



Municipal Development Program Phase III

إطار عمل حيازة الأراضي وتحسين حياة الناس

Land Acquisition and Livelihood Policy Framework (LALPF)

Final Document

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I. Executive Summary:

The MDPIII is an extension to the MDPII program whereas a third phase was developed to tackle the challenges that surfaced during the second phase. Through this phase the MDPIII program will support municipalities according to the Local Authorities Law of the year 1997 in delivering services that are related to water and sanitation, hard waste management, the rehabilitation of roads, and public facilities.

As part of the third phase, the Municipal Development and Lending Fund (MDLF) has developed a Land Acquisition and Livelihood Policy Framework (LALPF) in accordance with the Palestinian Laws and the World Bank's O.P. 4.12 policy. The methodology of developing the framework was based on reviewing relevant Palestinian laws and regulations and the World Bank's manuals, meetings with the Ministry of Local Government (MoLG), meeting and interviews with MDLF staff, meetings with legal and development experts, and a consultation workshop with stakeholders.

The LALPF comes to ensure that the MDPIII-funded development and infrastructure projects will take into consideration the social and economic circumstances of the local communities. Moreover, it provides procedures that will ensure the economic stability and the fair compensation of the individuals who are affected by the projects (PAPs), particularly the marginalized groups.

Equally important, LALPF outlines a group of major principles which include the respect of private property and only expropriating it for the public interest, the communities' right to development, minimizing the negative impacts of the implemented subprojects, and preventing the demolition of structures or the relocation of its residents. Furthermore, the LALPF clearly states that subprojects must not be implemented where legal disputes exist, emphasizes on the importance of participatory planning and implementation of projects, and ensures the compensation of individuals who are affected by the subprojects in accordance with the legal procedures.

Palestinian laws that are related to land acquisition and the respect of private property ownership were carefully considered during the development of the LALPF. These laws include the Palestinian Basic Law, the 1953 Land Acquisition Law, the 1953 Cities Planning Law, the 1963 Cities Planning Law of the Gaza Strip, and the 1966 Cities and Villages Planning Law of the West Bank. The legal framework specifies the authorities that handle the expropriation of properties, land acquisition, legal disputes, negotiating with land owners, and compensation mechanisms. Moreover, it clarified the legal gap between the Palestinian laws and the World Bank's O.P. 4.12 and suggested methods to deal with it.



The LALP not only states the procedures that must be followed by municipalities that implement subprojects, but also outlines the responsibilities of the MDLF, the MoLG, the municipalities themselves, and the Development Partners (DPs).

In terms of roles and responsibilities, the MDLF is responsible for developing the LALPF, building the capacities of municipalities, creating a monitoring and evaluation system, financing the development of Land Acquisition and Livelihood Action Plans (LALAP), and approving planned subprojects.

On the other hand, the implementing municipalities that launch a LALPF are responsible for developing a work plan that includes a social and economic impact survey and a list of affected individuals. Moreover, municipalities prepare a compensation and plan implementation budget, along with forming committees that implement the working plan, handle grievances, and document compensations.

This framework serves as a reference for the subprojects as it clarifies the implementation mechanisms for subprojects where properties are public, voluntarily provided through certain forms, or purchased by the municipality according to the Palestinian laws. Furthermore, the framework states the procedures that require the launch of the LALPF and the development of a work plan. This includes the prevention of individuals from using public properties, affecting individuals' sources of income, expropriating lands for the public interest, and restricting people's access to natural resources.

The LALPF outlines community participation methods during the preparation of subprojects and LALAPs to ensure proper and documented discussions with the local communities and the affected individuals.

Moreover, the LALPF illustrates the plan implementation committee's work and formulation methods, its different stakeholders, and its role in implementing the plan and in providing compensations for damages. Those damages may include the temporary or permanent loss of land, trees, crops, or other sources of income.

A grievance system that is overseen by the grievance committee is also developed within the LALPF along with defining the relevant stakeholders, the levels of grievances, the timeframe of each grievance, and the method of handling it before MDLF approves the subproject.

Finally, the framework requires the development of an efficient and effective monitoring and evaluation system to ensure the just compensation of individuals who are affected by the



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subproject. This system will serve as a tool to measure the impact of the subproject on their living standards and to evaluate the achievement of different objectives.



II. Background

1. SOCIAL AND ECONOMIC BACKGROUND:

- The Palestinian Authority (PA) was established in the West Bank and Gaza shortly after the Oslo Accords of 1993. The PA assumed civilian responsibility for most of the Palestinian residents: its security powers were limited, however, to the major urban centers. Israel maintained full control of large tracts of land around settlements and primary movement axes, leaving 61 percent of the West Bank (called Area C) outside the PA's reach. Under the Oslo accords, this arrangement was intended as a temporary measure, to be replaced by a final-status agreement by the year 2000, but it still remains in force. Several peace processes were initiated but none so far have been successful. With a population of around 4.8 million, Palestine is placed amongst the world's relatively poor nations. According to the United Nations Development Program's Human Development Index of 188 nations, Palestine is ranked 113 with a \$2,868 gross national income per capita. In 2015, the population of the West Bank, East Jerusalem, and Gaza has reached around 4.682 million with a population growth of %2.9. Of that population, %73.9 reside in city areas, %16.7 in the countryside, and %9.4 in refugee camps.
- According to the Palestinian Basic Law, the Palestinian territories follow a Presidential political system and must enjoy a Legislative Council. However, since 2007, the ongoing Israeli occupation and the state of division between the West Bank and Gaza have paralyzed the democratic life of Palestinians and no presidential or parliamentary elections have taken place since.
- Following the approval of the State of Palestine's membership as an observer member at the United Nations, there have been Palestinian requests to join multiple UN agencies and the State of Palestine has ratified 18 international agreements and two protocols.
- Around 2.836 million (%60.6) of Palestinians fall into the working age group -which is 15 years old and above- and the remaining 2.846 million (%39.4) of the population fall outside that category. 2.299 million (%45.8) of those who belong to the working age group are among the workforce and 1.537 million (%54.2) are not. As to the members of the Palestinian workforce, 963,000 (%74.1) are employed and 336,000 (%25.9) remain unemployed.

2. PROJECT DESCRIPTION AND OVERALL CONTEXT

MDPIII is continuation and built on MDPII challenges, success and lessons learned, where under MDPII during cycle I and cycle II the MDLF has supported the municipalities to implement several sectoral sub-projects. Environmental and social management was



integrated into construction management of the sub-projects. Annex (10) summarize the MDPII project

MDP PHASE III OBJECTIVE

MDPIII is to enhance the institutional capacity of municipalities in West Bank and Gaza for more accountable and sustainable service delivery

MDP III PROJECT COMPONENTS

Component 1: Municipal Performance and Service Delivery MDP 3 is the third municipal development project to support and incentivize improvements in the development of municipal management capacity. Previous MDPs financed municipal infrastructure and service delivery through the provision of basic block and performance-based grants, and provided demand-driven capacity development support for municipalities. This approach was very innovative at design and has shown to be highly effective. The proposed MDP 3 would continue this overall approach while focusing more on improving financial sustainability and accountability in municipal service provision. Like MDP1 and 2, municipal performance will be measured through Key Performance Indicators (KPIs), yet these have been substantially revised to reflect a greater focus on the sustainability of municipal services. Performance measurements will encompass three main areas for reform: i) Financial Performance and Sustainability, ii) Institutional Performance, and iii) Transparency, Accountability and Participation.

Component 2. Capacity development this component of the project would continue to strengthen municipal capacity in the project's three performance areas: (i) financial sustainability, ii) institutional performance and iii) transparency, accountability and participation. In addition, specific attention will be paid to higher order needs of municipalities that will enable them to improve their financial sustainability and credit worthiness, strengthening other core municipal functions as well as strengthen their social accountability to their citizens and stakeholders.

Municipal capacity development activities will continue to be identified by municipalities and MDLF to enable municipalities to achieve results and improve their performance. The performance measuring system will be applied to identify relevant capacity building



activities to the municipality, which will be delivered to improve capacity and sustain results achieved

Component 3. Joint Municipal Projects: With the fragmented LGU structure in the WB&G, more intra-LGU cooperation is necessary including joint implementation of relative large investments. This component, therefore, will provide grants to incentivize eligible municipalities under component 1 to jointly implement sub-projects with neighboring municipalities and other LGUs (VCs, JSCs). The grant will be allocated as a top up to the individual municipal grant allocated under the component 1 not to distort the performance-based incentive mechanism.

Component 4: Project Implementation Support and Management This component will finance goods and consultants services for monitoring and evaluation, outreach and communication and local technical consultants for the engineering supervision of Component 1 and the MDLF management fee.

MDP Phase III component 1 and component 3 will finance investments or activities that are within the legal mandate of municipalities as per the Local Authorities Law of 1997 or revision thereof.

Environmental and social impact of sub-projects under MDPIII will be aimed to enhance the municipal services when properly mitigated during design, construction and operational stages. Considering that sub-projects falls within but not limited to the following sectors:

1. Water and wastewater services:

Installation, maintenance, extension and rehabilitation of municipal water and sewerage networks(if only served by wastewater treatment plant), rehabilitation of wells and reservoirs sub-project that gained no objection from Palestinian Water Authority; provision of chemicals for water purification (Gaza only); repair and maintenance of equipment, such as pumps, generators, vacuum tanks, and vehicles; purchase of spare parts (based on an existing maintenance plan), and fuel (Gaza only); the extensions of networks and purchase of new equipment and vehicles only for projects being part of the priorities of a municipal development plan.

2. Solid Waste Management:



Solid waste containers, tools, trucks and compactors (only if landfill operated by the municipality), spare parts for solid waste trucks, equipment and materials based on a solid waste management concept; in addition for Gaza: service contracts for solid waste collection, as well as labor, dumping fees, fuel, vehicle lubricants, insurance, and other related direct running costs for municipal service provision.

3. Road rehabilitation and maintenance services:

Goods and works for construction, maintenance, rehabilitation and reconstruction of new/existing internal roads, including traffic signs, road line demarcations, safety rails, traffic signals, street lighting, sidewalks, road maintenance tools and equipment; fuel and vehicle insurance (the latter only in Gaza).

4. Public Facilities:

Establishment/construction, rehabilitation and equipment of parks, kindergartens, youth centers, cultural centers, public market infrastructure, municipal buildings and facilities, and bus stations.

5. Electricity and energy project; including goods and works for rehabilitation of distribution networks, street lighting, energy efficiency and renewable energy related projects for the benefit of municipalities.

3. RATIONALE FOR PREPARATION OF THE LAND ACQUISITION AND LIVELIHOOD FRAMEWORK

MDLF during preparation of MDPIII has set to prepare a land acquisition and livelihood policy framework in order to assist in identifying procedures for municipalities to follow land acquisition and livelihood policy framework (LALPF) in case any of the subprojects require land or impact livelihood .

The preparation of the **Land Acquisition and livelihood Policy Framework (LALPF)** serves to ensure that the development and infrastructure projects funded by the Municipal Development and Lending Fund (MDLF) will have no negative effect on the citizens' social and economic circumstances, particularly those who are directly affected by the implementation of subprojects. Moreover, the LALPF aims to reduce any harm that may be incurred by implementing the projects. This policy



framework will serve as a reference for all of the subprojects that are implemented by the municipalities. It shall guarantee the follow up of the same standards and procedures towards all citizens without any discrimination, violation of property rights, or damage that may result by the projects.

The framework is to comply with the Palestinian laws, regulations and policies and the World Bank involuntary resettlement policy (OP 4.12). As such, this framework should provide clear procedures that do not contradict the law and fully understand the WB policy requirements. The framework itself is herein developed to set out the laws and regulations, policies, principles and procedures, institutional arrangements, consultation, grievance mechanisms, schedules and indicative budgets for the resettlement that will be the bases for the preparation of the subproject specific RAPs in the case the subprojects require land or impact livelihood.

4. OBJECTIVES OF THE LALPF AND METHDOLOGY

- ❑ Establish the MDPIII land acquisition, livelihood and compensation principles and implementation arrangements.
- ❑ Describe the legal and institutional framework underlying MDLF approaches for livelihood, compensation and rehabilitation;
- ❑ Avoid or minimize associated disruptions whenever implementing a MDLF sub-project.
- ❑ Assist project affected persons (PAPs) to improve their livelihoods and standards of living or at least to restore them to pre-displacement levels.
- ❑ Describe the consultation procedures and participatory approaches involving PAPs and other key stakeholders.

In developing the framework, the consultant utilized qualitative and consultative methods that comprised of desk review of relevant literature as well as interviews and consultations with relevant key stakeholders. Literature reviewed included relevant Palestinian laws and regulation, review of relevant WB documents and similar regional and international documents. Consultations and meetings were further held with the Ministry of Local Governance (MOLG), MDLF technical staff, legal and development specialists amongst others.

5. POTENTIAL FOR SOCIAL IMPACTS

1. The implemented projects might be accompanied by negative social impacts along with the positive impacts. The majority of MDLF's projects, including MDPII and III fall into the category of infrastructure and road construction, which will assist citizens in enjoying their rights to reach their place of residence or work and will contribute to the development of businesses and income which will eventually increase those citizens' living standards. The development and infrastructure projects will also contribute in improving the livelihood of local communities by constructing and extending roads, installing water and electricity networks, and constructing schools and healthcare facilities. Nevertheless, negative impacts can also be expected and may range in nature and scale including number of affected population. These include potential destruction of residence, loss of livelihood sources and assets, lack of socio economic protection to these communities should they encounter any of these negative impacts, amongst others. As such the framework is designed with due consideration to potential negative impacts and avoiding them including a range of measures such as:
 - Preventing the demolition of any inhabited residential structure or the relocation of people's place of residence for the purpose of projects' implementation.
 - Reducing the number of people affected by any of the projects by rigorously following protection measures.
 - Compensating those whose businesses or sources of income are affected by any of the projects.
 - Assisting those who are affected whenever they require assistance.

III. Institutional Framework

1. LALPF'S ORGANIZATION AND IMPLEMENTATION ARRANGEMENTS

Overall Institutional Arrangement:

The MDPIII project deals with the following stakeholders on different levels of responsibility:



1. The Ministry of Local Government (MoLG) as a main party in the signed agreement.
2. The DPs as a donors of the project.
3. MDLF as the implementer of the overall /primary project.
4. Municipalities as the implementers of the subprojects.

- **Institutional responsibilities of MDLF:**

MDLF is responsible for the implementation of MDPIII, and LALPF with close cooperation and coordination with MoLG and the participating/eligible municipalities.

The MDLF has a qualified core team who will follow implementation of the Land acquisition and livelihood policy framework and provide the continuity of the understanding of the Palestinian laws and policies, the World Bank Operational Policy on Involuntary Resettlement (OP 4.12) as well as the experience on the ground in monitoring and evaluation.

MDPIII would further develop such capacity to MDLF social officers who would be responsible for reviewing, advising and reporting on LALPF issues.

MDLF will be responsible for building capacity of municipalities, in particular in preparing LALAP, social impact study, establishing the mentioned committees, M&E.

- ***Specifically,***

The greater part of the responsibility is carried by the MDLF, MDLF is responsible for:

- a) Preparing the LALPF and its disclosures.
- b) Provide funds to prepare Land Acquisition and Livelihood Action Plan (LALAPs).
- c) Capacity building of the municipalities for preparation and implementation of the subproject specific LALAPs.
- d) Ensuing subprojects that require LALAPs prepare and disclose the subprojects specific LALAPs before civil works start.
- e) Monitoring the safeguards needed procedures during the subprojects implementation, including the implementation of the LALAPs



- f) Ensuring and monitoring of the grievance mechanisms are followed in accordance with this LALPF and subsequent LALAPs.

- **Institutional Responsibilities of Municipalities:**

The municipalities are in charge of preparing the subprojects specific LALAPs in accordance to this LALPF, and of implementation of the LALAPs. Accordingly they are in charge of establishing the LALAPs implementation committee and grievance readdress committee. They also will keep the records of all the complaints.

They are also responsible for LALAPs implementation's budget (budget for land acquisition and compensations).

Specifically: The municipalities will avoid to take land or impact livelihoods whenever possible through only building in public land that is not used or has a claim.

However, in the case that is unavoidable, the municipalities are in charge of:

- a) Preparation of the subprojects specific LALAPs in accordance to this LALPF;
- b) Implementation of the LALAPs. Accordingly they are in charge of establishing the LALAPs implementation committee and grievance readdress committee;
- c) Keep in the records of all the complaints, how they were resolved, time that it took to resolve them and what happened in the case it could not be resolved.; and
- d) are also responsible for LALAPs implementation's budget (budget for land acquisition and compensations).

The ministry shall play a role in the complaints system related to land acquisitions as described in GRM section

- **Land Acquisition and Livelihood Action Plan (LALAP) Committees:**

According to the Land Acquisition Law (LAL), a committee to estimate prices of the expropriated lands and offer compensations must be formed. Similarly, the following **two** committees emerge from the LALPF and the LALAP:

- 1. A LALAP Implementation Committee :**

This committee comprises of a member of the municipality or local council, a representative of the Directorate of Local Government, a representative of a local Civil



Based Organization (CBO), a representative of the residents of the affected locality, and a local valuer/ agricultural specialist, and a human rights/ legal specialist from the affected locality (the committee should ensure women from affected communities are included in the committee).

The role of this committee lies in following up on the plan implementation, holding community discussions, holding plan review session, and monitoring of the LALAP activities.

The committee will also estimate the compensation for any damages related to the LALPF, and follows up on the delivery of monetary and in-kind compensations to the affected individuals. Moreover, the committee must keep a record of all affected individuals and clearances of their compensations.

2. A Grievances Readdress Committee (GRC)

This committee is also formed in any municipality that in which any subprojects will require preparation of a LALAP in accordance to the LALPF. The GRC comprises a member of the municipality or local council, the engineer of the municipality or local council, a representative of the Directorate of Local Government, a representative of a local Civil Based Organization (CBO), a representative of the residents of the affected locality, and a specialist – preferably legal - from the affected locality (the committee will ensure gender balance in its composition).

The committee will try to resolve the grievances related to LALAP preparation and implementation. As complaints received by the municipality regarding the land acquisitions or impact on assets and livelihood will be handled by this community. Affected communities will be informed during the consultation for the LALAP preparation on how to file a complaints. The committee will receive grievances from individuals that are affected by the project and schedule meetings with them to settle the grievances related to subprojects. The committee must keep a record of all plaintiffs the mechanisms used to address their grievances (this is more elaborated under the Chapter V, Organization).

Land Acquisition and livelihood Framework Planning: Principles and Practices



The LALPF not only establishes a cooperative working method between citizens and their municipalities, but also serves as a tool to reduce any negative social or economic effects that might result from MDLF's subprojects and affect the lives of local communities.

The principles of the LALPF:

- Land acquisition will be avoided where feasible, or minimized, where it cannot be eliminated.
- The Right of Property is protected by the Basic Law, and people must not be deprived of their properties except in public interest and in accordance with the effective laws.
- This framework aims to ensure people's right to develop their communities, and to reduce any damage of property, business, or income that may result from implementing the projects.
- No one will be displaced or relocated as a result of the subprojects in accordance to principles followed by the Palestinian Authority (PA) and the MDLF.
- There will be no demolition, partial or full, of inhabited structures.
- No subprojects will be approved if it is in an area where there is a claim on land or located in areas that are under ongoing legal dispute.
- This LALPF applies to all PAPs regardless of the total number affected, the severity of the impact and whether they have legal title to the land or not. Informal or customary tenure is to be treated in the same manner as formal, legal titles.
- Where land acquisition are unavoidable, compensation activities will be conceived and executed as sustainable development programs, providing resources to give PAPs the opportunity to share project benefits.
- PAPs will be assisted in their efforts to ideally improve their livelihoods and standards of living or at least to restore them, in real terms, to levels prevailing prior to the beginning of the project implementation, whichever is higher.
- PAPs will be meaningfully consulted. They will also be provided effective compensation at full replacement cost for losses of assets and access attributable to the project investments prior to the project construction

- Grievance mechanisms will be put in place to ensure the PAPs and the communities affected have an easy access to voice their concerns and grievances
- All PAPs will be identified and recorded as early as possible, preferably at sub-project identification stage, in order to protect those affected by the project and prevent an influx of illegal encroachers, squatters, and other non-residents who will wish to take advantage of such benefit.
- Particular attention will be paid to the needs of vulnerable groups among those affected; especially those below the poverty line, the landless, the elderly, women and children, orphans, marginalized groups or other displaced persons who may not be protected through the Palestinian law. The objective is to provide whatever additional assistance may be necessary to restore sub-project living standards.
- The implementation of individual LALAPs must be completed prior to the implementation of the investments under the project.

The Practices of the LALPF:

If land acquisitions or impact on assets and livelihoods is unavoidable, the LALPF will be bases of the preparation of the subprojects specific LALAPs. Following are the list of criteria that if met will not require preparation of the subprojects' LALAPs under the MDPIII:

- Implement the subprojects on public lands that is not occupied or there is no claim on it.
- The land is voluntarily transferred to the project in accordance to the criteria listed in this LALPF (see annex 3).
- Willing buyer willing seller that also follows the criteria listed in this RPF. (see Annex 4)
- Practices that launch the policy framework and are obliged to develop a plan:
 - Subprojects that include preventing individuals from the usage of state land for economic purposes.
 - Subprojects that affects individuals' work or source of income.

- Subprojects that require the acquisition of lands for the public interest, which must include the development of a land acquisition and livelihood plan.
- Subprojects that result in preventing individuals from the access to herding lands, natural resources.

IV. LEGAL FRAMEWORK

1. LAWS ON PROPERTY, COMPENSATION, EXPROPRIATION

A. **The right to private property** was stated in article 21 of the Palestinian Basic Law as follows:

A.1 The Palestinian Economy is based on the principles of open economy, and the executive authorities are entitled to establish public companies that are organized by certain laws.

A.2 The freedom of economic acts is guaranteed and regulated by the law that defines the rules of supervision over its parameters.

A.3 Private property is protected by the law and is shall not be deprived of, and real estate and capital shall not be taken over except in the public interest, upon payment of just compensation, and according to a legal adjunction.

The above article of the Palestinian Basic Law shows how the law has expressed the necessity of respecting the right to private property and that **no one shall be deprived of his properties except in the public interest, upon payment of just compensation, and according to an adjunction**. Those terms serve as a tool to reduce the takeover of private properties, setting the protection of private property as the general principle and its expropriation as the exception.

B. Article 931 of The Palestinian Civil Law number 4 of the year 2012 stated that “No one shall be deprived of the ownership and benefits of his private property. The deprivation of private property shall not take place except in the public interest and, in all circumstances, according to the law and in exchange of a just compensation.”



- C. Article 8 of The Investment Encouraging Law number 1 of the year 1998 stated that “The ownership of enterprises’ real estate shall not be deprived of, in whole or in part, except for the public interest, according to the law, and upon just compensation for the real estate on the basis of its market value and for any other losses that may be incurred as a result.

The expropriation of land and property for the public interest

Despite the legal protection of property rights, properties may be expropriated for the purpose of serving the public interest. This has been stated in multiple laws:

- A. The Expropriation Law of the year 1953 requires that the expropriation of private lands for the purpose establishing public enterprises must aim to benefit the public interest. Article 1\3 states that “the establishing authority of a public enterprise must advertise in the official gazette for the period of fifteen days, by which it announces the willingness to approach the Cabinet to obtain a decision to expropriate the land described in the advertisement for the sake of public interest.”
- B. The Telecommunications Law number 3 of the year 1996 gave the Ministry of Telecommunications the authority of expropriating land for the benefit of registered companies in accordance with the valid procedures and regulations. Article 78 states that “wherever the installation of telecommunication poles, towers, and ground or aerial wires must take place on private property, the Ministry of Telecommunication has the right to seek agreements with the owners of the private property. If the Ministry was unable to reach such an agreement, it has the right to expropriate the property in part or in whole to install the telecommunication network for public interest and in accordance with the Expropriation Law.”
- C. Article 34/1 of The Palestinian Water Law number 3 of the year 2002 states that “the Palestinian National Authority is entitled to request the entry to or the expropriation of lands or real estate to practice its activities.

Moreover, Article 31 states that “the Palestinian National Authority, in coordination with other concerned authorities, may consider an area that contains subterranean water a natural reserve when the quality or the quantity of that water is endangered, the water might be subject to contamination, or when the implementation of its policies requires such an action. However, the

authority must provide alternative water resources.

Authorities that are entitled to order Land and Property expropriation

According to article 4 of the Expropriation Law of the year 1953, the Cabinet is the authority entitled to issue expropriation orders following the ascertainment of the financial viability of the project establisher and of that project's contribution to serving the public interest. Accordingly, the cabinet may decide to order one of the following:

1. The complete expropriation of the property.
2. The temporary disposition of the property.
3. The suspension of easement rights or any other rights related to the property.
4. The imposition of restrictions on exercising any rights that result from the ownership of the property.

Moreover, according to the Jordanian Planning Law for the year 1966, the authorities that are entitled to land expropriation are the following:

1. The Minister of Internal Municipal Affairs, who is entitled to ensure the following:
 - a. The coordination of land usage around the Kingdom for the benefit of public interest.
 - b. The usage of the Kingdom's lands is in accordance to the governmental economic plans.
 - c. The planning of cities and villages is in coordination with the government's social development policies.
 - d. The supervision of municipal planning committees and ensuring that their decisions are issued in accordance to the law.
 - e. The declaration, extension, and revocation of municipal planned zones upon the recommendation of the Higher Organizational Council.
2. The Higher Organizational Council which is entitled by article 6 to the following:
 - a. Determining, extending, and amending the cities' planned zones.

- b. Announcing regional zoning and structural plans.
 - c. The amendment or the revocation of building permits that were issued according to this law if it was evident that they contradict with the planning and construction regulations and orders.
 - d. The amendment or the revocation of building permits that were issued for land development to the extent it deems necessary in the following cases:
 - d.1. The permit is related to construction, on the condition that the revocation takes place before the completion of the construction.
 - d.2. The permit is related to changing the usage of the land under the condition that this does not affect any ongoing construction.
 - e. Handling appeals that are submitted against the Regional Committee's decision issued according to this law.
 - f. Approving the planning projects that are set by the planning department.
 - g. Assigning a secretary who is responsible for registering and recording the council's decision.
3. The Cities and Villages Central Planning Department, which is entitled by article 7 to the following:
 - a. Conducting the natural and social census required to achieve the cities and villages planning goals.
 - b. Outlining the regional organizational plans for the Kingdom's districts.
 - c. Outlining the organizational structural plans for cities that still lack such plans.
 - d. Providing assistance and guidance to cities' planning authorities in changing its organizational and structural plans in accordance with those cities' development needs, in amending these plans, and in conducting the required census.
 - e. Providing the planning committees of districts and cities with the needed technical support in terms of supervising planning and construction.
 - f. Preparing standardized systems that organize the planning of cities and villages within the Kingdom.
4. The Committee for the Planning of Cities, Villages, and District Constructions, which is entitled by article 8 to the following:

- a. Approving structural organization plans.
 - b. Handling any objections filed against the regional structural plans in its district and raising its recommendations to the Higher Organizational Council.
 - c. Handling the appeals that are applied against the decisions of cities' local organization committees in its district, and issuing the final decision. However, in case the committees disagreed, the issue is raised to the Higher Organizational Council to issue the final decision.
 - d. Issuing orders and notices where the district committee practices the authority of the local committee according to the law.
5. The Cities' Local Planning Committee which is entitled by article 9 of this law to take any necessary arrangements to implement laws, regulations, and any related planned projects. Moreover, it is entitled to the following:
- a. Outlining the detailed organizational and structural plans with in coordination with the planning department.
 - b. Approving allocation plans according to the approved organization plans.
 - c. Issuing construction permits in accordance with the laws.
 - d. Supervising constructions within its district to ensure its accordance with the permitted specifications.
 - e. Issuing notices and ensuring its execution.
 - f. Organizing the construction and the demolition of structures, extending and organizing roads, and any other issues outlined in this law.
6. The joint planning committees that are entitled by article 2/10 to all of the authorities assigned to the local or district committees.

The Planning Law number 28 of the year 1963 al which still takes effect in Gaza Strip entitled the following authorities to issue expropriation orders:

1. The District Committee for City Planning: according to article 3, each district must form a committee to organize construction in cities. Article 1/4 has further defined the authority of these committees as "to issue internal regulations on a regular basis regarding the areas of cities' organization within the committees' jurisdiction. Those regulations outline the terms of applying for and issuing local construction permits, the required fees, and the submission of blueprints of the intended structures. Moreover, the regulations



must include the procedures of maintaining the required road width, the stability of the newly built or under rehabilitation structures, and ensuring their convenient ventilation and compliance with health standards.”

Article 5 of the same law stated additional authorities of district committees regarding the issuance of regulations for their districts related to any of the following:

- a. The preparation and implementation of any project by a local committee.
 - b. The procedures and the deadlines of submitting objections against structural, detailed, or allocation projects.
 - c. The forms and regulations that must be followed in filing complaints against any damage that might result to properties during the implementation of projects, and in filing requests to collect and how to pay the Improvement Tax that may result from a certain project.
 - d. Any procedures that are required to ensure the implementation of the regulations that were issued according to this law.
 - e. Any procedures that are required to avoid the construction of any structure without the required permit or against the terms of the issued permit.
 - f. The regulation of the rights and duties of the owners, tenants, or operators of neighboring properties which fall within the city’s area and the procedure of settling disputes over properties, such as the construction and maintenance of joint or separate walls.
 - g. Regulating the demolition of dangerous structures.
 - h. The procedures of delivering orders and notices issues in accordance with this law.
2. The Local Committees of City Planning Zones that are located within municipal boundaries: article 8 of the latter law stated that “these committees act as the construction organization committees in areas that are declared by the high commissioner as a planned city zone whether they fall in whole or in part within municipal boundaries. In such cases, the committees are entitled to practice the authorities originally assigned to the municipal councils, and pay the fees to the municipal treasury and pays the required expenses from that treasury.”
 3. The Local Committees of City Planning Zones that are located outside



municipal boundaries: article 1/7 stated that “when an area that is located in whole or in part outside the municipal boundaries is declared by the high commissioner as a planned city zone, the district committee must assign a local construction and city planning committee for that zone. This committee must include no more than seven members, one of which is assigned as a president of the committee and two of which must not be employed at the Palestinian Authorities.”

As to the decision to land and property expropriation, article 1/24 of the Planning Law stated that “following the initiation of a structural or detailed project, the district committee is entitled according to this law and in coordination with the local committee to assign the local committee to initiate the expropriation of lands and properties that are decided upon during the planning of the project.”

Who is entitled to expropriation?

The term “establisher” was defined in the Land Acquisition Law of the year 1953 as the entity that intends to expropriate the land to establish a project for the public interest. Article 2 states that “the establisher may be the local council, any other local authority, companies and associations, the government itself, or the government on behalf of the above mentioned entities that intend to establish a project for the public interest.”

Article 56 of the Planning Law of the year 1966 stated that:

- a. When a certain land is intended for expropriation in the city plan, the Higher Organizational (Planning) Council, the District Planning Committees, or the Local Committees are entitled to request the expropriation of that land as per the regulations stated in this law on the basis that expropriation would serve the public interest.
- b. Following the declaration of a planning zone, the Higher Organizational Council is entitled to request, prior to or during the planning phase, the expropriation of lands that will serve the public interest.
- c. Despite the regulations stated in the Land Acquisition Law or any other laws, any land that falls within the city structural or organizational plan may be expropriated for the return of its market value on the date of declaring the area as a planning zone.
- d. Following the approval of the Higher Organizational Council, district or local

- planning committees are entitled to expropriate lands or real estate for the restructuring of a planning zone or to establish or rehabilitate public housing projects.
- e. It is possible to partially expropriate lands that are not suitable in whole or in part for construction. The expropriated lands are annexed to neighboring lands in order to become suitable for implementing planned projects, and are registered under the name of the owner of the neighboring land who must pay the required compensation in a method determined by the responsible planning committee.

The Planning Law has stated that the ownership of the expropriated lands is transferred to the local committee for the purpose of implementing projects that serve the public interest. More specifically, it entitled the local committee to outline a separate planning project for any lands that are located within the city's planned zones, or to approve with or without amendments the implementation of a project suggested by the owners of those lands. However, such projects must be reviewed by the district committee which may decline the project that doesn't satisfy the related regulations.

Properties that are subject to expropriation:

According to article 2 of the Land Acquisition Law of the year 1953, the lands that are subject to expropriation are all types of lands, structures, trees, sea and river waters, beaches, and the right of disposition of the land, the structures, the waters, or any other estate that is located on the land. The term "project" in this law refers to projects that serve the public interest upon the decision of the Cabinet and the approval of the King.

The temporary Planning Law of the year 1966 stated in article 2/2 that the term "land" refers to properties, real estate, or any other immovable properties, which includes structures as defined in clause 12 of the same article. Moreover, chapter 9 of the Planning Law stated that the term "land" includes any disposition of the lands, its benefits, and its easement rights.

The Planning Law of the year 1936 did not include a definition of the expropriated properties. However, it could be understood from its articles that the definition of the



expropriated lands is similar to the definition that is mentioned above in the 1966 Planning Law which is applicable in the West Bank.

Ownership transfer procedures:

According to article 1/4 of the Land Acquisition Law of the year 1953, expropriation decisions must be taken by the Cabinet:

1. As mentioned earlier, upon ensuring the establisher's financial viability and the project's benefit of the public interest, the cabinet is henceforth entitled to one of the following:
 - a. The complete expropriation of the property.
 - b. The temporary disposition of the property.
 - c. The suspension of easement rights or any other rights related to the property.
 - d. The imposition of restrictions on exercising any rights that result from the ownership of the property.
2. The Cabinet's decision is then raised to the President for his approval, after which it is advertised in the official gazette. Meanwhile, the establisher must provide the required documents to the Land Registration Officer of the area where the land is located.
3. The Land Registration Officer is responsible for delivering copies of the expropriation order to the land owners and to the expropriators.
4. Publishing the expropriation decision demonstrates that the project is for the public interest. Following the publishing, the Land Registration Officer must mark the registered land that is subject to expropriation and prevent any legal actions related to this land.

Negotiating with the land owner(s):

1. Upon the receipt of the expropriation order, the establisher must negotiate with the land owner and any other right holders the purchase or disposition of the land or the acquisition of any rights that is required for the project.
2. The land owner must notify the establisher of any right holders or tenants of that land within 15 days of initiating the negotiation in order for the establisher to compensate them. Otherwise, the land owner will be responsible for the

compensation. To receive compensation, the tenants or right holders must possess a contract that precedes in its date the expropriation order.

3. In cases where the establisher is the government and the land owner is the Awqaf, a minor, an internee, an incompetent, or an absentee, the government must not negotiate with or compensate the owners without the approval of the Shari'a Court. Moreover, if the land is registered as a Waqf, the compensation must be paid to the Awqaf Fund when it is an Islamic Waqf or to the responsible denomination when it is a non-Muslim Waqf.

Immediate expropriation orders:

1. The establisher may apply to the Cabinet for an immediate acquisition order for the public interest. Unless the project is established by the government itself, the establisher must pay the compensation to the compensation fund.
2. When the partial expropriation of a land may result in damage to the remaining part, the establisher must expropriate the remaining part upon the desire of the owner.
3. In cases of a dispute over the ownership of the expropriated land, the owner that is stated in the records of the Land Registration Department is considered the lawful owner. However, when the land is not registered in the Land Registration Department, the appropriator is considered the land owner and any other claims of ownership and compensation must be raised in court.

In Gaza Strip, the Planning Law of the year 1936 outlined the procedures of ownership transfer. Article 25 stated that "following the initiation of a structural or a detailed project, the local committee is entitled to initiate the expropriation of all or some of the lands or structures designated for the project, in accordance with articles 27 and 28 of this law. The expropriation is implemented in accordance with the laws in effect, as if the High Commissioner agreed that the project is for the public interest.

Furthermore, the Planning Law of the year 1936 regulated in-kind compensation for expropriated land:

1. The local committee is entitled in all cases to agree with the owner of an expropriated land to be compensated by the transfer of ownership of alternative lands that may or may not be located within the area designated for the project. This type of compensation takes place instead of cash compensation and in

exchange of all the rights resulting from expropriation.

When the expropriated lands belong to multiple neighboring owners, the local committee is entitled to agree with the owners to transfer the ownership of alternative lands that may or may not be located within the area designated for the project to each separate owner or to the owners combined instead of cash compensation. Upon this agreement, the local committee is entitled to divide any non-expropriated land -which also may or may not be located within the area designated for the project- among the owners.

2. All of the above agreement must be approved by the district committee.
3. When the land owner refuses in any of the cases mentioned above to accept the alternative land as a compensation for expropriation, the local committee is authorized to refer the case to an arbitration committee which may decide to force the land owner to accept the offered in-kind compensation instead of cash compensation.

To make such a decision, however, the arbitration committee must be convinced that the owner's refusal of the compensation offer is unreasonable and that the value, type, location, and quality of the offered land is equal to that of the expropriated land.

2. COMPARISON AND GAPS BETWEEN THE PALESTINIAN LAWS AND THE WORLD BANK'S OPERATIONAL POLICY (O.P.) 4.12:

1. The Palestinian laws are narrower than the O.P. 4.12.
2. The Palestinian laws do not require a relocation plan, while the O.P. 4.12 includes a relocation plan that requires a census, a social and economic survey, and discussions with the affected.
3. The priority in compensation in the Palestinian laws goes to registered land owners or tenants, while the O.P. 4.12 also respect the rights of the tenants and other land users.
4. Compensation in Palestinian laws includes expropriation-related damages and do not include relocation costs. Moreover, the laws do not acknowledge the importance of financing the rehabilitation of the affected families to restore their living conditions. In practice relocation of people is rejected. On the other hand, O.P. 4.12 covers the costs of relocation and supports the rehabilitation to restore the affected families' living conditions at least to the level before the project.
5. In the Palestinian laws, properties are merely evaluated according to their market

- value, while O.P. 4.12 compensations include replacement costs and therefore allow the relocated families to return to their previous standard of living.
6. The Palestinian laws do not acknowledge nor compensate any loss of income, while the O.P. 4.12 requires the compensation of any source of income that was directly lost due to the implementation of the project.
 7. The Palestinian laws created the Grievances System number 60 in 2009 and the amendment of 2015 that appoints units in ministries to receive grievances. Despite the activation of these units in the MoLG, many local communities are unaware of their existence. In contrast, the O.P. 4.12 requires the creation of procedures that are not costly and easy to access by those who seek the settlement of disputes related to land acquisitions and livelihood. It also indicates the consideration of certain mechanisms to challenge legal decisions of disputes.

The LALPF bridges the gap between the Palestinian laws and O.P 4.12. Methods of bridging the gaps would include:

- To conduct a social impact study to determine the PAPs.
- To prepare a land acquisition and livelihood action plan in accordance to this LALPF.
- To ensure that affected structures are compensated based on the replacement value.
- No one is worse off as result of the project and livelihoods are restored regardless of land tenure status
- To establish two committees (implementation, grievance).
- To document the complaints, compensations through M&E system.

V. Organization

1. PREPARATION OF THE LALAP AND IMPLEMENTATION PROCESS:

When land will be acquired and people will be affected during MDPIII, there is need for the preparation of Land accusation and livelihood Action Plan (LALAP) that must in accordance and be consistent with this LALPF. To address the impacts stated under

this framework the LALAP must include measures to ensure that affected persons are:

- ❑ informed about their options and rights pertaining to compensation and maintain their livelihood,
- ❑ consulted on, offered choices among, and provided with technically and economically feasible compensation alternatives, and
- ❑ Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to impacts of land acquisition in MDPIII.

Preparing and processing the LALAP entails: (i) screening and reviewing project areas, (ii) conducting census and socioeconomic survey, (iii) establishing eligibility criteria, (iv) conducting consultations, (v) preparing the LALAP document, (vi) reviewing the document and, (vii) identifying the implementing agency, assessing its capacity for land acquisition and livelihood planning and implementation, and strengthening that capacity if necessary.

The first stage of the preparation of the Land Acquisition and Livelihood Action Plan consists of screening the land to be acquired and impacted by the project. The plan must contain alternative sites identified during the screening process.

The plan will be prepared in Arabic, and a brief report will be prepared in English, and shall contain (social impact study abstract, action plan abstract, a list of PAPs).

Subprojects under the MDPIII project that are expected to require land acquisitions or result in access restrictions, property damage, or affect the livelihood of citizens:

Under component one MDPIII finances different projects in all municipalities, ranging from rehabilitation of the roads to public facilities, etc. Even though the civil works would be confined within the master plan that is public land and there is an exclusion list that is attached to this ESMF, to ensure compliance with the Op 4.12 in case land or livelihoods will be involved the OP 4.12 was triggered and a Land acquisition and Livelihood Policy Framework (LALPF) was prepared. The LALPF sets the principles and procedures to be followed if a given project would involve land or livelihoods.

The compensation for the damage resulting from the implementation of subprojects.



MDPIII includes infrastructure projects that include such subprojects as road extension and construction, wall construction, extending public facility buildings, and installing electricity and water networks in cities. The implementation of those subprojects may require land, impact livelihoods in such cases LALAPs will be prepared to ensure full replacement cost for land and restoration of livelihoods for those whose livelihoods affected.

If a subprojects cause damage to a fence - wall demolitions, tree uprooting. the following measures related to such projects that result in property damage:

- a. Reconstructing any demolished fence walls according to master plans prior project execution, or during project execution in some cases.
- b. Replanting any uprooted trees or, if replanting was not possible, plant the same type of tree.
- c. When the agricultural land owners or users are affected by the implementation of sub- projects, the compensation shall be provided .
- d. When None-Agricultural land; land owners or users are affected by the implementation of sub- projects, the compensation shall be provided (details are provided under compensation methods and entitlement matrix) .

The exhaustive list of the impact and entitlement is covered under the section VIII, Methods of valuation as well as in the entitlement matrix in Annex (1).

Subprojects screening

Subproject screening intends to identify and address land acquisition and livelihood issues as early as possible. Thus, subprojects screening is used to identify the types and the nature of potential impacts related to the activities proposed and to provide adequate measures to address their impacts.

For the MDPIII, a sub-project level screening tool is being prepared to help make quick assessment of the types of social impacts vis-à-vis the *Bank's Involuntary Land Acquisition and Resettlement Policy* (see annex 2).



Screening Checklist

The subproject screening checklist form ensures that the process of screening remains simple and concise. Any subproject that has potential land acquisition and livelihood issues will be subjected to a comprehensive consultation process with potential PAPs. The outcome of this process must be carefully documented by the Municipalities.

The outcome of the consultative process for a sub-project (or site) would then, be sent to the MDLF, who is mandated to confirm, to approve, to disapprove, to refer for further consultation, and/or to make a final decision on the proposed sub-project site. Such a thorough and transparent screening allows all stakeholders to build confidence in the process.

Once sub-projects have been approved, the preparation of LALAPs for subprojects is based upon socio-economic studies to determine impacts:

- ❑ A socio-economic study which will include determination of impacts
- ❑ Preparation of Land Acquisition and livelihood Action plans as appropriate.

PREPARATION OF LALAP

Any sub-project that shall entail the acquisition of land or may result affecting the livelihood of the people will require the preparation of a LALAP. The LALAP should assess the number of PAPs, propose alternative locations for the sub-projects if possible, identify the eligibility criteria, include provisions for compensation and assistance, and address the means by which the project monitoring and evaluation will take place to ensure that the PAPs receive their compensation and that their grievances are heard and addressed. The mitigation measures and compensation policies proposed in the LALAP shall be disclosed to the PAPs for feedback and comments. More specifically, according to Annex A of OP 4.12, the sub-project LALAP should follow the below design criteria:



- A description of the sub-project and a discussion of how PAPs will maintain or upgrade their living standards
- Objectives of the LALAP
- Identification of potential impacts
- Community participation
- A census survey of valuation of assets
- Relevant findings of the socio-economic study
- Legal framework
- Institutional framework
- Eligibility criteria and eligible PAPs
- Valuation and compensation for losses
- Grievance procedures
- Organizational responsibilities and timetable
- Implementation schedule
- Costs and budget
- Monitoring implementation and outcomes
- Evaluation

LALAP APPRAISAL AND APPROVAL

. In case a subproject will need preparation of the RAP MDLF and the relevant financier will make sure that the RAP is prepared in compliance with the LALPF. All RAPs will be disclosed in the country and Infoshop.

The LALAP will include the proposed mitigation measures and this will help in making a decision on whether or not the project shall be implemented. The prepared LALAP shall take into consideration the communities concerns and worries raised in the process of putting together the socio-economic survey.

2. GRIEVANCE REDRESS MECHANISM:

At the time that the LALAP is approved and individual compensation contracts are signed, affected individuals and households will have been informed of the process for expressing dissatisfaction and to seek redress. The grievance procedure will be simple, accessible by PAPs and should be administered at the local level.

The Palestinian Council Resolution No. 60 in 2009 and the amendment of 2015 mandating the development of a complaints mechanism for Municipalities/ MOLG.



The municipalities are to ensure availability of documentation of complaints and responses, timely responses, a log of all complaints received-date received, date responded to, type of response, etc.

The proposed procedure that municipalities will follow through the implementation of MDPIII project:

The municipalities will establish a Grievances Readdress Committee (GRC). The GRC comprises a member of the municipality or local council, the engineer of the municipality or local council, a representative of the Directorate of Local Government, a representative of a local Civil Based Organization (CBO), a representative of the residents of the affected locality, and a specialist – preferably legal - from the affected locality (the committee will ensure gender balance in its composition).

The committee will try to resolve the grievances related to LALAP preparation and implementation. As complaints received by the municipality regarding the land acquisitions or impact on assets and livelihood will be handled by this community. Affected communities will be informed during the consultation for the LALAP preparation on how to file a complaints. The committee will receive grievances from individuals that are affected by the project and schedule meetings with them to settle the grievances related to subprojects. The committee must keep a record of all plaintiffs the mechanisms used to address their grievances.

In cases where the GRC is unable to resolve the complaint, it will then be transferred to the regional directorate, and the directorate is unable to resolve the complaint, it will be transferred to the Ministry of Local Government (MoLG) either through the project coordinator, or the citizens themselves. The process reads as follows:

1. Citizen submits their complaint to the GRC.
2. GRC which receive the complaint shall reply to it either solving the problem of the complaint or informing the person making the complaint that they are studying the complaint and they will reply to the complaint on a specific date (the reply shall be in time less than 14 days).
3. In the event the GRC provided a negative response or was unable to provide feedback, the citizen may then make a complaint to the regional directorate (the reply shall be in time less than 7 days).



4. In the event the concerned Directorate provided a negative response or was unable to provide feedback, the citizen may then make a complaint to the Complaints Department at the MoLG, as follows:
 - a. Submit a written complaint annexed to it all required documents concerning the complaint if found. Citizen must receive a copy of the receipt.
 - b. The Complaints unit pursues with the complaint following the procedures.
 - c. Citizen must receive a written response regarding their complaint within one (1) week at minimum – (2) weeks at maximum.

Accepting or Rejecting the Complaint

1. The institute (GRC, Directorate, MoLG) in charge of handling the complaint must inform the complainant about the accepting or rejecting of the complaint within the timeframe mentioned above.
2. If no agreement is reached, then the complaint is taken to the Courts of Law.
3. In the event the complaint was accepted; the complainant will receive an officially-stamped Review Card with the following data:
 - a. Complainant's Name or Their Legal Representative
 - b. Complainant Address
 - c. Complaint Title
 - d. Review Date
 - e. List Annexes Submitted with the Complaint

Means of Communicating to the Complaints Department:

1. Directly contacting the MoLG
2. Contacting Hotline
3. Contacting the website of the MoLG
4. Provide a written complaint as stated in the system

According to The Palestinian Council Resolution No. 60 in 2009 and the amendment of 2015, If no agreement is reached, then the complaint is taken to the Courts of Law.



The institute (GRC, Directorate, MoLG) must keep a record of all plaintiffs the mechanisms used to address their grievances.

VI. BUDGET AND SOURCES OF FUNDING

MDLF commits itself to develop the forms, plans, and procedures that are related to the LALPF and will dedicate budget to cover the following activities:

- Building the capacities of municipalities in terms of the plans and the framework, social impact study, M&E.
- Establishing Monitoring and Evaluation system.
- Preparation of LALAPs.
- Supervision of LALAPs.
- Sub- Projects audit.

The municipalities that implements a subproject and launches the LALPF must develop a Land Acquisition and Livelihood Action Plan (LALAP) along with a detailed budget, ensuring that the budget covers that plan.

The budget that is allocated for the preparation of LALAP (hiring the consultant) is funded by the following sources:

- a. The budget of the local council or municipality.
- b. The budget of the subproject following the approval of MDLF.

The budget to implement the LALAP should be covered from municipalities budget, and covers the following aspects.:

1. The damage of agricultural crops.
2. The damage of trees.
3. The impact on livelihood and sources of income.
4. The construction and demolition of fence walls.
5. The damage of properties.
6. The compensation of land purchase and/or related damages.



7. Any other impact or damages that are mentioned in the plan.

VII. SOCIO-ECONOMIC CONDITIONS¹

- The population of Palestinians in the world at the end of 2016 is estimated at 12.70 million, of whom 4.88 million live in State of Palestine; they constitute about 38.4% of all Palestinians in the world.
- In State of Palestine, 2.97 million Palestinians live in the West Bank (60.8%) and 1.91 million Palestinians live in Gaza Strip (39.2%) end of 2016.
- Data for 2016 indicated that 41.9% of Palestinians living in State of Palestine are refugees, making up 26.0% of the total population of the West Bank. Refugees make up 66.7% of the total population of Gaza Strip.
- Data indicated that there was a slight increase in the median age in State of Palestine in the period (2000-2016) from 16.4 years in 2000 to 20.0 years in 2016.
- The crude birth rate in State of Palestine reached 30.9 births per 1000 population in 2016. Meanwhile, the crude death rate reached 3.5 deaths per 1000 population in 2016.
- The population growth rate in State of Palestine was 2.8%: 2.5% in the West Bank and 3.3% in Gaza Strip in 2016.
- The average household size decreased to 5.2 persons in 6102 compared to 6.1 persons in 2000.
- Life expectancy in State of Palestine in 2016 was 73.7 years: 72.1 years for men and 75.2 years for women.
- Palestinian society is young with 39.1% of the population aged below 15 years at the end of 2016. There were distinct regional differences: 36.8% in the West Bank compared to 42.7% in Gaza Strip. The percentage of those aged 65 years old and over was 2.9%: 3.1% in the West Bank and 2.3% in Gaza Strip.

1. APPROACH FOR IDENTIFYING PROJECT AFFECTED PERSONS (PAPS)

¹ Palestinian Central Bureau of Statistics, 2016. Palestinians at the End of 2016. Ramallah - Palestine.



The projects that are funded by MDLF and implemented by municipalities are expected to enhance the services provided to citizens, develop infrastructure, and create new possibilities for the social and economic development of local communities.

However, the implementation of subprojects may result in temporary negative impacts on the livelihood of residents in or near the location of the subproject. Those impacts may include:

- The damage of nearby agricultural crops.
- The uprooting and replacement of nearby trees.
- The necessary demolition and reconstruction of certain fence walls.
- The restriction of access to certain houses or public facilities.
- The interruption of certain markets in cities or towns.
- Impacting livelihoods
- Impacting land

As a result the LALPF is prepared to put in place the principles and procedures to reduce the intensity of the above social and economic impacts by defining methods to approach them before, during, and after the implementation of the subproject and provide mitigation measures to be adapted by the subprojects specific LALPFs . To reduce impact local community and the potentially affected citizens will be involved early on in the planning and implementation stages of the subproject..

The following groups are expected to be affected by the subprojects:

- The owners of stores and commercial structures nearby the subprojects that are implemented in a commercial zone.
- The residents of residential structures nearby infrastructure projects, especially road construction and water or sewage networks' installation.
- The owners and users of agricultural lands.
- The owners and users of lands located nearby subprojects.
- People who will face access restrictions, including persons with disabilities, during the implementation of infrastructure projects.



A subproject that involves any of the above must develop a LALAP that includes a study of the subproject's social effects on the lives of citizens. The socioeconomic study will identify those who are negatively affected by the subproject and the level impact through census, interviews large-scale community discussions that include stakeholders and the affected individuals.

Although the exact nature and locations of sub-projects are unknown, the following categories of PAPs will be used in identifying groups of PAPs for the purpose of determining impacts.

Project affected persons (PAPs) are individuals whose assets may be lost, including land, property, other assets, and/or access to natural and/or economic resources as a result of activities related to sub-projects. Project affected households are groups of PAPs in one household and where one or more of its members are directly affected by the sub-project. These include members like the head of household, male, and female members, dependent relatives, tenants, etc..

Vulnerable groups of people. From these households the sub-project will separately identify the vulnerable members, such as those who are too old or too ill; children; women; unemployed youth; etc. Households headed by women or depend on sons, brothers, and others for support are especially vulnerable. Similarly, households with elderly or seriously ill persons are eligible for additional support.

Following the conduct of the socioeconomic impact study, a large-scale workshop must be held to which all of the stakeholders, particularly the affected individuals, should be invited by advertising in public avenues within municipalities and using local media platforms.

During the workshop, the discussion shall include the presentation of the following:

1. The main findings of the socioeconomic impact study.
2. Individuals who are affected by the project.
3. The entitlements of the PAPs under the LALPF
4. Establishment of the two committees detailed in an earlier section above.

2. CREATION OF BASELINE INFORMATION ON PAPS



A subproject that developed a LALAP must conduct a socioeconomic study to determine the subproject's social and economic impacts. In addition, a census will be done to determine the with the number and type of impacts (lists of those that are affected).

The database of the affected people must include the following description:

- a. The number of affected household members .
- b. The socioeconomic status of the household, including its income, livelihoods means, before the implementation of the subproject.
- c. The type of losses and access restrictions to land incurred as a result of the subproject.
- d. The amount of loss of land, livelihood, assets and income.

3. SOCIOECONOMIC IMPACTS:

Identify and assess the social impact, adverse and beneficial, in the project's area of influence in order to avoid, or where avoidance is not possible, minimize, mitigate, or compensate for adverse impacts on PAPs, affected communities.

- Identify the types, nature and scale of sub-projects under MDPIII project;
- Propose mitigation and monitoring measures in the form of a sub-project-socioeconomic impact study and applicable safeguard documentation to address potential impacts;
- Develop procedures to identify and address potential social safeguard issues of the projects;
- Provide a detailed budget for mainstreaming social issues into the MDP Phase III project budget.

VIII. METHODS FOR VALUING ASSETS

1. METHODS FOR VALUATION

OP 4.12 requires that resettlement and compensation plans provide prompt and effective compensation at full replacement cost for losses of assets attributable directly to a Bank-financed project. Livelihood cost is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover

transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account in determining their value.

For losses that cannot easily be valued or compensated for in monetary terms such as access to public services, customers, and suppliers the sub- project shall provide access to equivalent and culturally acceptable resources and earning opportunities.

Land and assets will be valued and compensated according to the following guidelines and as appropriate for the subproject:

- ❑ The MDPIII subprojects will compensate for assets and investments according to the provisions of the Land acquisition and livelihood plan in accordance to this LALPF.
- ❑ Eligibility for compensation will not be valid for new persons occupying or using the project sites after the cut-off date².
- ❑ Full market prices for cash crops will have to be determined based on the values as determined by the appropriate agency. This is often the Ministry of Agriculture.

Valuation of Public Land

In cases where land is being used by the public (for example for grazing or settling), the valuation committee in consultation with the land administration of the government will identify suitable compensation of the economic activity at a level that the users will be able to restore his or her livelihoods.

2. COMPENSATION METHODS

Compensation principles will be as follows:

- ❑ Compensation shall be paid prior to land entry; and
- ❑ Compensation will be at full land entry replacement value.

Forms and Calculation of Compensation

² Is the date at which census of PAPs within the project affected area commences. This is the date on and beyond which any person whose land is occupied for project use, will not be eligible for compensation.

Although the type of compensation may be an individual's choice, compensation in kind (such as land-for-land) is preferred, if the loss amounts to more than 20% of the total loss of assets. Compensation refers to both compensation for expropriated assets and restoration of income.

Table 1. Forms of compensation and calculation methods

Types of Compensation	Calculation Method
Cash Payments	Compensation will be calculated and paid in local currency. Rates will be adjusted for inflation
In-Kind Compensation	Compensation may include items such as land, building materials, seedlings, agricultural inputs.

Agricultural damages including Land;

When the agricultural land owners or users are affected by the implementation of sub- projects, the compensation is provided as follows:

- e. If land affected permanently the land will be replaced with land in similar location and the same productive value or provide full replacement cost
- f. For those using land (squatters) they will be compensated of the investment they made on the land and assistance to restore their livelihoods.
- g. If land taken temporarily, the land must be returned to its previous state following closeout the project.
- h. The losses incurred during the take of the land on a temporally bases should be compensated for according to the market value at the time.
- i. Any uprooted trees must be replanted or compensated for if replanting was not possible. The compensation is based on the maturity of the tree, how long it takes to reach that maturity and the loss of income during that time.

None-Agricultural land



- a. If land affected permanently the land will be replaced with land in similar location. If not possible the market value of land based on the replacement cost will be given.
- b. Same as squatters in agricultural land. For those using land (squatters) they will be compensated of the investment they made on the land and assistance to restore their livelihoods.
- c. If land taken temporarily, the land must be returned to its previous state following closeout of the project.
- d. For the duration of its occupancy for the project the owner should be compensated on a monthly bases based on the market value of the occupancy.
- e. Any uprooted trees must be replanted or compensated for if replanting was not possible. The compensation is based on the maturity of the tree, how long it takes to reach that maturity and the loss of income during that time.

Loss of land

Compensation at replacement cost for owner, in-kind compensation for land user (squatters and encroachers) for the economic value of land use.

Agricultural Crop

Compensation at replacement cost for restoration. Compensation by full cost where crop is affected. The losses incurred during the season must be compensated for according to the market value at the time.

Impacts on structure other than building/household

Compensation at replacement rates. Reinstatement or rehabilitate the structure or to pay the full cost of repair. If building or household will be affected sub-project is rejected.



More details are in entitlement matrix (Annex 1)

3. ORGANIZATIONAL PROCEDURES FOR ENTITLEMENTS DELIVERY

Funding Approval Process

Funding is processed and effected and channeled through municipalities and supervised through MDLF. Any delivery of entitlements and other financial arrangements must be agreed upon at project appraisal stage.

The funding and compensation processes involve several steps: public participation, notification, documentation, agreement, and compensation.

- **Public participation**

Local communities will initiate the compensation process as part of an ongoing process that starts at the land selection/screening stage and at the time the socio-economic study is being carried out. Public consultation ensures that affected individual/household is consulted fully during the preparation of the LALAP and is fully aware of his or her entitlement. Once this is done and land is needed the affected person will be “notified” ahead of time when land is to be acquired. This process seeks involvement and promotes participation of communities from day one.

- **Notification Procedure**

The appropriate municipalities involved in identifying the land will notify the inhabitants. Land or property users will be informed through both written and verbal formal notification delivered in the presence of the implementation committee. In addition, the Municipalities and individuals who control land will accompany the survey teams to identify sensitive areas.

A public notice must be announced in the media (Mosque, social media, public boards, etc). The notice must state:

- a) The Government’s proposal to acquire the land
- b) The public purpose for which the land is needed



- d) That any person affected may, by written notice, object to the transaction giving reasons for doing so, to the implementation committee with copies to the Municipality within 14 days of the first public announcement or appearance of the notice. Assurances must be made that affected persons have actually received this information and notification.

- **Documentation**

The implementation committee must arrange the meetings with the PAPs and/or their households to discuss the compensation process. For each individual or household affected, the implementation committee completes a compensation dossier containing necessary personal information on the affected party and those that s/he claims as household members, dependents, total landholdings, inventory of assets affected, and information for monitoring their future situation. This information is confirmed and witnessed by the implementation committee. Dossiers will be kept current and will include detailed documentation of all assets surrendered and/or impacted. Each individual will be provided a copy of the dossier at the time of negotiations.

The documentation is necessary because it permits for the situation to be monitored over time. All claims and assets will be documented in writing.

- **Agreement on compensation and preparation of contracts**

All types of compensation are clearly explained to the individual or household. The implementation committee draws up a contract, listing all property or assets impacted, and the types of compensation (cash and/or in-kind) selected.

A person selecting in-kind compensation has an order form, which is signed and witnessed. The compensation contract is read aloud in the presence of the affected party and the respective of implementation committee prior to signing.

- **Compensation payments**

All compensation payments (and/or any handover of property such as land) must be made in the presence of the affected party and the implementation committee.



4. COMPENSATION AND PROJECT (CIVIL WORKS) SCHEDULE:

A comprehensive time table must be drawn up and agreed upon by all parties including the PAPs.

Proper timing and coordination of the civil works will be made to ensure that no PAPs will be negatively affected (economically or physically) due to civil works activity.

PAPs will need to be fully compensated, in accordance with the objectives and principles of the LALPF and LALAPs, before any project activity can begin.

For activities involving land acquisition or loss, denial or restriction of access to resources, provisions for compensation must be made prior to land entry.

In addition, land and related assets may be expropriated only after compensation has been paid to PAPs.

Details on land acquisition and compensation must be provided in the Implementation Schedule of LALAP. The schedule for implementation must be agreed between the project unit and PAPs and include:

- ❑ Target dates for start and completion of civil works.
- ❑ Timetables for transfers of completed civil works to PAPs.
- ❑ Dates of possession of land that PAPs are using (this date must be after transfer date for completed civil works to PAPs and for payments of all compensation).
- ❑ The link between LALAP activities at overall and subproject levels.

IX. CONSULTATION AND STAKEHOLDER PARTICIPATION

1. INVOLVING STAKEHOLDERS AND DOCUMENTING CONSULTATIONS AND PARTICIPATION

A Social Impact is identified as the impact of an activity or a project on the social fabric of a local community and on the quality of lives of households within the community. Accordingly, a social impact might be positive or negative, and might affect a community as a whole, certain households, or individuals.

- Why is it necessary to estimate the social impacts of projects?

The impacts on humans are the most commonly considered aspect of certain projects as negative social impact might decrease a project's added value and therefore jeopardize its core importance. The evaluation of social impacts is considered as a part of the environmental evaluation, as a parallel process, or a completely separate one. Therefore, the evaluation of social impacts is used to analyze the overall impacts of a proposed project on communities and individuals to reduce the negative effects of the project on their livelihood, to reinforce the positive impacts, and to provide a framework for social change.

- Social Risk:

This concept has been developed to identify the social risks that face local communities and individuals upon the implementation of a certain project. In general, the poorest households are exposed to higher risks of marginalization as a result of social, economic, and political circumstances. Being unable to reach the level of decision making, they lack the tools to change the decisions that may be devastating to their lives.

Therefore, it is crucial to provide individuals with protection against social risks that might prevent them from practicing their work and livelihood activities or decrease their living standards. Those protection tools must guarantee individuals' decent lives and work conditions that follow global humanitarian and human rights standards.

- Social Participation:

This type of participation by relevant individuals in decision making takes place, directly or indirectly, by legitimate mediums that represent their interests. For that reason, social participation becomes the participation of individuals, families, organizations, and other stakeholders in decision making. This includes the identification of development needs and priorities that reflect their interests using direct or indirect tools. This guarantees an active role for those who do not occupy leading positions in projects or organizations by affecting the decisions that determine events and their results.

Accordingly, the following steps are necessary to guarantee social participation:

- Setting a clear timeframe for social participation.
- Defining the participating groups.



- Identifying the tools of discussion and participation.
- Defining the responsibilities and the means of agreement.
- Identifying risks and results in a clear manner.
- Maintaining a transparent process, the results of which are publicly announced.

Moreover, there are four levels of participation:

- Sharing information.
- Participating in decision making.
- Taking initiatives.
- Constructive affiliation in activities.

Social participation can be achieved through numerous tools, the main of which in local communities is strategic planning that includes the targeted priorities in a participatory manner while reasonably managing resources and results. Other tools of participation may include the following:

- Questionnaire-based surveys.
- Direct interviews.
- Focus groups.
- Literature review.
- Direct observation.
- Extended workshops.

With respect to means of consultation, municipalities and local councils might choose the tools that are most appropriate for holding social discussions about the social impacts of subprojects, while they must invite all stakeholders by advertising in local public avenues and through media platforms. This form of social discussions aims to:

1. Introduce the public and stakeholders to the details of the subproject, the expected hardships, and the subproject's anticipated duration.
2. Inform the public and stake holders of the willingness to launch the LALPF and initiate the preparation to develop a LALP, including a future study of social impacts.
3. Discussing the grievance system related to the LALPF.



▪ **Stakeholders:**

The municipalities and local councils that implement subprojects that launch the LALPF must formulate a list of stakeholder that includes:

1. Civil and community based organizations.
2. Individuals and households affected by the subproject.
3. Social and civil activists.
4. Related governmental bodies in the area.
5. Any other influential stakeholders.

Extended workshops, among other tools, could be used to hold community discussions. However, they must remain clear and within the LALAP.

Each municipality has to organize two consultation workshops in order to include the public and PAPs in the planning, implementation, monitoring and evaluation of the sub-project.

First Workshop:

Following the MDLF approval of a sub-project that launch LALPF, a public consultation workshop must be organized. The workshop should ensure that affected individual/household is consulted fully during the preparation of the LALAP and is fully aware of their entitlement.

During the workshop, the discussion shall include the following

- Community discussion about the sub-project.
- The location of the sub-project.
- The potential socioeconomic impact.
- The launch of the socioeconomic study, LALAP.

Second Workshop:



Following the conduct of the socioeconomic impact study, a large-scale workshop must be held with the participation of stakeholders, particularly the affected individuals.

During the workshop, the discussion shall include the presentation of the following:

1. The main findings of the socioeconomic impact study.
2. Individuals who are affected by the project.
3. The entitlements of the PAPs under the LALPF.
4. Establishment of the two committees detailed in an earlier section above.

Stakeholders, particularly the affected individuals (inhabitants, land or property users) should be invited by advertising in public avenues within municipalities and using local media platforms.

Each workshop should be documented, including the names of the participants, and attached to the sub-project LALAP.

Once the project starts implementation, all municipalities will receive training on the LALPF to be ready to undertake consultations with affected people on the LALPF and potential follow up Action Plan.

X. MONITORING AND EVALUATION

In order to assess whether the goals of the land acquisition and compensation plan are being met, a monitoring plan will be required. The monitoring plan includes indicators to be monitored, introduces milestones, and provides resources including responsible persons or institutions to carry out the monitoring activities. The arrangements for monitoring land acquisition and compensation activities will be part of the monitoring and reporting process of the project, which will fall under the overall responsibility of the executing agency.



The MDLF, with support from the Social Specialist will institute an administrative reporting system that:

- a) Alerts the project authorities on the necessity and procedures for land acquisition for the project activities and the need to incorporate land acquisition, loss of assets and impact on livelihood provisions in design specifications and budgets.
- b) Provides timely information about asset valuation and negotiation process.
- c) Maintains records of any grievances that require resolution.
- d) Documents timely completion of project obligations for all permanent and temporary losses, as well as unanticipated, additional construction damage.
- e) Updates database with respect to the changes that occur on the ground as land acquisition and compensation activities are being implemented.

LALPFs require to be cost effective, MDLF should be responsible of the monitoring and evaluation of the project. This will take the form of giving the municipalities the mandate to carry out independent monitoring of land acquisition and compensation plans at periodic intervals (e.g., quarterly) during the program life as circumstances require.

The monitoring objective will be to make a final evaluation in order to determine:

- a) If affected people have been paid in full and before implementation of the subproject
- b) If the people who were affected by the subproject have been affected in such a way that they are now living a higher standard than before, living at the same standard as before, or they are actually poorer than before.

Monitoring and Evaluation Indicators

In order to assess whether these goals are met, indicators capable of measuring LALAP performance will have to be developed.

A number of objectively verifiable indicators must be used to monitor the impacts of the compensation and land acquisition activities. These indicators will be targeted at quantitatively measuring the physical and socio-economic status of the PAPs, to determine and guide improvement in their social and economic wellbeing.

Table 2. Sample indicators

Monitoring	Evaluation
Public information dissemination and consultation procedures	Timeliness, quality, and effectiveness of consultation and information disclosure
Payment of compensation to PAPs in various categories	Conformance to compensation policies described in the LALAP
Completion dates of the LALAP activities.	Actual completion of land acquisition activities compared with the LALAP time schedule
Number of grievances	Timeliness and quality of decisions made on grievances
Grievances recognized as legitimate out of all complaints lodged	All legitimate grievances rectified
Pre- project production and income (year before land used) versus present production and income of PAPs, off farm-income trainees, and users of improved production or agricultural techniques	Affected individuals and/or households compensated in first year who have maintained their previous standard of living at final evaluation.
Pre- project production versus present production (crop for crop, land for land).	Equal or improved production per household.

Indicators to be used in order to determine the living standards of PAPs are:

- a) Land being used compared to before
- b) Level of participation in project activities compared to before
- c) Health standards compared to before
- d) Income levels compared to before



In view of the above, the land acquisition and compensation plans have overarching socio-economic goals by which to evaluate its success:

- ❑ Affected individuals, households, and communities are able to maintain their pre-project standard of living, and even improve on it.

In order to assess whether this goal has been met, indicators capable of measuring the land acquisition plan performances will have to be developed. The land acquisition and compensation plans will provide measurable parameters to be monitored and provide resources necessary to carry out the monitoring activities. For example the following parameters and verifiable indicators could be used to measure the land acquisition and compensation plans performance:

- ❑ Questionnaire data will be entered into a database for comparative analysis at all levels of Local Governments.
- ❑ Each PAP will have a compensation dossier recording his or her initial situation, and compensation agreed upon and received.
- ❑ The Local Governments will maintain a complete database on every individual impacted by the sub-project land use requirements including compensation, land impacts or damages.
- ❑ Percentage of individuals selecting cash or a combination of cash and in-kind compensation
- ❑ Proposed use of payments
- ❑ The number of grievances and time and quality of resolution
- ❑ Agricultural productivity of new lands
- ❑ Number of PAPs employed by the civil works contractors

Record Keeping

Financial records will be maintained by MDLF.

The records will permit the verification of the final cost of land acquisition and compensation per individual or household. Each person receiving compensation will have a dossier containing:

- ❑ Individual bio-data information,
- ❑ Number of people s/he claims as household dependents,
- ❑ Amount of land available to the individual or household when the dossier is opened.



- ❑ Level of income and of production through an inventory of material assets and improvements in land, and debts.

The suggested timeframe for the Land Acquisition and Livelihood Plan within the subprojects:

Stage	Step	Required time (weeks)	Accumulated time (weeks)	Notes
1.Development	1.1 Applying for the subproject that launches the LALPF	4	4	
	1.2 MDLF approval of the LALAP	1	5	
	1.3 Preparing and conducting a community discussion of the project	1	6	In parallel with contracting
	1.4 Contracting a consultant (firm or individual)	2	8	
	1.5 Developing the LALP including the social impact study	8	16	
	1.6 MDLF approval of the plan and the project	2	18	
	1.7 respective DPS ensure compliance of the plan to LALPF	2	20	
	1.8 Preparing and conducting a community discussion of the project	1	21	In parallel with plan development
2.Implementation	2.1 Forming the two committees	2	23	
	2.2 Launching the compensation and the grievances systems	1	24	
	2.3 Implementing the compensation plan	2	25	
3.Approval	3.1 Provide MDLF with the grievances and compensation documentation	1	26	
	3.1 MDLF approval of the subproject	1	27	



Public Consultation

MDLF has conducted public consultation workshop aimed to present the LALPF draft for West Bank municipalities, and getting their input and feedback..

West Bank consultation was conducted on March 7th 2017 with presence of 25 attendees representing municipalities, local community representatives. Minutes are detailed in annex 5.

Annexes

Annex1: Sample LAND ACQUISITION AND LIVELIHOOF Entitlement Matrix

<i>Type of loss</i>	<i>Unit of Entitlement</i>	<i>Entitlement</i>	<i>Agency responsible</i>	<i>Methodology</i>
Loss of land in general	<ul style="list-style-type: none"> Owner , 	<ul style="list-style-type: none"> Compensation at replacement cost for owner, Replacement with land in similar location and the same value, 	Municipalities	<ul style="list-style-type: none"> Replacement with land in similar location and the same productive value, or provide full replacement cost
Loss of land in general	Tenant	In-kind compensation for land user	Municipalities	The value of the investment made on the land, harvest of the crops, compensation of the time require them to reinstate the same livelihood
Squatters or those using land for economic activities	Non-owners	In-kind compensation for land user	Municipalities	The value of the investment made on the land, harvest of the crops
Non- agricultural land	<ul style="list-style-type: none"> Owner tenant Squatter and non-owners 	<ul style="list-style-type: none"> Compensation at the replacement cost In-kind compensation for land user In-kind compensation for land user 	Municipalities	<ul style="list-style-type: none"> Replacement cost of the land based on the market value or provide full replacement cost The value of the investment made on the land, harvest of the crops, compensation of the time require them to reinstate the same livelihood Cash or in-kind compensation for owner and land user for the economic value of land use
Agricultural land	<ul style="list-style-type: none"> Owner tenant 	<ul style="list-style-type: none"> Replacement land with the same productive value in the same area where land was located or provide full replacement cost In-kind compensation for land user 	Municipalities	<ul style="list-style-type: none"> Replacement of cost based on market value, or provide full replacement cost The value of the investment made on the land, harvest of the crops,



<i>Type of loss</i>	<i>Unit of Entitlement</i>	<i>Entitlement</i>	<i>Agency responsible</i>	<i>Methodology</i>
	<ul style="list-style-type: none"> Squatter and non-authorized users of land 	<ul style="list-style-type: none"> In-kind compensation for land user 		<p>compensation of the time require them to reinstate the same livelihood</p> <ul style="list-style-type: none"> Cash or in-kind compensation for owner and land user for the economic value of land use
Land affected temporarily	Individual	<p>Compensation at replacement cost for restoration</p> <p>Compensation for the losses according to the market value at the time.</p>	Municipalities	<p>Municipalities will provide compensation to individual by reinstating the land</p> <p>Compensation at replacement cost for restoration</p> <p>Compensation for the losses according to the market value at the time.</p>
Agricultural Crop or tree	Individual	<p>Compensation at replacement cost for restoration</p> <p>Compensation based on the maturity of the tree</p>	Municipalities	<p>Municipalities will compensate by planting similar tree age, or compensate based on the maturity of the tree</p> <p>full cost where crop is affected</p>
Impacts on structure other than building/household	Owner of affected property	Compensation at replacement rates	Municipalities	<p>Municipalities will reinstate or rehabilitate the structure or to pay the full cost of repair</p> <p>If building or household will be affected sub-project is rejected</p>



Annex 2: Social and Cultural Resource Screening of Subprojects

Social safeguards screening information		Yes	No
1	Will the project reduce people's access to their economic resources, such as land, pasture, water, public services or other resources that they depend on?		
If the answer to any above question is "Yes", then the sub-project will be considered ineligible			
2	Will the project result in resettlement of individuals or families or require the acquisition of land (public or private, temporarily or permanently) for its development?		
3	Will the project result in the temporary or permanent loss of crops, fruit trees and or livelihood		
4	Will the sub-project impact ancillary infra-structure		
If the answer to any above question is "Yes", then OP/BP 4.12 Involuntary Resettlement is applicable refer to LALPF for procedures			
If the Answer for all the above is "No", please fill in the followings;			
Required Documentation		Yes	No
5	Is the information related to the affiliation and ownership status of the subproject site available and verifiable?		
6	If there is voluntary land donation, is documentation provided and have the WB procedures been followed as outlined in voluntary land donation section of the ESIA/ESMF?		
Cultural resources safeguard screening information		Yes	No
7	Will the project require excavation near any historical, archaeological or cultural heritage site?		
If answer to question 7 is "Yes", then OP/BP 4.11 Physical Cultural Resources is applicable and possible chance finds must be handled in accordance with OP/BP and relevant procedures provided in the Environmental and Social Management Framework.			

ANNEX 3: VOLUNTARY LAND DONATION (VLD)³

In cases where there is voluntary land donation, defined as when people or communities agree to voluntarily provide land in exchange for benefits or services related to the project, the below requirements must be met:

1. The act of donation is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities;
2. The potential donor is aware that refusal or to say no is an option without any consequences, and that right of refusal is specified in the donation document the donor will sign.
3. Land to be donated must be identified by the municipality in coordination with the community for the project that have been selected; the impacts of proposed activities on donated land must be fully explained to the donor;
4. The donor may negotiate compensation (in full or in part) or alternative forms of benefits as a condition for donation
5. Donation of land cannot occur if it requires any household relocation;
6. For community or collective land, donation can only occur with the consent of the individuals owners of the land.
7. Verification must be obtained from each person donating land (either through proper documentation or through confirmation by at least two witnesses);
8. The implementing agency establishes that the land to be donated is free of encumbrances or encroachment and registers the donated land in an official land registry;
9. Voluntary land donation will not be permitted in cases of site-specific infrastructure as community pressure could be too onerous for a person to refuse, thus removing the power of choice.⁴
10. In case that the donated land were not used for it is agreed purpose then the municipality needs to have a written agreement from the land donor that they agree to use the land for the new purpose , otherwise the municipality will return the land to the owner.
11. There should be no coercion, manipulation or pressure from the community or public or traditional authorities for individuals to voluntary donate land.
12. The proportion of land that may be donated cannot exceed the area required to maintain the donor's livelihood or that of his/her household. Documentation for VLD provided below should be sufficient to verify this.

³ VLD procedures are accepted by Ministry of Local Government.

⁴ In cases of site-specific infrastructure it is recommended to use land under ownership of municipalities in exceptional cases willing-buyer willing-seller if adequate measures are put in place to avoid coercion.



13. The infrastructure must not be site specific
14. The person who donates the land should have access to project level grievance mechanism.
15. The donor should be provided with the information for such grievance mechanism.



ANNEX 4: WILLING SELLER WILLING BUYER

For Land Purchase through willing seller willing buyer approach, land acquisition must occur by mutual agreement in exchange for a notarized purchase contract based on the market price at the date of acquisition. In addition, these questions should be answered and documented:

- If the owner of the land refuses to sell, will the municipality search for another plot of land? Yes/No
- Is the owner free of municipality or social pressure to refuse to sell? Yes/No
- Is the owner made aware of his/her refusal to sell? Yes/No
- Will the owner continue to live in current place of residence (will not relocate)? Yes/No
- Is the land free of any renters, users, squatters or encroachers? Yes/No
- Is the land free of any competing claims of ownership? Yes/No
- Can the owner negotiate for price? Yes/No
- Is the owner made aware that he/she can negotiate for price? Yes/No
- Does the owner have access to a project level grievance mechanism? Yes/No
- Is the owner made aware of such grievance mechanism? Yes/No
- Is there documentation reflecting the understandings above, signed by the owner? Yes/No

Finally, prior to land purchase process, the municipality council shall take an official decision in the municipality intention to purchase certain land, then municipality should obtain MOLG district office approval after checking: (1) allocation in the budget abundance, (2) The MOLG to create committee to evaluate the land market value, the committee shall represent MOLG, MOF, LGU, and the Land Authority. (3) After that, the municipality take decision through in the council official meeting regarding the estimate and proceed with the purchase.



Annex 5: Summary of Public Consultations

Date: 07/03/2017

Place: Municipal Development and Lending Fund (MDLF).

Number of participants: 25 of the municipalities and CBOs/ NGOs ((attendees list is attached))

Tawfiq al-Badri, Director General of MDLF, welcomed the participants, presented a brief introductory about MDPIII and the ongoing preparations to launch the third phase. He also presented the goal of this workshop, in order to review and discuss LALPF, and the approval mechanism of sub-projects under LALPF.

Naeem al- Nubani, Director of the Engineering Department, presented MDPIII design and developments, and components of the program. He also mentioned the revised social and environmental measures, and how it should be added to the sub-project application. He also clarified the new performance assessment of municipalities, and the relevance of the financial allocations.

Firas Jaber presented in details the LALPF according to content of the framework.

The major discussion point was raised as following:

- LALPF is a binding document, and any sub-projects trigger the framework must prepare a LALAP.
- A debate about the concept of public land, and it was clarified that it should be no legal disputes on the land or used by people.
- A debate about compensation mechanism, and it was clarified it should be in accordance with the matrix.
- A debate about the time needed to prepare and implement the LALAP, it was clarified that the two-year project, and with proper planning it could be finalized in few months.
- The budget for the LALAP preparation can be allocated from MDLF or municipal budgets.
- It was clarified that compensation should coming from the municipal budgets.
- A debate about hiring a consultant, and the time effort needed.
- It was clarified the method and mechanism of compensation and complaints.



ورشة عمل تطويرية لمنطقة سوسة
"أطلق عمل حيوية الأراضي وتحسين حياة الناس"
ضمن التحضيرات لبرنامج تطوير البلديات المرحلة الثالثة

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