

# Resettlement Framework

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## NEP: Urban Water Supply and Sanitation (Sector) Project



## CURRENCY EQUIVALENTS

(as of 2 July 2018)

Currency unit	-	Nepalese rupee (NRe)
\$1.00	=	NRs109.821
NRe1.00	=	\$0.009

## ABBREVIATIONS

ADB	-	Asian Development Bank
BPL	-	below poverty line
CBO	-	community-based organization
CDC	-	compensation determination committee
DDR	-	due diligence report
DMS	-	detail measurement survey
DWSS	-	Department of Water Supply and Sewerage
ESO	-	environmental safeguard officer
GESI	-	gender equality and social inclusion
GRC	-	grievance redress committee
GRM	-	grievance redress mechanism
LAA	-	Land Acquisition Act
LAR	-	land acquisition and resettlement
LRO	-	Land Revenue Office
MOWS	-	Ministry of Water Supply
NGO	-	nongovernment organization
NOC	-	no objection certificate
PMC	-	project management consultant
PMO	-	project management office
PMQAC	-	project management and quality assurance consultant
RDSMC	-	regional design, supervision and management consultant
RPMO	-	regional project management office
SDO	-	social development officer
SSO	-	social safeguards officer
SPS	-	Safeguard Policy Statement
SSS	-	social safeguard specialist
TOR	-	terms of reference
UWSSP	-	Urban Water Supply and Sanitation (Sector) Project
WUA	-	water users' association
WUSC	-	water users' and sanitation committee

## WEIGHTS AND MEASURES

ha	-	hectare
km	-	kilometer
m <sup>2</sup>	-	square meter
mm	-	millimeter
µg/m <sup>3</sup>	-	microgram per cubic meter

## GLOSSARY OF NEPALI TERMS

<i>ropani</i>	-	Size of land parcel; 1 ropani= 16 anna (0.0509 ha)-508.72 m <sup>2</sup>
<i>Anna</i>	-	Size of land parcel; 1/16 ropani (0.0032 ha)
<i>paisa</i>	-	Size of land parcel; 1 paisa= 7.96 m <sup>2</sup>
<i>Dam</i>	-	Size of land parcel; 1 dam=1.99 m <sup>2</sup>
<i>bigha</i>	-	size of land parcel; 1 bigha = 20 katha (0.678 ha)
<i>Crone</i>	-	10 million (= 100 lakh)
<i>Dhur</i>	-	size of land parcel; 1 dhur=0.0017 ha
<i>katha</i>	-	size of land parcel; 1 katha = 0.0339 ha
<i>kucchi</i>	-	temporary structure e.g. a rural hut made of wood, bamboo or stone with mud mortar and a thatched roof
<i>lakh, lac</i>	-	100,000
<i>pakki</i>	-	structure (house/building) with permanent roofing made of RCC/RBC
<i>semi-pakki</i>	-	house or building made of stone with mud mortar and clay, timber, slate or corrugated iron roofing

## GLOSSARY OF TERMS

Land Acquisition means the process whereby land and properties are acquired for the purpose of the project construction.

Baseline Socio-economic Sample Survey The purpose of the baseline socioeconomic sample survey is to establish monitoring and evaluation parameters, it will be used as a benchmark for monitoring the socio-economic status of project affected people. The survey will cover 20% affected people. The survey will also collect gender-disaggregated data to address gender issues in resettlement. The survey will carry out the following: (i) preparation of accurate maps of the sub-project area; and (ii) analysis of social structures and income resources of the population.

Census The purpose of the census is to register and document the status of potentially affected persons within the sub-project impact area. The census will cover 100% of affected persons. The census will provide a demographic overview of the population and will cover people's assets and main sources of livelihood.

Compensation means payment in cash or in kind of the replacement value of the acquired property.

Displaced Persons means those who are physically displaced (relocation, loss of residential land, or loss of shelter) and / or economically displaced (economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods).

Economic Displacement means those who loss 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. Economic displacement may be either permanent (full/partial loss of livelihood) or temporary.

Compensation Determination Committee (CDC) means the committee established under the chair of Chief District Officer as per Land Acquisition Act 2034 (1977) for the determination of amount of compensation.

Significant Impact includes loss of 10 percent or more of total productive assets, or physically displacement from housing.

Replacement Cost means the method of valuing assets to replace the loss at market value before the project or dispossession, or its nearest equivalent, plus any transaction costs such as administrative charges, taxes, registration, and titling costs.

Relocation means physical displacement from the pre-project place of residence.

Rehabilitation assistance means the measures, assistances and allowances provided under the resettlement plan other than payment of compensation of acquired property.

Vulnerable Groups include those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land (ADB, SPS 2009; page-17, policy principle- 2)

#### **NOTE**

In this report "\$" refers to United States dollars.

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## CONTENTS

	<b>Page</b>
I. PROJECT DESCRIPTION	1
II. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENT	2
A. Objectives	2
B. Policy Framework: Land Acquisition and Resettlement	3
C. Resettlement Framework	11
D. Obtaining Land for Project Purposes	12
E. Negotiated Settlement Process	14
F. Land Donation	15
G. Eligibility and Entitlements	15
H. Resettlement Plan Preparation	25
III. SOCIOECONOMIC INFORMATION AND IMPACT ASSESSMENT	26
IV. CONSULTATION, PARTICIPATION AND DISCLOSURE	27
A. Consultation and Participation	27
B. Project Initiation Stage	27
C. Resettlement Plan Preparation Stage	28
D. Resettlement Plan Implementation Stage	29
E. Consultation for Income Restoration Program	29
F. Disclosure	29
V. COMPENSATION, INCOME RESTORATION AND RELOCATION	30
A. Compensation	30
B. Replacement Value for Immovable Property	31
C. Valuation of Other Assets	32
D. Income Restoration	32
E. Relocation	33
VI. GRIEVANCE REDRESS MECHANISM	33
VII. IMPLEMENTATION ARRANGEMENTS	37
A. Implementation Arrangements	37
VIII. BUDGET AND FINANCING	41
IX. MONITORING AND REPORTING	42
<b>APPENDIXES</b>	
1	Involuntary Resettlement Impacts Categorization
2	Outline of a Resettlement Plan and Land Acquisition and Involuntary Resettlement Due Diligence Report
3	Sample Form for Inventory of Loss Surveys
4	Checklist for Survey of Affected Businesses
5	Sample Form for Market Survey
6	Procedures and Eligibility of Land/Assets Donation Procedures
7	Draft Project Information Disclosure Leaflet
8	Sample Grievance Redress Form and Grievance Monitoring Format
9	Terms of References for Social Safeguards Personnel in Project Management and Technical Audit Consultant and Design, Supervision and Management Consultant
10	Sample Involuntary Resettlement Monitoring Template

- 11 Outline of Social Safeguards Monitoring Report During Project Implementation
- 12 Terms of Reference for Independent Third Party for Negotiated Purchase or Voluntary Land Donation



## I. PROJECT DESCRIPTION

1. The Urban Water Supply and Sanitation (Sector) Project (UWSSP) will support the Government of Nepal in expanding access to community-managed water supply and sanitation (WSS) in 20 project municipalities by drawing on experiences and lessons from three earlier projects funded by the Asian Development Bank (ADB).<sup>1</sup> The project will finance climate-resilient and inclusive WSS infrastructure in project municipalities and strengthen institutional and community capacity, sustainable service delivery, and project development. Subprojects will be demand driven by water users' associations (WUAs) and project municipalities and selected based on transparent criteria<sup>2</sup> including population growth, poverty index, existing WSS infrastructure, community willingness for cost sharing, and long-term operation and maintenance (O&M) contract.<sup>3</sup>

2. The project will build upon the on-going efforts of the Government of Nepal in providing WSS services in urban areas of Nepal. It will help the country to meet Sustainable Development Goal (SDG)-6 to ensure availability and sustainable management of water and sanitation for all by 2030 and it is aligned with sector objectives laid out by the government's Fourteenth Plan, National Urban Development Strategy, and updated 15-year Development Plan for WSS in Small Towns, which is to improve water supply and sanitation service delivery in urban areas across Nepal.

3. The project will have the following impact: quality of life for urban populations, including the poor and marginalized, improved through the provision of sustainable WSS services.<sup>4</sup> The project will have the following outcome: inclusive and sustainable access to WSS services in project municipalities achieved. The project will have two outputs: (i) water supply and sanitation infrastructure in project municipalities improved; and (ii) institutional and community capacities strengthened.

4. The Ministry of Water Supply (MOWS) is responsible for planning, implementation, regulation, and monitoring of WSS. The Department of Water Supply and Sewerage (DWSS) under the MOWS supports the provision of WSS facilities in municipalities where large utilities do not exist, and these are operated by water users' and sanitation committees (WUSCs)<sup>5</sup> or municipalities.<sup>6</sup> Shortage of investment funds, skilled personnel, and inadequate O&M budgets, hinders municipalities from providing adequate, cost-effective services. The Local Governance Operation Act, 2017, established municipalities as autonomous government institution with responsibility for WSS services. While municipalities' capacity is being built, the government and residents have been receptive to the decentralized, participatory, and cost-sharing service provision model by WUAs. Development support for municipal WSS has been channeled through a combination of (i) government grants through DWSS, (ii) loans by the Town Development Fund

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<sup>1</sup> ADB. [Nepal: Small Towns Water Supply and Sanitation Sector Project](#) [Nepal: Second Small Towns Water Supply and Sanitation Sector Project](#); and [Nepal: Third Small Towns Water Supply and Sanitation Sector Project](#).

<sup>2</sup> Subproject selection criteria are detailed in the project administration manual. Selection of future investments to be designed under the project will follow same criteria, with preference for investments located in Kathmandu Valley, provincial headquarters, and strategic border municipalities.

<sup>3</sup> Procurement can only commence after DWSS and municipality sign management agreement with WUSC for 20 years O&M service. The municipality will own the system and the WUSC will be the operator.

<sup>4</sup> Government of Nepal. 2009. *Urban Water Supply and Sanitation Policy*. Kathmandu.

<sup>5</sup> The WUSCs, formed under the Nepal Water Resource Act, 1992, are the elected executive bodies of the water users' association.

<sup>6</sup> The DWSS assists in preparation of investment plans, project design, and establishing sustainable service delivery.

(TDF),<sup>7</sup> and (iii) contributions from municipalities and beneficiaries.<sup>8</sup> The TDF also supports WUAs in institutional and financial management including the introduction of tariffs.

5. The project will be implemented over a five-year period (indicative implementation period is 2018 to 2023) and will be supported through ADB financing using a sector lending approach. The MOWS is the executing agency and DWSS the implementing agency. The project management office (PMO) established under ongoing Third Small Towns Water Supply and Sanitation Sector Project (footnote 1) will be responsible for the overall management, implementation and monitoring of the project. There will be regional PMOs (RPMOs) to manage day-to-day project implementation at the subproject/municipality level. After construction including a one-year O&M period by the contractor, subprojects will be operated by the WUSC or municipality.

6. Five sample subprojects are assessed for involuntary resettlement impacts covering water supply, sanitation, storm water drainage and decentralized wastewater treatment systems.<sup>9</sup> The scope of land acquisition and resettlement is assessed for the sample subprojects and one draft resettlement plan and four draft due diligence reports are prepared. The draft documents will be updated based on detailed measurement surveys and ADB approval obtained prior to start of construction.

7. All the land required for major construction works for the sample subprojects is owned by the respective WUSCs or government. Loss of common property resources (a structure – cement concrete platform with temporary roof, used for prayer meetings, constructed by a temple community on government land and trees planted by the temple committee) is anticipated in Siddhanath Baijanath water supply and sanitation subproject. No private land acquisition, relocation impact or livelihood loss – permanent or temporary, is assessed for the sample subprojects. No impacts on non-titleholders are identified, as none are reported to be present at the selected sites and alignments for all the sample subprojects.

8. Based on the study of sample subprojects, the proposed UWSSP is not anticipated to involve any significant resettlement impacts and is classified as Category B. This Resettlement Framework provides guidance for the assessment of involuntary resettlement impacts and for the preparation of resettlement plans / land acquisition and involuntary resettlement due diligence reports for components that are identified or subprojects that are assessed or any changes in design after Board approval. Any proposed future subproject involving significant impacts will not be allowed.

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

### **A. Objectives**

9. This resettlement framework is prepared to provide guidance to DWSS, participating WUSCs and project consultants who will be carrying out the proposed UWSSP and will need to follow ADB's safeguard policy when preparing, assessing and planning land acquisition and

<sup>7</sup> The TDF is a government-owned entity established under the Town Development Fund Act, 1997. Loans from the government to WUAs or municipalities are generally on-lent by TDF under a subproject financing agreement.

<sup>8</sup> WUAs contribute 30% of project costs for water supply subprojects (25% from TDF loan and 5% from users' upfront cash contribution) and 15% for sanitation subprojects (subsidy from municipalities).

<sup>9</sup> These include resettlement plan for W-03 Siddhanath Baijanath WSS, and Due Diligence Reports for (i) W-01 Charikot WSS, (ii) W-19 Charikot Decentralized Wastewater Treatment, (iii) W-05 Ilam WSS, and (iv) W-22 Katahariya Storm Drain.

resettlement related aspects of subprojects during project implementation period or other project activities identified after project approval and in the event of unanticipated involuntary resettlement impact during project implementation. Where involuntary land acquisition and resettlement is not involved and land donation or negotiated land purchase will be adopted, this resettlement framework provides steps to be taken in order to comply with ADB's Safeguard Policy Statement (SPS) 2009 requirement.

10. ADB SPS, 2009 does not apply to negotiated settlements where both the acquiring agency and the affected people agree to a fair price for land and other assets, unless expropriation would result upon failure of negotiations.<sup>10</sup> This resettlement framework provides steps that need to be followed when negotiated land acquisition is used by the WUSC clients to acquire land for project activities.

11. This resettlement framework for the project, has been endorsed by the government and will be disclosed by the executing agency in the project website. It reflects the borrower's policies as well as ADB's SPS, 2009 and other social safeguard guidelines. A detailed description of compensation measures and assistance is provided in the entitlement matrix. An entitlement matrix, consistent with the existing norms and guidelines of the country and the ADB SPS, has been prepared to cover potential losses identified in this project. The matrix recognizes that the lack of title/customary rights recognized under law will not be a bar to entitlement and has special provisions for non-titled persons. The eligibility for compensation will be determined through a cut-off date. People moving into the sub-project area after the cut-off date will not be entitled to compensation or other assistance.

12. This resettlement framework also applies to all affected persons with land status affected permanently or temporarily due to any project activities, including purchase and temporary use during construction. It also applies to people who use state land, whether sanctioned or not, and land use changes as a result of the investment. The resettlement framework does not apply to government land transferred from one authority to another or used for reconstruction, unless third parties are adversely affected by the transfer or use.

## **B. Policy Framework: Land Acquisition and Resettlement**

13. This framework is prepared based on applicable legal frameworks of the government and ADB's SPS, 2009. In case of any discrepancy between the policies of ADB and the government, ADB policy will prevail.

14. The three important elements of ADB's SPS are (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. In addition, the absence of legal title to land should not be a bar to compensation.

15. **Government of Nepal Laws for Land Acquisition.** There is no national resettlement policy in Nepal to deal with involuntary resettlement issues. However, there are many acts, rules and regulations governing land acquisition and involuntary resettlement. The Constitution of Nepal, land acquisition act, land reform act, land revenue act, road act and *guthi sansthan* act are the major acts relevant to land acquisition and compensation.

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<sup>10</sup> See ADB SPS (2009), Appendix 2, paragraph 25.

16. **The Constitution of Nepal (2015)**, Article 25 (I) guarantees the fundamental right of a citizen to acquire, own, sell, obtain commercial benefit and other transactions of property. Article 25 (II) describes that the state cannot acquire the property of any person except in case of public interest. Article 25 (III) also states that acquiring any person's property by state for public interest shall be according to basis of compensation and work system act.

17. **The Land Reform Act (1964)** is also relevant. As per the Act, a landowner may not be compensated for more land than he is entitled to under the law. This Act also establishes the tiller's right on the land which he is tilling. The land reform act additionally specifies the compensation entitlements of registered tenants on land sold by the owner or acquired for the development purposes. The Act amendment most recently in 2001 has established a rule that when 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.

18. **The Land Revenue Act (1977)** is also applicable, as the land acquisition involves change of ownership of land. Article 8 of the Act states that registration, change in ownership, termination of ownership right and maintenance of land records are done by Land Revenue Office (LRO). Similarly, Article 16 says, if land revenue is not paid by the concerned owner for long period of time, the revenue can be collected through auction of the parcel of the land for which revenue has been due.

19. **The Malpot Aien or Land Revenue (Land Administration and Revenue) Act, 2034 (1977)** This is the main Act to carry out land administration including maintenance and updating records, collection of land revenue and settlement of the disputes after completion of survey and handing over of the records to LRO by the Survey Parties. It authorizes the LRO to registration, ownership transfer and deed transfer of land. This Act also authorizes the LRO to transfer ownership and deeds of individual land, if any person applied for the ownership transfer of his/or land with mutual understanding for public use with recommendation of relevant committee.

20. Land acquisition must also comply with the provisions set out in the **Guthi Corporation Act 1976**. The Section 42 of the Act states that *Guthi* (religious/trust) land acquired for a development must be replaced with other land.

21. **Land Acquisition Act, 1977 (BS 2034)**. The Land Acquisition Act (LAA), 1977 and its amendment in 1993 is the core legal document to guide tasks related to land acquisition in Nepal. The LAA specifies procedures for land acquisition and compensation.

- (i) The Act empowers Government of Nepal to acquire any land, on the payment of compensation, for public purposes and works.
- (ii) The acquisition and compensation of privately-owned assets are undertaken according to a formal procedure, consisting of (a) initial procedures, (b) a preliminary investigation process, (c) acquisition notification, (d) compensation notification, and (e) appeal procedures.
- (iii) Compensation Determination Committees are established (at district level) to ascertain compensation rates for land and other assets.
- (iv) Compensation must be paid (a) for damages caused as a result of investigations during the preliminary investigation process, and (b) for land and assets permanently acquired by the project (including, standing crops, trees and houses).
- (v) Compensation must be in cash (lump sum), although titleholders who have lost all of their landholdings may be given replacement land, if available.

- (vi) Titleholders are required to submit compensation claims or complaints within a specified period after the land acquisition notice had been issued by the Local Authority (Chief District Officer). There is provision for a Compensation Determination Committee (CDC) under the chairmanship of Chief District Officer (CDO) to fix the rate of compensation for the affected property. The other members in the committee are the Chief of Land Revenue Office, representative from District Coordination Committee (DCC), concerned Project Director/Manager. The committee can also invite representatives of the affected persons, and representatives from affected municipality/rural municipality.

22. **Clause 27 of the LAA** provides for land acquisition through negotiation/mutual agreement with the plot owners, where the process of land acquisition as per Act is not required. The Act grants the plot owner the right to choose between a mutual agreement process, and the formal process for land acquisition. Where Clause 27 is enacted, and the plot owner is 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.

23. **Local Government Operation Act, 2017.** The new act promulgated in 2017 for the operation of local government have superseded all previous acts regarding of local governance in line with state restructuring of Nepal. The local government as Municipalities and Rural Municipalities has definite roles and rights in public land conservation and ownership as depicted in Clause 11 (g). Clause 11 (n-4) articulates the roles of local government in facilitation of land acquisition, compensation determination and distribution for public purpose. Similarly, the sub clause (n-5 and 6) articulates the roles of local government in facilitation and coordination for determination of land ownership and cadastral mapping. Other role in land ownership certificate distribution is also defined in these sub clauses.

24. **Forest Act, 1993.** The Forest Act, 1993 recognizes the importance of forests in maintaining a healthy environment. Section 49 of the Act prohibits reclaiming lands, setting fires, grazing, removing or damaging forest products, felling trees or plants, wildlife hunting and extracting boulders, sand and soil from the National forest without prior approval. Clause 68 (1) of the Forest Act, 1993 (BS 2049) states that the government may permit the use of any part of government-managed forest, leasehold forest or community forest, if there is no alternative for the implementation of a plan or project of national priority without significantly affecting the environment. 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.

25. **Water Resources Act, 1993.** The main objective of the Water Resources Act is to make legal arrangements for determining beneficial uses of water resources, preventing social, environmental and other hazardous effects thereof and also for keeping water resources free from pollution. Section 16 has a provision for land acquisition from government or public for the construction of a water resource project. If the project has been performed by Government of Nepal or a licensee, Government of Nepal may prohibit to use the premises of a house or land located in the area where such construction work is performed, or the premises of a house or land located in the prescribed distance from such place of construction by any other person for any specified purpose. Government of Nepal or the licensee shall pay compensation, as prescribed under Land Acquisition Act, 1977, (BS 2034) to the concerned person for such damage or loss caused due to such prohibition.

26. **ADB Safeguards Policy Statement (2009).** 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. 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.

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

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations (NGOs). Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous 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 (a) land-based resettlement strategies when affected livelihoods are land replacement of assets with access to assets of equal or higher value, (b) prompt compensation at full replacement cost for assets that cannot be restored, and (c) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including: (a) 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; (b) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (c) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that 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 supporting 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 stand-alone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

28. Government of Nepal laws have no provision for compensation to non-titleholders (i.e., those who do not possess land ownership certificates e.g. informal leaseholders, encroachers), whereas ADB policy provides for compensation against loss of land irrespective of legal ownership. Similarly, squatters, informal tenants etc. are not entitled to compensation for structures in Nepal, in contrast with ADB policy which recognizes affected squatters/encroachers as displaced persons with entitlement to compensation for affected structures/assets. ADB policy provides for compensation to non-titleholders provided they cultivated/occupied the affected land/structure before the eligibility cutoff date. ADB policy also has special provisions and assistance for vulnerable affected persons and groups, including those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land; on the other hand, national laws do not have any provisions for vulnerability. National laws do not provide for livelihood restoration in the event of economic impacts; they also do not provide for resettlement in the event of physical displacement. Temporary economic impacts are not provided for, under national law.

29. There are certain key differences between ADB policy and the government's legal frameworks which are summarized below in Table 1. In order to address gaps identified between national law and ADB's SPS, bridging measures are included in the entitlement matrix for the project. ADB's SPS applies to all ADB-financed and/or ADB-administered sovereign projects and their components, regardless of the source of financing, including investment projects funded by a loan, a grant, or other means. The resettlement framework represents a single, uniform document agreed upon by both the Government of Nepal and ADB to ensure compliance with respective rules and policies.

**Table 1: Comparison between Government of Nepal Law and ADB Safeguard Policy on Land Acquisition and Resettlement**

S.N.	ADB Safeguard Policy Statement (2009)	Land Acquisition Act, 1977 and Land Reform Act, 1964	Gaps Between LAA and ADB's Policies and Action Taken to Bridge the Gap
1	Involuntary resettlement should be avoided wherever possible	Not defined in the Land Acquisition Act (LAA) and Land Acquisition and Resettlement (LAR)	The approach of avoiding involuntary resettlement has already been taken care of while preparing this project. This will be further practiced during design and implementation.
2	Minimize involuntary resettlement by exploring project and design alternatives	Not defined in the LAA and LAR	The resettlement framework/resettlement plan clearly define the procedures on how to minimize the involuntary resettlement through proper alternate engineering design and adequate consultation with stakeholders.
3	Conducting census of displaced persons and resettlement planning	The LAA spells out that physical inventory of assets and properties found on the land belonging to legal titleholders is prepared. No cut-off date is specifically mentioned in the LAA; the affected persons need to apply for compensation for buildings, trees, crops etc. within 15 days of being served notice for acquisition, if not satisfied with compensation offered or if he/she wants compensation for assets in addition to land.	The LAA does not define the census survey. It only reflects the inventory of losses (IOL) for titleholders, which is more in physical terms. The ADB policy spells out a detailed census through household surveys of displaced persons in order to assess the vulnerability and other entitlements. Resettlement planning documents for the UWSSP have been prepared based on the data collected through conducting a census, a socioeconomic survey for the displaced persons, and an inventory of losses.
4	Carry out meaningful consultation with displaced persons and ensure their participation in planning, implementation, and monitoring of resettlement program	Section 1 (6) of the LAA provides that whenever any property is needed or is likely to be needed for any public purpose or in the public interest, a notice is to be given at specified offices and house door/compound wall in the prescribed form and manner, stating that the property is proposed for acquisition.	The LAA does not directly meet ADB's requirements. This section of the ordinance establishes an indirect form of public consultation. However, Local government Operation Act, 2017 Clause 11 (g) and Clause 11 (n-4) articulates the roles of local government in facilitation of land acquisition, compensation determination and distribution for public purpose. Similarly, the sub clause (n-5 and 6) articulates the roles of local government in facilitation and coordination for determination of land ownership and cadastral mapping. Other role in land ownership certificate distribution is also defined in these sub clauses.



S.N.	ADB Safeguard Policy Statement (2009)	Land Acquisition Act, 1977 and Land Reform Act, 1964	Gaps Between LAA and ADB's Policies and Action Taken to Bridge the Gap
			<p>But, it does not provide for public meetings and project disclosure, so stakeholders may not be informed about the purpose of land acquisition, its proposed use, or compensation, entitlements, or special assistance measures. The resettlement planning documents for the UWSSP has been prepared following a consultation process which involves all stakeholders (affected persons, government department/line agencies, local community including indigenous peoples and women etc.), and the consultation will be a continuous process at all stages of the project development such as project formulation, feasibility study, design, implementation, and post-implementation, including the monitoring phase.</p>
5	Establish grievance redress mechanism	<p>Section 11 of LAA allows the landowner to file complaints / raise objections in writing within a time frame of 7 days plus time taken for travel from the date of publication of notice. Complaints are to be filed with the Ministry of Home Affairs, Government of Nepal through the local officer in charge of land acquisition.</p>	<p>The resettlement planning documents include an appropriate grievance redress mechanism to resolve complaints at project level. This includes formation of a grievance redress committee at municipality level, and publication of the notice of hearings and the scope of proceedings.</p>
6	Improve or at least restore the livelihoods of all displaced persons	<p>The LAA does not address the issues related to income loss, livelihood, or loss of non- titleholders. It only deals with the compensation for loss of land, structures, buildings, crops and trees, etc. for the legal titleholders and for tenants with registered deeds.</p>	<p>The resettlement plans for this project keep the provision for a census survey that will have the data on the loss of income and livelihood, and the same will be compensated as per the entitlement matrix for both physically and economically affected persons.</p>
7	Land-based resettlement strategy	<p>The LAA Section 14 provides for land for land compensation (if available), if the landowner loses his total land. In case of religious trust/<i>Guthi</i> lands acquired, Section 42 of the Land Reform Act states that <i>Guthi</i></p>	<p>Though this option may be a difficult proposition, given the lack of government land and the difficulties associated with the acquisition of private lands, the resettlement plans propose land-for-land compensation as its priority, if feasible. Attempt will be made to find alternate land for the loss of land, in case it is available and</p>

S.N.	ADB Safeguard Policy Statement (2009)	Land Acquisition Act, 1977 and Land Reform Act, 1964	Gaps Between LAA and ADB's Policies and Action Taken to Bridge the Gap
		land required for development work must be replaced with another land (rather than compensated in cash).	if it is feasible, looking at the concurrence of host community and land value.
8	All compensation should be based on the principle of replacement cost.	The LAA does not specify how compensation is to be determined. Section 13 states that the amount of compensation may be determined separately for persons whose land is wholly acquired and persons whose land is partially acquired. Section 20 of the LAA states that in case the land to be acquired under this Act is a tenancy holding: fifty percent of the amount of compensation payable for such land shall be obtained by the tenant with legal rights. In case a house constructed by the tenant with the consent of the landowner is also acquired, the tenant is eligible for the entire amount of compensation paid for such house.	The LAA differs from ADB policy in the valuation of land and prices of affected assets, where ADB prescribes the use of current market rates/replacement cost in the project area. The ordinance does not ensure replacement value or restoration of pre-project incomes of the affected persons. The resettlement planning documents for the Urban Water Supply and Sanitation (Sector) Project (UWSSP) address all these issues, and spell out a mechanism to fix the replacement cost by having a valuation committee which will be responsible for deciding the replacement costs.
9	Provide relocation assistance to displaced persons.	No mention of relocation assistance to affected persons in LAA, although Section 16 (b) states the losses suffered by the concerned person as a result of his having been required to shift the residence or the place of his/her business by reason of acquisition of the land should be taken into account for computation of compensation.	The resettlement plan(s) provide for the eligibility and entitlement for relocation of the affected persons, in the form of relocation assistance which includes shifting allowances, right to salvage materials, and additional transitional assistance for the loss of business and employment.
10	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 no land assets.	The LAA does not have this provision.	The LAA only takes into consideration the legal titleholders and ignores the non-titleholders. The resettlement planning documents of the UWSSP ensure compensation and assistance to all affected persons, whether physically displaced or economically displaced,

S.N.	ADB Safeguard Policy Statement (2009)	Land Acquisition Act, 1977 and Land Reform Act, 1964	Gaps Between LAA and ADB's Policies and Action Taken to Bridge the Gap
			irrespective of their legal status. The end of the census survey will be considered the cut-off date, and affected persons listed before the cut-off date will be eligible for assistance.
11	Disclose the resettlement plan, including documentation of the consultation in an accessible place and a form and language understandable to affected persons and other stakeholders.	The ordinance only ensures the initial notification or the acquisition of a particular property.	The LAA does not comply with ADB's SPS-2009 as there is no mention of disclosure of resettlement plan. The SPS ensures that the resettlement plan, along with the necessary eligibility and entitlement, will be disclosed to the affected persons in the local language (Nepali) in the relevant project locations and concerned government offices, and the same resettlement plan will also be disclosed on the executing agency's website and on the website of ADB.
12	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.	The LAA has a provision to include all the costs related to land acquisition and compensation of legal property and assets for legal titleholders. However, it does not take into account the cost related to other assistance and involuntary resettlement.	The LAA partially meets the requirement of ADB, as it only deals with the cost pertaining to land acquisition. The resettlement plan provides eligibility to both titleholders and non-titleholders with compensation and various kinds of assistances as part of the resettlement packages, and the entire cost will be part of the project cost.
13	Pay compensation and provide other resettlement entitlements before physical or economic displacement.	The LAA has the provision that at least 50% or a reasonable amount of compensation will be paid prior to possession of the acquired land.	It is specified in the resettlement planning documents of the UWSSP that all compensation and other entitlements are to be paid prior to physical and economic displacement and prior to contract award
14	Monitor and assess resettlement outcomes, and their impacts on the standards of living of displaced persons.	This is not defined in the LAA	The LAA does not comply with ADB safeguards policies. The resettlement planning documents of the UWSSP has a detailed provision for a monitoring system within the executing agency. The executing agency will be responsible for proper monitoring of resettlement plan implementation, and the monitoring will be verified by an external expert.

### C. Resettlement Framework

30. The resettlement framework prepared for the Urban Water Supply and Sanitation (sector) Project (UWSSP) takes into account the present context of Nepalese state restructuring and

promulgation of the new Constitution of Nepal. This resettlement framework is based on applicable legal and policy frameworks of the government, namely the Land Acquisition Act, 1997 and its amendment in 1993, and ADB's Safeguards Policy Statement (SPS), 2009:

- (i) Resettlement impacts of each sub-project will be avoided or minimized, exploring all viable alternative sub-project designs;
- (ii) Where the resettlement impacts are unavoidable, the displaced persons should be assisted in improving or at least regaining their standard of living;
- (iii) The displaced persons will be involved in the sub-project preparation planning and implementation and resettlement information will be disclosed to all of them;
- (iv) Vulnerable groups including households headed by women, the elderly or disabled, indigenous groups, women and children, the landless and those without legal title to land and property and those living below poverty line (BPL) will be given special assistance to facilitate them improve their socio-economic status;<sup>11</sup>
- (v) The absence of formal title to land is not a bar to policy entitlements.
- (vi) Compensation for all lost assets acquired or affected is based on the principle of replacement cost;
- (vii) Restoration of livelihoods and residences of the displaced persons will be assisted with adequate resources with time bound action plan in coordination with Civil works;
- (viii) Displaced persons are to be assisted to integrate economically and socially into host communities where physical displacement takes place, so that adverse impacts on the host communities are minimized and social harmony are promoted.
- (ix) Opportunities for negotiated land purchase will be explored. In such cases of negotiated settlement and land donation participating WUSC clients will engage an Independent third party for supervising and validating these procedures as per ADB policy of Safeguard requirement 2 of SPS, paragraph 25.
- (x) All payments including compensation for loss of land, assets, structures, trees, income common properties will be made prior to physical or economic displacement and commencement of civil construction work.

31. Subprojects to which the resettlement framework will be applied would broadly have four types of resettlement impacts requiring mitigation measures. The types of impacts are (i) loss of assets, including land, houses/shelters and other assets attached to it; (ii) loss of standing crops and trees; (iii) loss of livelihood or future income opportunities; and (iv) loss of common property resources and loss of access or limited access to such resources.

32. Every effort would be made during sub-project design and preparation to minimize acquisition of land and other assets and to reduce adverse resettlement impacts. The structures/assets falling outside the project working zone would be left undisturbed as far as possible.

#### **D. Obtaining Land for Project Purposes**

33. Land acquisition, if required, will follow the LAA 1977 process. The process of negotiated purchase and land donation is discussed in detail in subsequent paragraphs in this section of the

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<sup>11</sup> As per Nepal Living Standards Survey 2010/2011, below poverty line income is NRs19,262 person/year. On adjusting for inflation, this is estimated at NRs30,938 per year in 2017-2018.

resettlement framework. Table 2 describes the process to be followed in obtaining land for project purposes.

**Table 2: Process to be Followed to Obtain Land for Project Purpose**

Type	Process, Clearances and Approvals
<b>Private Land (parcel/strip)<sup>a</sup></b>	<p>(1) Acquisition under Land Acquisition Act (LAA) 1977 or donation or negotiated purchase; For any Land donation or negotiated purchase, overseeing of process by third party mandatory, as per steps given in this resettlement framework.</p> <p>(2) Once acquisition/donation/purchase completed, ownership transfer to WUSC clients should be in effect. Record of ownership to be obtained from the Land Records Office of concerned Municipality; survey map of site prepared by Land Survey Office, endorsed by Land Records Office of Municipality.</p> <p>(3) Where the national law does not meet the replacement cost, this will be supplemented as necessary by WUSC. Replacement cost is based on market value before the project or dispossession, whichever is higher. The WUSC will ensure that funds are delivered on time to the affected persons. In cases, where compensation is set by the CDC (when land is acquired) and the replacement value is lower than the prevailing market price, Regional Design, Supervision and Management Consultant (RDSMC) will verify the replacement value, and WUSC will pay the difference.</p>
<b>Community Land (e.g. Community Temple/ Community Forest Land)</b>	<p>(1) WUSC clients to obtain No Objection Commitment (NOC) from community members / users of the temple/forest/other community land; and</p> <p>(2) In case land was donated by a private owner to the temple, WUSC clients to obtain NOC from original owner/descendants;</p> <p>(3) In case land donated/transferred by any government department to temple, WUSC clients to obtain NOC from the donor government department (e.g. Municipality/ Rural Municipality/ Department of Forests etc.);</p> <p>(4) RDSMC to conduct due diligence and confirm whether restriction of use/access will be caused at proposed sites for any titleholders/tenants/users/non-titleholders; update resettlement plan and/or Due Diligence Report; obtain Project management office (PMO) and ADB approval on updated resettlement plan/due diligence report (DDR).</p> <p>(5) Compensation to be given by WUSC clients as per entitlement matrix to community and any other affected persons identified, before giving clearance to Contractor for construction.</p>
<b>Government Land</b>	NOC from concerned government department

<sup>a</sup> For transmission mains, the minimum width of strip to be donated/ purchased will be 1 meter.

34. For distribution pipeline alignments, the Project will use existing road or public rights-of-way (ROWs) where possible. In case of any distribution line through private land near existing road, ownership transfer to WUSC clients will not be required, as Government of Nepal Road Service Act, BS 2034 states that government or public entity can restrict construction of permanent structures up to 6 m from an existing road. However, in all such cases, the WUSC clients will be required to maintain a record of consent received from the concerned landowners for the purpose and consultations, which will be included in the updated land acquisition and resettlement due diligence reports.

## E. Negotiated Settlement Process

35. In line with ADB SPS, 2009 (Safeguards Requirements 2), the project resettlement framework does not apply to negotiated settlements. The policy encourages acquisition of land and other assets through a negotiated settlement wherever possible, based on meaningful consultation with affected persons, including those without title to assets. A negotiated settlement will offer adequate and fair price for land and other assets. Also, in case of negotiated settlement, an independent external party will be engaged by the implementing agency to document the negotiation and settlement processes. The principles of the resettlement framework with regard to meaningful consultation processes, mechanisms for calculating the replacement costs of land and other assets affected, and record-keeping requirements will be followed during the negotiated settlement. An external independent entity will supervise and document the consultation process and validate the process of negotiated settlement as per legal requirement.<sup>12</sup> Verification will also be provided by the external party that no person (e.g. tenants/users of the land) will be impoverished and/or coercively displaced.

36. The steps to be followed and measures to be taken by the WUSC clients for negotiated settlement, in keeping with the basic principles in negotiated purchase clause in LAA of Government of Nepal and as per ADB's SPS (2009), Safeguard Requirement 2, are as follows:

- (i) **Step 1:** WUSC clients will start identifying required land parcels/plots/strips for proposed infrastructure, preferably a suitable government-owned plot. If such land is not available, identification of private land owned by individuals, families, or organizations willing to sell that piece of land will be carried out, and preliminary negotiation started with the legal titleholders. WUSC clients will also search for the land title and identify any legal or other critical issues associated with the proposed land parcel (such as, jointly owned land, land under legal dispute, etc.).
- (ii) **Step 2:** If legal title is clear and seller(s) is/are willing, a detailed measurement survey (DMS) survey of the land parcel proposed for negotiation will be conducted by government surveyor, assisted by municipality/ Water Supply and Sanitation Division Office (WSSDO) engineer. The survey will cover detailed measurement of the land parcel and inventory and status/condition of all other assets on the land e.g. trees, irrigation infrastructure, structures etc.
- (iii) **Step 3:** The current value of the land and structures or assets, if any based on the market price will be arrived at, through market survey. This process helps define the amount that can be offered to the landowner.
- (iv) **Step 4:** Negotiated settlement process will start between the willing landowners and other partners (in case of joint ownership) and the WUSC clients to arrive at a consensus. During negotiation, the requirements, the purpose for which the land is sought, provisions under Government of Nepal LAA 1977 and ADB policy will be explained to the landowner.
- (v) **Step 5:** If negotiated price for sale of land is not accepted by the land owner(s) or fails to lead to an agreement, the WUSC clients will seek alternative plot(s) of land or adopting the involuntary land acquisition approach/route, which will require resettlement plan preparation/updating.

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<sup>12</sup> The WUSC will engage an Independent third party (a party from the locality, with no direct interest in the negotiation process, who could be senior official of the local government, a leader of the community, NGO/CBO) in consultation with RPMO. The independent third party will keep a record of meetings, prepare minutes of meetings and be prepared to submit those if required. The minutes of the meetings will be recorded to maintain transparency and will be sent with a note on negotiated land price to PMO. The independent third party should ensure that balanced information is provided to both parties on the value of the affected land.

## F. Land Donation

37. The steps to be followed and measures to be taken by the WUSC clients for land donation according to ADB's SPS, Safeguard Requirement 2, are as follows:

- (i) **Step 1:** The WUSC clients will be open to the possibility of land donation from any interested person/community. The land requirement will be explained to the interested donor(s). ADB's SPS social safeguard requirements will also be explained to the people willing to donate land. An independent third party will be engaged in case of land donation. The donated land must not (a) bring any significant impact/impoverishment to the donor(s) and/or displace tenants/laborers; (b) the donation does not come from the land owner categorized as poor or vulnerable family; (c) the donation will not cause any economical or physical displacement (legal or illegal); (d) the land donor(s) will get direct benefits from the proposed project activities; (e) meaningful consultations are conducted with the land owner(s); and (vi) the land donation(s) does not come from coercion or asymmetrical power relation between the land owner(s) and the government. This will be confirmed by the assessment undertaken by an independent third party, who will be engaged as indicated under the section above on 'negotiated purchase' (footnote 7). Detailed land donation procedures are in the Appendix 6 of this resettlement framework.
- (ii) **Step 2:** After donation of land is decided by the donor(s) the WUSC clients will initiate formalization of land donation by issuing a letter to the willing donor(s) with details of public purpose for which land is required and the donor(s) will reciprocate by responding to the intent of donation for the said specific purpose. Then the WUSC clients will take necessary legal steps to formalize the donation of land.
- (iii) **Step 3:** The Deed of Gift will be registered in the name of the WUSC and all necessary fees, stamp duties will be borne by the WUSC clients. Henceforth the land ownership will be transferred to the WUSC clients and the land record will be revised / amended with Record of Rights showing the changed ownership.

38. If negotiated land purchase or land donation exercise does not yield positive result, ADB SPS (2009) Safeguard Requirement 2 may be invoked. Preparation of resettlement plan as per ADB policy will be required and this Resettlement Framework will be followed for preparation of resettlement plan. UWSSP management office (PMO) will instruct the concerned regional design, supervision and management consultant (RDSMC) to start the process of resettlement plan preparation once detailed measurement survey is complete. A land acquisition process will be initiated by the WUSC clients once land requirement is finalized in consultation with the concerned regional project management office (RPMO)/ RDSMC engineers and the potential affected persons are properly intimated and consulted.

## G. Eligibility and Entitlements

39. **Eligibility.** According to ADB's safeguard requirement described in SPS, displaced persons are eligible for compensation, assistance and benefits. They include:

- (i) Persons who lost land/assets in entirety or in part having formal legal title over land;
- (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or

- recognizable under national laws (such as customary right over land by tribal people);
- (iii) Persons occupying land over which they neither have legal title, nor have claims recognized or recognizable under national law; and
- (iv) Vulnerable households defined as poor households BPL as determined by the state, female headed households, indigenous people, as determined by the Government of Nepal, the landless, the elderly, women and children, and those without legal title to land.

40. ADB’s involuntary resettlement policy applies to all types of displaced persons mentioned above. Adequate and appropriate compensation for land and structures at replacement cost will be provided to (i) the persons having legal title over land; (ii) those without legal title but with claims recognized under national laws; and (iii) those occupying land without legal title or claim recognized under national laws, who will be compensated for loss of structures/other assets except land. The displaced people under category (iii) are eligible for compensation and assistance only if they occupy land/project-impacted areas prior to project cut-off-date.<sup>13</sup> All displaced persons as defined above will be entitled to compensation for their affected assets and loss of income and rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income-earning capacity and production levels.

41. **Entitlements.** The entitlement matrix in Table 3 summarizes the main types of losses envisaged and the corresponding nature and scope of entitlements in accordance with government and ADB policies. The Entitlement Matrix provides guidance for compensation, resettlement, and rehabilitation assistance planning. Standards described will not be lowered but can be enhanced in the subproject resettlement plans as required.

**Table 3: Entitlement Matrix**

Type of Loss	Specification	Eligibility	Entitlements
<b>1. Land</b>			
Loss of land Agricultural (Including crop land, pastures, wasteland, ponds, etc.)	Partial loss of plot (<50%)	Owner (titleholder, legible users)	<ul style="list-style-type: none"> <li>• Cash compensation at fair market value, including all transaction costs, such as applicable fees and taxes</li> <li>• Provision of title for remaining land to legible user</li> <li>• Subsistence cash allowance based on income from lost plot: (i) for a period of 6 months if residual land unviable; (ii) for a period of 3 months if residual land viable.</li> </ul>
		Lessee	<ul style="list-style-type: none"> <li>• Cash refund of the lease money for the lessee for duration of remaining lease period to be deducted from the owner</li> <li>• Assistance to find alternative land</li> <li>• Subsistence cash allowance based on 3 months’ income from lost plot, for a period of 3 months</li> </ul>

<sup>13</sup> The cut-off date for titleholders is as per the Land Acquisition Act 1977, while for non-titleholders, it is the date of the detailed measurement survey. Those who encroach into the subproject area after the cut-off date will not be entitled to compensation or any other assistance.



Type of Loss	Specification	Eligibility	Entitlements
		Sharecropper/ informal tenant	<ul style="list-style-type: none"> <li>• 30 days advance notice to harvest standing seasonal crops; if not possible, compensation for share of standing crops at market price.</li> <li>• Assistance to find alternative land</li> <li>• Subsistence cash allowance based on 3 months' income from lost plot, for a period of 3 months.</li> </ul>
		Tenants (registered)	<ul style="list-style-type: none"> <li>• Registered tenants will be entitled to 50 % of the total compensation amount as per Land Reform Act. They will be verified through a record of tenancy at the Land Revenue Office</li> </ul>
		Non-titled user (squatter/ informal land users)	<ul style="list-style-type: none"> <li>• No compensation for land loss</li> <li>• Provision to use the remaining land as titled or rental/lease land</li> <li>• Subsistence cash allowance based on 3 months' income from lost plot.</li> </ul>
	Full loss of plot (≥ 50 %)	Owner (titleholder, legible user)	<ul style="list-style-type: none"> <li>• Land-for-land compensation through provision of fully titled and registered replacement plot of comparable value and location as lost plot, including payment of all transaction costs, such as applicable fees and taxes</li> <li>• Cash compensation at fair market value, including all transaction costs, such as applicable fees and taxes</li> <li>• Unaffected portions of a plot that become unviable as a result of impact will also be compensated</li> <li>• Subsistence cash allowance based on income from lost plot: (a) for a period of 6 months if residual land unviable; (b) for a period of 3 months if residual land viable.</li> </ul>
		Lessee	<ul style="list-style-type: none"> <li>• Cash refund at rate of rental fee proportionate to size of lost plot for 6 months</li> <li>• Cash refund of the lease money for the lessee for duration of remaining lease period, to be deducted from the owner assistance to find alternative land for rent/lease</li> </ul>
		Sharecropper/informal tenant	<ul style="list-style-type: none"> <li>• Cash compensation equal to current market value of share of 1 year of harvests for entire lost plot</li> <li>• Assistance to find alternative land</li> </ul>
		Tenant (registered)	<ul style="list-style-type: none"> <li>• Registered tenants will be entitled to 50 % of the total compensation amount as per Land Reform Act. They will be verified through a record of tenancy at the Land Revenue Office</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
		Non-titled user (squatters/ informal land users)	<ul style="list-style-type: none"> <li>No compensation for land loss</li> <li>Assistance for finding alternative land as titled or rental/lease land</li> <li>Subsistence cash allowance based on 3 months' income from lost plot, for a period of 3 months</li> </ul>
Residential, commercial, community	Partial loss of plot (<50 %)	Owner (titleholder, legible)	<ul style="list-style-type: none"> <li>Cash compensation at fair market value including all transaction costs, such as applicable fees and taxes</li> <li>Provision of title for remaining land to legible user</li> </ul>
		Lessee, tenant	<ul style="list-style-type: none"> <li>Cash refund of the lease money for the lessee for duration of remaining lease period to be deducted from the owner</li> <li>Provision of cash compensation for 6 months rental value of similar level of structure</li> </ul>
		Non-titled user (squatter, encroacher)	<ul style="list-style-type: none"> <li>No compensation for land loss</li> <li>Provision to use the remaining land or alternative land as titled or rental/lease land</li> </ul>
	Full loss of plot (=>50 %)	Owner (titleholder, legible user)	<p>The affected person may choose between the following alternatives:</p> <ul style="list-style-type: none"> <li>Land-for-land compensation through provision of fully titled and registered replacement plot of comparable value and location as lost plot (possibly at relocation site for displaced community), including payment of all transaction costs, such as applicable fees and taxes</li> </ul> <p>OR;</p> <ul style="list-style-type: none"> <li>Cash compensation at fair market value, including all transaction costs, such as applicable fees and taxes</li> </ul>
		Lessee, tenant	<ul style="list-style-type: none"> <li>Cash refund of the lease money for the lessee for duration of remaining lease period to be deducted from the owner</li> <li>Assistance to find alternative place for lease/rent</li> </ul>
		Non-titled user (squatter, encroacher)	<ul style="list-style-type: none"> <li>No compensation for land loss</li> <li>Assistance to find alternative land as titled or rental/lease land</li> <li>Allowed to construct temporary structure on land identified through some lease/rent system</li> </ul>
Temporary land acquisition	Land required temporarily during civil works	Owner, lessee, tenant	<ul style="list-style-type: none"> <li>Rental fee payment for period of occupation of land</li> <li>Restoration of land to original state</li> <li>Guarantee of access to land and structures located on remaining land</li> </ul>
		Non-titled user	<ul style="list-style-type: none"> <li>Restoration of land to original state</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
			<ul style="list-style-type: none"> <li>• Guarantee of access to land and structures located on remaining land</li> </ul>
<b>2. Structures</b>			
Residential, agricultural, commercial, community	Partial loss (<30 %) and alteration of structure	Owner (including non-titled land user)	<ul style="list-style-type: none"> <li>• Cash compensation for lost parts of structure at replacement cost and repair of remaining structure at market rate for materials, labor, transport, and other incidental costs, without deduction of depreciation for age</li> <li>• Right to salvage materials from lost structure</li> <li>• Allowed to construct temporary structure on unused part of project land after completion of civil work, through some lease/rent system</li> <li>• In case of loss of toilet rendering structure are not appropriate to use, replacement with safe sanitation facilities at adjacent or nearby location, or, compensation for the entire structure at the discretion of the owner.</li> </ul>
		Lessee, tenant	<ul style="list-style-type: none"> <li>• Cash refund of the lease money for the lessee for duration of remaining lease period (to be deducted from the owner)</li> </ul>
	Full loss of structure (=>30 %) and relocation	Owner (including non-titled land user)	<p>The affected person may choose between the following alternatives:</p> <ul style="list-style-type: none"> <li>• Compensation through provision of fully titled and registered replacement structure of comparable quality and value, including payment of all transaction costs, such as applicable fees and taxes, at a relocation site or a location agreeable to the affected person</li> <li>or;</li> <li>• Cash compensation for the affected structure at replacement cost, including all transaction costs, such as applicable fees and taxes, without deduction of depreciation for age</li> <li>• In case of the remaining structure become not appropriate to use the compensation will be calculated for the entire structure without deduction of depreciation and self-relocation in either case;</li> <li>• Right to salvage materials from lost structure</li> </ul>
		Lessee, tenant	<ul style="list-style-type: none"> <li>• Cash refund at rate of rental fee proportionate to size of lost plot for 6 months</li> <li>• The lease money for the lessee for duration of remaining lease period will be deducted from the owner</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
	Moving of minor structures (fences, sheds, kitchens, latrines, etc.)	Owner, lessee, tenant	<p>The affected person may choose between the following alternatives:</p> <ul style="list-style-type: none"> <li>• Cash compensation for self-reconstruction of structure at market rate (labor, materials, transport, and other incidental costs)</li> <li>or;</li> <li>• Relocation/reconstruction of the structure by the project in either case;</li> <li>• Access to the affected facility should be to be restored</li> </ul>
	Stalls, kiosks	Vendors (including titled and non-titled land users)	<ul style="list-style-type: none"> <li>• Assistance for finding alternative land to continue business</li> <li>• Allowed to construct temporary structure/continue business through some lease/rent system as vendor, at alternative location comparable to lost location and;</li> <li>• Cash compensation for self-relocation of stall/kiosk at market rate (labor, materials, transport, and other incidental costs)</li> </ul>
	Fixed assets attached to affected structures (water supply, telephone lines)	Owner, lessee, tenant	<ul style="list-style-type: none"> <li>• Cash compensation for reinstallation and connection charges</li> </ul>
<b>3. Income Restoration</b>			
Crops	Affected crops	Cultivator	<ul style="list-style-type: none"> <li>• Cash compensation at current market rate proportionate to size of lost plot for 1 year's future harvests, based on crop/fish stocks type and highest average yield over past 3 years</li> <li>• Residual harvest can be taken away without any deduction</li> </ul>
		Parties to sharecrop arrangement	<ul style="list-style-type: none"> <li>• Same as above and distributed between land owner and tenant according to legally stipulated or traditionally/informally agreed share</li> </ul>
Trees	Affected trees	Cultivator	<ul style="list-style-type: none"> <li>• Cash compensation for perennial crop trees at current market rate of crop type and average yield (i) multiplied, for immature non-bearing trees, by the years required to grow tree to productivity, or (ii) multiplied, for mature crop-bearing trees, by 5 years average crops (the grafted/tissue cultured plant usually starts fruiting within 2-3 years), plus cost of purchase of grafted/tissue cultured plant and required inputs to replace trees</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
		Parties to sharecrop arrangement	<ul style="list-style-type: none"> <li>• Cash compensation for timber trees at current market rate of timber value of species at current volume, plus cost of purchase of seedlings/sapling and required inputs to replace trees</li> <li>• Same as above and distributed between land owner and tenant according to legally stipulated or traditionally/informally agreed share</li> </ul>
Permanent loss of agriculture-based livelihood	Partial loss of agricultural land with viable land remaining	Owner, lessee, sharecrop tenant, non-titled land user	<ul style="list-style-type: none"> <li>• Provision of support for investments in productivity enhancing inputs, such as land leveling, terracing, erosion control, and agricultural extension, as feasible and applicable</li> <li>• Additional financial supports/grants if land/crop compensation is insufficient for additional income-generating investments to maintain livelihood at NRs30,000/ HH<sup>a</sup></li> </ul>
	Full loss of viable agricultural land without availability of alternative land	Owner, lessee, sharecrop tenant, non-titled land user	<ul style="list-style-type: none"> <li>• Provision of retraining, job placement</li> <li>• Included in the project livelihood restoration and rehabilitation program</li> <li>• Financial grants and/or microcredit access for livelihood investment as well as organizational/logistical support to establish an alternative income generation activity at NRs42,000/household<sup>a</sup></li> </ul>
Loss of income from agricultural labor		Wage laborers in wastewater treatment plant (WTP), overhead tank (OHT), septage management, any other infrastructure/facility areas or any other affected agricultural land	<ul style="list-style-type: none"> <li>• Cash assistance for loss of income up to 7 days at NRs500 per day or prevalent minimum wage rate for agricultural labor, whichever is higher</li> <li>• Preferential selection for work at project site during civil works</li> </ul>
Maintenance of access to means of livelihood	obstruction by subproject facilities	All affected persons	<ul style="list-style-type: none"> <li>• Accessibility of agricultural fields, community/social facilities, business premises, and residences of persons in the project area ensured</li> <li>• Accessibility to the original/alternative fishing ground</li> </ul>
Businesses (CBE)	Temporary business loss due to land acquisition and resettlement (LAR) or construction activities of project	Owner of business (registered, informal)	<ul style="list-style-type: none"> <li>• Cash compensation equal to lost income during period of business interruption based on tax record or, in its absence, comparable rates from registered businesses of the same type with tax records</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
	Permanent business loss due to LAR without possibility of establishing alternative business	Owner of business (registered, informal)	<ul style="list-style-type: none"> <li>• Cash compensation equal to lost income for 1 year, based on tax record or, in its absence, comparable rates from registered businesses of the same type with tax records and;</li> <li>• Provision of retraining, job placement, additional financial grants and microcredit for equipment and buildings, as well as organizational/logistical support to establish affected person in alternative income generation activity</li> <li>• Included in the project livelihood restoration and rehabilitation program</li> </ul>
Employment	Temporary employment loss due to LAR or construction activities	All laid-off employees of affected businesses	<ul style="list-style-type: none"> <li>• Cash compensation equal to lost wages during period of employment interruption up to 6 months, based on tax record or registered wage, or, in its absence, comparable rates for employment of the same type</li> <li>• As applicable by labor code, compensation will be paid to the employer to enable him/her to fulfill legal obligations to provide compensation payments to laid-off employees, to be verified by government labor inspector</li> </ul>
	Permanent employment loss due to LAR without possibility of re-employment in similar sector and position in or near area of lost employment/ daily wage	All laid-off employees of affected businesses	<ul style="list-style-type: none"> <li>• Cash compensation equal to lost wages for 6 months, based on tax record or registered wage, or, in its absence, comparable rates for employment of the same type</li> <li>• If required by the applicable labor code, compensation will be paid to employer to enable him/her to fulfill legal obligations to provide severance payments to laid-off employees, to be verified by government labor inspector and;</li> <li>• Provision of retraining, job placement, additional financial grants, and microcredit for equipment and buildings, as well as organizational/logistical support to establish affected person in alternative income generation activity</li> <li>• Included in the project livelihood restoration and rehabilitation program</li> </ul>
<b>4. Common Resources, Public Services and Facilities</b>			
Loss of common resources, public	Footbridges, roads, footpaths, culverts, places of worship,	Service provider	<ul style="list-style-type: none"> <li>• Full restoration at original site or reestablishment at relocation site of lost common resources, public services and facilities, including</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
services and facilities	educational institutions, common water points/connections, public/community toilets, community spaces, playgrounds etc.		<p>replacement of related land and relocation of structures according to provisions under Sections 1 and 2 of this entitlement matrix; and one-time grant fund for the Common Property Resource (CPR) committee and management</p> <p>or;</p> <ul style="list-style-type: none"> <li>• Construction of additional community facilities and restoration of existing facilities in the original site/remaining part of site.</li> </ul>
<b>5. Special Provisions</b>			
Vulnerable affected persons Entitlement Matrix:	Loss of land, structure, and/or employment	All vulnerable affected persons are entitled for additional entitlements (in all project locations)	<ul style="list-style-type: none"> <li>• Assistance in identification and purchase or rental of new plot/structure through microcredit scheme</li> <li>• Assistance with administrative process of land transfer, property title, cadastral mapping, and preparation of compensation agreements</li> <li>• Provision of livelihood training, job placement</li> <li>• Included in the project livelihood restoration and rehabilitation program</li> <li>• Financial grants and/or microcredit access for livelihood investment as well as organizational/logistical support to establish an alternative income generation activity</li> <li>• Subsistence allowance of minimum of 12 months of official minimum wage</li> <li>• Preferential selection for project-related employment</li> </ul>
Women, social/religious minorities, elderly-headed household, poor households	Loss of land and structures	Titled or recognized owners of land and structures	<ul style="list-style-type: none"> <li>• Titling of replacement land and structures in female owner's/minority/elderly HH head's name (as applicable)</li> <li>• Cash compensation paid directly to female owners and head of minority HHs</li> </ul>
Tribal people affected, if any	Loss of land, community assets and structures	Affected tribal people/ community	<ul style="list-style-type: none"> <li>• Compensation packages as determined by the valuation committee and consultation with the affected community</li> <li>• Full restoration and renovation of affected assets</li> <li>• Special assistance for livelihood restoration as required</li> <li>• In case of major impacts, specific assistance and benefits will be specify</li> </ul>

Type of Loss	Specification	Eligibility	Entitlements
			under Indigenous People Development Plan
Other impacts	Unanticipated impacts and negotiated changes to entitlements	All affected persons	<ul style="list-style-type: none"> <li>• To be determined in accordance with the involuntary resettlement safeguards requirements of the ADB SPS and project resettlement framework</li> <li>• Project resettlement plan to be updated and disclosed on ADB website</li> <li>• Standards of the entitlement matrix of the resettlement plan not to be lowered</li> </ul>

<sup>a</sup> Additional grants for livelihood support/income generating activities is computed on the basis of similar support being provided for starting income generating activities by NGOs, self-help groups (SHGs) and other multi-lateral aided projects in Nepal. All entitlements in NPR will be adjusted for inflation till the year of compensation payment.



## H. Resettlement Plan Preparation

42. As part of project preparation, a screening exercise will be undertaken by WUSC /detailed design consultants using ADB's Screening and Categorization forms for Involuntary Resettlement to assess the potential involuntary and resettlement impacts to the affected population (Appendix 1).

43. Based on the ADB's Operational Manual Section F1/Operational Procedures<sup>14</sup> the following criteria for screening and categorization of subprojects will be followed:

- (i) **Category A.** A proposed project is classified as category A if it is likely to have significant involuntary resettlement impacts.<sup>15</sup> A resettlement plan, including assessment of social impacts, is required.
- (ii) **Category B.** A proposed project is classified as category B if it includes involuntary resettlement impacts that are not deemed significant. A resettlement plan, including assessment of social impacts, is required.
- (iii) **Category C.** A proposed project is classified as category C if it has no involuntary resettlement impacts. No further action is required.

44. For projects with category A and B, resettlement plan will have to be prepared by the implementing agencies for review and approval by ADB. For the category C project, this Resettlement Framework recommends preparation of land acquisition and resettlement due diligence report.

45. Based on the assessment of proposed investments for sample subprojects, the project is not anticipated to involve significant land acquisition or resettlement impacts at this stage and is classified as Category B. Involuntary resettlement categorization will need to be confirmed for each subproject during detailed design following finalization of land requirements for proposed facilities, obtaining of no objection certificates and finalization of alignments. All efforts shall be made to minimize adverse impacts and maximize project benefits. The required resettlement plan or due diligence report will be prepared for each subproject/component guided by this resettlement framework and cleared by the Implementing Agency (DWSS) and ADB prior to bidding of civil works.

46. Resettlement plans will be prepared for different components, if required, based on the results of initial survey following preliminary/ detailed design. Appendix 2 provides an outline of a resettlement plan. If resettlement impacts are unavoidable, preparation of a resettlement plan is required and will be prepared by a Social Safeguard Expert from the concerned RDSMC with support from RPMO/WUSC and municipality. The resettlement plan will be prepared according to the following procedures:

- (i) Undertake a detailed census and replacement cost survey of all affected persons including titled and non-titled persons (land ownership and tenancy will be identified from District Land Revenue Office and District Survey Office records);<sup>16</sup>
- (ii) Conduct a socio-economic survey of least 20% of all affected persons;

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<sup>14</sup> Issued on 1 October 2013.

<sup>15</sup> The involuntary resettlement impacts of an ADB supported project are considered significant if 200 or more persons will experience major impacts which defines as (i) being physically displaced from housing or (ii) losing 10% or more their productive assets (income generating).

<sup>16</sup> A market survey for various types of affected assets will be a basis for determining compensation rates at replacement cost, and will be used to help the owner in valuing his/her land and negotiating deal with WUSC who will pay for land acquisition.

- (iii) At the same time of surveys closely consult with affected persons about the subproject likely impacts, and principles, and preferred entitlements using resettlement framework;
- (iv) Prepare the draft resettlement plan as per ADB SPS 2009 requirements and project resettlement framework with time-bound implementation schedule, procedures for grievance mechanism and monitoring and evaluation, and a budget;
- (v) Draft resettlement plan made available to affected persons;
- (vi) Finalize the subproject resettlement plan and submit to Project Management Office (PMO) and ADB for approval; and
- (vii) The final resettlement plan will be translated and disclosed to affected persons and posted on ADB's website.

### III. SOCIOECONOMIC INFORMATION AND IMPACT ASSESSMENT

47. For resettlement plan preparation, social, economic and gender information must be provided. These must be based on data collected through the following methods:

- (i) **Socioeconomic Survey.** 20-25% sample of affected persons using a household questionnaire with the purpose of preparing a profile of affected persons, assessing incomes, identifying productive activities of all affected persons and preparing a plan for income restoration, relocation options, and special measures for vulnerable groups. All data is to be disaggregated by gender.
- (ii) **Census of Affected Persons.** Complete enumeration of all affected households to prepare a complete list of 100% of affected persons, to identify entitled and non-entitled persons, and vulnerable households.
- (iii) **Review of Land Records and Ownership Deeds of 100% of affected persons** to prepare land compensation award papers in consultation with affected persons.
- (iv) **Inventory of Land and Non-Land Assets.** Inventory and detailed measurement of all affected assets (land and non-land) and remaining fixed assets of 100% of affected persons.
- (v) **Independent assessment of Market Value of Affected Assets.** This activity should be done by independent valuation experts.

48. The inventory of assets to be acquired and the census of affected people and their households serve several purposes: (i) to identify who is eligible for compensation and resettlement entitlements; (ii) to establish a cut-off date for eligibility; (iii) determine categories of entitlements; (iv) to provide a basis for valuation and compensation; and (v) to supply an important part of the land acquisition and resettlement database to be used for project monitoring. The census and inventory of assets can be done separately. However, since each requires visits to all affected households, doing them together is more practical.

49. Aside from the permanent impacts to the affected person, temporary impacts to vendors and hawkers during the construction of civil works may occur. To record data on the nature and extent of resettlement impacts among likely affected persons on the impacts the form below can be used. This information should be collected through a census of all businesses to be affected by the project activities in terms of possible loss of income/livelihood. Information to be collected includes:

- (i) businesses: number and type of businesses; type of ownership; average monthly income;
- (ii) number of persons in the affected households;
- (iii) affected structures;

- (iv) affected trees;
- (v) affected employees;
- (vi) affected number of hawkers, vendors, shops; including type of merchandise; average monthly income; and
- (vii) any other social and economic impacts (both permanent and temporary) including its nature and size of the impact.

50. During the social impact assessment for the subprojects resettlement plan preparation possible negative impact on gender aspects, i.e. woman headed households, will be carefully reviewed and specific assistance will be provided to these households. The prepared resettlement plan will ensure impacts on gender are adequately addressed and will not disadvantage women. Women's focus group discussion will be held to address women specific issues and their needs and preferences. During process of compensation payment and other assistance, the affected female headed households will be prioritized.

51. Similarly, in the event that Indigenous People issues are identified as either the affected people in land acquisition and resettlement or affected in any other way, in any of the subprojects, specific attention will be given to them and careful impact assessment will be done as per provisions of the Indigenous Peoples Planning Framework (IPPF) for the UWSSP. Depending on the nature of the impacts, the IPP can be integrated into the subproject resettlement plan or to be prepared as stand-alone document for the subproject.

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

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

52. Consultation with the primary and secondary stakeholders is an important tool for the successful preparation and implementation of resettlement plan. The primary stakeholders include displaced persons, the project beneficiaries, and the WUSC and municipality. The secondary stakeholders are other individuals or groups with interest in the Project, and include elected representatives, local or national government, policy makers, advocacy groups, and NGOs, if any.

53. The participatory consultation process will adopt a range of formal and informal consultative methods including in-depth interviews with key informants, focus group discussions, meetings, and workshops apart from interaction with individual displaced persons. The consultation activities will be undertaken at various stages of project: (i) project initiation, (ii) resettlement plan preparation, and (iii) resettlement plan implementation. Consultation process will also vary according to requirement at various levels of project.

##### **B. Project Initiation Stage**

54. At this stage, only a tentative project proposal and its consequences will be discussed. Project components, potential benefits and risks that are likely to be involved are the main topics of discussion at this stage. Hence community leaders, associations, local NGOs/community-based organizations (CBOs) will be the targeted audiences whom project proponent will approach and discuss about basic plan and designs. The WUSC clients will take the initiative to divulge the proposal and start the consultation process. The consultation will be more of dissemination of project information for the community to understand the overall issues of the project. PMO social safeguard officer and regional project management office (RPMO) social development officers will ensure that records of these consultations are maintained by WUSC clients and minutes of

the meetings kept, with the assistance of the RDSMC social safeguards specialist and RDSMC social mobilizers, as necessary. Response of the community - verbal and written, if any, will also be recorded for future discussion/evaluation of design option etc.

55. After draft design for technical components is prepared and when potential involuntary resettlement impacts can be assessed tentatively, consultation will include the potential displaced persons, apart from the community leaders. At this stage impact on the vulnerable people and others will be possible to identify. Hence, consultation process will be more of focus group discussion method with each potentially affected group separately. Particular emphasis will be on the vulnerable people and the discussion mode will be informal and in a comprehensible manner to the participants. Small groups of each category will be invited according to their convenience and the project design including the risks and benefits will be explained to them. The details of the consultations and their responses will be recorded.

### **C. Resettlement Plan Preparation Stage**

56. As part of resettlement plan preparation SIA will commence with census and socioeconomic survey of the potentially affected families. Upon the completion of final detailed engineering design, a DMS will be undertaken to identify the scale and final nature of the involuntary resettlement impacts to be experienced by the affected population. This will set off the finalization of the resettlement plan for potentially displaced families, mitigation actions, funding requirements and institutional preparedness. The implementing agency will also be required to publicly disclose the project census cut-off date to determine the eligibility of the affected people on compensation and other entitlements.

57. Consultations with the heads of the households / members of the potentially displaced families, voluntary organizations, CBOs; major state level stakeholders including Government agencies; and vulnerable groups. Consultation method will be more focused on individual interviews with the displaced persons, focus group discussions (FGD) with small groups including the vulnerable families and interviews with key stakeholders at Government and community levels. The detailed information of the project impact, particularly the adverse impact and the entitlement will be explained to the displaced persons in a transparent and easily understandable manner and their response regarding project impact will be recorded. The purpose of consultation at this level will be to get views from well informed stakeholders about the project and its involuntary resettlement impact which will help in finding alternate design options to minimize resettlement impact.

58. All consultations will be organized by WUSC, with assistance from RDSMC Social Safeguard Specialist (SSS). The RPMO Social Development Officers (SDOs) will prepare a detailed consultation and disclosure plan and carry out consultation and disclosure of the entitlement package accordingly. He/she will be responsible for conducting/ arranging participatory consultation and disclosure meetings in such a manner that the displaced persons and the stakeholders at community level will feel free to express their views without coercion, fear or hesitation. If there is any change in project design in sites or alignment depending on inputs of the consultation process, these will be made known to the displaced persons. Participatory consultation with the displaced persons will be documented and an appendix will be provided to the resettlement plan containing consultation meeting details, minutes of the meetings, list of participants.

#### **D. Resettlement Plan Implementation Stage**

59. During resettlement plan implementation stage, consultation with the displaced persons should be part of the regular resettlement plan activities for successful implementation with minimum hurdles. The nature of consultation will be to enquire about progress of resettlement plan activities and constraints, if any faced by the affected persons. In case of land acquisition, more intense and frequent consultation with the displaced persons will be made and their entitlement will be disclosed to them. Emphasis will be on regular consultation with the vulnerable affected persons to make them prepared for the physical or economic displacement, if any and provide necessary help and assistance if any displacement is involved.

#### **E. Consultation for Income Restoration Program**

60. Some vulnerable persons are likely to be affected either temporarily during construction or permanently due to land acquisition or loss of livelihood. Income restoration program for these vulnerable affected persons is required. For that purpose, more intense and frequent consultation with the individuals will be made in order to identify individuals for the program, assess their need, and capability and willingness and identify and select skill development training institutes for the purpose.

61. The process of public consultation will be as follows:

- (i) The stakeholders' consultation will be in the form of local/neighborhood level meetings - in case there are localities with a number of affected persons identified for income restoration, as well as individual meetings with such affected persons, organized by the WUSCs.
- (ii) During census and socio-economic survey, the vulnerable affected families will be identified and their preferred vocations, acquired skill, preference for skill training recorded. This will help plan for the income restoration program, training institute identification and budget assessment.
- (iii) Market survey will be carried out by the RDSMC for product viability and skill employability in case of new skill development trainings and enterprises and the feedback of the survey will be disclosed to the displaced persons identified for the program. The mode of consultation will be at personal and individual level with each of the individuals selected for livelihood restoration program.

#### **F. Disclosure**

62. The level of disclosure will be commensurate with progress of resettlement plan preparation and implementation. At resettlement plan preparation phase, the displaced persons and particularly the indigenous peoples and *dalit* community should be taken into confidence. As mentioned in previous paragraphs, disclosure is a critical activity along stages of resettlement plan preparation and implementation.

63. At resettlement plan preparation phase, project impact on involuntary resettlement will be disclosed during SIA and feedback from potential displaced persons and the community will be further investigated for identifying design options. After careful examination of all possible ways and means to minimize resettlement impact, project component design will be finalized, which will be disclosed to the people and community for their understanding. Resettlement plan will be prepared based on the ultimate involuntary resettlement impact due to final project design.

64. To provide for more transparency in planning and for further active involvement of displaced persons and other stakeholders, the project information will be informed through disclosure of resettlement planning documents. The final resettlement plan, approved by the PMO and ADB, will be disclosed through the RPMO Social Development Officer (SDO) and WUSCs to the affected persons, community leaders, people's representatives, government agencies at district level and also will be published in local language to be published in the regional newspapers for its endorsement by the people for whom this has been prepared. For effective disclosure of the resettlement plan, a brief resettlement plan containing project impact and entitlement options, will be printed in local language other than English. A copy of the brief resettlement plan prepared for disclosure will be sent to ADB. The same will be printed in pamphlets and posted on prominent Government offices, ward council and WUSC offices and distributed among the affected persons.

65. During resettlement plan implementation phase, detailed procedural formalities for access to the entitlement benefits will be disclosed to affected persons. If physical displacement occurs, the relocation sites along with all infrastructural facilities will be disclosed to the affected persons. In case of income restoration, disclosure on skill development training programs and feedback on market survey of the products will be made. These disclosure activities will be the responsibility of the WUSCs, supported by environmental and social safeguards officer of PMO and SDO of RPMO.

66. The Regional Project Implementation Office (RPMO) and PMO will extend and expand the consultation and disclosure process during the detailed design and project implementation stage. A Draft Project Information Disclosure (PID) leaflet is attached as Appendix 7. This pamphlet will be finalized and adjusted as relevant to the project site activities. It will be distributed to the affected communities during public consultations and posted publicly in various strategic places.

## **V. COMPENSATION, INCOME RESTORATION AND RELOCATION**

### **A. Compensation**

67. It is envisaged that land requirement for subprojects will be minimal and wherever land is required effort will be made to identify Government owned land as much as possible. In absence of these lands, subject WUSC will search for landowners willing to sell land to Government, which will be directly purchased through negotiated settlement. This mechanism of direct purchase will provide the land owners an opportunity to negotiate directly with the government for a better price. Negotiated settlement will follow ADB SPS, 2009 requirements.

68. The project will ensure that the properties (land, structure and non-structure assets) to be displaced for the project will be compensated at their full replacement cost. The principle for determining valuation and compensation for assets, incomes, and livelihoods is replacing the loss of affected assets and restoring the loss of income and workdays experienced by the displaced households. Livelihood rehabilitation assistance will target poor and vulnerable households.

69. This resettlement framework ensures compensation at replacement cost for all the displaced people /affected people of the project. Temporary loss of incomes of affected persons will be compensated based on replacement value of income losses. Preferential employment in project-related work will be offered to local people, with priority to vulnerable persons. affected persons will be provided 7 days' advance notice, followed by a reminder 2 days before construction to ensure none or minimal disruption in livelihood. If required, they will also be

assisted to temporarily shift for continued economic activity; for example, they will be assisted to shift to the other side of the road where there is no construction and then assisted to shift back, post-construction. Ensuring there is no income or access loss during subproject construction is the responsibility of contractors.

70. Consistent with the Environmental Management Plan, contractors will ensure access is maintained by making sure that space is left for access between mounds of soil, walkways and metal sheets provided to maintain access across trenches for people and vehicles where required, increased workforce is available to finish work in areas with impacts on access, timing of works is such that it reduces disruption during business hours and periods of peak business activities e.g. festivals, phased construction schedule is followed and work undertaken on one segment at a time and one side of a road at a time. Compensation and assistance to affected persons must be provided prior to start of civil works.

71. The resettlement plan preparation/implementation costs, including compensation and all other entitlements, and administration costs, will be considered an integral part of Project budgets. The resettlement plans will include sections detailing (i) all affected items/allowances compensation rates, (ii) valuation methodology so that compensation for all assets will be at current market value in the year of compensation and will be sufficient to replace the lost asset, and (iii) a budget for all expenses including compensation, administration costs and contingencies. All costs of land acquisition, compensation, resettlement, rehabilitation and monitoring will be borne by the Government.

72. In order to ensure that sufficient funds are available for land acquisition and resettlement tasks, the local governments will have to allocate 100% of the cost of compensation at replacement cost and expected allowances estimated in each resettlement plan plus contingencies before resettlement plan implementation. The executing agency will be responsible to ensure timely allocation of funds from the WUSCs to implement the resettlement plans.<sup>17</sup>

## **B. Replacement Value for Immovable Property**

73. Valuation measures to be taken by the concerned RDSMC in consultation with relevant government offices and WUSC are as follows:

- (i) **Land.** The replacement cost of land is to be determined through structured consultations with local landowners (and if available, local real estate agents).<sup>18</sup> Valuation of land to be undertaken by valuation committee based on current market rates/replacement cost in the project area in consultation with Land Revenue Department at Municipality level and Municipality chief of WSS, who will represent RPMO.
- (ii) **Houses and Buildings.** The value of the houses, buildings and other immovable properties of the displaced persons will be at the market price and will include the

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<sup>17</sup> The same process of fund allocation will apply to any IPPs prepared in accordance with the indigenous peoples planning framework for UWSSP, which must be read along with this resettlement framework.

<sup>18</sup> Field visits and discussions with local communities reveal that in many of the small towns in Nepal, there have been no land transactions in the recent past (2-3 years). Hence, market price for land is difficult to determine through formal records. Government registered land price is very low and does not reflect the current situation. There are few or virtually no real estate agents active in and around the small towns. Hence, interviews of local landowners and if available, of local real estate agents, is the only method that can be used to determine market value.

cost of labor and transfer of the construction materials. Depreciation value of the affected assets should not be taken into account.

- (iii) Other Assets. Compensation for the assets attached with land such as wells, tubewells, pumps, tanks, etc.) will be based on replacement value. This will be estimated through detailed market surveys.
- (iv) **Seasonal Crops.** If notice for harvest of standing seasonal crops cannot be given then valuation of lost standing crop at market value will be made. In addition to that one more year of loss crop at net income will be made. Compensation of loss crops will be paid for both permanent and temporary loss.
- (v) **Perennial Crops.** Valuation for perennial crops to be calculated as annual net product value multiplied by number of productive years remaining. Department of Agriculture at Municipality level will determine the valuation of crops.
- (vi) **Timber Bearing Trees.** Value will be based on the market price of timber and will be determined by the Forest Department (Municipality level office).
- (vii) **Fruit Bearing Trees.** Market value of products multiplied by the number of productive years remaining will be the basis of the valuation of fruit bearing trees. If the trees are yet to reach age of maturity for calculating economic value, cost of seedlings, saplings, agricultural inputs will be added to the compensation valuation. Valuation of fruit trees will be done by Department of Agriculture at Municipality level.

### C. Valuation of Other Assets

74. Compensation for the assets attached with land such as (wells, irrigation units, etc.) will be based on Replacement Cost, estimated through detailed market surveys. Appendix 5 provides a sample format for market survey. Affected Persons will be given right to take all movable assets attached with land, such as irrigation pump sets, etc.

75. Apart from compensation for land, trees, crops, structures and other assets, assistance for loss of income and livelihood, will also be paid to the displaced persons as per Entitlement Matrix. All compensation and resettlement assistances will be paid to the entitled displaced persons prior to commencement of civil works. If any loan taken on such land/properties remains unadjusted the balance amount of loan will be deducted from the total compensation.

### D. Income Restoration

76. The objective of income restoration activities is to ensure that no affected person shall become worse off compared to pre-project status due to project. Accordingly, the Entitlement Matrix has the following provisions:

- (i) Business owner/tenants including farmers earning livelihood from crops and experiencing loss of income are entitled to one-time lump sum grant of two-month income based on the nature and type of losses assessed on a case-to-case basis.
- (ii) Employees losing income are entitled to one-time financial assistance equivalent to 60 days minimum wage rates in Nepal for respective categories.
- (iii) For vulnerable groups, additional subsistence allowance for restoring or enhancing their livelihood. Vulnerable households will be prioritized in any project employment.

77. Those eligible for medium-term income restoration activities which include skill development training based on need include instances where no replacement land is available to continue livelihood activity (including sharecroppers, tenant farmers), those losing main source of



livelihood, and vulnerable people. Where necessary, training may include capacity building, enterprise training, and facilitating economic activities and training for self-employment. Training would be given by identified training institute/agency/local resource persons for skill development and candidates assisted with finding jobs or setting up. Training will be imparted to any willing and able member of the household.

78. During the construction stage the affected persons, especially vulnerable affected persons, will be given preference over others for employment in project-related activities commensurate with their skills. In order to make the affected persons employable in project-related work, the RDSMC will identify the required skills for construction and operation and maintenance (O&M) activities and provide the required training to the affected persons. The contract document for the project shall include a provision for employment under the social requirements. Accordingly, the list of affected person names, especially the significantly affected persons and vulnerable groups will be provided to the contractor, for consideration in the project.

#### **E. Relocation**

79. The project will ensure the affected persons facing relocation will be fully consulted for their relocation options and will receive all the assistance as detailed in the entitlement matrix of this resettlement framework. No demolition of affected assets will be permitted before the relocation sites are ready for occupation. The PMO and RPMO social safeguards personnel will assist the relocation process and monitor the relocated displaced persons in their new relocation areas to ensure their livelihood condition will not be worse off.

### **VI. GRIEVANCE REDRESS MECHANISM**

80. A project-specific grievance redress mechanism (GRM) will be established to receive, evaluate and facilitate resolution of affected persons' concerns, complaints, and grievances related to social, environmental and other concerns on the project. Grievances may be channeled through letters, emails, text messages (SMS), verbal narration, grievance box and registers. The GRM will aim to provide a time-bound and transparent mechanism to resolve such concerns.

81. A common GRM will be in place for social, environmental or any other grievances related to the project. The GRM will provide an accessible forum for receiving and facilitating resolution of affected persons' grievances related to the project. Project will publish the sample grievance registration form on its website, and publish it in local language and/or indigenous peoples dialect, at the hoarding board of each of the participating WUA or municipalities' office. Every grievance shall be registered with careful documentation of process adopted for each of the grievance handled, as explained below. The environmental and social safeguards officer (ESO/SSO) at the project management office (PMO) will have the overall responsibility for timely grievance redress on environmental and social safeguards issues. The Social Safeguards Officer at the Regional Project Management Office (RPMO) will be the focal person for facilitating the grievance redress at the local level.

82. A municipal-level public awareness campaign will be conducted on a regular basis as per the communication strategy of the project to ensure awareness on the project and its GRM. The social and environmental safeguards experts of the Project Management and Quality Assurance Consultant (PMQAC) and RDSMCs will support the WUA or municipalities in conducting municipality-wide awareness campaigns, which will ensure that all stakeholders including poor and vulnerable are aware of the GRM and project's entitlements.

83. A grievance redress committee (GRC) will be formed at the Municipality level, comprising the Mayor as Chairperson of GRC, and Regional Project Manager RPMO as Secretary. The GRC members will comprise of (1) WUSC Secretary; (2) RPMO Engineer; (3) RPMO social /environmental (as relevant) officer, (4) representative of affected persons, (5) RDSMC's safeguards specialist (social/environment as relevant), (6) a representative of reputable and relevant CBO/SHG/organization working in the project area as invitee<sup>19</sup>, and (7) contractor's representative. The secretary of the GRC will be responsible for convening timely meetings and maintaining minutes of meetings. The concerned social safeguards expert of RDSMC will support the RPMO safeguard's officer and Project Manager of RPMO to ensure that grievances, including those of the poor and vulnerable are addressed. All GRCs shall have at least two women committee members. Along with representatives of the APs, civil society and eminent citizens can be invited as observers in GRC meetings. In case of any indigenous people impacts and in areas where Indigenous Peoples are present, the GRC must have representation of the affected indigenous people community, including at least one female indigenous person, leaders of the tribe(s) or a member of the tribal council as traditional arbitrator (to ensure that traditional grievance redress systems are integrated) and an NGO working with indigenous people groups. A representative of the District Coordination Council will be invited to attend any GRC meetings where coordination between government departments is required, particularly to address indigenous peoples' issues.

84. The functions of the local GRC are as follows: (i) provide support to affected persons on problems arising from environmental or social disruption; asset acquisition (if necessary); and eligibility for entitlements, compensation and assistance; (ii) record grievances of affected persons, categorize and prioritize them and provide solutions within 15 days of receipt of complaint by WUA or local bodies; and (iii) ensure feedback to the aggrieved parties about developments regarding their grievances and decisions of the GRC. The GRM procedure is depicted in Figure 1, and is outlined below in detail, with each step having time-bound schedules and responsible persons to address grievances and indicating appropriate persons whose advice is to be sought at each stage, as required:

- (i) **First Level of GRM (WUA level):** The first-level, which is also the most accessible and immediate venue for quick resolution of grievances will be the contractors, RDSMC field engineers and RPMO supervision personnel, who will immediately inform the WUA. Any person with a grievance related to the project works can contact the Project to file a complaint. The municipal-level field office of the RPMO, in WUA's building, will document the complaint within 24 hours of receipt of complaint in the field, and WUA or local bodies will immediately address and resolve the issue at field-level with the contractor, supervision personnel of RPMO and RDSMC field engineers within 5 days of receipt of a complaint/grievance. The assigned RDSMC's Social Mobilizer will be responsible to fully document: (a) name of the person, (b) date of complaint received, (c) nature of complaint, (d) location and (v) how the complaint was resolved as well as to provide feedback to the complainant. If the complaint remains unresolved at the local level within 5 days, the WUA will forward the complaint to the municipality level GRM.
- (ii) **Second Level of GRM (Municipality level):** The complainant will be notified by the WUA that the grievance is forwarded to the Municipality-level GRC. The M level GRC will be called for a meeting, called and chaired by the Mayor. The GRC will recommend corrective measures at the field level and assign clear responsibilities for implementing its decision within 10 days of receipt of complaint by WUA. If the

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<sup>19</sup> If the complaints are related with indigenous peoples /Dalits/other vulnerable groups, specific NGO/CBO that actively involved in development of these communities should be involved.

grievance remains unresolved within 10 days of receipt of complaint by WUA, the matter will be referred to the third level. The RPMO Engineer will be responsible for processing and placing all papers before the GRC, recording decisions, issuing minutes of the meetings, providing feedback to complainants and taking follow up actions so that formal orders are issued and decisions are carried out.

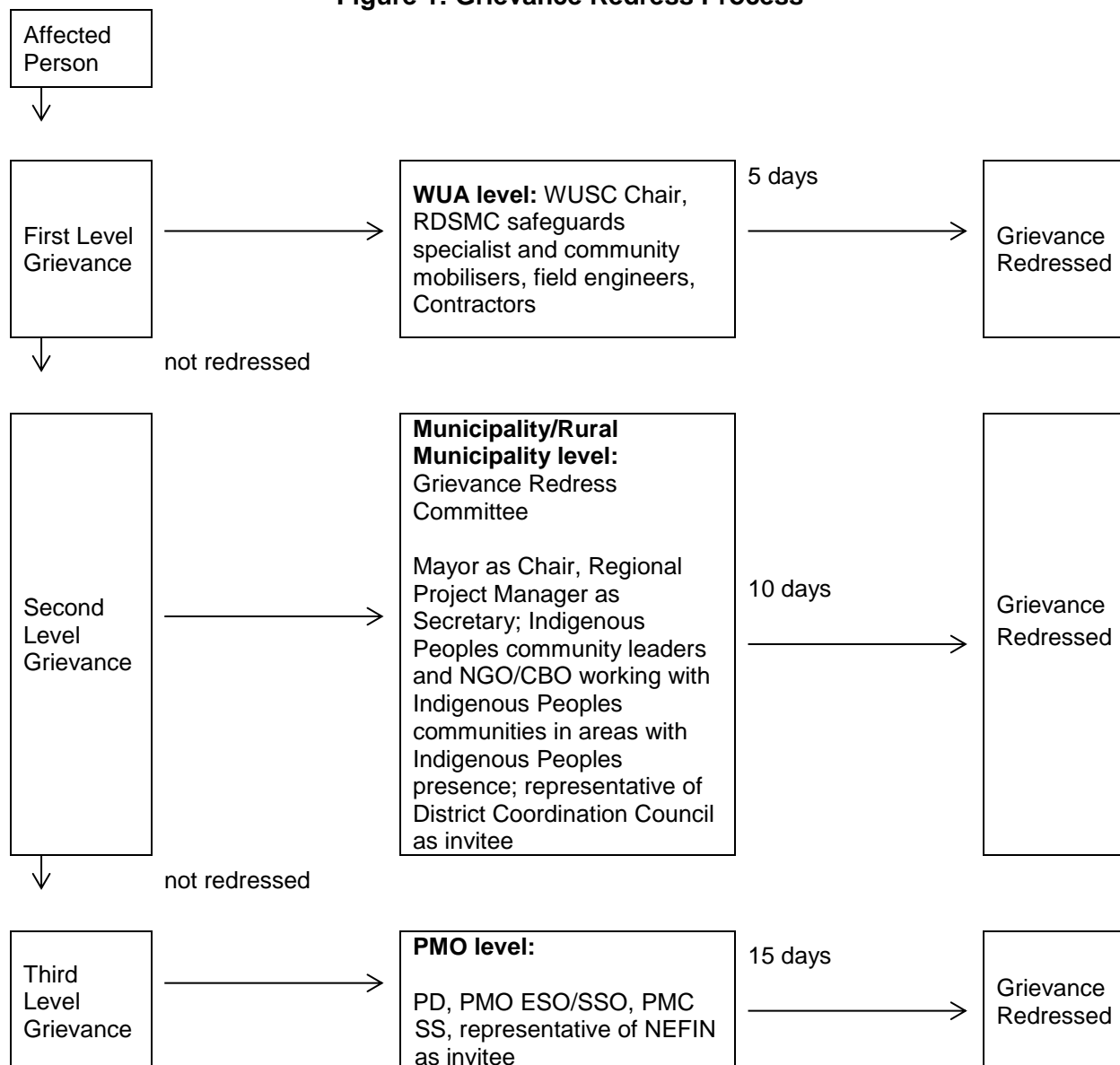
- (iii) **Third Level of GRM (PMO Level):** Any unresolved or major issues at Municipality level will be referred to the PMO for final solution. The PMO's Project Director (PD) will have special meeting to find solutions. A representative of the Nepal Federation of Indigenous Nationalities (NEFIN) will be invited to attend any meetings related to resolution of Indigenous Peoples grievances. Decision has to be made within 15 days of receipt of complaint by WUA. The PD will sign off on all grievances received by the PMO. The concerned Deputy Project Director (DPD) and environmental and social safeguards officers (ESO and SSO) of PMO will be involved with support from the PMQAC's social/environment safeguards experts. The SSO will be responsible to convey the final decision to the complainant.

85. All paperwork (details of grievances) needs to be completed by the WUA member secretary and circulated to the WUA Chairperson and members. At Municipality level, the Municipality SDO will be responsible for circulation of grievances to the Regional Project Manager, DWSS and other GRC members, prior to the scheduled meetings. The RPMO's Engineer will be responsible for follow-through of all escalated grievances. All decisions taken by the GRC will be communicated to the affected persons by the RPMO's SSO.

86. 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.

87. In the event that the established GRM is not in a position to resolve the issue, the affected person also can use ADB's Accountability Mechanism (AM) 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 developing member countries (DMCs). The ADB's AM information will be included in the Project Information Datasheet (PID), to be published in web and distributed to the affected communities, as part of the project GRM.

Figure 1: Grievance Redress Process



CBO = ESO = environmental safeguards officer, GRC = grievance redress committee; NEFIN = Nepal Federation of Indigenous Nationalities, NGO = PD = project director; PMC = project management consultant; PMO = project management office, RDSMC = regional design, supervision and management consultant; SDO=social development officer, SSO=social safeguards officer, WUA = water users association, WUSC = water users' sanitation committee.

88. **Record keeping and disclosure.** Records at the municipal-level will be kept by the concerned WUA or local bodies member secretary, of all grievances received, including contact details of complainant, date the complaint was received, nature of grievance, agreed corrective actions and the date of the incident and final outcome. The number of grievances recorded and resolved and the outcomes will be displayed/disclosed in the PMO office, WUA, and on the web, as well as reported in the safeguards monitoring reports submitted to ADB on a semi-annual basis. For any grievance escalated to RPMO/ Municipality level, the RPMO's Engineer assigned as GRM focal person will be responsible for record-keeping, calling of GRC meetings and timely sharing of information with WUA or municipalities. For grievances escalated to PMO and above,

the PMO's SSO will be responsible for maintenance of records, sending copies to RPMO and WUA for timely sharing of information with the person filing complaint.

89. **Periodic Review and Documentation of Lessons Learned.** The PMO's SSO will periodically review the functioning of the GRM at municipality or WUA level and field level and record information on the effectiveness of the mechanism, especially on the project's ability to prevent and address grievances. Indicators pertaining to grievance redress (no. of grievances received, no. redressed/resolved to be reported by Member Secretary, WUA to RPMO SDO, and by RPMO to PMO SSO) in monthly and quarterly progress reports.

90. **Costs.** All costs involved in resolving the complaints (meetings, consultations, communication and reporting/information dissemination) at local (field/ward/municipal) level will be borne by the concerned focal organizations at each level: WUA at local level, and municipality at municipal level; and PMO at central level. Cost estimates for grievance redress are included in resettlement cost estimates.

## VII. IMPLEMENTATION ARRANGEMENTS

### A. Implementation Arrangements

91. **Executing and Implementing Agencies.** The Ministry of Water Supply (MOWS) is the executing agency and the Department of Water Supply and Sewerage (DWSS) the implementing agency. The project management office (PMO) established under ongoing Third Small Towns Water Supply and Sanitation Sector Project (footnote 1) will be responsible for the overall management, implementation and monitoring of the project. There will be regional PMOs (RPMOs) to manage day-to-day project implementation at the subproject/municipality level. The PMO will be assisted by Project Management and Quality Assurance Consultant (PMQAC). The participating municipalities and WUAs will be supported by the Regional Design Supervision and Management Consultants (RDSMC) social safeguards specialist and RDSMC social mobilizer. At the local level, WUSCs as the executive body of the WUAs will work closely with the RDSMC for resettlement plan preparation or updating and implementation.

92. DWSS will have overall responsibility for resettlement activity under the Project, which includes ensuring compensation paid to all affected persons prior to the award of civil contracts. Actual responsibilities for safeguards will lie in the Project Management Office (PMO) within DWSS to manage and ensure resettlement plan preparation and implementation.

93. **Project Management Office.** The PMO is staffed with a social development officer as involuntary resettlement safeguards officer (IRSO) who will receive support from Social Development and Safeguards Specialist (SDSS) of the Project Management and Quality Assurance Consultants (PMQAC) as well as the Social Safeguards Specialist (SSS) of the regional design and supervision consultants (RDSMC). Key tasks and responsibilities of the PMO IRSO on Involuntary Resettlement safeguards are as follows:

- (i) ensure that the resettlement framework provisions are adhered to and the resettlement plans are updated based on detailed designs, and that new resettlement plans or due diligence reports (DDRs), as required, are prepared in accordance with the resettlement framework and government policies;
- (ii) review, approve, resettlement plans or DD Rs for new subprojects with support from the social safeguards expert of Project Management Consultant;

- (iii) provide oversight on social safeguards policy compliance of subprojects and ensure timely implementation of resettlement plans by regional project management offices (Eastern, Central, and Western RPMO) prior to the start of civil works;
- (iv) supervise and provide guidance to the RPMOs to properly carry out the monitoring and assessments as per the resettlement framework;
- (v) consolidate quarterly social monitoring reports from RPMOs and submit semi-annual monitoring reports to ADB. The monitoring reports should record the progress of resettlement activities and any compliance issues, grievances, corrective actions taken, follow-up actions required and status of compliance with relevant loan covenants.
- (vi) ensure timely disclosure of final resettlement plans in project locations and in a form accessible to the public; and
- (vii) ensure any grievances brought about through the GRM are addressed in a timely manner.

94. **Regional Project Management Office (3).** Three Regional Offices of DWSS (East, West and Centre, of which the RPMO-Centre will be located within the PMO) will be the regional Project offices, which will carry out procurement and contract management with support from PMO. The RPMOs will depute required supervision personnel in the municipalities, who will be supported by the regional design, supervision and management consultants (RDSMC) field engineers, social safeguards specialist and social mobilisers in resettlement, gender, poverty targeting and inclusion activities and awareness generation. The social and Indigenous Peoples development officer appointed and deputed by DWSS to the RPMOs will receive support from; (i) the PMO social safeguards officer; and (ii) the social specialist and the social mobilizers of the RDSMC teams to carry out the following:

- (i) review, update prepared draft resettlement plans/IPPs upon completion of detail design;
- (ii) screen impacts and prepare new resettlement plans and IPPs in accordance with resettlement framework/IPPF and government rules;
- (iii) engage in ongoing meaningful consultations with stakeholders and affected persons particularly through implementation of the consultation and participation;
- (iv) ensure provision of timely payments to the affected persons by the WUA before displacement/impact occurs in project sites ready for construction;
- (v) oversee implementation of resettlement plans and/or IPPs by WUAs;
- (vi) advise and take corrective actions when necessary to minimize/avoid social safeguards impacts;
- (vii) submit monthly social safeguards monitoring reports to PMO;
- (viii) assist in establishment of Grievance Redress Committee (GRC) at Municipality level and assist in redressal of grievances brought about through the GRM in a timely manner.

95. **Implementing Agencies.** The participating municipalities and WUAs will be supported by concerned RDSMC social safeguards specialist and RDSMC social mobilisers. At the local level, WUSCs will work closely with the design and supervision consultants during design/resettlement plan preparation or updating stage, in identifying affected persons and alternative sites and reviewing the ownership status of such sites. WUSC will be responsible for procurement of suitable land for project-related works and will be supported by the municipality to obtain land. When plot owners decide to negotiate directly with WUSC, WUSC will come to mutual agreement for land compensation and deliver all payments and assistance/allowances to affected persons

(titled, non-titled, and vulnerable) as per the resettlement plan prior to award of civil works contract. WUSC will be responsible for resettlement plan implementation at local level. In case of land donation or negotiated purchase, WUSC will be responsible for appointing the third independent party, as per resettlement framework.<sup>20</sup> WUSC will take corrective actions when necessary to ensure avoidance/ minimization of involuntary resettlement impacts. WUSC will implement the local level project awareness campaign with the assistance of RDSMC. It will disclose the project GRM to the affected communities; and address any grievances brought about through the project's Grievance Redress Mechanism in a timely manner.

96. WUSCs will involve the concerned urban and rural municipalities - the local level authorized bodies, in the dissemination of resettlement framework and resettlement plans to the public and seek any necessary support from them during resettlement plan implementation.

97. **Project Management and Quality Assurance Consultants.** The PMQAC will have a Social Development and Safeguards Specialist (SDSS). The SDSS will assist the PMO to implement and manage safeguards requirements and policy compliance of the project. The SDSS will implement the capacity building program for PMO, RPMOs, project staff and contractors involved in project implementation on (i) ADB SPS, 2009 and approved resettlement framework; (ii) National law on involuntary resettlement (LAA, 1982) and other relevant acts/regulations; (iii) core labor standards; and (iv) the roles of PMO, RPMO, RDSMC and contractors on the project's GRM, public relations and ongoing consultations. The term of reference (TOR) of the SDSS is provided in Appendix 9.

98. **Regional Design Supervision and Management Consultants.** The RDSMCs will have one Social Safeguards Specialist each at the RPMOs. The TOR of the RDSMC SSS is provided in Appendix 9. The RDSMC SSS will be supported by a team of social mobilisers; TOR for social mobilisers is also provided in Appendix 9.

99. **Civil Works Contractors.** The contractor will be required to designate a resettlement supervisor to (i) ensure compliance with resettlement plan and resettlement framework during civil works, to (ii) carry out all mitigation and monitoring measures such as rebuilding of damaged structures/private property outlined in their contract, (iii) to register all grievances received by the contractor's field personnel and notify the RDSMC social mobiliser about the same; and (iv) resolve minor grievances and complaints received from people in consultation with the WUSC or RDSMC social mobiliser.

100. The government will ensure that bidding and contract documents include specific provisions requiring contractors to comply with all: (i) 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 (ii) the requirement to disseminate information on sexually transmitted diseases including HIV/AIDS to employees and local communities surrounding the project sites.

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<sup>20</sup> The WUSC will engage an Independent third party (a party from the locality, with no direct interest in the negotiation process, who could be senior official of the local self-government, a leader of the community, NGO/CBO) in consultation with RPMO. The independent third party will keep a record of meetings, prepare minutes of meetings and be prepared to submit those if required. The minutes of the meetings will be recorded to maintain transparency and will be sent with a note on negotiated land price to PMO. The independent third party should ensure that balanced information is provided to both parties on the value of the affected land.

## A. Institutional Capacity Development Program

101. The safeguards personnel of project consultants (SDSS of PMQAC, RDSMC SSS, PMO SSO, RPMO SDO), contractor's safeguards personnel and other key project related staff of PMO and RPMOs, will be oriented and trained by ADB on ADB safeguards policy and the approved project resettlement framework; resettlement plan preparation and updating process; monitoring, reporting and disclosure requirements, roles of different stakeholders in safeguards implementation and GRM, envisaged consultation and participation process, reporting and monitoring requirements, core labor standards for contractors, typical implementation issues, and lessons learnt in safeguards implementation in the first, second and third small towns water supply and sanitation projects. The key focus area of the training program will be ADB resettlement policy and principles and the training will focus on the differences between the provisions of the ADB policy and Government of Nepal laws, as the awareness of these differences and the need to follow the provisions of the ADB policy are critical for successful implementation of resettlement plans.<sup>21</sup>

102. The SDSS of the PMQAC, assisted by RDSMC SSS will be responsible for development of a training program based on a capacity assessment of target participants (RDSMC community mobilisers, contractor(s), WUSC members), and for implementation of the training program to build capabilities on resettlement policy, planning, mitigation measures and safeguards. These will be jointly conducted by the SDSS/PMQAC and the RDSMC SSS. Basic principles of resettlement planning, avoidance of involuntary resettlement impacts and minimization measures with an emphasis on protection of the poor and vulnerable, access to project information and benefits by affected persons, grievance redress process and its importance, and monitoring shall be covered in the training.

103. Typical modules will be (i) sensitization to social safeguards, gender and vulnerability issues; (ii) resettlement planning and typical issues in implementation; (iii) introduction to social safeguards policy, including ADB policy, GRM, entitlements, compensation and social safeguards monitoring requirements and mitigation measures; (iv) monitoring and reporting on resettlement plan implementation, including monitoring methods and tools; and (v) core labor standards, including equal pay for equal work, etc.

## C. Implementation Schedule

104. All land acquisition, donation, negotiated purchase, resettlement, and compensation for each subproject will be completed before relocation. All land required will be provided free of encumbrances to the contractor prior to handing over of project site and start of civil works. Resettlement plan implementation for each subproject will involve the following key steps: (i) identification of cut-off date and notification;<sup>22</sup> (ii) verification of losses and extent of impacts;<sup>23</sup> (iii) finalization of entitlements and distribution of identity cards; (iv) consultation with affected persons on their needs and priorities; and (v) resettlement, provision of compensation and assistance, and income restoration for affected persons. A typical schedule of activities for resettlement plan implementation following detailed design is given in Table 4.

<sup>21</sup> See the gaps identified between the Government of Nepal laws and ADB SPS in the Table 1.

<sup>22</sup> The date of DMS/Census Survey will be the cut-off date for non-titled affected persons. For titled affected persons, the cut-off is the date of notification.

<sup>23</sup> Extent of losses will be determined through the 'Inventory of Loss' survey.



**Table 4: Typical Resettlement Plan Implementation Schedule**

<b>Activity No.</b>	<b>Typical Activities in resettlement plan Implementation</b>	<b>Envisaged Schedule</b>
0	Detailed design	
1	Safeguard training and capacity building	Over a period of 3-4 months, after appointment of contractor and field level personnel of regional design, supervision and management consultant (RDSMC)
2	Conduct Detailed Measurement Surveys/ Business Surveys/Inventory of Loss Surveys	1-2 months; Depending on Scope/ Scale of Project
3	Identification of Vulnerable affected persons for Involvement/ Inventory of Loss Surveys	1-2 months; Simultaneous to Activity 2
4	Update Draft resettlement plan with Results of detailed measurement survey (DMS)	Within 1 month of Completion of DMS/Inventory of Loss Surveys (Activity 1 and 2)
5	Consultations and Disclosure	Continuous activity; Throughout resettlement planning, updating and implementation period
6	Review and approval of resettlement plan (project management office and ADB)	Within 1 month of resettlement plan updating (Activity 4)
7	Issuance of ID cards, as required	Within 1 month of resettlement plan approval (Activity 6)
8	Issuance of notice to affected persons, as required	Within 2-3 months of resettlement plan approval
9	Compensation prior to start of construction and assistance as required, including to the vulnerable affected persons	Compensation will be given prior to start of construction. Assistance will be continuous
10	Start of civil works	
11	Internal monitoring, including surveys of affected persons on entitlements, satisfaction surveys	Continuous, through the period of resettlement plan implementation
12	External monitoring, in case of significant impacts	Formulation, disclosure and approval of corrective action plan(s) prior to project implementation/start of civil works. Periodic monitoring, through the period of resettlement plan implementation.
13	Repair/reconstruction of affected facilities, structures, connections, utilities if any	Immediately (after damage), in co-ordination with other departments, as required

Note: The Schedule is indicative and will be finalized for each resettlement plan. The resettlement plan for each project will be updated based on final detailed design and DMS/business surveys. Disclosure of final resettlement plan will be undertaken.

## VIII. BUDGET AND FINANCING

105. The resettlement cost estimate will include all costs related to resettlement including compensation, relocation, deed transfer costs, resettlement plan updating (including survey, DMS, census), consultation communication grievances redress, rehabilitation costs, cultivation disruption allowances, special assistance for vulnerable households, consultation, and costs of monitoring and evaluation. All compensation will be paid to affected persons by the WUSC, supported by RPMO and RDSMC. Affected persons will be compensated for all losses as per the resettlement plan before the award of civil contracts and PMO will verify whether compensation

was paid and assistances provided as per the agreed entitlement matrix. The budget in each resettlement plan will include a contingency of 15% of the total cost in order to adjust any deviation in the project implementation. Detailed budget estimates for involuntary resettlement will be prepared by RDSMC for each resettlement plan. Details in the budget will include the full costs of each item.

106. Where the national law does not meet the replacement cost, this will be supplemented as necessary by WUSC. Replacement cost is based on market value of an asset before the project or dispossession, whichever is higher, and any other costs including transaction costs; interest accrued, transitional and restoration costs; and other applicable payments, if any. The WUSC will ensure that funds are delivered on time to the affected persons. Civil works contracts will not be awarded unless required compensation payment has been completed. However, income rehabilitation measures may continue and be completed even after civil works has begun. All land acquisition and resettlement assistance will be considered as an integral component of project costs. In cases, where compensation is set by the CDC (when land is acquired) and the replacement value is lower than the prevailing market price, RDSMC will verify the replacement value, and WUSC will pay the difference. Table 4 shows the estimated budget for resettlement implementation for sub-projects identified in the proposed Urban Water Supply and Sanitation (sector) Project (UWSSP).

## **IX. MONITORING AND REPORTING**

107. Resettlement plan implementation will be closely monitored for effectiveness assessment of resettlement progress and identifying potential difficulties and problems. Monitoring will be undertaken by RDSMC, PMQAC and PMO. Monitoring of resettlement and safeguard measures will provide an efficient way forward to PMO for effective implementation of all project components. Administrative monitoring will be to ensure scheduled implementation and dealing of problems timely. Socio-economic monitoring will be periodically during and after implementation of project activities to assess any resettlement impact utilizing baseline information established through the detailed measurement survey of affected persons undertaken during project sub-preparation phase.

108. For subprojects activities under the proposed UWSSP, no significant involuntary resettlement impacts are identified, and no subprojects/components with significant impacts will be selected. As per ADB SPS, Appendix 2, the project social safeguards officer will be required to submit monthly progress reports, to be consolidated by SDSS of PMQAC to report the status of resettlement plan implementation under the project. The PMO will submit semi-annual monitoring reports to ADB for review and post all safeguard monitoring reports on its own website. All social safeguard monitoring reports will also be disclosed on ADB website. A sample monitoring template is given in Appendix 8.

109. Internal monitoring will be carried out by the PMO with the assistance of Social Development and Safeguards Specialist of PMQAC. Internal monitoring indicators will relate to process outputs and results, will be collected directly from the field, and will be reported monthly to the PMO to assess the resettlement plan implementation progress and adjust the work plan if necessary. These reports will be quarterly consolidated in the supervision reports for ADB. Suggested internal monitoring benchmarks include, but are not limited to:

- (i) Information campaign and consultation with affected persons;
- (ii) Status of land acquisition and payments on land compensation;
- (iii) Compensation for affected structures and other assets;

- (iv) Restoration of common property resources;
- (v) Payments for loss of income (if any);
- (vi) Selection and distribution of replacement land areas (if required);
- (vii) Income restoration activities (if required); and
- (viii) Ensure the gender mitigation measures are adhered to during the internal monitoring and reporting process.

110. PMO will collect the above said information and monitor day-to-day resettlement activities of the project through the following instruments:

- (i) review of census information for all affected persons;
- (ii) consultation and informal interviews with affected persons;
- (iii) key informant interviews; and
- (iv) community public meetings.

## INVOLUNTARY RESETTLEMENT IMPACTS CATEGORIZATION

Date: \_\_\_\_\_

<b>A. Instructions</b>	
<p>(i) The project team completes and submits the form to the Environment and Safeguards Division (SDES) for endorsement by SDES Director, and for approval by the Chief Compliance Officer (CCO).</p> <p>(ii) The classification of a project is a continuing process. If there is a change in the project components or/and site that may result in category change, the Sector Division submits a new form and requests for re-categorization, and endorsement by SDES Director and by the CCO. The old form is attached for reference.</p> <p>(iii) In addition, the project team may propose in the comments section that the project is highly complex and sensitive (HCS), for approval by the CCO. HCS projects are a subset of category A projects that ADB deems to be highly risky or contentious or involve serious and multidimensional and generally interrelated potential social and/or environmental impacts.</p>	
<b>B. Project Data</b>	
Country/Project No./Project Title	: _____
Department/ Division	: _____
Processing Stage	: _____
Modality	: _____
<input type="checkbox"/> Project Loan <input type="checkbox"/> Program Loan <input type="checkbox"/> Financial Intermediary <input type="checkbox"/> General Corporate Finance <input type="checkbox"/> Sector Loan <input type="checkbox"/> MFF <input type="checkbox"/> Emergency Assistance <input type="checkbox"/> Grant <input type="checkbox"/> Other financing modalities:	
<b>C. Involuntary Resettlement Category</b>	
<input type="checkbox"/> New <input type="checkbox"/> Recategorization — Previous Category <input type="checkbox"/>	
<input type="checkbox"/> Category A	<input type="checkbox"/> Category B
<input type="checkbox"/> Category C	<input type="checkbox"/> Category FI
<b>D. Comments</b>	
Project Team Comments:	RSES Comments:
<b>E. Approval</b>	
Proposed by: _____	Reviewed by: _____
Project Team Leader, {Department/Division}	Social Safeguard Specialist, SDCC/SDES
Date: _____	Date: _____
	Endorsed by: _____

Social Development Specialist, {Department/Division} Date:	Director, SDES Date:			
<b>Endorsed by:</b>  _____ Director, {Division} Date:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"><b>Approved by:</b></td> <td rowspan="2" style="width: 30%; vertical-align: middle; text-align: center;"> <input type="checkbox"/> Highly Complex and Sensitive Project                 </td> </tr> <tr> <td>                     _____                      Chief Compliance Officer                      Date:                 </td> </tr> </table>	<b>Approved by:</b>	<input type="checkbox"/> Highly Complex and Sensitive Project	_____ Chief Compliance Officer Date:
<b>Approved by:</b>	<input type="checkbox"/> Highly Complex and Sensitive Project			
_____ Chief Compliance Officer Date:				

**Involuntary Resettlement Impact Categorization Checklist**

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

Note: The project team may attach additional information on the project, as necessary.

## OUTLINE OF A RESETTLEMENT PLAN

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

### A. Executive Summary

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

### B. Project Description

3. 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. It includes a table with quantified data and provides a rationale for the final decision.

### C. Scope of Land Acquisition and Resettlement

4. This section:

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

### D. Socioeconomic Information and Profile

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

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

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

6. This section:

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

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

## **F. Grievance Redress Mechanisms**

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

## **G. Legal Framework**

8. This section:
- (i) describes national and local laws and regulations that apply to the project, identifies gaps between local laws and ADB's policy requirements, and discusses how any gaps will be addressed;
  - (ii) describes the legal and policy commitments of 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 sets 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 prepares a schedule for meeting key procedural requirements.

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

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

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

10. This section:
- (i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensuring 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
- (vi) explains how integration with host populations will be carried out.

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

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

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

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

## **L. Institutional Arrangements**

13. This section:
- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
  - (ii) includes institutional capacity building programs, including technical assistance, if required;
  - (iii) describes the role of NGOs, if involved, and organizations of affected persons in resettlement planning and management; and
  - (v) describes how women's groups will be involved in resettlement planning and management.



**M. Implementation Schedule**

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

**N. Monitoring and Reporting**

15. 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.

## **OUTLINE OF A LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT DUE DILIGENCE REPORT**

Following requirements of the ADB Safeguard Policy Statement (2009) and the *Operations Manual* section on safeguard policy (OM F1, 2013), ADB assumes the responsibility for conducting due diligence and for reviewing, monitoring, and supervising projects throughout the ADB's project cycle in conformity with the principles and requirements embodied in the SPS.

To ensure appropriate categorization of involuntary resettlement (IR) safeguards during project preparation, careful screening activities are recommended to be done by the project team (or consultants) and the result is reported to ADB. This report is important as the supporting document, as well as for the baseline information/data, for a subproject categorized as C ("no impacts") on involuntary resettlement and for projects involving facilities and/or business activities that already exist or are under construction before ADB's involvement. The comprehensiveness of the report is commensurate with the complexity of the proposed project activities. IR due diligence report (DDR) to include the following elements:

### **A. Executive summary**

This section provides a concise statement of project scope and activities, key findings and proposed safeguards categorization and summary recommended actions, if any.

### **B. Background of the Report and Project Description**

This section provides a general description of the activity, including:

1. Background/context of the due diligence report which includes the information on the proposed project and its components,
2. Information on the scope of the due diligence activity and requirements

### **C. Legal and Policy Background**

This section provides information on country regulations and laws related to land acquisition and involuntary resettlements relevant to the project activities. ADB SPS (2009) is also included as another policy reference of the assessment.

### **D. Methodology**

This section describes the methodology used in conducting the due diligence activities for involuntary resettlement impacts. This includes schedule of the assessment activities, consultation meetings with projects affected communities and institutions involved. The involuntary resettlement due diligence checklist as prepared by ADB can be used to conduct the assessment.

### **E. Findings**

This section describes the results of the assessment. This includes:

1. Detailed account of possible involuntary resettlement impacts due to the proposed project activities (each component/ sub project). The assessment of impacts should include permanent and temporary impacts for both land and non-land

- assets (i.e., immobile assets, crops/trees, income, access to land or resources, etc.)
2. A chronology of past land acquisition and resettlement activities, if any. This includes assessment of adequacy of the previous land acquisition and resettlement activity against ADB policy on involuntary resettlement and whether there are pending issues related to the past activities. For any negotiated land acquisition or land donation conducted in anticipation of ADB funding, third independent party validation report has to be prepared and attached to the DDR.
  3. Other social issues observed during the field visits (i.e., opposition/resentment from the communities in the project sites, social conflicts, etc.) that could affect the implementation of the project.

## **F. Recommendations**

This section describes the summary findings of the assessment and recommendation for the appropriate involuntary resettlement categorization of the project. A time-bound action plan for preparing the required resettlement plan and/or corrective action plan (CAP), if any, maybe proposed.

### **Appendixes**

1. Completed involuntary resettlement screening checklist with signatures from the responsible agencies/institutions
2. Pictures and (non-sensitive) maps depicting the project sites and major alignments
3. List of existing assets observed/recorded during the assessment
4. Copy of land/assets ownership records for all proposed sites (owned by government or by private owner – proposed for donation or negotiated settlement)
5. Copy of No objection certificates for use of government land
6. Socio-economic profile and photographs of land donors/land sellers, if applicable (to assess vulnerability status, significance of impact etc.)
7. Copy of minutes of stakeholder consultation meetings including issues discussed and consensus reached, with signature sheets of attendees and photographs of consultation.
8. Copy of independent third-party validation report for any land donation or negotiated settlement.
9. Copy of gift deed in case of land donation and copy of land transfer record in case of negotiated settlement/land donation.
10. Copy of the formal establishment of project GRC (if already established).

### SAMPLE FORM FOR INVENTORY OF LOSS SURVEYS

1. Questionnaire No.: .....
2. Date: .....
3. Name of the Subproject: .....
4. Name of the Place (s)/Ward / settlement(s): .....
5. Municipality/ Rural Municipality.....
6. District: .....
7. Province: .....
8. Parcel No/Plot N<sup>o</sup>:.....
9. Type of loss:      1. Structure Only      2. Land only      3. Land and structure        
                                  4. Orchard/Tree      5. Other's assets (please specify)
  
10. Ownership of the Land        
       1. Private      2. Government      3. Religious      4. Community      5. Others
  
11. Type and Use of Land        
       1. Paddy Field      2. Millet/Maize Field      3. High Land Cultivation  
       4. Plantation      5. No current Plantation      6. Barren Land  
       7. Residential      8. Commercial      9. No use
  
12. Irrigation Facilities of Land        
       1. Irrigated      2. Un irrigated
  
13. Area to be Acquired / Affected Land (Ropani/Bigha) .....
  
14. Total Area of the Land/ Plot (In case a portion of the land/ plot to be acquired/ affected)  
       (Ropani/Bigha) .....
  
15. Total Land Holding (affected + unaffected) in Ropani  
       1. Irrigated: .....      2. Un-irrigated: .....  
       3. Other: .....      4. Total:  
       .....
  
16. Status of Ownership        
       1. Titleholder      2. Customary Right      3. Trust/Guthi land  
       4. Encroacher      5. Squatter      6. Other (specify): .....
  
17. Type of Private Ownership        
       1. Individual/Single      2. Joint/ Shareholders      3. Other (specify): .....
  
18. Name of the Owner/Occupier (s): .....
  
19. Father's Name: .....
  
20. Rate of the Land (Rs./Per Acre)  
       1. Market Rate: .....      2. Government Rate:  
       .....
  
21. Any of the following people associated with the Land        
       A. Agricultural Laborer      1. Yes      2. No

Total Numbers (If Yes):.....

Names (If Yes):

(i).....

(ii) .....

B. Tenant/Lessee

1. Yes

2. No

Total Numbers (If Yes):.....

Names (If Yes):

(i).....

(ii) .....

C. Sharecropper

1. Yes

2. No

Total Numbers (If Yes):.....

Names (If Yes):

(i).....

(ii) .....

D. Agricultural Squatters

1. Yes

2. No

Total Numbers (If Yes):.....

Names (If Yes):

(i).....

(ii) .....

(iii) .....

22. Number of trees within the affected area

1. Fruit Bearing.....

2. Non-fruit Bearing.....

3.

Timber.....

4. Fodder.....

Total.....

23. Details of Trees:

S.No.	Name of Trees	Type of Trees (1.Fruit Bearing, 2 Non-Fruit Bearing, 3.Timber, 4. Fodder)	Age of the Trees	Number of Trees	Market price (Rupees)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

S.No.	Name of Trees	Type of Trees (1.Fruit Bearing, 2 Non-Fruit Bearing, 3.Timber, 4. Fodder)	Age of the Trees	Number of Trees	Market price (Rupees)
11					
12					
13					
14					
15					

24. Which crop do you cultivate in the affected land (start with ascending order as major crop)?

Type of Crops	Total Affected Area under Crop (Ropani/Bigha)	Total Yielding per Crop(kg) in the Affected Area

25. How many seasons in a year you cultivate in the affected land

1. One season                      2. Two seasons                      3. Three Seasons

26. Any structure in the Affected Land                      1. Yes.....                      2. No.....                     

27. Area of the affected structure (in Square Meter).....

28. Measurement of Affected Structure

- a) Length .....  
 b) Width .....  
 c) Height .....  
 d. Number of Storey .....

29. Area of the boundary wall only (in Meter): a) Length .....b) Height .....

30. Area of the Total structure (in Square Meter).....

31. Measurement of Total Structure

- a) Length .....  
 b) Width .....  
 c) Height .....

32. Scale of Impact on structure

- a) 25%                      b) 50%                      c) 75%                      d) 100%

33. Type of Construction of the Structure:

S. No.	Particulars	Type of Construction: (1). Simple (thatch/sack/bamboo/slats, (2) Earth/clay/sand, (3) Wood, (4) Brick, (5), Concrete, (6) Corrugated iron sheet, (7) Tile, and (8) Other, specify
1	Roof	
2	Floor	
3	Wall	

34. Age of the Structure (in years): .....

35. Market Value of the Structure (in Rs.): .....

36. Use of the Structure (select appropriate code from below)

A. Residential Category

1. House      2. Hut      3. Other (specify).....

B. Commercial Category

4. Shops      5. Hotel      6. Small Eatery        
 7. Kiosk      8. Farm House      9. Petrol Pump  
 10. Clinic      11. STD Booth      12. Workshop  
 13. Vendors      14. Com. Complex      15. Industry  
 16. Pvt. Office      17. Other (specify).....

C. Mixed Category

18. Residential-cum-Commercial Structure

D. Community Type

19. Community Center      20. Club      21. Trust        
 22. Memorials      23 Other (specify).....

E. Religious Structure

24. Temple      25. Church      26. Mosque      27. Gurudwara        
 28. Shrines      29. Sacred Grove      30. Other  
 (specify).....

F. Government Structure

31. Government Office      32. Hospital/Health Post      33. School        
 34. College      35. Bus Stop      36. Other(specify).....

G. Other Structure

37. Boundary Wall      38. Foundation      39. Cattle Shed        
 40. Other (specify).....

37. Status of the ownership of Structure

1. Legal Titleholder      2. Customary Right      3. License from Local Authority  
 4. Encroacher      5. Squatter     

38. Any of the following people associated with the Structure?

1. Yes      2. No

People associated	Yes/ No	If, yes Please give the number and names	Lease / rent paid, if yes monthly rent	Employee, if Yes; Monthly salary/ daily wage rate (NRs)	Remarks
Tenants					
Employee in residential structure					
Employee in business structure					

**39. Social Category:**

1. General    2. Ethnic Minority    3. IP/Janajati;    4. Others;   

40. Number of family members:    Men.....    Women.....    Total.....

41. Number of family members with following criteria

1. Unmarried Son > 35 years.....    2. Unmarried Daughter/Sister > 35 years.....  
 3. Divorcee/Widow.....    4. Physically/Mentally Challenged Person .....   
 5. Minor Orphan.....

42. Vulnerability Status of the Household:

A. Is it a woman headed household with dependent?    1. Yes    2. No   
 B. Is it headed by physically/mentally challenged person?    1. Yes    2. No   
 C. Is it a household Below Poverty Line (BPL)    1. Yes    2. No   
 D. Is it landless?    1. Yes    2. No   
 E. Is it Elderly people without income source?    1. Yes    2. No   
 F. Is it Ethnic Minority Group?    1. Yes    2. No

43. Main Occupation of the Head of the Household (Main Source of Income)

1. Agriculture;    2. Commercial /business;    3. Service Holder;  
 4. Others (Specify).....   

44. Total Annual income of the family from all sources Rs.....

45. Annual income (total turnover) per unit (ropani/bigha) from affected land in NRs \_\_\_\_\_

46. Annual income (total turnover) from affected commercial structure, if applicable in NRs \_\_\_\_\_

47. Annual cost of operation of the total landholding/business/commercial enterprise in



NRs \_\_\_\_\_(please include labour cost and operating cost including fertilizer, pesticide, water, electricity, any other cost.)

48. If displaced, do you have additional land to shift? 1. Yes 2. No

49. If yes, how far from the present location (km).....

50. Resettlement/ Relocation Option:  
 1. Self-Relocation 2. Project Assisted Relocation

51. Compensation Option for Land loser  
 1. Land for land loss 2. Cash for Land Loss

52. Compensation Options for Structure loser  
 1. Structure for structure loss 2. Cash for Structure Loss

53. Income Restoration Assistance (fill codes in preferred order)  
 1. Shifting Allowance;  
 2. Employment Opportunities in Construction work;  
 3. Assistance/ Loan from other ongoing development scheme;  
 4. Training for Vocational activities;  
 5. Assistance to re-establish lost/affected business; and  
 6. Others (specify .....)

54. Details of the Affected Persons (Family/Households):

**Family Details**

S.N.	Name of Family Member	Relation to the Head of Household*	Age (Years)	Sex **	Occupation***	Marital Status <input type="checkbox"/>	Education <input type="checkbox"/>
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							

**Code:** \*1. Self 2. Father 3. Mother 4. Husband 5. Wife 6. Son 7. Son in law 8. Daughter in law 9. Grandfather 10. Grandmother 11. Daughter 12. Brother 13. Sister 14. Grandson 15. Granddaughter 16. Uncle 17. Aunt 18. Cousins

\*\* 1. Men 2. Women

\*\*\* 1. Service 2. Business 3. Agriculture 4. Study 5. Housewife 6. Labour  
 7. Unemployed 8. Professional 9. Pensioner 10. Government Employee 11. Private Employee

12. Fisheries 13. Infant 14. Other

1. Married 2. Unmarried 3. Widow 4. Widower 5. Others

1. Illiterate 2. Literate 3. Up to primary 4. Secondary 5. Graduate

6. Post Graduate

NOTE FOR ENUMERATOR: All affected persons to be surveyed. If details of tenants/employees are obtained from the owners, such persons will also have to be located and surveyed using applicable fields in the above questionnaire.

**CHECKLIST FOR SURVEY OF AFFECTED BUSINESSES**

<b>Date of Survey</b>				<b>Serial No:</b>
Name of affected person				
Father's/mother's name				
Address /location				
Type of the affected business	Permanent	Semi-permanent	Hawker/movable	
Type of merchandise	Fruits and vegetables	Food	Books/stationery	
	Clothes	Shoe repair	Others (Specify)_____	
Status of ownership	Owner		Tenant	
Since when has the person operated in that location?				
Frequency of operating in a week	Every day	Most days	1-2 days per week	
	Less than 1 day per week	Seasonal (Specify)_____	Others (Specify)_____	
Person/s employed, if any	No:			
Rent per month, if any	Rs.			
Average profit per day	Rs.			
Will the person be affected?	Yes		No	
Type of vulnerability/distress	None	BPL	Disabled	
	WHH	Minority/child worker	Others (Specify)_____	
Date when work will start on road				
Permanent structure/s present?	Yes		None	
Use of permanent structure	Boundary wall/s	Residential	Commercial/business	
If structure is present, type of ownership	Owner		Rental How much per month? _____ Rs.	
Document prepared by:	Supervised by:		Document checked by:	

BPL=below poverty line, WHH=woman-headed household/woman as chief wage earner.

### SAMPLE FORM FOR MARKET SURVEY

Area Code			
Form No.			

**Government of Nepal**  
**Ministry of Water Supply and Sanitation**

*Note:* Market surveys will be conducted using this questionnaire, which will be administered on local people (minimum of 20 people for each item) living in and around project sites where impacts are anticipated.

#### Land valuation Survey Form

Only for land affected Rural Municipality/ Municipality

##### 1. Identity of Respondent

Name \_\_\_\_\_  
Name of Father/Husband \_\_\_\_\_  
Occupation \_\_\_\_\_  
Municipality/ Rural Municipality \_\_\_\_\_

Ward No. \_\_\_\_\_

##### 2. Have you purchased land during last one year?

If answer is yes:

 No

- a) Date \_\_\_\_\_  
b) Location of land (Rural Municipality/Municipality, Plot No.) and Category \_\_\_\_\_  
c) Amount of land (ropani/bigha/katha/dhur specify) \_\_\_\_\_  
d) Purchase value of land (except stamp duty and other expenditure) NPR: \_\_\_\_\_

##### 3 Have you sold any land during last one year?

If answer is yes:

 No

- a) Date \_\_\_\_\_  
b) Location of land (Rural Municipality/Municipality, Plot No.) and Category \_\_\_\_\_  
c) Amount of land ( ) \_\_\_\_\_  
d) Sale value of land (except stamp duty and other expenditure) NPR: \_\_\_\_\_

4 What is the market price of different categories of land mentioned below according to your knowledge?

S.N.	Description of Categories	Location of Land (Rural Municipality/ Municipality)	Current Market Price (Per Ropani/Bigha/ Kattha)	Comments
1	Homestead			
2	High land			
3	Low Land			
4	Single Crop/ Un-irrigated			

S.N.	Description of Categories	Location of Land (Rural Municipality/ Municipality)	Current Market Price (Per Ropani/Bigha/ Kattha)	Comments
5	Double Crop, specify rates for irrigated or un-irrigated			
6	Multi crop			
7	Orchard			
8	Fallow land			
9	Others (please specify type)			

**Name and Signature of Respondent:**

---

Area Code					
Form No.					

**Tree Valuation Survey Form**

What are the present market prices of the following trees according to your knowledge?

S.No.	Name of Tree	Market Price of Tree (as per age)				Comments
		Big	Medium	Small	Sapling	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						

Name and Signature of Respondent:

---

Area Code					
Form No.					

**Structure Survey Form**

S.N.	Particular of Structure			Measurement of Structure		Replacement value	Comments
	Roof	Wall	Floor	Quantity	Unit specify (e.g. sft/cft/no.)		
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

Name and Signature of Respondent:

---

## PROCEDURES AND ELIGIBILITY OF LAND/ASSETS DONATION PROCEDURES

### A. Background

1. Given Nepal's tradition and that a number of local people may be willing to voluntarily donate part of their land for water supply facilities and small-scale infrastructure that provide direct benefits to the community, the Project will also continue to some extent the land donation tradition within the community. However, adequate process and safeguards will be built into subproject resettlement plans to ensure that the voluntary land donation is not forced and it doesn't lead to impoverishment of land donors.

### B. Procedures and Eligibility

- (i) Full consultation with displaced persons and communities on selection of sites and appropriate design to avoid/minimize additional land take and resettlement effects;
  - (ii) As a first principle, displaced persons will be informed of their right to entitle compensation for any loss of their property (house, land, and trees) that might be caused by the project construction, and the land donation might be accepted only as a last option;
  - (iii) Full recognition of, and respect of, community choice between compensation and donation through community consultation meetings reported in the walkthrough Survey Reports;
  - (iv) No one will be forced to donate their land and displaced persons will have the right to refuse land donation proposal from the executing agency;
  - (v) In case displaced persons are directly linked to project benefits and thus are willing to voluntarily donate their land after they are fully informed about their entitlement, the project will assess their socio-economic status and potential impact of land donation and accept land donation only from those displaced persons who do not fall below the poverty line after the land donation (Note: the land donation will be limited to 10% of total land holding);
  - (vi) Any voluntary land donation (after the process as mentioned above) will be confirmed through a written record, including a "no coercion" clause verified by an independent external party;
  - (vii) The donation will be limited to only land and minor assets (houses and major assets will be excluded from donation);
  - (viii) No displaced person categorized as poor and vulnerable households are eligible to give donation for their affected assets;
  - (ix) The donation activities will not cause any physical and/or economic displacement of the (formal/informal) land users; and
  - (x) A Grievance Redress Committee (GRC) will be set up; and displaced persons who are not satisfied with the land donation can file their complaint with the GRC.
2. In addition to the above, the steps outlined for land donation in Section II F of this resettlement framework shall be adhered to.

## DRAFT PROJECT INFORMATION DISCLOSURE LEAFLET<sup>24</sup>

### A. Background

1. The Urban Water Supply and Sanitation (Sector) Project (UWSSP) aims to continue to improve water supply and sanitation provision in small towns and emerging urban areas of Nepal. The UWSSP builds upon lessons learnt from implementation of the first, second and third STWSSP and aims to extend improved water supplies and sanitation to around 16 small towns / subprojects. Ten of these subprojects are newly identified, while others are held over from the previous projects. The UWSSP aims to strengthen the overall effectiveness of project delivery with a particular focus on technical and financial aspects, at both national and local levels. Its envisaged outputs include: (i) Improved and integrated water supply and sanitation infrastructure; (ii) Improved sector policy, governance, regulatory, institutional capacity, project preparation and service delivery capacity; and (iii) Piloting climate-resilient water supply service delivery. The Project will also strengthen Government of Nepal's efforts to meet its 6<sup>th</sup> indicator of Sustainable Development Goals (SDG). The UWSSP uses a sector lending modality.

### B. Subproject Description

2. Include a comprehensive list of subproject components.

### C. Policy and Principles

5. The project's involuntary resettlement policy is defined in its Resettlement Framework, which has details on steps to be followed in resettlement implementation, entitlements, compensation, grievance redress procedures etc. Draft Resettlement Plan and three Due Diligence Reports (DDRs) have been prepared for sample subprojects based on applicable legal and policy frameworks of the government, namely the Land Acquisition Act 1977 and ADB's Safeguards Policy Statement (SPS), 2009. No significant involuntary resettlement impacts are identified in the four sample subprojects.

### D. Involuntary Resettlement impact

6. Minor involuntary resettlement impacts are envisaged under the proposed subproject components of sample towns of UWSSP. The scope of land acquisition and resettlement is identified based on field visits to each identified site and/or alignment; to be updated when the remaining sites/alignments are identified. Larger parcels of land required for the subprojects have either been already purchased through negotiation and transferred in the WUSC's name or belong to government. No private land acquisition is anticipated. There are no non-titleholders present at any of the government sites. Loss of a common property resource (a cement concrete platform with asbestos roof constructed and used for prayer meetings by a temple committee and trees planted at the site by the temple committee) is assessed in Siddhanath Baijanath and is proposed to be rebuilt/restored and trees planted to replace the loss of trees.

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<sup>24</sup> The Draft PMO Leaflet is prepared for sample towns and will need to be prepared/ updated for other towns on similar lines as and when they are taken up.

## E. Entitlement

7. The project provides for compensation of all potential losses including potential income losses for the affected persons at replacement value. All economically displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance, depending on the nature of ownership rights on lost assets, scope of the impacts including socioeconomic vulnerability of the displaced persons, and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to (i) compensation for loss of crops at the replacement value, (ii) compensation for loss of income from the agricultural production, and (iii) livelihood vocational training for each head of the affected family. A budgetary provision for resettlement implementation is made. Both title-holders and non-titleholders among displaced persons are eligible for compensation and/or assistance.

## F. Institutional Arrangement

8. Ministry of Water Supply (MOWS)/DWSS is the EA/IA for the project; a PMO has been established in DWSS, Kathmandu. Three regional PMOs for Eastern and Western zone will be set up – two at DWSS regional offices and one Central RPMO will be housed at the PMO itself. The participating WUSCs will be the IAs. A social safeguards officer will be appointed in PMO; the RPMOs will have social development officers. The PMO SSO will be supported by the social safeguards specialist of Design Review and Technical Audit Consultant (DRTAC). The respective RPMOs will be supported by a design, supervision and management consultant (RDSMC) each; social safeguards specialists (1 in each RDSMC) and social mobilisers (5 in each RDSMC) will support implementation of gender equality and social inclusion (GESI), resettlement plans/social safeguards, grievance registration, redress and follow-up actions, identification of poor and vulnerable households for subsidized water supply connections and output based aid (OBA) for sanitation.

## G. Grievance Redress Mechanism (GRM)

9. To resolve all project related grievances and complaints a common social and environmental grievance redress mechanism will be in place. Common and simple grievances will be sorted out at project site level by the Contractor's Resettlement Supervisor, supervision and safeguards staff of RDSMC within 5 days, with the involvement of the WUSC as required. Any unresolved grievances will be forwarded to the town-level Grievance Redress Committee GRC which will have affected persons and civil society/ eminent citizens as members. Complaints and grievances which are not addressed by Grievance Redress committee (GRC) at municipality level within 10 days will be sent to the PMO for resolution within 15 days. Despite the project GRM, an aggrieved person shall have access to the country's legal system at any stage.

### Contact Details

Organization	Name	Position	Address and Phone Numbers
Contractor		Safeguard Supervisor	
RDSMC		Social Mobilisers/ Social Safeguard Specialist	
PMO		Social Safeguard Officer	
RPMO		Social Development Officer	
PMQAC		Social Safeguard Specialist	



## SAMPLE GRIEVANCE REGISTRATION FORM AND MONITORING FORMAT

(To be available in Nepali and English)

### GRIEVANCE REGISTRATION FORM

The \_\_\_\_\_ Project welcomes complaints, suggestions, queries and comments regarding project implementation. We encourage persons with grievance to provide their name and contact information to enable us to get in touch with you for clarification and feedback. Should you choose to include your personal details but want that information to remain confidential, please inform us by writing/typing \*(CONFIDENTIAL)\* above your name. Thank you.

<b>Date</b>		<b>Place of Registration</b>				
<b>Contact Information/ Personal Details</b>						
<b>Name</b>			<b>Gender</b>	• <b>Men</b> • <b>Women</b>	<b>Age</b>	
<b>Home Address</b>						
<b>Place</b>						
<b>Phone no.</b>						
<b>Email</b>						
<b>Complaint/Suggestion/Comment/Question:</b> Please provide the details (who, what, where and how) of your grievance below:						
If included as attachment/note/letter, please tick here:						
<b>How do you want us to reach you for feedback or update on your comment/grievance?</b>						

### FOR OFFICIAL USE ONLY

<b>Registered by:</b> (Name of Official registering grievance)	
<b>Mode of communication:</b> Note/Letter Email Verbal/Telephone	
<b>Reviewed by:</b> (Names/Positions of Official(s) reviewing grievance)	
<b>Action Taken:</b>	
<b>Whether Action Taken Disclosed:</b>	Yes No
<b>Means of Disclosure:</b>	

**Suggested Format for Record Keeping of Grievances**

S. No.	Date of receipt of grievance	Name and contact details of complainant	Description of complaint	Nature of complaint	Decisions taken	Response given to complainant and date	Whether closed

**TERMS OF REFERENCES FOR SOCIAL SAFEGUARDS PERSONNEL IN PROJECT  
MANAGEMENT AND QUALITY ASSURANCE CONSULTANTS AND DESIGN,  
SUPERVISION, AND MANAGEMENT CONSULTANT**

**I. Terms of Reference for Social Development and Safeguards Specialist in PMQAC**

1. The PMQAC will have a **Social Development and Safeguards Specialist (SDSS)**, who will assist the PMO and RPMOs

**A. Qualifications and Experience**

2. The SDSS should have a Master's degree in Sociology/Anthropology social sciences or related field and minimum experience of 10 years in social safeguards planning and implementation in multi-lateral aided projects in Nepal.

**B. Key Tasks**

3. The PMQAC SDSS will be responsible for the following tasks:
- (i) Review the existing systems in the PMO used to monitor social safeguards and further refine this by preparing subproject specific indicators for the PPMS to monitor important safeguard parameters.
  - (ii) Incorporate safeguard compliance into all relevant manuals and guidelines. Review and confirm existing resettlement plans/DDR, IPPs, are updated based on detailed designs. Ensure that all resettlement plans/DDR, IPPs are in accordance with the resettlement framework, IPPF and government rules; and recommend for approval to PMO. Confirm resettlement plans/IPP/DDR are included in bidding documents and civil works contracts.
  - (iii) Take proactive action to anticipate potential project or subproject resettlement requirements to avoid delays in implementation and assist the PMO in informing the RDSMCs and contractors regarding means to address these points.
  - (iv) Review Resettlement Plans/IPP/DDR and ensure their compliance with ADB and Government of Nepal policies. Provide oversight on social safeguards aspects of subprojects and ensure social safeguard requirements in resettlement plans/DDR/IPP are implemented by contractors and monitored and reported by the RPMOs.
  - (v) Monitor the effectiveness with which the Resettlement Plans are implemented and recommend necessary corrective actions to be taken to the PMO. Establish a system to monitor social safeguards of the project, and all subprojects, including monitoring the indicators set out in the monitoring plan of the resettlement plans/IPP. Consolidate quarterly social monitoring reports from RPMOs and support PMO in submitting semi-annual monitoring reports to ADB.
  - (vi) Ensure timely disclosure of final resettlement plans, and IPPs in project locations and in a form accessible to the public. Address any grievances brought about through the Grievance Redress Mechanism in a timely manner.
  - (vii) Ensure that the resettlement framework/IPPF provisions are adhered to and the resettlement plans/IPP/DDR are updated based on detailed designs; and that new resettlement plans/IPP/DDR, as required. Provide oversight on social safeguards policy compliance of subprojects and ensure timely implementation.
  - (viii) Support PMO in establishment of GRM at all levels within three months of IFB floating.

### **C. Deliverables**

4. Semi-annual Progress Reports on social safeguards

### **II. TOR for social safeguards specialist of RDSMC**

5. Each RDSMC will have a Social Safeguards Specialist, whose main responsibilities will be resettlement plan preparation and updating, supervision of resettlement plan implementation during civil works, preparation of monthly progress reports on social safeguards submit to the RPMOs/PMO. The RDSMC SSS will be mobilized only when the technical team of RDSMC is mobilized; inputs, field visits and deliverables of RDSMC SSS will be synchronized with those of the technical team.

6. **Qualifications and Experience.** The SSS should have a Master's degree in social sciences or related field and minimum experience of 5 years in social safeguards planning and implementation in multi-lateral aided projects in Nepal.

7. **Key tasks.** The RDSMC Social Safeguards Specialist (SSS) will have the following major tasks:

- (i) conduct sensitization on ADB's policies and guidelines on environment and Involuntary Resettlement and Indigenous People;
  - (ii) screen impacts and prepare new resettlement plans/Indigenous Peoples plan (IPPs) in accordance with the resettlement framework/IPPF and government rules;
  - (iii) review, update prepared draft resettlement plans/due diligence report (DDR)/IPP upon completion of detailed designs;
  - (iv) engage in ongoing and meaningful consultations with stakeholders and affected persons particularly through implementation of the consultation and participation;
  - (v) ensure provision of timely payments to the affected persons by the WUSC before displacement/impact occurs in project sites ready for construction;
  - (vi) oversee implementation of resettlement plans and/or IPPs by WUSCs. Advise/take corrective actions when necessary to minimize/avoid social safeguards impacts;
  - (vii) assist the RPMO and WUSC/ municipality in implementing the GESI Action Plan and stakeholder communication strategy, including public communication plan;
  - (viii) ensure that all poor and disadvantaged families in the subproject area also benefit from the water supply and sanitation interventions;
  - (ix) apply Output Based-Aid for sanitation and household connections for poor and vulnerable households;
  - (x) act as focal point for municipality level of GRM process;
  - (xi) The RDSMC SSS will coordinate and provide assistance to WUSC, who will implement the resettlement plans. The RDSMC SSS will supervise all field level social safeguards related work undertaken by the RDSMC social mobilisers.
- (vi)

### **8. Deliverables**

- (i) Resettlement plans/updated resettlement plans
- (ii) Monthly Progress Reports on social safeguards

### **III. TOR for social mobilisers of RDSMC**

9. The RDSMCs will appoint 5 social mobilisers each to undertake beneficiary identification, awareness generation, and ensure field-level compliance of project safeguards framework and

resettlement plans. The social mobiliser's responsibilities will be to ensure identification, inclusion and safeguards for poor and vulnerable affected persons, including IPs, Dalits, BPL and women.

10. **Qualifications and Experience.** The RDSCMC social mobilisers should have a minimum qualification of intermediate level or 10+2 pass with minimum 3 years of experience in use of participatory appraisal techniques and social mobilization work related to water supply and sanitation. Knowledge of local language is mandatory. Women candidates with required qualifications and experience will be preferred.

11. **Key tasks.** The social mobilisers will be responsible for the following key project activities:

- (i) community mobilization and participation in project activities;
- (ii) identification of eligible beneficiaries (poor and vulnerable households) for OBA for sanitation and subsidies for water supply through participatory appraisal, to ensure their inclusion in project benefits; sharing of list of identified beneficiaries with the contractor in accordance with the Framework for Inclusion of Poor in the UWSSP Project Administration Manual;
- (iii) implementation of the GESI Action Plan;
- (iv) awareness generation on the project and its benefits, subsidies available, employment opportunities, health and hygiene issues;
- (v) assist the people to lodge grievances, ensure that the voices of the poor are heard at the concerned forum and follow up for timely decision at WUSC/municipality-level;
- (vi) maintain a record of grievances received, resolved and forwarded to GRC; and
- (vii) Follow up to ensure timely compensation to affected persons; facilitate employment of affected persons/local poor, indigenous people and vulnerable groups in project-related jobs; support the affected persons for livelihood training and income generating activities, as required.

12. **Deliverables:**

- (i) List of beneficiaries in each town for water supply and sanitation; and
- (ii) Record of grievances.

### SAMPLE MONITORING TEMPLATE

1. A semi-annual monitoring report shall be prepared on Resettlement Plan implementation and submitted to Asian Development Bank (ADB) by the Project Management Office (PMO). It will include: (1) the list of affected persons, with compensation, if any due to each and details of compensation paid with signed receipts annexed to the report, socioeconomic status and satisfaction levels of affected persons with the resettlement plan implementation process, compensation and mitigation measures; (2) the list of vulnerable affected persons and additional compensation / special protection measures planned/implemented for them; socio-economic status and satisfaction levels of vulnerable affected persons with the resettlement plan implementation process, compensation and mitigation measures; (3) list of affected common facilities affected, plan to restore access and/or actions taken to restore access to the same or facilities of equal quality elsewhere; (4) list of roads for closure and actions planned / taken to minimize disturbance; (5) details of consultations held with affected persons (with number of participants by gender, issues raised, conclusion / agreement reached, actions required/taken; (6) details of grievances registered, redressed, outstanding complaints, minutes of GRM meetings held; (7) details of information disclosure and awareness generation activities, levels of awareness among target population and behavior change, if any; and (8) any other relevant information showing resettlement plan implementation progress. The following checklist may be used for overall monitoring of resettlement plan implementation.

S.N.	Resettlement Plan Activities	Completed Y/N	Remarks
<b>A. Pre-construction Activities and Resettlement Plan Activities</b>			
1	Approval of final Resettlement Plan by ADB prior to contract award		
2	Disclosure of Final Resettlement Plan on ADB and executing agency websites		
3	Circulation of summary resettlement plan in two local languages to all stakeholders		
<b>B. Resettlement Plan Implementation</b>			
1	Grievance Redress Committee and telephone hotlines established		
2	Entitlements and grievance redress procedure disclosed		
3	Finalization of list of affected persons, vulnerable affected persons and compensation/ assistance/ allowances due		
4	Finalization of list of affected common facilities and roads for closure; mitigation measures proposed		
5	Affected persons received entitlements as per amounts and program specified in resettlement plan		
6	Payment of compensation, allowances and assistance (No. of affected persons)		
7	Additional assistance for vulnerable households given (No. of vulnerable affected persons)		
8	Livelihood arrangements provided to vulnerable affected persons		
9	Reinstallation of affected common facilities		
10	Grievances No. of grievances registered No. of grievances redressed Outstanding complaints Disclosure of grievance redress statistics		

11	Consultation, participation and disclosure as per Plan		
<b>C. Monitoring</b>			
1	Survey on socio-economic status of affected persons (including vulnerable APs) completed and compared with baseline survey results		
2	Survey on satisfaction levels of affected persons with resettlement plan implementation completed		
<b>D. Labor</b>			
1	Implementation of all statutory provisions on labor like health, safety, welfare, sanitation, and working conditions by Contractors		
2	Equal pay for equal work for men and women		

NOTE: Where applicable, the information provided in the table should be supported by detailed explanatory report, receipts and other details.

## OUTLINE OF SOCIAL SAFEGUARDS MONITORING REPORT DURING PROJECT IMPLEMENTATION

1. Following requirements of the ADB Safeguard Policy Statement (2009) and the *Operations Manual* section on safeguard policy (OM F1), borrowers/clients are required to establish and maintain procedures to monitor the status of implementation of safeguard plans and ensure progress is made toward the desired outcomes. For projects categorized as A or B in Involuntary Resettlement and/or Indigenous People, the Borrowers/clients are required to submit semiannual monitoring reports for ADB review. The level of detail and comprehensiveness of a monitoring report is commensurate with the complexity and significance of social safeguards impacts (Involuntary Resettlement and Indigenous Peoples) and with the current status of project implementation phase.

2. This outline can be used for periodic monitoring report (semiannual) and resettlement plan/IPP completion report to start the civil works in the impacted areas. A safeguard monitoring report may include the following elements:

### A. Executive Summary

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

### B. Background of the Report and Project Description

4. This section provides a general description of the project, including:

- (i) Background/context of the monitoring report which includes the information on the project, project components, safeguards categorizations and general scope of the social safeguards impacts.
- (ii) Information on the implementation progress of the project activities, scope of monitoring report and requirements, reporting period, including frequency of submission and changes in project scope and adjusted safeguard measures, if applicable
- (iii) Summary table of identified impacts and the mitigation actions.

### C. Scope of Impacts

5. This section outlines the detail of;

- (i) Scale and scopes of the project's safeguards impacts,
- (ii) Vulnerability status of the affected people/communities,
- (iii) Entitlements matrix and other rehabilitation measures, as applicable, as described in the approved final resettlement plan(s)/IPP(s).

### D. Compensation and Rehabilitation<sup>1</sup>

6. This section describes the process and progress of the implementation of the safeguards plan and other required activities as determined in the plan. This includes:

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<sup>1</sup> Depending on the status of the final detail design during the submission of the report this activity might not yet started. Provide the information on the expected date the activity to be conducted instead.



- (i) Payment of the affected assets compensation, allowances, loss of incomes, etc. to the entitled persons; and
- (ii) Provisions of other types of entitlement as described in the matrix and implementation of livelihood rehabilitation activities as determined in the plan.

7. Quantitative as well as qualitative results of the monitoring parameters, as agreed in the plan, should be provided.

#### **E. Public participation and consultation**

8. This section describes public participation and consultations activities during the project implementation as agreed in the plan. This includes final consultations with affected persons during resettlement plan finalization after the completion of detail design; the numbers of activities conducted; issues raised during consultations and responses provided by the project team, implementing NGOs, project supervision consultants, contractors, etc.

#### **F. Grievance Redress Mechanism**

9. This section described the implementation of project grievance redress mechanism (GRM) as design in the approved resettlement plan/IPP. This includes evaluations of its effectiveness, procedures, complaints receive, timeliness to resolve issues/ complaints and resources provided to solve the complaints. Special attentions should be given if there are complaints received from the affected people or communities.

#### **G. Institutional Arrangement**

10. This section describes the actual implementation or any adjustment made to the institutional arrangement for managing the social safeguards issues in the projects. This includes the establishment of safeguards unit/ team and appointment of staff in the executing agency/implementing agency; implementation of the GRM and its committee; supervision and coordination between institutions involved in the management and monitoring of safeguards issues, the roles of concerned stakeholders and users groups in the monitoring and implementation of the plan, if any.

#### **H. Monitoring Results - Findings**

11. This section describes the summary and key findings of the monitoring activities. The results are compared against previously established benchmarks and compliance status (e.g., adequacy of involuntary resettlement compensation rates and timeliness of payments, adequacy and timeliness of involuntary resettlement rehabilitation measures including serviced housing sites, house reconstruction, livelihood support measures, and training; budget for implementing environmental management plan, resettlement plan, or IPP, timeliness and adequacy of capacity building, etc.). It also compared against the objectives of safeguards or desired outcomes documented (e.g. involuntary resettlement impacts avoided or minimized; livelihood restored or enhanced; Indigenous Peoples' identity, human right, livelihood systems and cultural uniqueness fully respected; Indigenous Peoples not suffer adverse impacts, environmental impacts avoided or minimized, etc.). For financial intermediary projects this includes the effectiveness of the Environmental and Social Management System (ESMS) managed by the financial intermediary

and its participating institutions.<sup>2</sup> If noncompliance or any major gaps identified, include the recommendation of corrective action plan.

### **I. Compliance Status**

12. This section will summarize the compliance status of the project activities with the loan covenants, ADB SPS (2009) on Safeguard Requirements 2 and the approved final resettlement plan/s.

### **J. Follow up Actions, Recommendation and Disclosure**

13. This section describes recommendations and further actions or items to focus on for the remaining monitoring period. It also includes lesson learned for improvement for future safeguards monitoring activities. Disclosure dates of the monitoring report to the affected communities should also be included. A time-bound summary table for required actions should be included.

#### **Appendix 1**

- i. List of Affected Persons and Entitlements
- ii. Summary of resettlement plan/IPP with entitlement matrix

#### **Appendix 2**

- i. Copies of Affected Person's certification of payment (signed by the affected persons)
- ii. Summary of minutes of meetings during public consultations
- ii. Summary of complaints received and solution status

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<sup>2</sup> Specific for the financial intermediary projects, external agency may be required to conduct an audit of the project ESMS.

## TERMS OF REFERENCE FOR INDEPENDENT THIRD PARTY FOR NEGOTIATED PURCHASE OR VOLUNTARY LAND DONATION

1. 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.

### A. TOR for Independent Third-Party Witness

2. 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 UWSSP PMO.

3. **Eligibility:** The third party shall be a representative of the community (for example, a senior government officer, an elected representative of municipally/ Rural Municipality, a representative of a local NGO/CBO), without any direct interest in the negotiation process, who is acceptable to each of the concerned parties (WUSC and concerned land owner/donor).

4. **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 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,
- (iv) ensure that the negotiated purchase/land donation agreement is drafted in a fair and transparent manner,
- (v) identify and recommend mitigation measures to land owner / donor, if required,
- (vi) ensure that taxes, stamp duties and registration fees for purchased / donated land are borne by the project, and
- (vii) submit a certificate as witness to the purchase / donation and transfer process.

5. **Deliverables:** The details of the meetings, and a certificate as witness to the purchase / donation process and mitigation measures to owner / donor, if any, shall be submitted by the third party to PMO and owner/donor in the local language.