation amount: (i) price of land prevailing at the time of notification of land acquisition, (ii) price of standing crops and structures, and (iii) loss incurred by the affected person by being compelled to shift his or her residence or place of business in consequence of the acquisition of land.

12. The compensation to be provided for land acquisition should generally be in cash as per the current market value. However, there is also a provision under clause 14 to compensate land-for-land provided that government land is available in the area. The clause 13, 3 (1) of the Act also envisages the possibility of two separate rates of compensation, distinguishing between families who lose entire land and those who lose only some part of their landholdings. As stipulated in the clause 10 there is provision for the affected households to take the crops, trees and plants from land and salvageable from the structures. Clause 39 indicates options to allow the affected households to take all salvageable assets without deduction of any costs from the affected households.

13. Any grievances will be referred to the GRC as per clause 11 of the Land Acquisition Act, 2034 (1977). Clause 7 of the Act assigns the CDO as the sole responsibility to chair land acquisition and compensation determination activities and to address the grievances related to the amount of compensation determined.

14. Clause 20 of the Act authorizes the legal tenant entitlement to 100% compensation for the structure built on the land with the permission of the land owners. Clause 68 (1) of the Forest Act 2049 states that the government may permit the use of forest land for projects under the national priority. According to the clause 68 (2), if any loss to persons or community is involved while permitting use of such land, it is required to compensate the loss. The typical process of land acquisition is indicated in **Table 1**.

Table 1: Process for Land Acquisition as per Land Acquisition Act

S.N.	Steps outlined in the Land Acquisition Act
1	Sectoral agency decides to execute a development project at a certain location
2	Sectoral agency requests the Government to acquire land specifying objectives and committing payments of compensation and other expenses
3	Government of Nepal approves and orders the initiation process and compensation determination committee is formed
4	Public notification is made at public places in the project area, VDC offices and to the affected households
5	Necessary preliminary survey including boundary demarcation, agricultural production valuation and social census of affected families takes place
6	Land Revenue Office report on the area and location of land to be acquired including likely compensation and amount of loss
7	CDO issues notices including purpose of acquisition and detail of land to be acquired
8	Land transactions are banned within the notified area
9	Owner can file complaints within 7 days through the local officer
10	Resolution of grievance within 15 days of complaint
11	Acquisition of land and payment of compensation

Source: Land Acquisition Act, 2034 (1977)

CDO = Chief District Officer, VDC = village development committee

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

Local Self-Governance Act, 1999

16. The clause 258 in the Part-5, General Provisions relating to Local Body Chapter-3, Miscellaneous of the Local Self-Governance Act, 1999 has provision of land acquisition. The Clause states that in case the local body has to acquire land to carry out any development and construction works within its area, it may acquire the land required for that work by following the requirements of the prevailing law and providing compensation to the concerned land-owner for the land.

17. The clause 149 of the LSGA has provision of prohibition on construction of building without obtaining approval. The clause states that no person shall, without obtaining construction approval from the mayor, do 'construction of a building' ¹ in the municipal area. According to the clause 161, (1) the mayor may depute any engineer, overseer or employee to inquire into the following matters in respect to any building constructed or being constructed by anyone in the municipal area:

¹ The act of "construction of building" means the act to construct a new building, to reconstruct by demolishing the old building, to add a storey or to alter the facade, or to construct a window, door, veranda, attic, porch, shed, stable or garage or erecting a compound wall in alternation of the existing design.

- (i) Whether or not approval has been obtained pursuant to this act to construct such a building,
- (ii) Whether or not such a building has been constructed or is being constructed in accordance with the design approved pursuant to this act, and
- (iii) Whether or not any public land, road, temple, courtyard, sewerage, canal, pond etc. is encroached upon from such a building.

18. (2) The person deputed to inquire into the matters pursuant to subsection (1) shall have to inquire into the matter according to the prevailing law and submit a report, along with his/her suggestions, to the mayor within 15 days of his/ her deputation.

19. (4) In case it is held, as per the report submitted pursuant to subsection (2), that anyone has constructed or is constructing a building without obtaining approval pursuant to this Act or by encroaching upon any public land, road, temple, courtyard sewerage, canal, pond, etc., the Mayor shall have to order to demolish the building or any portion thereof.

20. (5) In case it is held, as per the report submitted pursuant to subsection (2), that any person has constructed or is constructing a building by altering the design approved pursuant to this act without obtaining approval of the mayor, the mayor may order to punish such a person with a fine of up to one hundred thousand rupees or to demolish the building or any portion thereof.

21. The clause 163 (1) mentioned that in cases where an order has been issued pursuant to subsection (4) or (5) of clause 161 to demolish any building or any portion thereof, the concerned person shall have to demolish such a building or any portion thereof according to the order of the mayor or the decision of the Appellate Court within 35 days of the decision made by the Appellate Court requiring the demolition of such a building or any portion thereof. (2) If the concerned person does not demolish such a building or any portion thereof within the time-limit referred to in subsection (1), the municipality itself may demolish such a building or any portion thereof, and the expenditures incurred for so demolishing shall be realized from the concerned person. These legal provisions reveal some gaps while compared to ADB SPS 2009. Accordingly measures have been proposed in **Table 3** to bridge the gaps between the government legal provisions ADB SPS 2009.

22. Land Acquisition, Resettlement and Rehabilitation Policy for the Infrastructure Development Projects (LARRP), 2015 (2071 BS) has following key provisions regarding land acquisition and indigenous peoples:

- (i) Recognizes the need of resettlement and rehabilitation plan to ensure the livelihood of the project affected persons or households at least above the pre-project conditions;
- (ii) Emphasize that the project development agency conduct meaningful consultation with the project affected persons including all vulnerable groups such as women, children, indigenous/ Janajati groups, the disabled, the helpless, and persons having no legal rights on the operated land;
- (iii) Requires to accomplish compensation payment, resettlement and rehabilitation efforts to the project affected person/households including non title holders;
- (iv) Emphasize land acquisition through negotiation with the project affected person/ households through transparent, free, fair and justifiable process;
- (v) Requires land based compensation and resettlement to persons/households who lose all of the property or whose livelihood is agriculture based;

- (vi) Requires relocation and resettlement of the affected persons/households close to the current place of residence until and otherwise he/she willingly prefer to relocate him/ herself;
- (vii) Requires inclusive programs for the enhancement of their socioeconomic development of disadvantageous groups such as facility less groups (Dalit, indigenous or Janajati groups and single women etc.);
- (viii) Requires compensation of the built properties including resettlement and rehabilitation benefits for persons/ households who do not have land or legal right for the currently operated land;
- (ix) Requires determination of compensation rates for affected land and property based on scientific methods such that the compensation rates are not less than the minimum market price;
- (x) Requires access on project benefit (share allocations) to the affected persons/ households for projects where return on investment is potential;
- (xi) Requires provisioning of subsidized rates to the project affected persons/ households for projects providing services; and
- (xii) Requires following additional project assistance on the top of the compensation and resettlement to the physically displaced groups;
 - (a) Residential facilities;
 - (b) Goods transportation assistance;
 - (c) Relocation assistance;
 - (d) Relocation for business assistance;
 - (e) House rental assistance;
 - (f) Additional assistance as recommended by plan to seriously project affected households and vulnerable groups (Dalit, Janajati or marginalized indigenous single women, helpless, disabled, senior citizen etc.); and
 - (g) Employment opportunity and livelihood restoration to the seriously project affected households and vulnerable groups (Dalit, Janajati or marginalized indigenous, single women, helpless, disabled, senior citizen etc.) based on their skills and capabilities.
- (xiii) Requires an adequate mechanism to listen, register and resolve the grievances of the project affected persons and communities;
- (xiv) Requires project development agency to ensure the allocation of resources required for resettlement/ rehabilitation and livelihood restoration of the project affected persons/households; and
- (xv) Requires acquisition of economically unviable fragmented land parcels on request of the affected owners.

Forest Act 1993 and Forest Regulation (1995)

23. Article 17 stipulates provision of lease and permit from the government to establish right on the facilities on the national forest; Article 18 prohibits transfer of facility or any other rights on the national forest to the others; Article 67 stipulates land rights of the government on the Community Forest, Leasehold Forest and Religious Forest; and Article 68 empowers Government to give assent to use any part of the Government Managed Forest, Community Forest, Leasehold Forest or Religious Forest for the implementation of national priority plan/project if there is no alternative for the plan/ project implementation.

24. Section 65 of the Forest Regulation (1995) prescribes operations of the priority projects: (1) if the execution of any project having national priority within any forest area causes any loss or harm to any local individual or community, the operators of the

concerned project itself shall bear the amount of compensation to be paid in consideration thereof, and (2) The entire expenses required for the cutting, making into pieces and transporting the forest products in a forest area to be used by the approved project shall be borne by the operators of the project.

25. As per the provisions of the Environmental Protection Act and Rules (1997) an environmental impact assessment (EIA) or initial environmental examination (IEE) is needed before granting of any permit of using forest lands.

26. Ministry of Forest and Soil Conservation (MOFSC) has issues a Procedure for Providing Forest Areas for Other Purposes, 2063 (2007). According to this Procedure and section 68 of the Forest Act (1993), forest areas can be allocated for the implementation of national priority projects. Other than national priority projects, forest lands shall not be provided. A cabinet meeting of ministers with recommendations from NPC can allocate some part of forest lands for the use of infrastructure and development programs of national priority. Normally such decisions are only made if no other options are available.

27. Once the decision is made, the development project must conduct EIA/IEE and develop mitigating strategies for the damage it may cause to the environment. The development project must make appropriate arrangements for plantation and protection along with the project activities. In community forestry, the same provisions and processes are applied in order to acquire community forests for national development projects and programs. Additionally, development projects must provide compensation to CFUGs as stated in EIA report if the project destroys forest areas and products. Projects need to fulfill all the mitigation conditions and commitments as stated in the Forest Lease Agreement² and EIA³ report before they can be implemented.

Municipal Grant Operation Procedure, 2067 (2010)

28. The Government of Nepal has formulated and enforced this Municipal Grant Operation Procedure, 2067 (2010) pursuant to the clauses 234 and 236 of the Local Self-governance Act, 2055 (1999) in order to coordinate and integrate all types of grants provided by the government of Nepal to the municipalities, local development taxes, programs/projects budgets, revenue and grants distributed by district development committees, self-income of municipalities, and the budget received from development partners and national and international nongovernmental organizations and create access to and increase ownership of the general public specifically the poor, women, children, and the communities and sectors socially and economically marginalized to the fund for poverty reduction and sustainable development.

29. The chapter 3 (Capital Grant), section 11.3 (Target Groups Development Programs) has made special allocation provision of capital budget of municipal fund for programs/projects that directly benefit the target groups, which is as follows:

² Generally, government allocates part of forest areas for non-forest purposes following the legal provisions for leasehold forest management system, and it is usually allocated for 40-80 years.

³ According to the Environment Protection Rules 2054, waste management activities to be undertaken with the objective of providing services to a population of more than 10,000 require EIA study whereas less than 10,000 required IEE.

- (i) At least 10% for the programs/ projects that directly benefit the poor women from all castes and ethnicities,
- (ii) At least 10% for the programs/ projects that directly benefit the poor children from all castes and ethnicities,
- (iii) At least 15% for the programs/ projects that directly benefit the economically and socially backward class, (senior citizens, dalits, indigenous peoples/nationalities, differently-abled people, Madhesis, Muslims, backward class, sexual minorities) and sectors and the classes and communities defined as target groups by the government.

30. The chapter 4, clause 19, feasibility study states that (1) Municipalities shall have to do feasibility study of physical infrastructure plans exceeding 5 million rupees prior to getting approval of such plans from the municipal council; and (2) The feasibility study should include the social, economic, environmental, and technical aspects as well as estimation, mapping, design, specification, and sustainability of projects as minimal requirements.

31. The chapter 6 (Monitoring and Evaluation), section 28.2 (additional provision to monitoring) has made municipalities responsible to supervise and monitor whether environmental, gender and social inclusion aspects are paid enough attention to the formulation, implementation and monitoring of programs and projects run within a municipality. Such monitoring should be done in accordance with the gender budget of programs and budget, Local Bodies Gender Budget Procedure, 2064.

32. Similarly Section 28 of the same chapter has made municipalities responsible to conduct impact study of the programs/projects operated by themselves, whose cost exceeds 20 million rupees, after three years of their completion as per clause 118 (3) of the LSGA.

33. As per chapter 10 (Additional Provision to Good Governance), section 41(g and h) municipalities should conduct at least two public hearings in a year on the programs/projects operated within the municipality and the condition of delivery of services. Public hearings, social audit, public audit, people's survey and citizen charter on the work and actions of municipalities should be managed even through the local governance and accountability facilitation mechanism, and municipalities shall be made accountable to persons expected to receive services and financial discipline shall be maintained. The section 41 (e) in particular mentioned the provisions of Grievances Mechanism. According to this section, staff should be designated to address the verbal or written complaints with priority. The designated staff should submit the details of complaints received and hearings made to the review meeting on a quarterly basis.

34. Similarly the section 42 of chapter 10 has made following provisions relating to transparency:

- (i) Municipalities shall manage a citizen's charter mentioning all the details of services they render to the persons expected to receive such services;
- (ii) Details of the programs/projects with an estimated cost of 500,000 rupees or more should be placed at the project site so as all people can notice them as per serial number 8 of annex-9 (B);
- (iii) Municipalities shall make their income and expenditures public through various media in a quarterly and annual basis;
- (iv) Public audits of completed projects should be conducted as per serial number 10 of annex-9 (B). The final instalment shall not be released until public audit is conducted;

- (v) Municipalities should conduct social audit at least once a year in the gathering of representatives from all stakeholders including the participation of ward citizen's forum. Notice on the venue and presence should be disseminated in a massive way.

Indigenous People Policies and Acts

35. Nepal does not have a standalone policy on indigenous peoples and other vulnerable communities related with safeguard perspective and mitigation of development project impact. The available policy and regulatory frameworks are mostly focused on inclusive development. The Constitution of Nepal 2072 (2015), NFDIN Act 2002, Local Self-Governance Act, 1999, Forest Act (1993) and Forest Regulation (1995) and periodic Five Year Plans have been placed significant emphasis on delivering basic services to the indigenous people. Besides, there are some provisions for the protection and promotion of Janajatis' traditional knowledge and cultural heritage.

36. The Constitution of Nepal 2072 (2015), Article 18, Right to Equality, states that all citizens shall be equal before law. No person shall be denied the equal protection of law. However, the article also mentioned that nothing shall be deemed to bar the making of special provisions by law for the protection, empowerment or advancement of the women lagging behind socially and culturally, Dalits, Adibasi, Madhesi, Tharus, Muslims, oppressed class, backward communities, minorities, marginalized groups, peasants, laborers, youths, children, senior citizens, sexual minorities, persons with disability, pregnant, incapacitated and the helpless persons, and of the citizens who belong to backward regions and financially deprived citizens including the Khasarya.

37. The constitution ensures rights of women and Dalits in Articles 38 and 40 respectively as fundamental rights which guarantee the participation of women and Dalits in all agencies of state on the basis of principle of proportional inclusion.

38. Similarly sub article (J) Policies Regarding Social Justice and Inclusion, under the Article 51, Policies of the State mentions following provisions of social justice and inclusion applicable for indigenous peoples and vulnerable groups:

- (i) Making appropriate arrangements of livelihoods by prioritizing employment for single women who are in helpless conditions on the basis of skill, capability and merit;
- (ii) Rehabilitation of kamaiya (bonded laborers), kamlari, haruwa, charuwa, haliya, the landless and the squatters by identifying them, and making arrangements of housing, or providing small plot of land or house, employment, or arable land for their livelihoods;
- (iii) Making special arrangements to ensure the rights of Adivasi Janajatis (indigenous ethnic groups) to lead a dignified life with their respective identities, and making them participate In decision making processes that concern them, and preserving and maintaining the traditional knowledge, skill, experience, culture and social practices of Adivasi Janajatis and local communities;
- (iv) Making special arrangements for minority communities to exercise their social and cultural rights by maintaining their identity.

39. Specific policy initiatives for the welfare and advancement of IPs (adivasi/ ianajati) were initiated in 1997, when a National Committee for Development of Nationalities (NCDN) was set up. In 2002, the Nepal Parliament passed a bill for the establishment of an

autonomous foundation named “National Foundation for Development of Indigenous Nationalities (NFDIN),” which came into existence in 2003 replacing the NCDN. The NFDIN Act 2002 established the first comprehensive policy and institutional framework pertaining to Adivasi/ Janajatis. The act defines indigenous groups or Adivasi Janajati in Nepali as "a group or community having its own territory, own mother tongue, traditional rites and customs, distinct cultural identity, distinct social structure and written or unwritten history". The government, through NFDIN, has identified and officially recognized 59 such indigenous communities. This list was updated in 2009 to include 81 groups for official recognition but yet to be approved by the government.

40. The NFDIN established the first comprehensive policy and institutional framework regarding indigenous peoples. It has been working for the preservation of the languages, cultures, and empowerment of the marginalized ethnic nationalities. More specifically, the NFDIN has following objectives:

- (i) To make overall development of the Adivasi/ Janjati by formulating and implementing the social, educational, economic and cultural programs.
- (ii) To preserve and promote the language, script, culture, literature, arts, history of the Adivasi/ Janjati.
- (iii) To preserve and promote the traditional knowledge, skill, technology and special knowledge of the Adivasi/ Janjati and to provide assistance in its vocational use.
- (iv) To encourage the Adivasi/ Janjati to be participated in the mainstream of overall national development of the country by maintaining a good relation, goodwill, and harmony between different Adivasi/ Janjati, castes, tribes and communities.
- (v) To provide assistance in building an equitable society by making social, economic, religious and cultural development and upliftment of Adivasi/ Janjati

41. The indigenous peoples constitute about 35.81% of the total population in Nepal and they are not homogenous. There is vast disparities existed in terms of socio-economic standing among them. Therefore, Nepal Federation of Indigenous Nationalities (Adivasi/ Janajati) (NEFIN) has grouped 10 of the 59 Adivasi/ Janajati as "endangered", 12 "highly marginalized", 20 "marginalized", 15 "disadvantaged" and 2 as "advanced" or better off on the basis of a composite index consisting of literacy, housing, landholdings, occupation, language, graduate and above education, and population size(**Table 2**).

Table 2: Government Listed Indigenous Groups as Classified by NEFIN

Ecological Region	Classification of Indigenous Peoples				
	Endangered	Highly marginalized	Marginalized	Disadvantaged	Advantaged
Mountain		Siya, Shingsawa (Lhomi), Thudam	Bhote, Dolpo, Larke, Lhopa , Mugali, Topkegola, Walung	Bara Gaunle, Byanshi, Chhairotan, Marpahali-Thakali, Sherpa, Tangbe, Tingaule Thakali	Thakali
Hill	Bankariya, Hayu, Kushbadiya, Lepcha, Surel	Baramu, Thami, Chepang	Bhujel, Dura, Pahari Phree, Sunuwar, Tamang	Chantyal, Gurung, Jharel, Limbu, Magar, Rai, Yakha, Hyolmo	Newar

Ecological Region	Classification of Indigenous Peoples				
	Endangered	Highly marginalized	Marginalized	Disadvantaged	Advantaged
Inner Tarai	Raji, Raute	Bote, Danuwar, Majhi	Darai, Kumhal		
Tarai	Kisan, Meche	Dhanuk, Jhangad, Satar	Dhimal, Gangai, Rajbanshi, Tajpuriya Tharu		
Total	10	12	20	15	2

Source: NEFIN 2005.

42. The Local Self-Governance Act, 1999 commits municipalities for the promotion, preservation, and protection of language, religion, culture of indigenous people and their welfare in the municipal area. The act empowers municipalities to formulate and implement periodical and annual plans within their own jurisdiction. Periodic plans integrate different thematic plans according to social, economic, environment, physical, financial, and institutional aspects. The act provides municipalities to follow planned development programs and prioritized programs that can increase productivity, contribute to upgrading living standards, and generate income and employment opportunities for indigenous people and other vulnerable groups. The act also requires that local programs provide direct benefits to women and disadvantaged groups, and use community groups in the planning and execution of development programs.

43. Recently, the government has promulgated a policy called Land Acquisition, Resettlement and Rehabilitation Policy (LARRP) for the Infrastructure Project Development in 2015. The policy has prescribed the following key provisions for project affected indigenous peoples and vulnerable groups:

- (i) In cases where people from the opportunity-deprived groups like Dalit, Indigenous, Janajatis, and single women get affected by any infrastructure development project, additional inclusive programs should be formulated to uplift their socio-economic status (Section 7.2.7);
- (ii) Requires livelihood restoration plan to retain the living standard of the seriously affected people and families belonging to poor, Dalit, Janajati, or marginalized indigenous groups, single woman, differently abled, and senior citizens will be given additional assistances according to the provisions incorporated in resettlement plan (Section 8.2.7b);
- (iii) Employment opportunity to the seriously project affected households and Vulnerable groups (Dalit, Janajati or marginalized Indigenous, single women, helpless, disabled, senior citizen etc.) based on their skills and capabilities (Section 8.2.9d);
- (iv) Requires easy, simple, and transparent consultations with project affected peoples with duly considering the presence of people from sensitive groups like poor, landless, senior citizens, women, children, indigenous, differently abled, and people with no legal rights of the lands in which they live (Section 8.3.2)

44. These constitutional, legal and policy provisions are supplemented with the provisions under the United Nations Declaration on the Rights of Indigenous Peoples (2007) and International Labour Organization (ILO) Convention (169), 1989 in 2007 since Nepal is a signatory to these international legal instruments. The ILO Convention no. 169 of 1989 is the

most comprehensive legally binding treaty on the rights of indigenous peoples. The convention includes provisions on cultural integrity, land and resource rights and non-discrimination, and instructs states to consult indigenous peoples in all decisions affecting them. Articles 1-4 of the United Nations Declaration on the Rights of Indigenous Peoples (2007) ensures the individual and collective rights of indigenous peoples, as well as their rights to culture, identity, language, employment, health, education and other issues while implementing any development activities in the traditional territory of the indigenous people. An engagement process for meaningful consultation with indigenous communities will be followed based on the principles of Free, Prior and Informed Consent (FPIC). The engagement process will include stakeholder analysis and engagement planning, disclosure of information, and meaningful consultation, in a culturally appropriate; gender and inter-generationally inclusive manner.

2. ADB Safeguards Policy Statement (2009)

ADB's SPS (Involuntary Resettlement)

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

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

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

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (vii) Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non land assets.
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders.
- (x) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a standalone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.

- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

ADB's SPS (Indigenous People)

48. The objectives of ADB's Safeguards Policy Statement for indigenous peoples is to design and implement projects in a way that fosters full respect for indigenous peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the indigenous peoples themselves so that they (i) receive culturally appropriate social and economic benefits; (ii) do not suffer adverse impacts as a result of projects; and (iii) can participate actively in projects that affect them.

49. The indigenous peoples safeguards are triggered if a project directly or indirectly affects the dignity, human rights, livelihood systems, or culture of indigenous peoples or affects the territories or natural or cultural resources that indigenous peoples own, use, occupy, or claim as an ancestral domain or asset. The term "indigenous peoples" is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) a distinct language, often different from the official language of the country or region. In considering these characteristics, national legislation, customary law, and any international conventions to which the country is a party will be taken into account. A group that has lost collective attachment to geographically distinct habitats or ancestral territories in the project area because of forced severance remains eligible for coverage under this policy.

50. Projects financed and/or administered by ADB are expected to observe the following policy principles related to indigenous people:

- (i) Screen early on to determine (i) whether indigenous peoples are present in, or have collective attachment to, the project area; and (ii) whether project impacts on indigenous peoples are likely.
- (ii) Undertake a culturally appropriate and gender-sensitive social impact assessment or use similar methods to assess potential project impacts, both positive and adverse, on indigenous peoples. Give full consideration to options the affected indigenous peoples prefer in relation to the provision of project benefits and the design of mitigation measures. Identify social and economic benefits for affected indigenous peoples that are culturally appropriate and gender and intergenerational inclusive and develop measures to avoid, minimize, and/or mitigate adverse impacts on IPs .
- (iii) Undertake meaningful consultations with affected Indigenous peoples communities and concerned indigenous peoples organizations to solicit their participation (i) in designing, implementing, and monitoring measures to avoid adverse impacts or, when avoidance is not possible, to minimize, mitigate, or compensate for such effects; and (ii) in tailoring project benefits for affected indigenous peoples communities in a culturally appropriate manner. To enhance indigenous peoples' active participation, projects affecting them will provide for culturally appropriate and gender inclusive capacity development. Establish a culturally appropriate and gender

inclusive grievance mechanism to receive and facilitate resolution of the indigenous peoples' concerns.

- (iv) Ascertain the consent of affected indigenous peoples communities to the following project activities: (i) commercial development of the cultural resources and knowledge of indigenous peoples; (ii) physical displacement from traditional or customary lands; and (iii) commercial development of natural resources within customary lands under use that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identity and community of indigenous peoples. For the purposes of policy application, the consent of affected indigenous peoples communities refers to a collective expression by the affected indigenous peoples communities, through individuals and/or their recognized representatives, of broad community support for such project activities. Broad community support may exist even if some individuals or groups object to the project activities.
- (v) Avoid, to the maximum extent possible, any restricted access to and physical displacement from protected areas and natural resources. Where avoidance is not possible, ensure that the affected indigenous peoples communities participate in the design, implementation, and monitoring and evaluation of management arrangements for such areas and natural resources and that their benefits are equitably shared.
- (vi) Prepare an indigenous peoples plan (IPP) that is based on the social impact assessment with the assistance of qualified and experienced experts and that draw on indigenous knowledge and participation by the affected indigenous peoples communities. The IPP includes a framework for continued consultation with the affected Indigenous Peoples communities during project implementation; specifies measures to ensure that Indigenous Peoples receive culturally appropriate benefits; identifies measures to avoid, minimize, mitigate, or compensate for any adverse project impacts; and includes culturally appropriate grievance procedures, monitoring and evaluation arrangements, and a budget and time-bound actions for implementing the planned measures.
- (vii) Disclose a draft IPP, including documentation of the consultation process and the results of the social impact assessment in a timely manner, before project appraisal, in an accessible place and in a form and language(s) understandable to affected indigenous peoples communities and other stakeholders. The final IPP and its updates will also be disclosed to the affected Indigenous Peoples communities and other stakeholders.
- (viii) Prepare an action plan for legal recognition of customary rights to lands and territories or ancestral domains when the project involves (i) activities that are contingent on establishing legally recognized rights to lands and territories that Indigenous Peoples have traditionally owned or customarily used or occupied, or (ii) involuntary acquisition of such lands.
- (ix) Monitor implementation of the IPP using qualified and experienced experts; adopt a participatory monitoring approach, wherever possible; and assess whether the IPP's objective and desired outcome have been achieved, taking into account the baseline conditions and the results of IPP monitoring. Disclose monitoring reports.

The ADB Public Communications Policy (ADB, 2011)

51. The Public Communication Policy 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. The executing agency should, as necessary, develop a project communications plan and designate a focal point to maintain contact with affected people. With respect to land acquisition, compensation and resettlement, information should be distributed to affected persons publicly and in the following manner: (i) prior to loan appraisal, the draft resettlement plan; (ii) following completion of the final resettlement plan, the final resettlement plan; and (iii) following any revisions, the revised resettlement plan. This information can be in the form of brochures, leaflets or booklets, in the local language(s) as well as English, the working language of the ADB. For affected persons including non-literate people, other appropriate methods of communications will be used.

3. Gap Analysis and Measures for Filling Gaps between ADB and Government Policies

Involuntary Resettlement

52. **Table 3** summarizes the main differences between ADB and government's legislation in terms of involuntary resettlement and measures proposed to bridge the gaps.

**Table 3: Measures recommended for bridging gaps between ADB Policy
And Government's Legal Framework**

Key issues	Government Regulation	ADB SPS	Measures recommended in the RIPPF
Loss of more than 10% of the total landholdings and income	Do not consider the percentage loss of income or total land holdings LARRP has provision of social impact assessment(7.2.1)	Income restoration programs such as training and other measures to restore and improve the standard of living of the affected households	Provision has been made to provide skill training and income generating measures in the entitlement matrix
Squatters/illegal occupants/nontitle land users	Do not considers quatters/ encroachers/ nontitle land users for compensation LARRP has provision of compensation for affected non-land assets and assistance for rehabilitation(7.3.8)	Nontitle holders are not entitled for the compensation of land but for replacement cost of assets on land and resettlement assistance business and other assistance	Provision has been made to provide compensation for the affected structures/ houses/ business in the EM
Valuation of affected land, houses and other structures and trees	Compensation rate is determined by CDC, consisting of (i) CDO (ii) representative from DDC (iii) Chief of Land Revenue Office (iv)	All compensation is based on the principle of replacement cost	Provision has been made for the replacement value for the loss of land, houses/structures. Affected persons are allowed to take salvaged materials. CDC

Key issues	Government Regulation	ADB SPS	Measures recommended in the RIPPF
	<p>Project Manager</p> <p>LARRP has provision of following scientific procedures while determining the compensation for the lands acquired and losses incurred by individuals/families so that minimum market-value of the property must be maintained and the compensation should be given to the affected families within the given time (7.3.2).</p>		<p>will make final decision on the rates in the presence of representatives from DPs, VDCs, civil society, who will attend the meeting as an observer(details are provided in Section VIII)</p>
Other assistance for relocation of the houses	<p>No provisions</p> <p>LARRP has provision that project proponent will ensure the resources required to rehabilitate the livelihood of the affected individuals/ families. (7.1.3)</p>	All the eligible affected persons including tenants, employees are entitled to receive financial assistance to cover physical and economical displacement	Provision has been made for the transitional allowances, transport allowances and one time financial assistance to the tenants, employees
Vulnerable groups	<p>No provisions</p> <p>LARRP has provision of additional assistance and inclusive programs targeting these groups to uplift their socioeconomic status (7.2.7).</p>	Focused on the poor and vulnerable group to avoid future impoverishment and create new opportunities	Provision has been made for income restoration programs and other financial assistance
Voluntary land donation	No third-party validation of consultation related to land donations is required	The borrower is required to engage an independent third-party to document the negotiation and settlement processes to openly address the risks of asymmetry of information and bargaining power of the parties involved in such transactions	A mechanism will be established ensuring transparent process is followed, and there is no coercion for donation of land and building demolition. The verification will be done by an independent third party.

Indigenous People

53. In order to trigger the ADB SPS, indigenous peoples must meet the two criteria of being distinct and vulnerable. In Nepal, not all indigenous groups/nationalities are marginalized or vulnerable. However, many of these indigenous groups are disadvantaged not in terms of economy and the level of education but in certain social categories such as language, religion and culture. Therefore, for the purpose of the project, all 59 groups as mentioned in the Indigenous/ Nationality Act 2002 are treated as indigenous peoples.

54. The following overall goals are common between the Government of Nepal legal frameworks and ADB guidelines related to indigenous peoples:

- (i) To preserve and promote indigenous cultures;
- (ii) To preserve and promote the traditional knowledge, skills, technologies, and special know-how of indigenous people; and
- (iii) To provide assistance in the making of an equitable society through the social, economic, religious and cultural enhancement of indigenous people.

55. Nepal does not have a standalone policy to assess and mitigate development project induced impacts on indigenous peoples. The available policy and regulatory frameworks are mostly based on inclusive development. Recent government Policy on Land Acquisition, Resettlement and Rehabilitation for the Infrastructure Development Projects (2015) aims to reduce the adverse impacts of the developmental projects by ensuring fair compensation and resettlement to the individuals and families directly affected by the projects. This policy, as assumed will help to retain the economic and social status of the affected individuals and families or lift them above the status they had before the project was begun. However, there are no specific provisions related to indigenous peoples about safeguards or protection of indigenous peoples from project-related impacts and corresponding planning for impact mitigation. However, the policy in page with the ADB SPS (2009) give more emphasis on assessment of differential impacts and vulnerability, conducting meaningful consultation, in the formulation of culturally appropriate responses.

56. Thus, an indigenous peoples plan as a part of resettlement planning document or standalone document is required to be prepared exploring possible options to avoid or mitigate adverse impacts to indigenous peoples. Possible measures need to be explored for protection of indigenous peoples and their inclusion in project benefit, both direct and indirect. Similarly, all possible options to address impacts to indigenous peoples sought to explore through meaningful consultative process, consent-seeking (broad community support) and culturally sensitive response.

C. Project's Policy Framework

57. Based on the gap analysis between the government and ADB policy requirement, the project will adopt following policies on involuntary resettlement and indigenous peoples:

- (i) Avoid, minimize, and mitigate involuntary resettlement impacts wherever possible; If involuntary resettlement impact are unavoidable, explore alternative design to minimize the impacts; mitigate identified adverse impacts by providing compensation, and resettlement assistance and income restoration measures.

- (ii) Carry out screening during final selection and designing of subprojects. The PIU, with support of social development officer and social safeguard consultant, will screen and categorize the subprojects using the checklists (**Annex 2 and 3**) for the eligibility of project funding. The project will adopt following criteria, among others, while selecting subprojects during implementation.
 - (a) The priority in selection of the subprojects/roads will be given to those which don't require additional land
 - (b) The subproject requiring additional lands, following criteria will be followed:
 - Minimum or no physical displacement;
 - ROW approved prior subproject to selection; and
 - Beneficiary's willingness for subproject execution.
 - (c) Any subprojects that do not cause significant resettlement impacts or indigenous people impacts (i.e. Category A)
- (iii) Conduct social impact assessment.
- (iv) Prepare safeguard planning document commensurate with the findings of the social impact assessment.
- (v) Provide compensation at replacement cost principle and/or assistance/allowances to maintain at least the same level of well-being with the project as without it.
- (vi) The absence of legal title to land should not be a bar to compensate nonland assets and income sources.
- (vii) Particular attention will be paid to vulnerable groups and appropriate assistance provided to help them improve their socioeconomic status.
- (viii) Hold meaningful consultation during project design and implementation, particularly on land acquisition and compensation options as well as mitigation and enhancement options for impacts on indigenous peoples knowledge and practices.
- (ix) Land compensation and resettlement assistance shall be completed prior to displacement and other rehabilitation activities will continue during project construction.
- (x) The project will adopt the government and ADB criteria for identifying groups that are considered as indigenous peoples. Therefore, for the purpose of the Project, all 59 groups (Table 2) as mentioned in the Indigenous/Nationality Act 2002 are treated as indigenous peoples.

D. Scope of Land Acquisition and Resettlement

58. All subprojects under RUDP require land acquisition either from private owners or from government lands including community forests. Area of the land required for the subprojects and corresponding affected households (including IPs) and population is presented in **Table 4**. For road improvement component, municipalities are preparing or have prepared their Municipal Transport Master Plan (MTMP), which indicates road right-of-ways (ROW). Based on the recommendation of the MTMP, the municipalities soon will or have already declared new ROWs. In order to meet design standards, a number of proposed roads may require land acquisition and demolition of some structures. However, land acquisition and resettlement will be avoided and/or minimized to the extent possible by exploring alternative design of these subprojects. Upgrading and rehabilitating existing facilities will be encouraged avoiding realignment and widening wherever feasible. For

example, project will try to limit formation width of the road within the available existing road in order to minimize land acquisition. Voluntary donation of the land and affected structures for road widening works can be accepted only by following the approach of community-driven development and process as defined in this CRIPPF. Thus, it is envisioned that the resettlement impacts will be of small scale, consistent with Category B. Any subproject or components that result significant impacts on IR and indigenous people will be excluded from the project financing.

Table 4: Land Requirements and Estimated Affected Households by Subproject and Municipality

Municipality	Subproject	Area of Land to be acquired	Likely affected Households	Affected households of IPs	Estimated affected persons	Remarks
Dhangadhi	IWPS and waste water treatment	23.15 ha	27	3	172	Census survey has estimated 6.5 persons per household
	Road and Drainage improvement	NA	NA	NA	NA	Only available after DPR
Attariya	IWPS	8.49 ha	No	No	No	Interagency acquisition of Forest land
	Road and Drainage improvement	NA	NA	NA	NA	Only available after DPR
	Municipal Building	NA	NA	NA	NA	Land area and location not identified yet
Jhaladi-Pipladi	IWPS	4.77 ha	No	No	No	Interagency acquisition of Forest land
	Road and Drainage improvement	NA	NA	NA	NA	Only available after DPR
	Municipal Building	1.24 ha	No	No	No	Own land of the municipality
Bhimdatta	IWPS	12.26 ha	NA	NA	NA	Interagency acquisition of government land
	Road and Drainage improvement	NA	NA	NA	NA	Only available after DPR
Biratnagar						
Birganj						
Sidarthnagar						
Nepalgunj						

Source: Calculated by SWM Expert, TA-8817 NEP: RUDP-FWR, 2016 and Survey of Affected Household in Dhangadhi 2016/17.

E. Likely Impacts on Indigenous Peoples

59. On the other hands, both the indigenous and non-indigenous people in RUDP areas share and use the similar economic and political system and resources. Both the indigenous peoples and non-indigenous peoples households in the project areas followed more or less similar modes of livelihood, and have access to health and educational opportunities. According to the PPTA socioeconomic study (2015), the composition of IPs HHs is 26.34 %, in Attariya, followed by 33.56 % in Dhangadhi, 10.18 % in Bhimdatta and 20.69 % in Jhalari

Pipaladi municipality.⁴ The caste and ethnic composition of the project municipalities has been presented in **Table 5**. The proportion of indigenous peoples in the project municipalities displayed in **Table 5**, represent municipal level figures and populations of indigenous peoples are not distributed uniformly. It is found that proposed subprojects in each municipality are confined to a limited area where both indigenous peoples and non-indigenous peoples have inhabited for many generations.

Table 5: Distribution of Households in Project Municipalities by Caste/ Ethnicity

Caste/ Ethnicity	Attariya		Dhangadhi		Bheemdatt		Jhalari-Pipaladi	
	No	%	No.	%	No.	%	No.	%
Hill Dalit	2642	19.74	1701	8.09	2909	14.06	952	11.86
Terai Dalit	6	0.04	38	0.18	41	0.20	-	0.00
Hill Janajati (Excl. Newars)	473	3.53	732	3.48	703	3.40	161	2.01
Janajati (Newars)	83	0.62	317	1.51	77	0.37	-	0.00
Terai Janajati	2969	22.19	6030	28.67	1325	6.41	1499	18.68
Hill B/C	7140	53.36	10035	47.72	15320	74.07	5380	67.04
Tarai B/C	0	0.00	219	1.04	45	0.22	3	0.04
OBC	7	0.05	1312	6.24	201	0.97	-	0.00
Muslim	17	0.13	441	2.10	30	0.15	8	0.10
Others	44	0.33	205	0.97	33	0.16	22	0.27
Total	13381	99.99	21030	100.00	20684	100.01	8025	100.00

Source: Socioeconomic Study of the Project Municipalities, 2015.

60. The lands owned or occupied by indigenous peoples in the project municipalities are either registered or recognized under individual ownership but not considered as communal lands of ancestral/tribal value. It is expected that the project does not affect the customary livelihood system or the cultural, ceremonial or spiritual uses that define the identity of indigenous peoples.

61. With improvement of roads and sanitation services, the project is expected to result in improved health benefits and quality of lives for indigenous people. In addition, the project will create short term employment opportunities in infrastructure construction and maintenance where indigenous groups should be given first priority for employment.

F. Anticipated Other Impacts

⁴ These figures represent indigenous peoples population of whole municipality. However, the indigenous people's population may differ during implementation due to limited coverage of the project components/ activities.

- (i) **Temporary use of private land:** Temporary land is required during construction of a subproject particularly for establishing camp site, batching plants, and construction yards etc.
- (ii) **Disturbance in public utilities and services:** Public utilities such as water supply system, drainage system, electric and telecom poles, access to the land and houses may be disturbed either permanently or temporarily during construction of subprojects.
- (iii) **Loss of access to resources** or other major nuisances caused by a project, either permanently or temporarily. This could be e.g. in the case that road improvement works, during construction, make a shop inaccessible, causing the loss of clients and therefore of income for the shop owner. Similarly the landfill projects in forest areas may occasionally restrict access to the forests during the construction period.
- (iv) **Temporary loss of income and access to lands:** Land outside the proposed ROW and project foot print may require temporarily during the construction of subprojects. Due to **excavation** of drainage, the access to the shops or houses may be temporarily affected which may in-turn result loss of income, for which compensation or mitigation is required to offset such impacts.

G. Principles, Policies of Entitlements

1. Entitlement Principles

62. In order to assist the projected affected households losing properties to the projects to restore and improve their livelihoods, following entitlement principles will be followed:

- (i) Minimize adverse impacts as much as possible, such as land taking and human displacement;
- (ii) Plan and implement necessary mitigation measures to address livelihood impacts as a result of land-taking;
- (iii) Compensation will be paid at replacement cost and lack of title does not bar affected households from resettlement benefits;
- (iv) Consultations with and participation of the affected people should be mainstreamed in the planning and implementation process;
- (v) Give special attention and adequate measures to assist the indigenous peoples and vulnerable households;
- (vi) Follow the prescribed planning procedures and criteria and documentation and monitoring measures to make sure that land donation is truly voluntary without any use of pressure or influence; and
- (vii) Grievance and monitoring procedures shall be in place.

2. Entitlement Policy

63. This entitlement policy, in line with the applicable laws and policies of the Government of Nepal particularly the provisions made under the Land Acquisition Act 1977 (2034 B.S.), Forest Act 1993 (2049 B.S.) and Policy on Land Acquisition, Resettlement and Rehabilitation for the Infrastructure Development Projects, 2015 (2071 B.S.), and ADB SPS 2009. The entitlement policy covers direct livelihood impacts as a result of land acquisition for constructions of SWM/Landfill Site, Seepage/Waste Water Treatment Plants or Ponds, municipal buildings and widening and upgrading of municipal roads. All households thus identified as affected and recorded in the impact inventory will be eligible for and entitled to compensation and/or livelihood assistance. This is regardless of their legal status, titled or non-titled to the lands they are cultivating or occupying. Therefore the affected households

could include, but not limited to, property owners, people occupying land without land ownership certificate, and tenants with tenancy agreements that are written or unwritten.

3. Entitlements

64. The identified affected peoples will be entitled to a combination of compensation packages and resettlement assistance depending on the nature of ownership rights on lost assets, and scope of the impacts including socio-economic vulnerability of the affected persons and measures to support livelihood restoration, if livelihood impacts are envisaged as per resettlement principles and policy discussed above. The affected persons will be entitled to the following five types of compensation and assistance packages:

- (i) Compensation for the loss of land, crops/ trees at their replacement value⁵;
- (ii) Compensation for structures (residential/ commercial) and other immovable assets at their replacement cost;
- (iii) Rehabilitation assistance in lieu of the loss of business/ wage income/sources of income;
- (iv) Rebuilding and/ or restoration of community resources/facilities.
- (v) In case of affected persons from indigenous people groups, following additional entitlements will be provided:
 - (a) In case of loss of land and a total dependency on agriculture: land-for-land compensation if preference expressed by the indigenous people households.
 - (b) Additional one-time assistance allowance of 3 month minimum wage per adult for the household to cover for additional human resources needed to help them, rebuild their houses, and re-establish their livelihood. This will be over and above the other assistance given in this framework.
 - (c) At least one person from each affected household will be considered for income generating vocational training and skill improvement options as per their choice.
 - (d) Vulnerable affected persons will be given priority in employment in the project construction and project operation activities.

4. Voluntary Land Donation⁶

65. The project may accept self-declaration of voluntary demolition of building and clearance of municipal right of way. Such offer would be considered only if (i) the voluntary offer is for small strips of land⁷, (ii) it will not result in permanent and significant loss/impact on income and livelihood of the land donor or causing any third party displacement⁸; (iii) road

⁵ The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs. The calculation of full replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any

⁶ This also includes donation of other type of assets attached to the land.

⁷ For example, less than 10% of the total area and not affecting the main structure.

⁸ The donated land/assets should be free of third party impacts (current user of the land/ assets, either by formal or informal arrangement). If there will be third party impacts, some assistance need to be provided to them.

improvements and other project activities will directly benefit the owners, (iv) meaningful consultation was carried out to finalize the design, (v) land owners agree and their voluntary offer without coercion is documented, and (vi) the donor is not categorized as poor or vulnerable. The process and steps to be followed for assessing eligibility of voluntary donation and documentations are given in **Annex 12**.

66. A mechanism will be established ensuring transparent process is followed and coercion was not used for donation of land. The whole process will be verified and validated by an independent third party for all voluntary offer of land and structures for the project. The above information has to be included in a report to be prepared by the external third party⁹, preferably from reputed and qualified agencies/ NGO/ firms/ individuals. The concerned PIU shall submit due diligence report to ADB for review and approval including information on impact assessment, voluntary donation process and report of independent third party. Sample voluntary contribution consent form is attached in **Annex 9**.

5. Entitlement Matrix

67. The entitlement matrix presented in **Table 6** below summarizes the main types of losses and corresponding entitlements, which reflect applicable the laws and regulations of the government and safeguard policies of ADB. The entitlements listed in the entitlement matrix are based on standards and practices adopted by the government for similar projects under ADB funding. However, if additional resettlement impacts are identified, provisions of compensation and assistance will be updated to include them based on the above mentioned principles and policy of entitlement.

⁹ The TOR of external third party is in the Appendix 1 of this document.

Table 6: Entitlement Matrix

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
A. Loss of Lands/Impact on Lands					
A1. Loss of Agricultural, Residential & Commercial Lands					
1. Loss of cultivated, residential & commercial lands	Land acquired for a project-related activities	1.1 Person(s) with land ownership certificate	<p>Land for land options will be offered if government or ailani land is available under the jurisdiction of municipalities or VDCs for APs losing entire land of his/her ownership.</p> <p>Cash compensation based on replacement cost.</p> <p>All fees, taxes and other charges as</p>	EA, Concerned municipality, PIU, and CDC	<ul style="list-style-type: none"> • Payment will be made in full to the AP prior to taking possession. • With the consent of title holder compensation will be paid preferably in joint account of husband and wife.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>applicable under relevant laws and regulations</p> <p>In case of commercial lands additional assistance to restore business loss as per item 10 of this EM or exemption of municipal business tax for a year.</p>		
		1.2 Person(s) using the land for more than 5 years without land ownership certificate but with records/ certificate of	Land for land options will be offered if government or ailani land is available under the jurisdiction of municipalities or VDCs.	EA, Concerned municipality, PIU, and CDC	<ul style="list-style-type: none"> • Payment will be made in full to the AP prior to taking possession. • With the consent of title holder compensation will be paid preferably in joint account of husband and wife. • Option will be given to land user to choose either full compensation of land after submission of ownership certificate

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
		use	<p>Cash compensation based on replacement cost after submission of ownership certificate.</p> <p>All fees, taxes and other charges as applicable under relevant laws and regulations.</p> <p>In case of commercial lands additional assistance to restore business loss as per item 10 of this EM or</p>		<p>before clearance of site for construction or receive entitlement calculated for income loss and effect on means of livelihood. The entitlement will be calculated with application of income capitalization method. The project ensures that the calculated value for income loss and effect on means of livelihood will not be less than replacement value of the affected land. ,</p> <ul style="list-style-type: none"> • The user occupying land prior to cut off date will be eligible for entitlements. The date of completion of census survey will be the cut-off date for entitlement. The PIU will publish cut-off date in a communication media easily approachable to affected persons.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			exemption of municipal business tax for a year.		
		1.3 Person(s) using the land for more than 3 years without land ownership certificate and without legalizable claim	<p>a) Cash compensation at replacement cost to non-land based assets.</p> <p>Livelihood or income restoration assistance calculated for income loss and effect on means of livelihood. The entitlement will be calculated based on actual income loss for 3 years.</p>	EA, Concerned municipality, PIU, and CDC	<ul style="list-style-type: none"> • Payment will be made in full to the AP prior to taking possession. • With the consent of user of the land, compensation will be paid preferably in joint account of husband and wife. • The user occupying land prior to cut off date will be eligible for entitlements. Since non-titleholders AHs are not identified during the census survey. If such AHs identified during the updating of the CRIPP after DMS, the cut-off date will be the date of completion of DMS. The PIU will publish cut-off date in a communication media easily approachable to affected persons. <ul style="list-style-type: none"> • Concerned local body shall validate the person is continuous user of the land and the person has not violated any by-laws (encroachment of officially declared RoW, construction of buildings and

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			In case of commercial lands additional assistance to restore business loss as per item 10 of this EM or exemption of municipal business tax for a year.		structure without permission of municipality etc.) once they declared effective. As per the Local Self-Governance Act, 1999, municipality has right to get back the encroached land and demolish the building and structures constructed without permission (details are provided in Para 69)
2. Loss of tenanted agricultural , residential and commercial by permanent tenants/sh arecropper	Land for a project-related activity	2.1 Land owner(renter) and registered tenants	50 percent cash compensation to the share cropper (registered tenants) of the affected plots as per the prevailing laws (LA Act Clause 20). Other 50 percent to the landowner	EA, Concerned municipality, PIU, and CDC	<ul style="list-style-type: none"> • Payment will be made in full to the AP before taking possession of the land. • Concerned local body shall validate the person has reached an agreement of sharecropping and cultivating the land and the person has not violated any by-laws once they declared effective. .

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
		2.2 Non-registered sharecropper	<p>Cash compensation at replacement cost to the standing crops in line with informal agreement between the owner and sharecropper.</p> <p>Income disturbance allowance up to 3 months of wage labor for the affected registered tenants/ sharecroppers and land owners</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
3. Leased or rented land	Land acquired for project activities	<p>3.1 Person leasing or renting out the affected land</p> <p>3.2 Persons using land with formal leasing or renting agreement</p>	<p>. Lease holder or renter will get notice of termination as specified in agreement.</p> <p>Loss of income and investment will be compensated based on loss incurred.</p>	EA, Concerned municipality, PIU, and CDC	<p>The lease holder shall provide original copy of agreement paper with renters (landowners) to be eligible for the entitlements.</p> <p>The user occupying land prior to cut off date will be eligible for entitlements. The date of completion of census survey/or DMS will be the cut-off date for entitlement. The PIU will publish cut-off date in a communication media easily approachable to affected persons.</p>

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
4. Loss of income due to land leasing	Land acquired for project through long term lease	4.1 Land owner with land ownership certificate 4.2 Government of Nepal 4.3 Government entities or public institutions who own the land	Cash or kind compensation as specified in lease agreement. Lease agreement will be reached prior to payment of compensation. First installment will be paid prior to taking possession of the land.	Leasing parties who sign the agreement.	The contractor will fully restore the leased land to its original condition and return it to the leaseholder at the end of the leasing period. The municipalities will ensure that persons (other than the landowners) affected as a result of leasing of land for the Project are also compensated for loss of income incurred due to the leasing of land.
5. Self-declaration of Voluntary demolition of building and	Loss of land and structures on the donated land	<ul style="list-style-type: none"> Land and structure owner. 	<ul style="list-style-type: none"> No compensation for the donated land and self-demolition of affected structures Exemption of any transfer costs, 	The EA (concerned municipality & R-PIU)	5.1 Voluntary land donor households. Donation is accepted only if the donor: <ul style="list-style-type: none"> Is project beneficiary and fully consulted and informed about their rights and design options; Doesn't fall below poverty line after land

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
clearance of municipal Right of Way (ROW)			registration fees or other municipal charges. • Repair allowances to structure owner based on per unit rate (sft) as decided by municipal board. • Exemption of 3 years' housing tax (only for demolished building). • Waiver of building permission fees and taxes to rebuild affected house.		donation; • Donating up to 10% land holding without or no impact on structural element of the building; • Is unforced or freely willing to donate, • Has chosen the design option for road widening. 5.2 Donation should be verified by an third party to ensure integrity and impartiality. 5.3 The entitlement may not be applicable if the building owner has built the structure violating approved design of the building and building construction certificate issued by the municipality. 5.4 The municipality will provide all entitlement for any building constructed prior to declaration of ROW of particular road sections.
A.2. Temporary Impacts on Land					
6. Temporary impacts	6.1 Damage to adjacent	Land cultivator or	15 days prior notice will be given to	Contractor	Supervision consultant will verify the loss and facilitate to negotiate the rates.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
during construction	<p>parcel of land due to movement of machinery and spoil generated during construction</p> <p>6.2 Land used by the contractor for labor camp, construction yard and stores</p>	business owner	<p>protect crops or business</p> <p>Reinstatement of the damaged property to the original form.</p> <p>Cash or kind compensation at replacement value by contractor, if the loss is non-revocable(that cannot be restored or reestablished).</p> <p>Lease fee at replacement value will be provided to the land or building owner or user of the land or building if rented out.</p> <p>Land should be</p>		<p>Contractor to negotiate a contract agreement on a rental rate with the owner or user of the land that will be temporarily used for construction activities.</p> <p>Project and the contractor to ensure that persons other than the owner affected as a result of temporary acquisition are also compensated for loss of at least 3 months income.</p>

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			returned to the owner/user at the end of temporary acquisition period after fully restoring it to its original condition or improved as agreed with the AP.		
B. Loss of Residential and Commercial Structures					
7. Loss of residential and commercial structures	Marginal impact (i.e., unaffected portion of the house is still viable for use and no relocation required)	7.1 Owners of the structures with or without acceptable proof of ownership over the land; with or without building permit	<p>Cash compensation at replacement cost for the affected portion.</p> <p>Repair allowance equivalent to not less than 20% of replacement cost of the affected portion, or equivalent to the</p>	EA, Concerned municipality, PIU, and CDC	<p>Payment will be made, in full, to the AP before taking possession of the structure.</p> <p>Technical team of (IA or municipality or DSC consultant) will assess and confirm viability of use of the building and concurred with by the affected household during the DMS.</p>

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>actual cost of repair.</p> <p>The affected households have right to take salvaged materials without deduction to compensation.</p>		
	Severe impact (i.e., house is no longer viable for continued use and the entire structure is to be acquired)	7.2 Owners of the structures with or without acceptable proof of ownership over the land; with or without building permit	<ul style="list-style-type: none"> • Cash compensation at replacement cost for the entire structure. • Materials transport allowance equivalent to 1.5 month minimum wage for the household if relocating in the same ward/village; 2 month minimum wage for the 	EA, Concerned municipality, PIU, and CDC	<p>Payment will be made, in full, to the AP before taking possession of the structure.</p> <p>Technical team of (IA or municipality or DSC consultant) will assess and confirm viability of use of the building and concurred with by the affected household during the DMS.</p>

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>household if relocating elsewhere in the municipality/district</p> <ul style="list-style-type: none"> One time assistance allowance of 1 month minimum wage for the household for those who will move to another plot of land and 1/2 month minimum wage for the household for those who will move within the same plot of land. The affected household have 		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			right to take salvaged materials without deduction to compensation		
C. Loss of Income Generating Sources and Assets					
C.1. Loss of Agricultural Crops and Trees					
8. Loss of standing crops, fruits and timber trees	Land acquired for a project-related activity	8.1 Owner of crops or trees (including encroachers, squatters, Sharecroppers, and tenants	Advance notice of 1 month to be provided to APs to harvest their crops, if construction started in harvesting season. Cash compensation for loss of crops at replacement rate (if destroyed) based on average production in last 2 years. The unit rates for the	EA, Concerned municipality, PIU, and CDC	Affected person will be responsible to cut down and transportation of tree products. The APs will be responsible to care and protect sapling planted for replacement of tree.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>same will be determined based on wholesale market and in consultation with the concerned District Agriculture Development Office.</p> <p>Cash Compensation at replacement rate calculated based on their productive life for loss of fruit trees that have been grown for both self-consumption and commercial production. The unit price at replacement rate will be determined based on wholesale price</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>and in consultation with the concerned District Agriculture Development Office.</p> <p>Compensation for felling down and transportation of timber trees from field to residence computed based on MOFSC norms.</p> <p>The tree owner can take logs, branches, roots and fodder of the affected tree.</p> <p>One sapling of suitable species for each tree will be provided to owner</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			for replantation.		
C.2. Special Assistance for livelihood restoration					
9. Loss of income or livelihood strategy	Impact on income or livelihood strategy due to loss of physical assets and closure of business	<p>9.1 All affected households losing 10% or more productive lands regardless of tenure status</p> <p>Absentee landlords will not be eligible for this provision</p>	<p>One time livelihood assistance allowance of 3 months minimum wage (as per established rate of concerned municipality or district) for the household.</p> <p>At least one-person from each severely affected and vulnerable households will be considered for</p>	R-PIU through supervision consultant to deliver income restoration assistance.	<p>The EA, CDC and will ensure assistance is provided. This will be a time bound activity.</p> <p>Livelihood assistance and skill development training to the family having loss of 10% or more of total productive lands</p>

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>income generating vocational training when desired and skill improvement options as per their choice.</p> <p>As far as possible temporary employment will be provided to affected households in the project construction work by the project contractor.</p> <p>Preference will be given to affected people living below poverty line, vulnerable or lost their employment or income generation source due to</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			project impacts.		
10. Loss of income/ livelihood due to disruption of business or employment	Marginal impact (i.e., disruption of business due to reorganization of the shop on the residual land; disruption of employment of less than 3 months)	10.1 Business/shop owners (regardless of tenure status) and employees/laborers of affected assets	One time assistance allowance based on actual loss of income due to disruption of business for the business owner, employee/laborer employed by the business/shop	Supervision Consultant/contractor to deliver one time assistance allowance to compensate short term loss of income	The EA and CDC and will ensure payment is made prior to physical displacement.
			A shifting allowance (transport plus load un loading charges) of NRs 5000.00 will be paid to affected shop/business owner(A 10% annual escalation factor applies, if the entitlements are	Supervision Consultant/contractor to deliver transport and assistance allowance.	The EA and CDC will ensure payment is made prior to physical displacement.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			delivered long after this plan).		
	Severe impacts (i.e., disruption of business due to relocation of shop; and disruption of employment for more than 3 months)	10.2 Shop owners (regardless of tenure status) and employees/laborers of affected assets	Materials transport allowance equivalent to 1 month minimum wage for the business/shop owner household if relocating in the same village; 2 month minimum wage per adult for the business/shop owner household if relocating elsewhere in the district.		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>One time assistance allowance of 2 month minimum wage for the business owner, employee/laborers household</p> <p>Entitled to take part in skill development and vocational training as part of income restoration program.</p>		
11. Loss of income of small vendors	Business affected temporarily during project construction	11.1 Non-mobile business operators on footpaths of road extension/upg	Affected Venders will be notified at least 1 month in advance of the construction date by the Project.	Super vision consultant/contractor to deliver short term compensation for loss of	The EA, CDC and Supervision Consultant will ensure payment is made prior to physical displacement.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
		trade projects	<p>One time assistance allowance of 15 days minimum wage for the vender</p> <p>A lump sum shifting allowance (transport plus load un loading charges) of NRs 2500.00 will be paid to affected vender/shop/business owner</p>	income.	
12. Loss of income by agricultural laborers /wage earners identified	Work opportunities reduced	12.1 Agriculture laborers affected by land acquisition or displacement	One time assistance allowance of 1 month minimum wage per employee/laborer employed on the	Supervision consultant/contractor to deliver short-term assistance/compensation	The EA, CDC and Supervision Consultant will ensure payments are made immediately after economic displacement.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
during verification census survey		of employer	acquired lands	for loss of income.	
D. Additional support to IPs & vulnerable					
13. Higher risks of impoverishment /hardship due to loss of resource base	Loss of land and non-land assets and income sources	13.1 Households categorized as vulnerable ¹¹ namely Women-headed households; disable or	For affected IPs: (a) Land for land compensation option will be given (b) The project will provide one-time assistance allowance of 3	Super vision consultant/contractor to deliver income restoration assistance.	The EA, CDC and Supervision Consultant will ensure timely payment The Supervision Consultant would organize this training. The Supervision Consultant shall be

¹¹ The vulnerable are individuals or groups who may experience adverse impacts from the proposed project more severely than others because of their vulnerable status. Typically, those households falling below poverty line (living below poverty line—NPR 19,262 person/year (source: Nepal Living Standards Survey 2010/2011)) i.e. an inflation-adjusted figure of NPR 23,307 per person per annum in 2014) the landless or those without a title to land, disabled household heads, female headed households with dependents, households having elderly and children who have no other means of supports, Dalits and Indigenous Peoples (marginalized and endangered category of IPs) comprise the disadvantaged or vulnerable groups among the project affected population.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
		elderly person; IPs categorized as endangered, highly marginalized and marginalized groups; Dalits and APs who live under official poverty line regardless of severity of impacts	<p>months minimum wage for the affected IP household. This will be over and above the other assistance given in this plan.</p> <p>(c) At least one person from the affected IP households will be considered for income-generating vocational training and skill improvement options as per their choice.</p> <p>(d) Interested individuals from affected IPs households will be</p>		responsible for this facility.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>given priority in employment in the project construction and project operation activities</p> <p>(e) During the subproject design, implementation, as well as monitoring process, the project staff will enhance the dissemination of project information to and conducting meaningful consultation with affected IPs in culturally appropriate manner to ensure that IPs get maximum benefit from the advantage</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>conditions brought by the subproject</p> <p>Other vulnerable households: In case of loss of land and a total dependency on agriculture: land-for-land compensation if preference expressed by the affected person</p> <p>Additional one time assistance allowance of 3 month minimum wage per adult for the household to cover for additional human resources needed to help</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			<p>them, rebuild their houses, and re-establish their livelihood. This will be over and above the other assistance given in this framework.</p> <p>At least one-person from each affected household will be considered for income generating vocational training and skill improvement options as per their choice.</p> <p>Vulnerable APs will</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			be given priority in employment in the project construction and project operation activities		
E. Loss of common property resources					
14. Loss of cultural and community structures/ public facilities/community forests	Common property resources such as community forests, monasteries, temples, irrigation cannel, water supply pipes, electricity poles etc. affected by	13.1 Affected community/ Institution/user group responsible for the administration of the property	Replacement or restoration of the affected community facilities (including temples, shrines, public water stand posts etc.) in consultation with the affected community. Or cash compensation for restoring the	Super vision consultant/contractor to deliver replacement/restoration of structure/facility	The EA, CDC and supervision consultant

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
	the Project.		<p>affected cultural/community structures to the recognized institution/ patron/ custodian of the affected structure. Project Assistance to move the structure to a new location</p> <p>In case of community forests, the EA (concerned municipality & R-PIU) will provide compensation to CFUGs as stated in EIA/IEE report if the project destroys forest areas and</p>		

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
			products. EA needs to fulfill all the mitigation conditions and commitments as stated in the Forest Lease Agreement and EIA/IEE report before they can be implemented		
15. Loss of structures or any asset which belongs to VDC or village community	Land on which property stands purchased or reclaimed for Project purpose	15.1 DC or Village groups	Cash compensation at replacement cost. VDC or village group will be allowed to take salvaged material from the demolished structure at no costs. Transfer allowance in case of self-relocation to cover cost of shifting on actual cost basis	Super vision consultant/contractor to deliver restoration of the structure	The EA and CDC are responsible to pay prior to affecting the assets.

Type of Loss	Scope	Who is entitled	Entitlements	Responsible for the Delivery of the Entitlement	Comments
F. Other unanticipated impacts					
16. Unanticipated adverse impacts due to project intervention or associated activity.	Unanticipated involuntary and other impacts of the subprojects will be documented during the implementation phase and mitigated based on provision made in the CRIPPF. The EA and project implementation authorities will finalize the entitlements in line with GoN legal provisions and ADB's SPS, 2009.				

III. SOCIAL IMPACT ASSESSMENT & PREPARATION OF RP/IPP

A. Screening and Subproject Categorization

68. Resettlement screening for subprojects will be carried out during final selection and designing of subprojects. The PIU, with support of social development officer and social safeguard consultant, will screen and categorize the subprojects using the checklists (Annex 2 & 3) for the eligibility of project funding.

69. The categorization criteria based on the degree of resettlement impacts are: (i) Significant (Category A)-as a result of the subproject, 200 or more people will experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets; (ii) Not significant (Category B)-as a result of the subproject, fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets. Resettlement plans are prepared commensurate to their impacts; or (iii) No resettlement effect (Category C)-the subproject does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income. No resettlement plan is required.

70. Similarly, subprojects will be screened according to the level of impacts on IPs. The screening criteria of IP impacts include: 1) Significant impacts (Category A)-subprojects expected to have significant impacts¹² that require an Indigenous Peoples Plan (IPP) based on assessment of social impact (ASI) findings; 2) limited impacts (Category B)-subprojects expected to have limited impacts that require IPP based on ASI; 3) No Impacts (Category C)-subprojects not expected to have impacts on indigenous people therefore, do not require special provision for IP. However some specific actions for IPs in resettlement plans and/or social action plans can be proposed in order to enhance the capacity of IPs to get benefits from the subprojects.

B. Social Impact Assessment

71. Social Impact Assessment (SIA) for sub-projects that involves land acquisition and resettlement impacts will be carried out. The PIU and social officer with assistance from the social development specialist of the design supervision consultant will undertake social impact assessment (SIA) for each identified subproject. These surveys will help in determining the magnitude of displacement, prospective losses, better targeting of vulnerable groups, ascertaining actual costs of resettlement, and preparing and implementing a resettlement plan, and/or IPP. During the identification of the impacts of resettlement and resettlement planning, and implementation, the executing agency will pay adequate attention to gender concerns, including specific measures addressing the need of female headed households, gender-inclusive consultation, information disclosure, and

¹² The impacts on IP/ Vulnerable Group will be considered 'significant' or Category A if the sub-project positively or negatively:

- a) affects their customary rights of use and access to land and natural resources,
- b) changes their socioeconomic status,
- c) affects their cultural and communal integrity,
- d) affects their health, education, livelihood, and social security status, and/or
- e) alters or undermines the recognition of indigenous knowledge.

grievance mechanisms, to ensure that both men and women receive adequate and appropriate compensation for their lost property and resettlement assistance, if required, as well as assistance to restore and improve their incomes and living standards.

72. An inventory of displaced persons and their affected assets will be prepared for identifying displaced persons eligible for resettlement entitlements, determining categories of the entitlements, and providing a basis for valuation and compensation. This includes (i) a census of all displaced persons with basic demographic and socioeconomic data, such as household size, age, gender (especially of the head of household), ethnicity, occupation, household income, and vulnerability; (ii) an inventory of all affected assets located within the designated alignment of the project facilities, including land of various types (residential, commercial, and agricultural) and other immovable property (buildings, fences, sheds, irrigation canals, wells, and other structures) where quantities and relevant measurements are clearly determined; and (iii) the valuation of these assets at replacement cost according to local market prices and standards of valuation, without deductions for age-related depreciation, recovery of salvageable materials, or registration fees and other transaction costs. The inventory of displaced persons and their affected assets also supplies an important part of the resettlement database to be used for project monitoring and supervision.

C. Census Survey

73. Enumeration of all affected households and affected persons will be carried out by conducting census survey. The purpose of the census is to register and document the status of potentially affected persons within the subproject's direct impact zone. The census will cover 100 percent of affected persons. The census will quantify the possible social impact in terms of loss of land, assets and income. It will provide a demographic overview of the population, and will cover people's assets and main sources of livelihood. A sample questionnaire for the Census of affected persons is provided as an **Appendix 6**.

D. Detailed Measurement Survey (DMS)

74. Based on the detailed design, DMS of likely affected assets (land and structure) will be conducted. DMS will include information on: (a) total and affected areas of land by type of land assets, (b) total and affected areas of structures, by type of structure (main or secondary), (c) legal status of affected land and structure assets and duration of tenure and ownership, (d) quantity and types of affected crops and trees, quantity of other losses, and (e) quantity/ area of affected common property, community or public assets by type. The survey will cover the following: (i) boundaries of the site identified for the proposed subproject elements in case of subprojects involving new interventions, (ii) proposed ROW boundaries irrespective of titleholders and non-titleholders, (iii) current users of the subproject site including businesses, vendors, whether titleholders or otherwise and experience temporary disruptions during construction, and (iv) losses of affected persons.

E. Socioeconomic Survey (SES)

75. Socioeconomic survey for a representative number of project affected households (AHs) will also be pursued by the survey team. The survey shall cover 20% of Affected household (AHs) including proportionate representation of vulnerable affected households (VAHs). The socioeconomic information may include but not limited to demographic information; economic profile, livelihood activities, health and sanitation practices, access to health, education, market and other public infrastructures/facilities of the community and AHs.

F. The Replacement Cost Survey (RCS)

76. The RCS will be done in parallel with DMS and SES activities by collecting information from both secondary sources and primary sources (direct interviews with people in the affected area, material suppliers, house contractors), and from both those affected and those not affected. The government rates will be adjusted, as necessary, based on the findings of the RCS. Compensation rates will be continuously updated to ensure that affected persons receive compensation at replacement cost at the time of compensation payment.

G. Preparation of Resettlement and Indigenous Peoples Plan

77. Resettlement plans and/or Indigenous Peoples Plans (IPP) will be prepared for subprojects based on the results of the census and from information drawn from the socio-economic survey. Preparation of stand-alone IPP or combined RIPP will be decided commensurate with level of impact on IP. RPs will be commensurate with subproject IR impacts. All RP/ IPP/ CRIPP will be reviewed and approved by ADB before land acquisition and commencement of civil works.

78. Social development specialist of design and supervision consultants (DSC) will prepare or update RP/ IPP/ CRIPP on behalf of project implementation unit (PIU). A RP/ IPP/ CRIPP will include measures to ensure that the displaced persons are (i) informed about their options and entitlements pertaining to compensation, relocation, and rehabilitation; (ii) consulted on resettlement options and choices; and (iii) provided with resettlement alternatives. The resettlement plan will specify the income and livelihoods restoration strategy, the institutional arrangements, the monitoring and reporting framework, the budget, and the time-bound implementation schedule. The completed RP will include the census of affected persons, and their entitlements to restore losses, institutional mechanisms and schedules, budgets, assessment of feasible income restoration mechanisms, avenues for grievance redresses, and participatory results monitoring mechanism.

79. The draft RP/ IPP/ CRIPP will be disclosed to affected persons and their comments will be addressed in subsequent revisions of the RP/ IPP/ CRIPP. The RP/ IPP/ CRIPP will be prepared in English, main content translated into local language and notified to the public in an appropriate means of dissemination. An outline of a CRIPP and its implementation steps have been presented in **Annex 10** and **Annex 11** respectively.

H. Gender Impacts and Mitigation Measures

80. Negative impacts of subproject on women will be taken up on a case-to-case basis and assistance to these households will be prioritized under the subprojects. The RP will formulate measures to ensure that socioeconomic conditions, needs, and priorities of women are identified and the process of land acquisition and resettlement does not disadvantage women. In addition to the measures provided for addressing the gender concerns of the affected households, the resettlement plan will be implemented in accordance with the GESI.

IV. CONSULTATION, PARTICIPATION & DISCLOSURE

A. Public Consultation

81. A range of formal and informal consultative methods will be adopted to carry out consultation including, but not limited to: focus group discussions (FGDs), public meetings, community discussions, and in-depth and key informant interviews; in addition to the censuses and socioeconomic surveys.

82. The key stakeholders to be consulted during impact assessment, resettlement plan and/or IPP implementation, and program implementation includes:

- (i) all affected persons, including vulnerable households;
- (ii) project beneficiaries;
- (iii) host populations in resettlement sites (if any);
- (iv) elected representatives, community leaders, and representatives of community-based organizations;
- (v) local NGOs; and
- (vi) local government (municipality/ VDC, DDC) and relevant government line agency representatives.

83. The municipality with support and guidance from the PIU and DSC consultant will ensure that affected persons and other stakeholders are informed and consulted about the subproject, its impact, their entitlements and options, and allowed to participate actively in the development of the subproject. This will be done particularly in the case of vulnerable affected persons, who will be encouraged to choose options that entail the lowest risk.

84. The PIU will ensure that views of affected persons, particularly those who are vulnerable, related to the resettlement process are looked into and addressed. The PIU will ensure that affected persons consulted are informed of the outcome of the decision-making process, and will confirm how their views were incorporated. Since resettlement is a continuous process and baseline data/information will be collected, the PIU will regularly update the baseline information.

B. Information Disclosure and Dissemination

85. The draft and final CRIPPF and RP/ IPP/ CRIPP will be disclosed on ADB's website, EA's and DUDBC website, and made available to affected persons; information dissemination and consultation will continue throughout project implementation. Summaries and entitlement matrix of the RP/ IPP/ CRIPP will be translated into language used by majority affected persons and made available to the affected persons, and put in municipality and respective ward offices. As per Clauses 3, 7 and 8 of Right to Information Act, 2064 (2007), copies of these documents will be provided to any requester by charging the photocopy cost.

86. Project information will be disseminated to project beneficiaries and land acquisition related information to affected persons at various stages. The municipality and PIU will be responsible for informing potential affected persons and the general public about the project and land acquisition requirements using appropriate means of communication.

87. The information disseminated to affected persons will include on involuntary resettlement and indigenous people policies and features of the RP/ IPP/ CRIPP. Basic

information such as sub-project location, impact estimates, entitlements, and implementation schedule will be presented to affected persons. This will enable stakeholders to provide inputs on the resettlement process, their preparedness for displacement prior to award of civil work contracts.

88. An information dissemination campaign for affected persons will be conducted by the municipality with assistance of PIU at the outset of RP/ IPP/ CRIPP implementation. All the comments made by the affected persons will be documented in the sub-project records and summarized in sub-project monitoring reports. A summary of consultation and disclosure activities to be followed for each sub-project and details and responsibility for consultation and disclosure activities are given in **Table 7** below.

Table 7: Consultation and Disclosure Roles and Responsibilities

Project Phase	Activities	Details	Responsible Agency
Project Initiation Stage	Sub-project information dissemination; Disclosure of proposed land acquisition to APs	Leaflets containing information on the Project and sub-project to be prepared. Public notice issued in public places including newspapers and direct consultation with APs	PIU/ DSC
RP/ IPP/ CRIPP Preparation Phase	Stakeholder consultations	Further consultations with affected persons and households, titled and non-titled. Summary RP/IPP/CRIPP made available to all APs.	DSC/ DSC
	Disclosure of final entitlements and rehabilitation packages and disclosure of draft RP/ IPP/ CRIPP	RP/IPP/CRIPP disclosed to all APs in local language	DSC/ PIU
	Finalization of RP/ IPP/ CRIPP	Review and approval of RP/ IPP/ CRIPP by executing agency. Review and approval of RP/ IPP/ CRIPP by ADB. Web disclosure of the RP/ IPP/ CRIPP	PCO/ PIU and ADB
RP/ IPP/ CRIPP Implementation Stage	Consultation with APs during RP/ IPP/ CRIPP implementation	Consultations with APs.	PIU/ DSC

V. COMPENSATION, INCOME RESTORATION AND RELOCATION

A. Compensation

89. Land acquisition and resettlement impacts will be compensated in accordance with the provisions of the entitlement matrix in **Table 6**. Compensation for loss of land will be determined on the basis of replacement value. The replacement value for the land will be determined by CDC. The CDC will finalize the compensation amount based on discussions with the landowners and taking into account the prevailing market values, influenced by various factors such as location of land, connectivity, and classification/ land use, type of soil, trees, available water supply and other facilities, etc.

90. The replacement values for immovable properties, including structures and assets will be arrived at by the sub-registrar as follows:

- (i) Houses and Buildings. The value of the houses, buildings and other immovable properties of the affected persons will be determined for the purpose of payment of compensation as per the current year district rate approved and published by concerned DDC or at the replacement rate whichever is higher side.
- (ii) Trees. Compensation for trees will also be based on their market price in case of timber bearing trees and replacement value in case of fruit bearing trees, calculated as per provisions of the entitlement matrix, based on rates calculated by the concerned district agriculture office, forest office for the current year.
- (iii) Other Assets. Compensation for the assets attached with land such as wells, tube-wells, pumps, tanks, etc.) will be based on replacement value.

91. Compensation will be paid and resettlement of affected persons will be completed before taking possession of land/properties and prior to the start of civil works. The affected persons will hand over to the Government, land and properties acquired free from all encumbrances such as mortgage and debt. If the Competent Authority fails to pay decided compensation to affected persons within a year after the date of notification, additional amount by way of interest (10%) will apply on final compensation payable to each affected persons, except in cases where the AP has approached the judiciary for grievance redressal.

B. Income Restoration and Resettlement

92. Income restoration schemes will be designed in consultation with affected persons in commensurate with level of impact on income sources and livelihood strategy. Based on the information collected on income restoration activities from the census and the socioeconomic surveys, income restoration strategies will be framed and implemented. The PIU in collaboration with concerned municipalities will consider the available skills, existing professions, resource base of affected persons and their socioeconomic characteristics and preferences to tailor individual income restoration schemes.

93. The basic objective of income restoration activities is to ensure that each AP will at least have the same or improved income and livelihood after the sub-project. Towards this, it is proposed that one member for each of the vulnerable households losing their livelihood, and who has the capacity and willingness to acquire a new set of skills would be eligible for assistance. The PIU social staff with the support of social development expert of DSC will, identify the number of eligible families and the individual beneficiaries based on the 100%

census of the AHs and a training needs assessment through consultations with the affected persons. The PIU will frame a list of possible income restoration options in consultation with affected persons having examined local employment opportunities. Suitable trainers/local resource persons will be identified, seeking the assistance of local/regional training institutes, if required.

94. Income restoration activities are of two types (i) short-term; and (ii) long-term. Short-term income restoration activities are intended to restore affected persons's income in the period immediately before and after relocation focusing on relocation, and providing short-term allowances such as (i) subsistence/transitional allowance; and (ii) shifting assistance as specified in entitlement matrix.

95. Long-term options depend on the degree of disruption to the economic activity. All vulnerable affected persons would be eligible for income restoration options. These will be derived from detailed socioeconomic survey information, conducted as a part of the RP, and may include provision of income generating assets and/or training to operate them. The time frame will be decided based on the training to be provided, which will also be outlined in the RP. The RP budget will reflect the cost of providing income generating assets and training. Strategies for promoting economic recovery of affected persons should also include skill upgrading through training. Project officials will ensure affected persons' access to ongoing government schemes that could help them restore income and livelihoods.

96. Where necessary, training may include (i) capacity building, enterprise training, and facilitating economic activities to landowners; (ii) training for self-employment to agricultural labourers. Training for self-employment that would be given by a NGO for skill development may include but not limited to (i) plumbing, (ii) electrical, (iii) automobile repair, and (iv) electronic repair and service. Training allowances need to be provided to all trainees from the severely affected category to ensure that the training provided is useful to generate their daily income that could have been lost while attending the training. Training will be imparted to any willing member of the affected household. Where NGOs are not capable of training, suitable trainers or local resources will be identified by the RPIU or local NGO in consultation with local training institutes.

97. During the construction stage the affected persons, especially vulnerable affected persons, will be given preference over others in being engaged in project activities suitable to their skills. In order to make the affected persons employable, an NGO will identify the required skills for the construction activities prior to the commencement of the construction and provide the required training to the affected persons.

VI. GRIEVANCE REDRESS MECHANISM

98. The project will form its own mechanism to hear grievances and concern raised from affected persons and project beneficiaries in addition to GRM provisions specified in land acquisition act 1977. The project will establish two tiers of grievance redress mechanism (GRM) at the local (project municipality) & central (PCO) level respectively.

99. **Municipality Level GRC:** A grievance redress committee (GRC) comprising five members headed by Mayor/ executive officer will be formed in each project municipality. Members of the GRC will include PIU chief, representatives of affected persons with one male and one female (a representative of Indigenous people, in case of IP related issues), social safeguard focal person. The social safeguard focal person representing PSIU in each municipality will be the member secretary of the GRC. The GRC will meet as needed to determine the merit of each grievance, and resolve it within 7 days of receiving the

complaint. The Committee thus appointed should be sanctioned by the municipal board. The responsibilities of the GRC at municipality will be:

- to conduct subproject level public awareness campaign regarding grievance redress mechanism of the project. The social safeguards expert of the DSC will support the GRC by preparing and providing information/awareness material etc. to conduct the awareness campaign. The campaign will ensure participation of poor and vulnerable groups in the awareness campaign. The campaigns also cover information on entitlements policy provisions and their application; and
- to hear complaints and grievances at local level. The local people can approach the committee with their grievances related to the project which will be registered, categorized and discussed in the committee with the aim of amicable settlement. It is expected that the committee will provide an accessible forum for receiving and facilitating resolution grievances related to the project and grievances will be redressed within one week from the date of lodging the complaints. The social safeguard focal person representing PSIU in each municipality assisted by the DSC social expert will be responsible for processing and placing all papers before the GRC, recording decisions, issuing minutes of the meetings and taking follow up action to see that formal orders are issued and the decisions carried out. Any unresolved or major issues at municipality level will be referred to the PCO level GRC for resolution.

100. **The PCO Level GRC:** A GRC will be formed at PCO under the chair of project director comprising of deputy project director and chief of social development unit of MOUD as members. The social development expert of project management consultant (PMC) under PCO shall act as member secretary of the GRC and responsible for processing and placing all papers before the GRC, recording decisions, issuing minutes of the meetings and taking follow up action to see that formal orders are issued and the decisions carried out.

101. The unresolved or major issues forwarded by the Municipality level GRC will be reviewed at PCO level GRC for final solution. Decision has to be made within 15 days of receipt of complaint at this level. The PCO level GRC shall refer the complaints registered at the PCO to the concerned municipality level GRC for initial hearing within 7 days of registration.

102. Despite the project GRM, an aggrieved person shall have access to the country's legal system at any stage, and accessing the country's legal system can run parallel to accessing the GRM and is not dependent on the negative outcome of the GRM.

103. As per Clause 11 of the Land Acquisition Act, 2034 (1977), any grievances will be referred to the CDO. Clause 7 of the act assigns the CDO as the sole responsibility to chair land acquisition and compensation determination activities and to address the grievances related to the amount of compensation. The project will follow the basic process of grievances redressal as prescribe in clause 11 (right of landowner to file complain) of the Act:

- (i) The concerned landowner may file a complaint with the Ministry of Home Affairs, the Government of Nepal through local officer¹³ within a time-limit of

¹³ Local Officer" means an officer designated by Government of Nepal and where no such officer is designated, the chief district officer.

seven days from the date of the publication of a notice under Section 9, plus the time required for the journey

- (ii) Before taking a decision on the complaint filed, the Ministry of Home Affairs, the Government of Nepal shall consult the officer responsible for preliminary Action, and, if necessary, the local officer as well.
- (iii) For the purpose of taking decision in respect to the complaint filed, the Ministry of Home Affairs, the Government of Nepal hearing complains under this Section shall exercise the powers vested in a district court in respect to conducting local investigations (*sarjameen*), summoning witnesses, recording statements or procuring document.
- (iv) Decision on complaints to be made shall be pronounced ordinarily within fifteen days from the date of receipt of such complaint.

104. In the event that the established GRM is not in a position to resolve the issue, the affected person also can use the ADB Accountability Mechanism through directly contacting (in writing) the complaint receiving officer (CRO) at ADB headquarters or the ADB Nepal Resident Mission. The complaint can be submitted in any of the official languages of ADB's DMCs. The ADB Accountability Mechanism information will be included in the Project Information Disclosure leaflet to be distributed to the affected communities, as part of the project GRM.

VII. INSTITUTIONAL RESPONSIBILITIES AND ARRANGEMENT

A. Institutional Roles and Responsibilities for Social Safeguards

105. The MOUD will be the executing agency, working through its Department of Urban Development and Building Construction (DUDBC), which will establish a project coordination office (PCO) for the project headed by project director. The PCO will be staffed with a social development expert under project management consultant to confirm smooth implementation of the RP/ IPP/ CRIPP and take corrective actions if necessary. The RPIU established in DUDBC divisional office Kailali, along with the project municipalities (Dhangadhi, Attariya, Jhalari-Pipladi and Bhimdatta) and PIUs established in each of the remaining project municipalities will be the implementing agencies for the subprojects. The project municipalities will also establish a project implementation support unit (PISU) in each municipality. The PIU headed by project manager and staffed with a social development officer is responsible for the preparation of the SIA and the subsequent Resettlement and IPP Planning documents. Besides preparation of RPs/ IPPs/ CRIPPs and related documents, PIU will also be responsible for the public participation process as outlined above, and for the grievance redress mechanism

106. A DSC will be engaged to support the R-PIU in all its activities; and will make sure that the relevant conditions formulated in the CRIPPF and RP/ IPP/ CRIPP will be included in the scheme construction tender documents, in order to allow the bidders to include these measures and conditions in their bids. The DSC will have qualified personnel to carry out this task. The DSC will assist with any rehabilitation and resettlement to ensure that affected persons are aware of their entitlements and to ensure conformity with the project Resettlement Plan. .

107. In each municipality, a municipal project management support committee (MPMSC) will be established in order to discuss project implementation issues, including land acquisition and resettlement issues, enhance collaboration among relevant departments and organizations, and expedite decision-making processes with an aim at achieving intended project output and outcome. MPMSC will be chaired by the executive officer¹⁴, and comprise relevant department heads of the respective municipality, chief of the divisional office of DUDBC, DWSS and other relevant government departments, a representative from district development committee, four members representing the local disadvantaged communities, NGOs, women's groups and the private sector, and the respective project manager working as secretariat.¹⁵

108. The RPIU in FWR, PIU and PISU in each municipality will implement resettlement activities. The Project Management Consultant (PMC) under PCO will also monitor the smooth implementation of RP/IPP. The PIU and PISU will work closely with the DSC-Resettlement Specialist consultant during detailed design to verify affected persons. The PIU and PISU will continue further consultation with affected persons during project implementation and solicit views regarding compensation, and relocation options. The PCO will verify the implementation of all RP/IPP/CRIPP requirements and confirm whether affected persons received entitlements as per the RP/IPP/CRIPP prior to the award of civil work contracts. The municipal project management support committee (MPMSC) will facilitate linking affected persons to relevant government programs related to social and economic rehabilitation. The PIU will submit quarterly progress reports on RP/IPP implementation to the PCO, who will then review and take corrective actions if necessary. The PCO will with assistance from the PMC consultants consolidate their reports into semi-annual monitoring reports and submit to ADB. These reports are to describe the progress of the implementation of resettlement activities and any compliance issues and corrective actions. In cases where the municipality and plot owner negotiate directly, the DSC-consultant and RPIU will verify the satisfaction of the plot owner with the agreed compensation amount. The PIU and PISU with support of social development expert of DSC are to ensure all RPs are implemented and ensure all entitlements are paid accordingly before land acquisition and commencement of civil works.

Table 8: Institutional Roles and Responsibilities for RP/ IPP Planning and Implementation

Activity	Responsible Agency
Sub-project Initiation Stage	
b) Disclosure of proposed sub-project details by issuing Public Notice	PIU/ PCO
c) Disclosure of proposed land acquisition	PIU/ PCO
RP/IPP Preparation and Updating Stage	
d) AP identification and verification	PIU and PISU with help from

¹⁴ Composition will be reviewed if local election takes place.

¹⁵ Other members can be included, such as representatives from political parties represented in the local political mechanism, as deemed appropriate by the municipality concerned.

Activity	Responsible Agency
	DSC
e) Conducting detailed census, socioeconomic, and replacement cost surveys of all APs	PIU and PISU with help from DSC
f) Conducting consultations with APs and other stakeholders through FGDs/meetings/workshops. Summary RF available in local language	PIU and PISU with help from DSC
g) Computation of replacement values of land/assets proposed for acquisition and finalizing rehabilitation measures	PIU and PISU with help from DSC
h) Determining final compensation for land/property (as per government law)	CDC
i) Review of RP/ IPP/ CRIPP	PIU/ PCO/ ADB
j) Disclosure of final entitlements and rehabilitation packages	PIU/ PCO
k) Approval of RP/ IPP/ CRIPP	MOUD/ ADB
l) Translating draft and final RPs/ IPPs/ CRIPPs into local language	PIU
m) Disclosing of RPs to APs	PIU with help from DSC
RP/IPP Implementation Stage	
n) Information dissemination to APs	PIU and PISU with help from DSC
o) Compensation paid to APs before award of civil contracts	PIU and PISU with help from DSC
p) Implementation of proposed rehabilitation measures	PIU and PISU with help MPMSC and DSC
q) Consultations with APs during rehabilitation activities	PIU and PISU with help from DSC
r) Grievances Redressal	GRC/ RPIU
s) Internal monitoring	PIU/ PCO

ADB = Asian Development Bank, AP = affected persons, DSC = design supervision consultant, MOUD= Ministry of Urban development, NGO = nongovernment organization, RF = resettlement framework, RP = resettlement plan, RPIU = regional project implementation unit

109. **Civil works contracts and safeguards provisions:** RPs/ IPPs/ EMPs are to be included in bidding and contract documents and verified by the RPIU and PCO. The contractor will be required to designate an environment, health and safety (EHS) supervisor and a public relation officer to ensure implementation of EMP/ RP/ EM social safeguard provisions in this RF during civil works, who will also have the responsibility for communication with the public under the guidance of RPIU/ PSIU and grievance registration. Contractors are to carry out all mitigation and monitoring measures outlined in their contract.

110. The PCO and RPIU will ensure that bidding and contract documents include specific provisions requiring contractors to comply with: (i) all applicable labor laws and core labor standards on (a) prohibition of child labor as defined in national legislation for construction and maintenance activities; (b) equal pay for equal work of equal value regardless of gender, ethnicity, or caste; and (c) elimination of forced labor; and with (ii) the requirement to disseminate information on sexually transmitted diseases, including HIV/AIDS, to employees and local communities surrounding the project sites.

B. Assessment of Institutional Capacity & Enhancement Measures

111. DUDBC as executing agency of this project has no any sections, units or focal points neither assigned any dedicated position for social management.¹⁶ This situation clearly indicates that there is a lacking of dedicate unit/focal point with adequate human resources to ensure that it takes responsibilities for social safeguards, monitoring and capacity building for implementing RUDP. It appears that the existing concerns of DUDBC are focuses mainly on the administration and service delivery rather than focusing on social planning and management in urban situations.

112. Similar situation applies for all the participating divisional offices of DUDBC and participating municipalities. All the participating divisional offices and municipalities are organized into different sections, sub sections and units. The number of sections, sub sections and units also vary in each division office and municipality. All the participating municipalities have social /community development section/unit, but they are lack of dedicated human resource and concrete experience of social management from external supported programs and projects.

113. Thus, capacities for managing social management tasks of both executing agency and implementing agencies need to be enhanced. Capacities should be built linking with overall institutional structure of DUDBC and its participating divisional offices along with the participating municipalities in planning and implementing social safeguard measures.

114. Institutional capacity development is included as a component of the TOR for the institutional development consultant (IDC) under RUDP. Capacity to handle environmental/involuntary resettlement/indigenous people impacts, gender and vulnerability issues, etc., needs to be built in the project through institutional development consultant (IDC) and project management consultant (PMC) proposed under the project. Training of RPIU/ PISU staff on aspects such as environmental planning/ resettlement planning/implementation, social protection and gender, including the specific recording, reporting, and disclosure requirements therefore need to be planned separately.

115. For the capacity building of RPIU designated social safeguards officer and engineers, PCO with the assistance of PMC and IDC will organize training programs on safeguards. PCO will organize a special training program to the members of Municipal and PCO level GRCs immediately after formation of GRCs. Services of consultant trainers may be procured for coordinating and imparting required trainings to the staff. PCO may also request ADB's in-house resource persons for the trainings.

116. Owing to the low capacity in Attariya and Jhalai-Pipaladi municipalities, there is a need to specially focus on capacity building on social (distinct social, economic and cultural

¹⁶ It was reported during fact finding mission that a position of sociologist has been dedicated for DUDBC but it has been vacant for more than one year.

traits and traditions of people and the importance of preserving these, including indigenous knowledge systems, etc.), legal (traditional rights over land and land tenure issues) and technical aspects in such projects with an adequate budgetary provision. Training on provisions of resettlement and IPP framework is also required. Further, capacity building of CBOs representing IPs and vulnerable communities in the Project area will be considered to ensure that they are able to represent the affected groups more effectively. If required external resources, e.g., anthropologists and development practitioners with relevant experience will be employed. Additional measures to enhance institutional capacity include exposure visits of social safeguard staff of the project to other cities that have successfully implemented ADB-funded projects.

C. Implementation Schedule

117. All resettlement and compensation for each contract package will be completed before displacement. All land required will be provided free of encumbrances to the contractor prior to handing over of subprojects site and the start of civil works. The implementation of the resettlement plan will include:

- (i) Identification of cut-off date and notification;
- (ii) Verification of losses and extent of impacts;
- (iii) Finalization of entitlements and distribution of identity cards;
- (iv) Consultations with affected persons on their needs and priorities; and
- (v) Resettlement, provision of compensation and assistance, and income restoration for affected persons.

118. No civil works, for any particular component wherein land acquisition and resettlement¹⁷ is involved, will begin until affected persons receive entitled and approved compensation packages. The safeguard implementation schedule in compatible with project activities including civil works is given in **Table 9**.

D. Implementation Schedule

119. Land acquisition, compensation and relocation of affected persons cannot commence until the RP/IPP has been reviewed and approved by ADB. The project will be implemented over five years (Table 9). The process for RP/ IPP/CRIPP preparation and income rehabilitation measures may continue before and after the civil works has begun. The major activities to be carried out during the project period include; (i) payment of compensation and other allowances before land acquisition and commencement of civil works in relevant sections, (ii) handing over of site to the municipality, and (iii) income restoration assistance.

¹⁷ For components that do not require land acquisition, or detailed designs, the civil works will be taken up at an early date

Activities	2016	2017				2018				2019				2020				2021			
Form Grievance Redress Committee																					
Grievance Redress Activities																					
Disburse compensation payment and assistance in packages ready for implementation																					
Arrangements for temporary occupation of lands																					
Rehabilitation of temporarily occupied lands as and when works completed																					
Handing over of lands to the contractor for construction ¹⁸																					
Livelihood and Income Restoration																					
Disburse livelihood restoration assistance																					
Organize skill development training for vulnerable APs																					
Capacity Building of PIU field staff and contractors																					
Internal monitoring																					
External monitoring (TBD)																					

ADB = Asian Development Bank, APs = affected persons, DSC = design and supervision consultant, RP = resettlement plan.

¹⁸ For components not involving land acquisition, the handing over of project sites to the contractor will be possible from the first quarter. For the other components involving land acquisition and resettlement, the project sites will be handed over for civil works by the fourth quarter.

VIII. BUDGETING AND FINANCING

120. Detailed budget estimates for each resettlement plan will be prepared by the RPIU, assisted by the social safeguard consultant of DSC under supervision of PMC which will be included in the overall project budget by the RPIU. The budget shall include: (i) detailed costs of land acquisition and livelihood and income restoration and improvement; (ii) source of funding; (iii) administrative and staff training; (iv) cost for GRM and consultation/disclosure; (iv) monitoring costs; and (v) costs related to capacity building/strengthening of the PCO/RPIU and PISU. All land acquisition and resettlement costs will be borne by the government and provided in a timely manner to ensure payment of all entitlements prior to displacement.

121. The disbursement of compensation for land and acquisition of assets will be carried out by the PIU through PCO, MOUD and will be calculated on the basis of the Entitlement Matrix. In the case of assistance, the PIU through DSC/ SC will directly pay into the individual accounts of affected persons. The RPIU and PISU designated safeguard officer/PMC specialist will be involved in facilitating the disbursement process and rehabilitation program, and will facilitate opening bank accounts for the affected persons who do not have bank accounts.

122. Based on the valuation by the Valuation Committee, the required funds will be deposited with the chief district officer (CDO) in charge of land acquisition, as applicable, who will make payments to the affected persons. Compensation payments against temporary income loss and any other compensation and assistance provisions specified in project's entitlement matrix will be disbursed by the respective PIU.

IX. MONITORING AND REPORTING

A. Need for Monitoring

123. Monitoring is a major part of the resettlement management system to ensure its goals are met. RP implementation will be monitored internally. The RP/ IPP implementation activities will be closely monitored internally by the RPIU, PISU and PCO. This will involve: (i) administrative monitoring to ensure that implementation is on schedule and problems are dealt with on a timely basis; (ii) socio-economic monitoring during and after any resettlement impact utilizing baseline information from sub-project preparation; (iii) overall monitoring to assess affected person status; and (iv) preparation of quarterly progress reports to be submitted to PCO by the RPIU, reporting actual achievements against the targets fixed and reasons for shortfalls, if any.

124. The RPIU will prepare quarterly progress reports on resettlement activities and submit to PCO. The PCO will with assistance from the PMC consultants consolidate their reports into semi-annual monitoring and submit to ADB. These reports are to describe the progress of the implementation of resettlement activities and any compliance issues and corrective actions. Reports to ADB should clarify whether or not resettlement goals have been achieved, more importantly analysis of whether livelihoods and living standards have been restored/enhanced (especially for vulnerable affected persons) along with appropriate recommendations for improvement need to include in monitoring reports. Any problems or

issues identified are followed-up (including recommendation of mitigation measures and supplementary budget); and learning from such issues must be recorded which would help to deal with issues such as these more effectively.

B. Internal Monitoring

125. The DUDBC through its PCO will be responsible for internal monitoring. The RPIU will provide necessary oversight and monitor the resettlement plan and IPP implementation at the ground level and submit quarterly progress reports to PCO. Internal monitoring will ensure all land acquisition and resettlements activities are implemented according to the approved Resettlement Plans are in accordance with this Resettlement Framework.

126. The RPIU in coordination with the PISU and technical support of social development expert of DSC will maintain a record of all transactions in their resettlement database, followed by entitlement records signed by affected person and survey based monitoring of resettlement / land acquisition progress on a monthly basis. Monitoring will ensure:

- (i) That all internal training of relevant safeguards staff occurred;
- (ii) Verification that there are no outstanding or unresolved land acquisition issues with respect to the project and that property valuation and economic rehabilitation has been carried out in accordance with the provisions of the plan;
- (iii) Information campaign and consultation has been carried out with affected persons;
- (iv) Status of land acquisition and payments on land compensation;
- (v) Value of entitlement received is equal to that of original structure or land acquired;
- (vi) Effective utilization of entitlements received;
- (vii) Compensation for affected structures and other assets;
- (viii) Relocation of affected persons; if applicable;
- (ix) Payments for loss of income;
- (x) That all economic rehabilitation measures are implemented, as approved;
- (xi) Effective operation of both the Grievance Committees; and
- (xii) Funds for implementing land acquisition and economic rehabilitation activities are available in a timely manner, are sufficient for the purposes, and are spent in accordance with the plan.

127. PCO through RPIU and PISU will also be responsible for carrying out field level monitoring through:

- (i) Review of census information for all affected persons;
- (ii) Consultation and informal interviews with affected persons;
- (iii) In-depth case studies;
- (iv) Informal sample survey of affected persons;
- (v) Key informant interviews; and
- (vi) Community public meetings.

C. Reporting Requirements

128. The PIU will submit quarterly¹⁹ progress reports to the PCO, who will then review and take corrective actions if necessary. The PCO will with assistance from the PMSC consultants consolidate their reports into semi-annual monitoring and submit to ADB. These

¹⁹ DSC to submit monthly reports to RPIU; RPIU submits quarterly reports to PCO; PCO submits semi-annual reports to ADB.

reports are to describe the progress of the implementation of resettlement activities and any compliance issues and corrective actions. Any problems or issues identified are followed-up (including recommendation of mitigation measures and supplementary budget); and learning from such issues must be recorded which would help to deal with issues such as these more effectively.

ANNEX 1: TERMS OF REFERENCE FOR EXTERNAL THIRD PARTY FOR VOLUNTARY LAND DONATION

For any voluntary donation of land, an external independent entity will supervise and document the consultation process and validate the negotiated purchase/ land donation process as per legal requirement.

TOR for Independent Third Party Witness

An independent third party is sought to be appointed to oversee and certify the process of negotiated purchase/ land donation. The third party shall be briefed about his/her expected role and deliverables by the concerned PIU.

Eligibility: The third party shall be a representative of the community (for example, a leader of the community with formal/legal standing, a representative of a local NGO/ CBO with formal and legal standing) or an institution, without any direct interest in the negotiation process or subproject activity, who is acceptable to each of the concerned parties (PIU/ PMU and concerned land owner/ donor).

Scope of work: The role of the third party shall be to ensure a fair and transparent process of negotiation/donation. The envisaged scope: of work shall entail the following:

- (i) witness and keep a record of meetings held with the concerned parties,
- (ii) ensure there is no coercion involved in the process of negotiated purchase/ land donation,
- (iii) ensure that the donor(s) are not coming from vulnerable groups/ poor families
- (iv) ensure that the preferences and concerns of the land owner/ donor related to access, selection of site within lands held, etc. are recorded and any stipulated conditions met,
- (v) ensure that the negotiated purchase /land donation agreement is drafted in a fair and transparent manner,
- (vi) confirm that the offered/agreed price is fair and meet the market price of the land with similar value and condition in the area,
- (vii) ensure the negotiated purchase/ donation does not result any negative impacts to the third party associated with the purchase /donation activity,
- (viii) identify and recommend mitigation measures to land owner/ donor/ affected third party, if required,
- (ix) ensure that taxes, stamp duties and registration fees for purchased/ donated land are borne by government, and
- (xi) submit a report and signed certificate as witness to the purchase/ donation and transfer process.

Deliverables: The details of the meetings, socio economic background of the land/assets owner(s) and a certificate/ reports as witness to the purchase/ donation process and mitigation measures to owner/ donor, if any, shall be submitted by the third party to PMU, PIU and owner/ donor in the local language and share with ADB for review

ANNEX 2: INVOLUNTARY RESETTLEMENT SCREENING/ CATEGORIZATION

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

ANNEX 3: IP IMPACT SCREENING CHECKLIST OF SAMPLE SUBPROJECTS

Indigenous Peoples Impact Screening Checklist

Impact on the indigenous peoples (IPs)/Ethnic Minority (EM)	Yes	No	Remarks or identified problems, if any
Are there any IPs or EM groups present in the project locations?			
Do they maintain distinctive customs or economic activities that may make them vulnerable to hardships?			
Will the project restrict their economic and social activity and make them particularly vulnerable in the context of the project?			
Will the project change their socio economic and cultural integrity?			
Will the project disrupt their community life?			
Will the project positively affect their health, education, livelihood or social security status?			
Will the project alter or undermine the recognition of their knowledge, preclude customary behaviours or undermine customary institutions?		No	
In case no disruption of indigenous community life as a whole, will there be loss of housing, strip of land, crops, trees and other fixed assets owned or controlled by individual indigenous households?		No	

ANNEX 4: CENSUS AND BASELINE SOCIOECONOMIC SURVEY GUIDELINES

A. Cut-Off Date

1. The cut-off date for titleholders will be the date of notification under the land acquisition act and for the non-titleholders will be the census date. People moving into the sub-project area after this cut-off date will not be entitled to support. Persons, who were not enumerated during the census but can show documentation or evidence that he/she is rightfully an affected person, will be included. The PIU is responsible for such verification. Only those affected persons within the sub-project impact area will be considered eligible for support under the subproject.

B. Census Requirement and Contents

2. Census of households and individuals located within the sub-project has to be undertaken to register and document the status of potentially affected population within the sub-project impact area. It will provide a demographic overview of the population covered by the resettlement plan and profiles of household assets and main sources of livelihood. It will cover 100% of the potentially affected population within the sub-project impact area.

- (i) **Resource Base.** The resource base including land, water, and forest, etc., with an assessment of its development and ecological potential in the pre-project conditions. During the conduct of the census, legal boundaries of affected properties and the ROW are to be verified. Structures, trees and other assets are to be recorded.
- (ii) **Economy Base.** The economy base of the affected people including the modes and magnitude of production, consumption pattern, related economic institutions.
- (iii) **Household Census.** Household census covering immovable property owned by the affected persons and other resources in their possession/use. These surveys would be carried out in association with local and host communities as well as with the local representatives.
- (iv) **Social Structures.** The social structure, norms, customs, cultural centers, traditions, patterns of leadership and institutions of social network.
- (v) **Affected Persons.** The census will prima-facie identifies tenants, leaseholders, sharecroppers, encroachers, squatters, and agricultural workers. During such census, those affected persons dependent on the existing infrastructure link for their livelihood, shall also be identified and listed along with their identified income. Besides this, the census will also identify affected persons who are from Scheduled Tribes (STs), and vulnerable affected persons such as the poor, female-headed, old, handicapped, infirm, orphaned, and destitute.

C. Census Procedures

3. The following procedure is to be adopted in carrying out the census:

- (i) Preliminary screening to provide initial information on social impacts;
- (ii) Verification of legal boundaries of the sub-project area, to document existing structures, land plots and others physical assets. This involves:
 - (a) Identification of suitable resettlement sites, in close proximity to the affected area if required;
 - (b) All encroachments, private land holdings and others assets in the sub-project area is to be documented;
 - (c) Assets, structures, land holdings, trees, etc. to be recorded; and
 - (d) All information is to be computerized; photography to be used to document existing structures.
- (iii) The baseline socio-economic survey shall cover information on the various categories of losses and other adverse impacts likely under the sub-project;
- (iv) The census will identify potentially affected populations with special attention to vulnerable groups; and
- (v) Assessment on the value of various assets to be made.

D. Database Management

- (i) **Data Sources.** As a pre-requisite for conducting the primary household surveys, relevant information is to be collected from secondary sources. These include:
 - (a) Revenue records maintained, with regard to land particulars for facilitating acquisition of properties and resettlement of displaced;
 - (b) Census records for demographic information;
 - (c) Development agencies to get information on various development programs for special sections of population like those living below poverty line, Scheduled Tribes, Schedule Castes, etc.; and
 - (d) Local organizations including NGOs in order to involve them and integrate their activities in the economic development programs of the displaced population.
- (ii) **Data Collection.** Household level contacts and interviews with each affected family for completing the household socioeconomic profile. Each of the households surveyed and the structure/land likely to be affected by the sub-project has to be numbered, documented and photographed. Public consultation exercises in different sub-project areas to be conducted with the involvement of Affected Persons. In these exercises, women among the affected persons are to be involved to elicit their views and options on the overall planning of resettlement

activities. Discussions with a cross-section of affected population will help towards understanding the problems and preference of the affected persons.

- (iii) **Data Analysis.** The analysis would cover the following: population, population density, age, sex ratio, literacy rates/education, gender issues, tribal issues, religious groups, income, occupation and poverty line.
- (iv) **Data Update.** Since there is generally a time gap between the census and land acquisition procedure, it implies that actual physical relocation of affected persons may be delayed. Therefore, it is suggested that PIUs or NGOs responsible for implementation of resettlement plan, should conduct a rapid appraisal to continuously update information.

ANNEX 5: RESETTLEMENT SUPERVISION MILESTONES

No.	Resettlement Tasks	Target	Responsible Agency	Completion Deadline	Status and Additional Deadlines
1.	Disclosure				
1.1	Information booklet	# of copies			
1.2	Resettlement plan distribution to resettlement offices/villages/APs	# of copies			
1.3	RP placed on ADB website				
2.	Detailed Measurement Survey (DMS)				
2.1	Updated RP based on DMS Distribution to resettlement offices/villages/APs	# of copies			
2.2	Updated RP based on DMS				
3.	Detailed Rehabilitation Plans				
3.1	Initial village rehabilitation plans (if applicable)	# of villages			
3.2	Refined village rehabilitation plans (if applicable)) # of villages			
3.3	Farmland adjustment agreements(if applicable)				
3.4	Assistance for Vulnerable Groups	# of APs			
3.5	Technical training plan for AF	# of APs			
4.	Resettlement Plan and Budget	# of APs			
4.1	Complete redline survey (map)				
4.2	Approval of RP & budget				
4.3	Approval of compensation rates				
4.4	Staking survey				
5.	Compensation Agreements				
5.1	Village agreements	# of villages			
5.2	Enterprise agreements	# of businesses			
5.3	Household agreements	# of APs			
6.	Implementation Capacity				
6.1	district resettlement staff	# of staff			
6.2	Designate village representatives	# of staff			
6.3	Training of staff) # of staff			
6.3	Setting up grievance redress committees	# of staff			
7.	Monitoring and Evaluation				
7.1	Baseline survey	Sample			
7.2	Set-up internal supervision	As per RP			
7.3	Contract external monitor (though external monitoring not relevant in this project)	As per RP			
7.4	Internal monitoring reports	Quarterly			
7.5	External monitoring reports	Semi-annual			
7.6	Evaluation reports (tracer surveys)	Annual			
7.7	Resettlement Completion Report				
8.	Documentation of Consultation	As per RP			
9.	Documentation of Grievances	As required			
10.	Flow of Funds / Compensation				
10.1	Executing or Implementing Agency				

No.	Resettlement Tasks	Target	Responsible Agency	Completion Deadline	Status and Additional Deadlines
10.2	Project Management Office – Resettlement Unit or NGO Resettlement Implementer				
10.3	To affected households	# of APs			
11.	Commence Resettlement				
11.1	Land acquisition	# of hectares			
11.2	House removal	# of APs			

ANNEX 6: SOCIOECONOMIC SURVEY QUESTIONNAIRE

Code No. -

Introduction: The purpose of this census is to record the losses on your properties due to the implementation of _____ project here in your place to determine the amount of compensation that you will receive. The Project Executing Agency is the _____. We will greatly appreciate your cooperation in this census and we will consult you again after the plan has been completed. *(If there are two families living in the house or employees working in affected business shop that would be affected, use separate solid waste management questionnaire for each).*

Address:

PROJECT COMPONENT *(Cross the appropriate box).*

<input type="checkbox"/>	Water supply	<input type="checkbox"/>
<input type="checkbox"/>	Solid waste management	<input type="checkbox"/>
<input type="checkbox"/>	Storm water drainage	<input type="checkbox"/>
<input type="checkbox"/>	Road and lanes improvement	<input type="checkbox"/>
<input type="checkbox"/>		<input type="checkbox"/>

I. DEMOGRAPHIC CHARACTERISTICS

1. **Name of the respondent:** _____. Relation to household head: [] self [] son [] daughter [] relative [] other _____.

2. **Household Profile** *(fill up the appropriate column and cross the appropriate box)*

	Household Head	Spouse
Name		
Age		

Occupation				
Sex	<input type="checkbox"/> Male <input type="checkbox"/> Female		<input type="checkbox"/> Male <input type="checkbox"/> Female	
Head of the Family	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Ethnicity				
Civil Status	<input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Widow <input type="checkbox"/> Separated/Divorced			
Education		none		None
		elementary		elementary
		high school		high school
		college		College
		others		Others
Monthly Income				
Monthly Expenses				

3. **Religion:** ☐ Muslim ☐ Hindu ☐ Buddhism ☐ Christian ☐ Others _____

4. Members of the family other than the husband and wife (indicate only the members living with the household).

Age	Relationship	Number of family members			Occupation/ Type of Work	Monthly Income
		Male	Female	Total		
Total						

II. THE AFFECTED LAND

1. Ownership of Affected Land (cross the appropriate box)

<input type="checkbox"/>	owned by occupant	<input type="checkbox"/>	under lease
<input type="checkbox"/>	private owner (other than relative)	<input type="checkbox"/>	government land
<input type="checkbox"/>	owned by a relative	<input type="checkbox"/>	

3. Use of Land, Total Area and Area to be Acquired

Use of the Land	Total Size of the land (in sq. meters/acres)	To be taken	
		In Sq. meters	% of the total size of the land
Residential			

Commercial			
Industrial			
Total			

- a) If owned by other private person, do you have the permission from the owner to use or occupy this land? ☐ Yes ☐ None
- b) How long have you been living in or using this land? _____
- c) Do you own other land? Y/N ____ If so, what is the size of your total landholding? ____ (in sq. meters/acres) Is your other land used for agriculture? Y/N _____
- d) What percent of total land ownership (including lands not affected by the project) will be affected? _____.

III. RESETTLEMENT EFFECTS OF LAND ACQUISITION *(cross the appropriate box)*

<input type="checkbox"/>	house	<input type="checkbox"/>	wood trees
<input type="checkbox"/>	commercial business shop	<input type="checkbox"/>	Crops
<input type="checkbox"/>	gate or frontage	<input type="checkbox"/>	loss of business
<input type="checkbox"/>	boundary fence	<input type="checkbox"/>	loss of livelihood
<input type="checkbox"/>	common property structure	<input type="checkbox"/>	rent income
<input type="checkbox"/>	fruit trees	<input type="checkbox"/>	

1. House and/or business structure

Affected house and/or Business Shop	Total Area (in(in sq. meters/acres)	Affected Area (in sq. meters/acres)	% of Affected Area to Total Area
House			
Business Shop			

- a) Cross the appropriate column opposite each statement as to the nature of occupancy by the AP:

	House	Business Shop
[1] Owned by the Affected Person		
[2] Not leased but with permission from the owner		
[3] Without permission from the owner		
[4] On lease or rental arrangement		
[5] If lease or rent, indicate the monthly payment.		

- b) Cross the appropriate box that indicate the types of materials used in building the affected structure.

<input type="checkbox"/>	wood and bamboo	<input type="checkbox"/>	bricks and concrete
<input type="checkbox"/>	galvanized iron	<input type="checkbox"/>	Straw
<input type="checkbox"/>	other light materials	<input type="checkbox"/>	

- c) Indicate the estimated number of days needed for the dismantling and reconstruction of affected house and/or business shop

	House	Business Shop
[1] Number of days to dismantle		
[2] Number of days to reconstruct		
[3] No. of persons needed for dismantling		
[4] No. of persons needed for reconstruction		

- d) What is the daily rate of skilled carpenter? Rs._____. The daily rate of helper or unskilled laborer? Rs._____.

3. Crops

Crops/plants Grown in the Affected Land	Unit of Measure	No. of harvest per year	Ave. yield per harvest	Unit Price

4. Trees

Names of Affected Trees	Age of Trees	Number	Unit Cost
[a] Fruit-bearing trees			
[b] Wood trees (for lumber)			

Total			
-------	--	--	--

Note: The affected trees will not be compensated unless the trees are planted and nurtured by the APs.

5. Loss of Business *(the information required should only be asked to AP who is engaged in business)*

	Business Data
[a] Nature of business	
[b] Number of helpers	
[c] Average monthly sales	
[d] Average monthly expenses	

6. Loss of Livelihood *(the following questions should only be asked to AP whose house shall be relocated or who are employed in affected business shop)*

- [a] How many members of your family, including yourself, would loose jobs if the project is implemented? ____.
- [b] How many are dependent on employment? ____ How many are self employed? ____ How many are engaged in agriculture? ____
- [c] Is there any member of your household who works elsewhere or relative that provides financial assistance to your family? [] Yes [] No

7. Options on Resettlement *(The following questions should only be asked if the house or business shop of the AP will be fully or greatly affected that would be transferred elsewhere. However, this should not be asked to AP whose losses are only trees).*

- [a] willing to relocate involuntarily ☐ Yes ☐ No
- [b] willing to relocate voluntarily ☐ Yes ☐ No

IV. ASSESSMENT OF THE AP *(cross the appropriate boxes that apply to AP.)*

<input type="checkbox"/>	An elderly who is 65 years old and above.
<input type="checkbox"/>	Below the poverty Line (BPL). BPL is ____/yr *
<input type="checkbox"/>	Heads a very poor family.
<input type="checkbox"/>	Physically disabled person who heads the family.

- ☐ A woman who heads her family.
- ☐ A widowed/separated woman who heads the family.
- ☐ An indigenous person within the IP community.
- ☐ A young orphan who fends for her young siblings.
- ☐ None of the above.

* State the source of BPL information

V. SOCIO-ECONOMIC PROFILE *(The following questions should only be asked to selected affected persons that represent 10% of the total affected persons, and 20% of the vulnerable affected persons as described in Section V. But these questions should not be asked to affected persons whose only losses are trees).*

- [a] Do you have existing debts? ☐ Yes ☐ No
- [b] From whom do you borrow money? ☐ relatives ☐ bank ☐ cooperative
☐ usurers
- [c] What social services do you need most? ☐ water connection ☐ artesian well
☐ sanitary latrine ☐ public school ☐ road ☐ solid waste disposal
- [d] How many school children do you have? _____
- [e] How many of your school children have stopped schooling? _____
- [f] _____ Where do you get your drinking water?

- [g] Do you have own toilet in your house? ☐ Yes ☐ None
 If none, what toilets do you use? _____
- [h] Among your monthly expenses, which rank first? _____
 second? _____
 and third? _____
- [i] Which of the following are the roles of women in your household? ☐ fetching of
 drinking water ☐ taking care of children ☐ gathering of wood for fuel ☐ vending
☐ domestic help ☐ work in construction ☐ work in grocery shops ☐

- [j] Are women in your house contribute to household income? ☐ Yes ☐ No
- [k] Are women given roles in decision making in your household? ☐ Yes ☐ No
- [l] What are the education levels achieved by women member of your household?
- ☐ primary ☐ secondary/high school ☐ college ☐ technical course ☐ none

VI. OPTIONS FOR SOCIAL REHABILITATION *(The following question should be asked to vulnerable affected persons who will be relocated elsewhere, but not to affected persons whose only losses are trees.)*

- [a] If you are relocated, do you think you can practice your skill in other places?
- ☐ Yes ☐ No
- [b] Do you want to acquire skills other than what you have now? ☐ Yes ☐ No
- [c] What skills do you want to be trained?
-

THANK YOU VERY MUCH

Interviewer: _____

Date

Interviewed: _____

ANNEX 7: COMPENSATION AND ENTITLEMENT FORM (TEMPORARY)

Name: _____ Spouse: _____

Address: _____

Reference: DMS Code _____

Compensation and Entitlement	Unit of Measure	Quantity	Unit Price	Amount
I. Monthly Rental				Rs.
II. Affected Lands:				
Agricultural	Acre			
Residential	Acre			
Commercial	Acre			
Sub-Total				
III. Construction Materials				
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
	Pcs.			
Sub-Total				
IV. Other Assets				

Sub-Total				
V. Source of Income				
Sub-Total				
VI. Trees and/or Crops				
Sub-Total				
VII. Transportation Allowance				
Sub-Total				
VIII. Special Assistance Factors:				
Sub-Total				
Total Compensation				Rs.

Conforme (Please sign over printed name):

Husband

Wife

ANNEX 8: COMPENSATION AND ENTITLEMENT FORM

Name: _____ Spouse: _____

Address: _____

Reference: DMS Code _____

Details of Compensation	Amount
Monthly Rental	Rs.
Compensation for Land	
Construction Materials	
Other Assets	
Loss Income	
Trees and/or Crops	
Transportation Allowance	
Special Assistance	
Total Compensation	Rs.

Name of Recipient: _____

Signature : _____

Date Received : _____

Name and signature of releasing employee: _____

Name of Office : _____

Check Number : _____

Name of Bank : _____ Branch _____

ANNEX 9: SAMPLE VOLUNTARY CONTRIBUTION CONSENT FORM

Government of Nepal

Land Revenue Office

[INSERT NAME] District

CERTIFICATE OF LAND TRANSFER

I/we, [INSERT NAME, AGE], with residence located in [INSERT NAME] village/municipality, [INSERT NAME] district Certify that I/we have been previously informed by project, municipality and local authority of my/our right to entitle compensation for any loss of property (house, land and trees) that might be caused by the construction of subproject ([INSERT NAME]) financed under the Regional Urban Development Project (RUDP) in [INSERT NAME] Municipality. I/we confirm that I/we voluntarily donate* the land of [INSERT AMOUNT LOSS] square meters located in [INSERT NAME] municipality/ village ([INSERT NAME] district) to the Project construction. My/our land holding certificate no(s) ... containssq.m land of which I/we agreed to donate ...sq.m only. I/we also, hereby, declare that the donated land amounts to % of the total my/our land holding. I/we also confirm that I/we do not demand any compensation of loss of [INSERT OTHER LOSSES SUCH AS TREES] attached with the land and would request the local authority to consider this as my/our contribution to the project. I/we testify that the donated lands/ structures are free of squatters and encroachers and are not subject to any other claims.

Type of Loss	Area (sq.m) Volume (C. ft.)	Number of parcels houses/Trees	Unit Rate NRs	Total NRs	Comment
Land (sq. m)					
Houses(sq. m)					
Trees (C. ft)					

Therefore, I/ we prepared and signed this certificate for the proof of my/our decision in presence of the witnesses signed below. I/we signed this certificate after reaching common consensus among my/our family members for the donation based on the informed choice provided by the project, municipality and local authority. Further, I /we certify that I /we have given my/our consent without any force/coercion from anybody, including project authorities.

Signature(s) of the owner(s) of the land

[INSERT NAME(S)]

[INSERT DATE]

Witnesses:

1. [INSERT NAME & ADDRESS]
2. [INSERT NAME& ADDRESS]
3. [INSERT NAME & ADDRESS]

Certified by the [INSERT NAME OF INDEPENDENT THIRD PARTY], [NAME AND SIGN]

This form will be translated in Nepalese Language for implementation purpose.

*** Criteria for Voluntary Land Donations**

Voluntary donation of land and structures the affected households will be acceptable where:

- a) The impacts are marginal (based on percentage of loss and minimum size of remaining assets);
- b) Impacts do not result in displacement of households or cause loss of household's incomes and livelihood to the donor family or to other third party who may use/ reside on the donated land/ assets with formal or informal arrangement.¹
- c) The households making voluntary donations are direct beneficiary of the project;
- d) Land thus donated is free from any dispute on ownership or any other encumbrances;
- e) Consultations with the affected households is conducted in a free and transparent manner;
- f) Land transactions are supported by transfer of titles; and
- g) Proper documentation of consultation meetings, grievances and actions taken to address such grievances is maintained

¹ If a third party is identified and will be affected due to the donation activity, some arrangement/ assistance will have to be provided.

ANNEX 10: OUTLINE OF RESETTLEMENT, INDIGENOUS PEOPLE PLAN (RIPP)

The comprehensiveness of a RIPP would be according to the potential involuntary resettlement impacts/ risks and size of the project. The plan must adequately addresses all involuntary resettlement issues and issues of IPs pertaining to the project, describes specific mitigation measures that will be taken to address the issues and outlines institutional requirement and resources required to implementation of the RIPP. The following outline of RIPP is suggested under RUDP.

1. Executive Summary

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

2. 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.

3. Scope of Land Acquisition and Resettlement

This section:

- (i) discuss the project's potential impacts, and include 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.

4. Methodology for Impact Assessment

This section outlines the methodology and tools adopted for:

- (i) resettlement screening
- (ii) land acquisition planning
- (iii) socioeconomic survey
- (iv) census survey or inventory of assets and livelihood loss
- (v) consultation with stakeholders

5. 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 caste and ethnicity 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 peoples, and other vulnerable groups; and
- (iv) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

6. Potential Positive and Negative Impacts on IPs and Mitigate Measures and Beneficial Measures (for RIPP)

If project causes impacts on IPs, this section should be added in the RIPP to identify based on meaningful consultation with the affected IP communities:

- (i) Potential negative impacts on IPs and measures to mitigate
- (ii) Potential positive impacts on IPs and measures to enhance benefits of the project for IPs.

7. Stakeholders Consultation and Participation

This section:

- (i) identifies project stakeholders, especially primary stakeholders including IPs ;
- (ii) describes the consultation and participation mechanisms(including principles of FPIC) to be used during the different stages of the project cycle;
- (iii) 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; and
- (iv) describes the process for consultation including FPIC with affected persons during project implementation.

8. Legal Framework

This section:

- (i) describes national and local laws and regulations related to IR and IP 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; and

- (iv) describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

9. 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 IPs, vulnerable groups, including women, and other special groups; and
- (iii) outlines opportunities for affected persons to derive appropriate development benefits from the project.

10. 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.

11. 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.

12. Resettlement Budget and Financing Plan

This section:

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

13. Information Disclosure

This section:

- (i) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
- (ii) confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and
- (iii) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) during project implementation.

14. 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.

15. Institutional Arrangements

This section:

- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- (ii) includes institutional capacity building program, including technical assistance, if required;
- (iii) describes role of 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,

16. 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.

17. 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 11: MAIN STEPS IN RESETTLEMENT & IP PLANNING AND IMPLEMENTATION

It is expected that none of the subprojects is expected to cause a massive relocation of affected persons. For this reason, the resettlement and IP plan will usually be quite simple and straightforward, commensurate with the extent and degree of the impacts according to ADB SPS. Still, it will be important that all relevant steps are followed, and that compensation will be done according to set standards. The main steps to be implemented are listed and briefly described here; the different steps will not necessarily always be carried out in the order shown.

- (i) Final selection of scheme site; environmental and social aspects as described in other sections of this document, like e.g. assessment of social impact on IPs, risk of flooding or proximity to settlements, will have to be considered.
- (ii) Detailed design of the scheme, preparation of plans.
- (iii) Identification of land to be occupied, permanently and temporarily (e.g. for construction); this must include identification of present land use, existing structures etc.
- (iv) Public orientation: presentation of the scheme, with advantages and disadvantages for affected persons, to the public. This orientation will also officially be announced as the cut-off date, and it must be made clear that any structure etc. implemented after this date will not be eligible for compensation.
- (v) Inform people on process for land acquisition, including information on their rights (grievance redress mechanism) and on how to access it.
- (vi) Identification of affected persons (land owners, owners of structures and assets, users of land, etc.; identification of those affected persons who may qualify as vulnerable. A socio-economic survey will usually not be required, with the possible exception of an analysis of the status of vulnerable groups.
- (vii) Initiate negotiations with affected persons; make official valuation (to be done by CDC) of land, assets and structures where required.
- (viii) Seek agreements with affected persons; buy land etc. based on such agreements, where possible.
- (ix) If not possible, and alternative layout or location of the scheme is not feasible, initiate expropriation process according to legal procedures.
- (x) Respond to and keep track of all grievances presented.
- (xi) Make compensation before land or other asset to be compensated is taken over by the project.
- (xii) Undertake necessary actions for responding to specific needs of vulnerable persons and IPs. Based on ASI on IPs, specific enhancement and mitigation measures need to propose in IPP or RIPP by consulting with the IP communities, accomplished through ongoing, meaningful consultation, and participation. Besides, special assistance other than the decided compensation package need to be provisioned. This may include assistance/support to preserve IP's cultural heritage, identity, and income-generating practices. The amount decided will depend on results of ASI and detailed surveys conducted as a part of the IPP/RIPP.
- (xiii) Monitor and document resettlement and compensation outcome.

In order to be able to carry out this task, PIU will need to have:

- (i) a community relations officer;
- (ii) personnel in charge of grievance redress mechanism (handling, documenting);

- (iii) a Land and Asset Valuation Committee (to be established in the municipality, not necessarily as a direct part of PIU);
- (iv) resettlement officer(s) in charge of preparing resettlement plans, implementing these plans and monitoring the outcome.

Staffing will have to be commensurate with the magnitude of the task, i.e. with the nature of the schemes to be implemented and the magnitude of the impacts created. Since projects can only go ahead once any required compensation has been made, it is in the interest of PIU to sufficiently staff these positions in order to avoid unnecessary delay in project implementation.

ANNEX 12: STEPS TO BE FOLLOWED FOR VOLUNTARY DONATION

- (i) Provide design options (within the existing width, expansion required, including no project choice) of the proposed subproject to the affected local individuals/families and communities so that they can have informed choice of the project design.
- (ii) Prepare an information sheet based on the preferred design option to share with subproject beneficiaries that includes (i) type of land required, (ii) location (iii) quantity /size, (iv) the reason for the required land, and (v) by what time land should be available.
- (iii) Assess the year of construction of buildings in comparison with date of municipal broad approval of the ROW and Building Code as well as disclosures of decision to the public.
- (iv) Lands and structures can be acquired from the voluntary land donation for the subproject demanded by the majority of the affected local individuals/families and communities and only such subprojects from which the affected individuals/families can realize and achieve direct benefits.
- (v) Hold meaningful consultation with perspective donors to ensure that the affected individuals/ families are well informed about his/ her authority to approve or disprove of the proposal of land-donation.
- (vi) Document the all the process and procedures followed to obtain land and structure voluntarily. This particularly important to ensure that the whole process was completed without any direct or indirect pressure or threatening from local bodies, individuals, community, project-personnel, or without the fear of anything.