

Vanuatu Infrastructure Reconstruction and Improvement Project (VIRIP)

Resettlement Policy Framework

**Ministry of Infrastructure and Public Utilities
Government of Vanuatu**

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1 Introduction

This Resettlement Policy Framework (RPF) sets out the principles, policies and procedures for involuntary land acquisition the Government of Vanuatu (GoV) and the World Bank (Bank) agree to employ in the context of the Vanuatu Infrastructure Reconstruction and Improvement Project (VIRIP) (World Bank P156505).

The exact nature of the investments, detailed design of the engineering works and precise siting of infrastructure works for the projects has not been determined, and will be decided taking in to account feedback from initial consultations with stakeholders and affected parties (APs). An RPF therefore been selected as the appropriate social safeguard instrument. The sub-project identification process will include confirmation that the small areas of land required will be provided via a negotiated settlement. Because of the small scale nature of the infrastructure and that the local community will be the direct beneficiaries of the investments, negotiated settlement is expected to occur in most, if not all, occasions. Should it be identified that additional land, for example for material sourcing etc. for the project and negotiated settlement is not successful, the requirements of this Resettlement Policy Framework (RPF) will need to be implemented. The RPF could also be implemented in an instance where, for example, land access had been negotiated and agreed but then the land owner rescinds this agreement once the sub project has commenced; thereby compromising project outcomes.

A draft version of the RPF was disclosed in Vanuatu and was the subject of consultation in Port Vila during the week of 4th – 8th April 2016. This document is **Version 2**, including updates from consultation and changes to project design. The final version will form part of the legal agreements between GoV and the World Bank. It will be officially disclosed by both partners for consultation and comment, and may be amended as agreed between the partners.

2 Project Description

2.1 Background

Between March 12 and 14, 2015, Tropical Cyclone Pam (TC Pam) struck 22 islands of Vanuatu as an extremely destructive category 5 cyclone. The total economic damage and losses as a result of the cyclone were estimated to be approximately US\$450 million, which equates to approximately 64 percent of the country's GDP¹.

The impact of TC Pam on Vanuatu included severe and widespread damage, which was worst in Shefa and Tafea provinces, in particular on the larger islands of Tanna, Erromango and Efate and the smaller Shepard islands. Eleven fatalities were recorded in Tafea and Shefa province. As many as 65,000 people were displaced from their homes, around 17,000 buildings were damaged or destroyed, and the livelihoods of at least 80 percent of Vanuatu's rural population was compromised due to large scale destruction of crops.²

In the wake of TC Pam, the Government of Vanuatu (GoV) officially declared a state of emergency for Shefa Province on March 15, 2015. Emergency response efforts were led by the government with the support of multiple humanitarian partners, international and national non-governmental organizations, international governments, donors and other partners. In order to gain an understanding of the scale of TC Pam's economic impact and assist in mobilizing the resources needed for recovery and reconstruction, GoV undertook a Post-Disaster Needs Assessment (PDNA) with the support of the World Bank and other development partners, which formed the basis of the National Recovery and Economic Strengthening Program (NRESP) that provides a framework to guide the recovery and reconstruction of all sectors affected by TC Pam. The estimated total recovery and reconstruction costs have been calculated as US\$316 million².

Vanuatu is expected to incur, on average, US\$48 million per year in losses due to earthquakes and tropical cyclones. In the next 50 years, Vanuatu has a 50 percent chance of experiencing another loss exceeding US\$330 million, and a 10 percent chance of experiencing a loss exceeding US\$540 million.³ This has far reaching implications for a range of sectors, including, housing, tourism, infrastructure, agriculture and commerce. Disaster events, such as TC Pam, have the potential to affect the entire economy, human and physical capital, and impact the long-term development of the country. Accordingly, extreme weather events, exacerbated by projected changes in climate, are increasingly recognized as a core development challenge for the country.

VIRIP will provide financial support to GoV through numerous targeted investments in small land transport structures, and to reconstruct schools and public buildings damaged by TC Pam. Not only will these investments provide for more reliable access to critical social services, markets, and facilities for remote and isolated rural communities, they will also inject much needed funding at the local level through Island-based contractors (IBCs), create possible business opportunities for

¹ Vanuatu Post Disaster Needs Assessment, Tropical Cyclone Pam, March 2015 (GoV).

² Vanuatu Post Disaster Needs Assessment, Tropical Cyclone Pam, March 2015 (GoV).

³ PCRAFI Risk Profile, 2011.

members of those communities in the future maintenance of those assets, and provide skills training.

2.2 Project Development Objectives and Components

The project development objective (PDO) is to reconstruct and/or improve the disaster and climate resilience of selected public sector assets in provinces impacted by TC Pam and, in the event of an eligible crisis or emergency, to provide immediate and effective response in such eligible crisis or emergency.

The executing agency will be the Ministry of Finance and Economic Management (MoFEM), and the Ministry of Infrastructure and Public Utilities (MIPU) will be the implementing agency. A Project Support Team (PST) will be established within MIPU to ensure the project is implemented in accordance with Bank policies and procedures.

2.3 Overview of the Project Components and Safeguards Instruments

The project will reconstruct assets damaged by TC Pam, including land transport structures, schools and public buildings, and improve their resilience to disasters and extreme weather events. VIRIP will also finance technical assistance activities to design and supervise works, train and build capacity of public sector officials and private sector, and support implementation. To facilitate response during disaster events, a zero dollar Contingency Emergency Response component is included.

Component 1: Road Reconstruction and Improvement

This component would fund a range of roads works in provinces of Vanuatu that were affected by TC Pam to undertake spot improvements to land transport sector assets, such as small road structures and footpaths, and to improve the resilience of land transport sector assets. In addition, land transport assets that were not impacted by TC Pam can be built to more resilient standards to better withstand future extreme weather events.

Sub-Component 1.1: Improvement of Road Sector Assets

With few exceptions, rural roads in Vanuatu are generally in poor condition and are not passable throughout the year. Few, if any, rural roads are engineered, and most are little more than tracks without gravel. Coastal roads are prone to flooding, bogging and storm surge, while inland roads have steep gradients with minimal or no drainage. All roads are vulnerable to landslips due to unstable soils. This sub-component would fund spot improvements to existing roads, and in some remote locations, walking tracks, on several islands to repair cyclone damage and improve year-round accessibility to and for rural communities.

- a) Cyclone Damage. Although cyclone damage to roads was generally limited to washing out of bridge approaches and culverts due to excessive rainfall, there were also instances of severe, localized damage to exposed coastal roads and embankments from storm surges. Works would fund embankment repairs and strengthening seawalls in the form of rockfill revetments and masonry or gabion retaining walls.
- b) Rural Access Improvements. The types of road sector assets to be improved would typically be small structures in the form of drainage structures, including drifts and/or vented drifts on water crossings, pipe culverts, lined drains, or low-maintenance

surfacing on steep grades in the form of concrete pavements or concrete “tire paths.” Funding would also be used for embankments across low-lying floodplains. In remote areas with no roads, walking tracks would be improved at critical locations with concrete steps or surfacing on steep grades and simple bridges over water crossings.

It is expected that land transport asset spot improvements would be implemented using two modalities:

Island-Based Contracting for Small Works. The Ministry of Infrastructure and Public Utilities (MIPU) is currently implementing the second phase of its Roads for Development (R4D) program, which is funded by the Australian Government and support island-based contractors (IBCs) with limited plant and resources to carry out small, low maintenance, reinforced concrete and masonry works on rural roads on four islands. There are between seven and ten IBCs on each island. Works carried out by the IBCs are generally closed or vented drifts at water crossings, pipe culverts with inlet and outlet structures, and surfacing over full or partial road width with lined side drains on steep gradients, all based on standard designs. R4D contracts are awarded in six-monthly rounds, or “cycles,” and are all less than VT 5 million (approximately US\$50,000).

Under VIRIP, a modality that closely mirrors the R4D model, but integrated into the local Public Works Department (PWD) structure, would be implemented on six or more islands in the four cyclone-affected provinces of Malampa, Penama, Shefa and Tafea. MIPU would select the islands where works would be carried out and employ existing IBCs trained under R4D on islands where the program is established. MIPU would also expand the framework to other islands, and include walking track improvements in remote areas. Prioritization of interventions will be based on a ranking process⁴ using agreed transparent criteria involving rural access indicators (RAI) and levels-of-service for potential improvements, and draw from PWD Divisional Annual Work Plans prepared by PWD’s six provisional offices.

National Competitive Bidding for Larger Works. Cyclone damage repair of coastal road embankments would require large plant to transport and place rock revetments and other types of strengthening and resilience-enhancement measures. Similarly, drifts across larger water crossings and rock embankments across low-lying flood plains would be more suited to mechanised construction methods. Prioritization of interventions would be based on PWD Divisional Annual Work Plans using the same criteria as that for IBCs carrying out smaller works. Larger works would be packaged to make them attractive to national contractors.

Sub-Component 1.2: Design and Supervision

Funds would be utilized to design and supervise works to be carried out under Component 1 by contracting one firm to design and supervise all road sector improvements.

Component 2: School Reconstruction and Improvement

MoET has assessed the extent of damage from TC Pam to more than 70 primary and secondary schools in Tafea province, and estimated repair costs. Schools on Tanna Island received massive damage, mostly in the form of full or partial roof loss, but several buildings were completely

⁴ PWD recently introduced a Road Prioritization Tool for its 2016 budget planning.

demolished. The extent of damage to schools was directly correlated to the quality of construction, with well-constructed buildings that used quality materials and workmanship generally withstanding the impact of TC Pam. Many schools served as community shelters during the cyclone, and evacuation centres for weeks thereafter for families whose homes had been destroyed. The failure of some buildings being used as shelters had deeply traumatic, and in one case fatal, consequences.

Sub-Component 2.1

This sub-component would reconstruct classrooms and other school buildings damaged by TC Pam, and ensure that at least one building per school is designed and constructed to withstand a category 5 cyclone and appropriate seismic loading so that it can be used as an evacuation centre. Improved water supply and sanitation facilities would be included, as well as a basic protected kitchen/cooking area for use by evacuees.

This sub-component would reconstruct classrooms and other school buildings damaged by TC Pam, and ensure that at least one building per school is located, designed and constructed to cyclone seismic resilient standards appropriate to the location and outside of tsunami and storm-surge inundation areas so that it can be used as an evacuation centre. Improved water supply and sanitation facilities and other amenities would also be built to enable one school structure to serve as an evacuation center.

Measures to strengthen the resilience of or build-back-better schools that were not impacted by TC Pam are also eligible for funding under the project.

The reconstruction of school buildings would be based on MoET standard designs, and would maximise community involvement. All “evacuation center” certified buildings will be constructed using concrete blockwork/reinforced concrete sub-structures, and structural grade timber for roof structures. Ancillary buildings may be constructed with other materials, provided they meet relevant design standards and MoET performance and maintenance objectives. On islands with active volcanic activity, such as Tanna, cyclone strapping should be stainless steel and any bolts used should be hot dip galvanised to reduce corrosion in the aggressive atmosphere.

The types of treatment are expected to be as follows:

New Structures. These might be classrooms, offices or staff housing that would be constructed from scratch. Existing buildings and structures would either be replaced or demolished, in order to meet MoET requirements for facilities.

Partial Reconstruction. Buildings that were partly destroyed, typically above the ring beam level, but which are assessed as structurally sound, would be reconstructed to an agreed cyclone-resilient design standard.

Retrofitting. Many buildings that were not seriously damaged urgently require retrofitting to replace roof sheeting or steel tie downs that are corroded, and roof timbers that are cracked or rotten. In addition, roof nails should be replaced with cyclone screws.

Water Supply and Sanitation. Rainwater harvesting from roofs of reconstructed buildings will be maximized through collection and storage to facilitate an appropriate level of gender-separate toilet and hand washing facilities at reconstructed schools.

To expedite the reconstruction process it is anticipated that works would be conventionally contracted. However, contractors would be required to maximize opportunities to improve the skills of local builders, and create employment opportunities for the communities at each school.

Sub-Component 2.2: Design and Supervision

Funds would be utilized to design and supervise works to be carried out under Component 2. It is expected that one firm would be contracted to design and supervise improvements to both schools and public buildings.

Component 3: Public Building Reconstruction & Improvement

Several public buildings, provincial and national government offices, workshop and associated buildings on TC Pam-affected islands suffered serious damage with partial or total destruction of individual structures or groups of buildings.

Sub-Component 3.1: Public Buildings

This sub-component would fund the reconstruction of public buildings that were impacted by TC Pam, as well as to strengthen the resilience of selected public buildings that were not damaged by the Cyclone, through a prioritization and selection process to be developed by MIPU, agreed with the Bank, and endorsed by RPC. Damage to public buildings was similar to that of schools, with roofs and steel frames fully or partially destroyed, and roof timbers missing.

Sub-Component 3.2: Design & Supervision.

Funds would be utilized to design and supervise works to be carried out under Component 3. As indicated above, it is expected that one firm would be contracted to design and supervise improvements to both schools and public buildings.

Component 4: Project Implementation and Technical Support

Component 4.1: Project Implementation Support

VIRIP funds would also be used to hire individual specialists to support project implementation. A Project Support Team (PST) would be established within MIPU to assist in managing VIRIP, and ensure that the Bank's fiduciary, safeguards and reporting requirements, including monitoring and evaluation, are met throughout the implementation period. Key staff will include a qualified project manager, a procurement specialist, a project accountant and safeguards specialist. In addition, it is anticipated that inputs from technical specialists, such as communication/community liaison, monitoring and evaluation specialists, or sectoral specialists, will be required from time-to-time. The services of a Finance Advisor to help set-up the financial management system for the project and provide periodic guidance to the project accountant may also be required. While other design and supervision consultants will be responsible for providing key technical inputs for bidding and evaluation processes (see sub-component 2.1), PST staff will be responsible for finalizing bid

documents prior to inviting bids. MIPU will be responsible for finalizing the evaluation and award process, in liaison with the Tenders Board.

Operating costs, including for office refurbishment/renovation, rent, power, communications, and vehicle maintenance for PST and provincial PWDs, will also be financed under VIRIP, as will annual project audits.

Component 4.2 Sustainable Maintenance

The rural road network of Vanuatu, which is in excess of 2,100 km, has suffered from chronic lack of preventative and periodic maintenance due to lack of available funding, which has resulted in the majority of the network remaining unmaintained and in very poor condition. There is a clear and urgent need to address this problem, not only to improve the condition of the network, and therefore accessibility for rural populations of Vanuatu, but also to protect and sustain investments that the government and donors make on improving road assets. VIRIP funding would be utilized to engage individual consultants to advance two existing initiatives to develop a more sustainable road maintenance regime.

Component 4.3 Training and Capacity Building

Improvements to land transport sector assets would seek to expand the use of IBCs already identified, established and trained under the R4D program. It is expected that up to twenty new contractors would need to be engaged, as well as ten new site inspectors. This sub-component would fund the costs of specialist training in labor-based road construction and maintenance, and building construction, possibly in partnership with the International Labor Organization (ILO), to continue the process already established under R4D. This process involves working through the local communities, or nakamals, to advertise for interested parties, the selection of individuals, and classroom and on-the-job training.

Funding would also be used to provide refresher training for existing IBCs and site inspectors on islands targeted for inclusion in this project, and specific training on construction costing and bidding.

Training and capacity building in the education sector is expected to be partially delivered through a “managing contractor” arrangement under sub-component 2.2. Training courses implemented in conjunction with the reconstruction program would be used to up-skill the local construction workforce and reinforce the importance of strong connections to ensure strong buildings. An accelerated program for “training of trainers” could be considered to assist experienced Ni-Vanuatu trades to train and manage teams of local workers. Quality control of materials used in the reconstruction program could be ensured through a centralized procurement process.

Funds would be used to develop a training and capacity building program on school infrastructure management. Because decision-making processes and the allocation of school funds lie directly with schools, efforts would focus on training school councils, principals and teachers about the benefits of regular preventative maintenance of schools and associated buildings. Improved maintenance of existing structures would help to protect the existing building stock and reduce its vulnerability to natural hazards. Developing maintenance manuals, complemented with training programs, would reinforce the importance of regular maintenance.

Component 5: Contingency Emergency Response

This zero-cost component would support preparedness and rapid response to eligible disasters, emergencies, and/or catastrophic events, if needed. Following the declaration of a disaster or state of emergency, it allows for reallocation of credit and grant proceeds from VIRIP components under streamlined procurement and disbursement procedures, or a mechanism to channel additional funds, should they become available, as a result of an emergency. This would be done through a Contingency Emergency Response Component (CERC), which will serve as a contingent window, and provide a mechanism: (i) for quick disbursements to meet the immediate liquidity needs of Vanuatu following a disaster event in order to finance critical imports; or (ii) to finance emergency repairs and reconstruction works and associated services of public infrastructure.

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3 Preparing a Resettlement Policy Framework

The exact nature of the investments, detailed design of the engineering works and precise siting of infrastructure works for the projects has not been determined, and will be decided taking in to account feedback from initial consultations with stakeholders and affected parties (APs). A Resettlement Policy Framework (RPF) has therefore been selected as the appropriate social safeguard instrument. The project subprojects will be screened so that any subproject requiring involuntary resettlement is referred to the RPF procedures. No physical displacement is envisaged.

The RPF describes the policies and procedures leading to development of the abbreviated resettlement action plan (ARAP) if required for a particular subproject. The RPF is expected to be applied primarily in two instances:

1. If additional land, for example for material sourcing, is required and the landowner is not a beneficiary of the project and the pre-requisites for negotiated settlement are not satisfied
2. in an instance where, for example, land access had been negotiated and agreed but then the land owner rescinds this agreement once the sub project has commenced; thereby compromising project outcomes

An Abbreviated Resettlement Plan (ARAP) will be developed for any such instance as per Operational Policy 4.12 for Involuntary Resettlement, Annex A, paragraph 22. The ARAP will form part of the agreement between the GoV and the World Bank.

C. Objectives, Definitions and Key Principles

The guiding principles for the ARAP are that involuntary resettlement is to be avoided or minimised. APs should be better off or at least as well off as before the project. All persons affected by the project are to be consulted throughout the project, have the opportunity to participate in planning, and to share in project benefits. The project should contribute to sustainable development.

These principles entrain a process of early identification of stakeholders, and in particular of APs; frank and effective public disclosure of any known impacts; consultation and participation to avoid or mitigate negative impacts identified, and to ensure that no person or impact is overlooked; fair, transparent and timely intervention to support APs during implementation, resettlement and restoration of livelihoods; and commitment where possible to improve upon the status quo, particularly for those who may be vulnerable by reason of poverty, ethnicity, gender, age, disability, or social status.

The over-riding objective is to avoid any resettlement impacts via subproject identification, and effective infrastructure design. To ensure that the projects contribute to the objective of sustainable development, MIPU plans a comprehensive disclosure and consultation process that includes all stakeholders. The consultation process with APs will reveal all foreseeable impacts, and will elicit AP concepts of how mitigation options and resettlement planning can contribute to their aspirations for sustainable restoration or improvement of their livelihoods. If there is loss of land, and land-based assets, the aim will be to replace like for like, and if this is not possible, to compensate for lost land, assets and income, and meet the costs of relocation and restoration of livelihoods. Restoration

includes not only physical assets, but also social and cultural assets. If there is a risk of disruption of these values, which are often disproportionately encountered by women, the APs will contribute to selection of mitigation and resettlement options to ensure policy objectives are met.

D. Legal and Regulatory Framework

A number of Vanuatu legal instruments are relevant for concepts or mechanisms that bear on resettlement planning.

National Legislation

The Vanuatu Constitution (1980) provides that -

- **LAND BELONGS TO CUSTOM OWNERS:** 73. All land in the Republic of Vanuatu belongs to the indigenous custom owners and their descendants.
- **BASIS OF OWNERSHIP AND USE:** 74. The rules of custom shall form the basis of ownership and use of land in the Republic of Vanuatu.
- **PERPETUAL OWNERSHIP:** 75. Only indigenous citizens of the Republic of Vanuatu who have acquired their land in accordance with a recognised system of land tenure shall have perpetual ownership of their land.
- **NATIONAL LAND LAW:** 76. Parliament, after consultation with the National Council of Chiefs, shall provide for the implementation of Articles 73, 74 and 75 in a national land law and may make different provision for different categories of land, one of which shall be urban land.

With regard to land laws in Vanuatu, the national land system is administered through numerous Lands Acts and the newly amended / introduced New Land Acts, as of the end of 2013 and those Gazetted in June 2014, that govern land administration in Vanuatu. The Land Acts comprise comprehensive laws including the following:

- Alienated Land Act 12, 18 (1982).
- Customary Land Tribunal Act 7 (2001).
- Freehold Titles Act 13 (1994).
- Land Acquisition Act 5 (1992), 34 (Amendment) (2000).
- Land Leases Act 4 (1983), 32 (1985), 10 (1987), 30 (1988), 38 (1989), 24 (2003).
- Land Reform Act 31 (1980), 6 (1981), 10 (1983), 31 (1985), 6 (1992), 35 (2000).
- Land Survey Act (1984).
- Land Valuers Registration Act 23 (2002).
- Stata Titles Act 29 (2000).
- Valuation of Land Act 22 (2002).

The New Land Laws comprise the following:

- Customary Land Management (Amendment) Act (2014).
- Land Reform (Amendment) Act (2014).
- Customary Land Tribunal (Repeal) Act (2014).
- Custom Land Management Act (2013).
- Land Leases (Amendment) Act (2013).
- Land Reform (Amendment) Act (2013).
- Sixth Amendment of the Constitution (2013).

These laws impact the rights of custom owners, leaseholders and users of land.

World Bank Policy

WB resettlement policy starts from the principle of restoration or improvement of livelihoods at replacement cost, rather than current value, recognising not only financial and physical assets, but also the environmental, social, and cultural assets of an individual, irrespective of gender, ethnic or social status, in the resettlement context. The Involuntary Resettlement policy enjoins avoidance and minimisation of adverse impacts not only because it is less costly, but also because it avoids damage to the less tangible and hard-to-value aspects of livelihoods and cultures. WB resettlement policy has a positive objective of sustainable development, with particular regard for the vulnerable.

Gap Analysis

Table 1 – Legal Gap Analysis

Vanuatu Laws	World Bank Safeguard Policies	Gap-Filling Measures
There are no provisions to prepare RP based on meaningful consultations with DPs, including the poor, the landless, elderly, women, and other vulnerable groups.	OP 4.12 requires that RPs must be prepared based on consultations with APs, and that poorer and vulnerable people are also consulted and informed of their entitlements and resettlement options.	ARAPs will be prepared in consultation with APs, including vulnerable groups, and disclosed by the PST; translated or summary versions will be available at the provincial, district and local level. Local Nakamal leaders whose members are affected will also receive a copy of the ARAP.
There are no provisions to improve or at least restore the livelihoods of all DPs.	It is necessary to improve or at least restore livelihoods of APs by a range of strategies targeted at APs. Nobody is to be worse off as a result of the development project.	Where such impacts will be experienced, ARAPs will include measures for improvement or at least restoration in living standards of APs to pre-project levels.

Very limited provisions to provide assistance/compensation to APs who lose access to non land assets.	Requires that APs are compensated for all losses, including non-land assets, at full replacement cost.	The project will follow the principle of replacement cost for compensation of affected assets.
There is no requirement for the monitoring and assessment of resettlement outcomes.	OP 4.12 requires that resettlement outcomes be monitored and assessed.	ARAPs will include indicators and baseline data to monitor impacts on living standards of APs. The monitoring reports will also be disclosed including to APs.

E. Preparing and Approving ARAP

In the event that the ARAP becomes necessary the following will preparation will be undertaken:

- Responsibility for preparation, implementation and monitoring of ARAPs (including responsibility for meeting all associated costs with their implementation), in accordance with this RPF, rests with the GoV.
- The agency in the GoV with direct and overall responsibility for managing the land acquisition and involuntary resettlement process in this project is to be determined. As necessary, GoV will exercise its authority to coordinate actions with any other agencies involved to ensure timely and effective ARAP implementation.
- Preparation of the RAP/ARAP begins as soon as it is determined that involuntary resettlement is essential to complete any of the project activities and shall be finalized prior to the commencement of any works to carry out said project activities. The VIRIP PST will carry out, or cause to be carried out, a census survey to identify and enumerate Displaced Persons and to identify and inventory land and other assets to be required. The census survey must cover 100% of the displaced persons. The census survey also establishes whether any displaced persons are significantly affected by loss of productive land, whether any commercial enterprises are affected, or whether any households will be required to physically relocate.
- The ARAP will be prepared in accordance with the policy, principles and planning and implementation arrangements set forth in this RPF. The ARAP is based on accurate baseline census and socioeconomic survey information, and establishes appropriate mitigation measures (e.g., compensation at full replacement cost for loss assets, transitional assistance for relocation, and transitional assistance for livelihood restoration, and transitional assistance for commercial enterprises) for all relevant categories of adverse impacts. Depending on the categories of impacts, the ARAP specifically addresses the following:
 - i. Description of the project activity causing involuntary resettlement and explanation of efforts to avoid or minimize involuntary resettlement associated with the project (alternative project designs considered).

- ii. Range and scope of potential adverse resettlement impacts.
- iii. Socioeconomic survey and baseline census survey information.
- iv. Review of relevant laws and regulations relating to land acquisition and involuntary resettlement (see section above on legal and regulatory framework for more details).
- v. Description of asset valuation procedures and specific compensation rates (or alternative measures) for all categories of affected assets.
- vi. Other assistance measures, if any, necessary to provide opportunities for livelihood restoration for displaced persons.
- vii. Assistance to affected commercial enterprises.
- viii. Eligibility criteria for compensation and all other forms of assistance.
- ix. Relocation arrangements, if necessary, including transitional support.
- x. Resettlement site selection, site preparation, and measures to mitigate impacts on host communities, if necessary.
- xi. Restoration or replacement of community infrastructure and other services.
- xii. Land donation arrangements and documentation requirements, if relevant.
- xiii. Organizational arrangements for implementation.
- xiv. Consultation and disclosure requirements and arrangements.
- xv. Resettlement implementation schedule.
- xvi. Costs and budget.
- xvii. Monitoring arrangements.
- xviii. Grievance procedures.
- xix. Summary entitlements matrix.

F. Eligibility Criteria

Criteria Defining Displaced Persons

Eligibility of an individual for resettlement assistance will relate to their:

- Loss of land, whether an owner, lessee or informal occupant.
- Loss of trees or other plants, whether on owned, leased or informally accessed land.
- Loss of land-based improvements – houses, shelters, business buildings, also irrespective of the ownership status of the land.

- Loss of access to commons and reserves, e.g. road reserves, whether or not legally encroached, and restricted areas.

Eligibility for loss of non-land assets, whether temporary or permanent, will be recognised for project-induced impacts on:

- An individual's business or income.
- Soil or water quality changes that impact the individual's livelihood activities in the direct or indirect impact area.
- Air, light or noise pollution, or restrictions on access to social or economic resources that impact property values and amenity.
- Access to resources due to quarrying operations.
- Any other assets or elements of livelihoods recognised in the Vanuatu law and in WB Operational Policy that may be discovered during disclosure and consultation.

Persons demonstrating that they will suffer losses from any of these causes as at the cut-off date for entitlements will be regarded as eligible for resettlement assistance. Losses from encroachments or activities commenced after the cut-off date for the respective projects will not be eligible.

Nature of Impacts

The foreseeable impacts cannot be identified at this early stage in the project; an assessment of the nature of impacts will be included in any subsequent ARAP.

H. Communal Land Acquisition – Guiding Principles

The following resettlement planning process will be reviewed and established:

- a) Alternatives to land acquisition are considered. Especially where replacement land is scarce or non-existent, or where customary land tenure is deemed inalienable, negotiated agreements for long-term lease, even for alternative infrastructure siting, should be considered.
- b) Where communal land must be acquired, collective compensation may be appropriate. Under such conditions, compensation is used solely for appropriate community purposes, or is distributed equitably among community members. The ARAP describes arrangements for usage of collective compensation.
- c) Individual users and occupants of acquired communal land are identified in the census prepared for the ARAP and the ARAP describes mitigation measures or negotiated agreements providing for restoration of their livelihoods or living standards.
- d) Where replacement land does not exist, it will be impossible to establish a technical valuation for replacement cost. The ARAP describes alternative means used for valuation. This may include negotiated agreement with affected communities.

e) Where negotiated agreements for land valuation, for long-term lease, or for provision of remedial assistance to users or occupants of acquired communal land, are to be established, the resettlement plan describes the methods by which affected communities are involved in the negotiations, and methods by which terms of negotiated agreements are fully disclosed to them, in a manner accessible to the affected community.

f) If relevant, the ARAP describes any changes that may occur regarding land use and tenurial arrangements for remaining communal land in project-affected areas.

g) The ARAP describes a process by which conflicting claims to ownership or use rights will be addressed.

I. Implementation Arrangements

Implementation arrangements such as a time-bound implementation schedule of all activities relating to involuntary resettlement shall be included at the development of an ARAP. Payment of compensation should be completed at least one month prior to involuntary resettlement. If there is a delay of one year or more between land or asset valuation and payment of compensation, compensation rates will be adjusted for inflation purposes.

J. Budget and Costs

The PST bears responsibility for meeting all costs associated with involuntary resettlement. Any ARAPs prepared in accordance with this RPF require a budget with estimated costs for all aspects of their implementation. All displaced persons are entitled to compensation or other appropriate assistance and mitigation measures, regardless of whether these persons have been identified at the time of resettlement planning, and regardless of whether sufficient mitigation funds have been allocated. For this reason, and to meet any other unanticipated costs that may arise, the RAP/ARAP budget shall include contingency funds, i.e., at least 10% of estimated total costs. Compensation must be paid promptly and in full to the displaced person. No deductions from compensation will occur for any reason. The ARAP should describe the procedures by which compensation funds will flow from PST to the displaced persons.

K. Consultation and Disclosure Arrangements

Disclosure and consultation on the RPF

Disclosure does not equate to consultation (and vice versa) as disclosure is about transparency and accountability through release of information about the project. A copy of this draft ESMP should be made available on the WB Infoshop and GoV websites, and hard copies available at MIPU office in Port Vila, and Council offices in project areas.

Disclosure and consultation on the ARAP

The ARAP must describe measures taken to consult with displaced persons regarding proposed land acquisition, transitional assistance, relocation arrangements, and other arrangements, and summarizes results of those consultations. The PST also discloses the ARAP- both the draft and final versions – to the displaced persons and the general public in the project area, in a language and

location accessible to them. Disclosure of the draft ARAP should occur at least one month prior to Bank review. Disclosure of the final ARAP occurs following WB acceptance.

L. Monitoring Arrangements

Monitoring arrangements will be established in the ARAP to assess the effectiveness of ARAP implementation in a timely manner. Monitoring includes review of progress in land acquisition, payment of compensation, provision of transitional assistance, and functioning of project grievance procedures. The ARAP should establish the frequency of monitoring activities. Monitoring should be conducted by an individual, firm, or community organization not directly affiliated with the PST. Any issues or problems associated with ARAP implementation that are observed in the monitoring process will be reported to the PST and the WB project team.

Prior to project completion, the monitoring process will assess whether livelihoods and living standards of displaced persons have been improved, or at least restored. If these objectives have not been achieved, the PST identifies plans and implements supplemental measures necessary to achieve satisfactory outcomes.

M. Grievance Procedures

The full GRM is provided in the ESMF. The Grievance Mechanism offers remedies appropriate to the scale of the grievance. The availability of redress, and information about how to access it, will be discussed during consultations with the public.

A. Grievance Report Form

GRIEVANCE REPORT FORM

Received by: _____

Date Received: _____

Reported by: _____

Database ID: _____

Responsible Agency: _____

Staff Name: _____

Location: _____

	Village	First Name, Last Name	Contact Details
Complainant(s)			
Suco Chief			

Acknowledged by: _____

Date Acknowledged: _____

Description of Concern:

.....

Category:

Compensation / Land Access / Inadequate Notification/ Disruption to Business or Property /
Property Damage / Irrigation / Boundary Dispute / Environmental Damage / Construction Activities /
Safety Risk /Traffic / Other

Proposed Resolution or Feedback:

.....

Complainant satisfied with process? Yes No Why not?.....

Complainant satisfied with outcome? Yes No Why not?

Print Name (Complainant): _____

Signed (Complainant): _____

Date: _____

Signed (Recipient): _____

Date: _____

Copied to: _____