

RESETTLEMENT POLICY FRAMEWORK

FOR THE

VANUATU RURAL ELECTRIFICATION PROJECT
STAGE 2 (VREP II)

Prepared for Vanuatu Department of Energy

December 2016

TABLE OF CONTENTS

Contents

A.	INTRODUCTION	4
B.	PREPARING A RESETTLEMENT POLICY FRAMEWORK.....	4
C.	PROJECT DESCRIPTION AND LAND USE REQUIREMENTS for VREP II	5
C.1	System Components and Land Area Requirements.....	5
D.	OBJECTIVES AND KEY PRINCIPLES.....	7
E.	LAND TENURE TYPES IN PROJECT AREAS	8
F.	LEGAL AND REGULATORY FRAMEWORK.....	8
F.1	World Bank Operational Policy 4.12 - Involuntary Resettlement.....	8
F.2	Vanuatu Land Management Context.....	9
F.3	Vanuatu Land Management Context and Legislation	10
F.4	World Bank Policy.....	11
G.	PROJECT LAND ACCESS STRATEGY.....	12
G.1	G.1 Types of land access arrangements.....	12
G.2	G.2 Type of “consideration” for land transactions proposed under the project.....	12
G.3	G.3 Land Access Process.....	13
H.	DOCUMENTATION REQUIREMENTS FOR ACCESSING LAND.....	14
H.1	Preparing ARAP where necessary.....	17
H.2	Communal Land Acquisition – Guiding Principles	16
H.3	Entitlements	17
H.4	Implementation Arrangements	Error! Bookmark not defined.
H.5	Process for negotiation of Voluntary Land Donations (VLD) and Long Term Leases 17	
H.6	Budget and Costs	19
I.	Grievance Procedures	19
J.	DISCLOSURE AND CONSULTATION ON THE RPF	20
	Annex 1.....	21
	ANNEX 2	26

TABLE OF ACRONYMS

A.1.1 AP	A.1.2 affected person(s)
A.1.3 ARAP	A.1.4 Abbreviated Resettlement Action Plan
DoE	A.1.5 Department of Energy
A.1.6 ESMF	A.1.7 Environmental and Social Management Framework
A.1.8 GoV	A.1.9 Government of Vanuatu
A.1.10 GRM	A.1.11 grievance redress mechanism
A.1.12 OP	A.1.13 World Bank Operational Policy
A.1.14 PDO	A.1.15 Project Development Objective
A.1.16 PV	Photovoltaic
RP	A.1.17 resettlement plan
A.1.18 RPF	A.1.19 Resettlement Policy Framework
A.1.20 SHS	A.1.21 solar home system
A.1.22 VLD	A.1.23 voluntary land donation
A.1.24 VREP	A.1.25 Vanuatu Rural Electrification Project

B. INTRODUCTION

This Resettlement Policy Framework (RPF) has been prepared for the Vanuatu Rural Electrification Project Stage 2 (VREP II). The RPF is a companion document to the VREP II Environmental and Social Management Framework (ESMF) (December 2016).

The VREP II Project Development Objective (PDO) is to “...*support increased penetration of renewable energy and increased access to electricity services for rural households, public institutions and businesses located in the dispersed off-grid areas.*”. The Project will finance two power-generation types: 1) solar home systems (SHS) and micro-grids for individual households, churches and schools for example; and 2) mini-grids for powering small villages. As SHS and micro-grids affect only individual premises they are not subject to the provisions of this RPF. The Government of Vanuatu (GoV) will identify potential locations for mini grids taking into account population density (number households), public facilities such as hospitals and schools, ‘anchor’ loads such as tourism facilities, food processing or other commercial operations, and potential sources of renewable energy sources, for example hydro, for feeding into the mini-grids in future. Sub-projects eligible for financing will be selected from the GoV ‘long list’ during implementation. As the specific sub-project locations will not be known until implementation, this Resettlement Policy Framework (RPF) is required.

Communities in the long listed sites will be invited by the GoV to elect to receive a mini-grid under the project. This is a demand driven initiative where communities elect to benefit from project outcomes and it will be delivered in partnership between the Department of Energy (DoE) and the recipient communities.

Land will be required for the generation infrastructure (solar photovoltaic (PV) array and biodiesel back-up genset), battery storage facilities and distribution systems (poles and wires). The areas of land required are small. Three underlying land tenures exist: Government-owned land, Church-leased land and customary land. The underlying tenure arrangement will define the process adopted for accessing the land required for the project as accessing land with the different types of tenure requires a different approach and process. Government land will be preferred, then church land and then customary land. Distribution systems will be generally located along existing road/path alignments. Although this land is generally customary land, the scale of anticipated impacts is very low and necessary agreements based on the requirements of the RPF will be achieved first. Any need to remove trees and other income producing vegetation for technical reasons will be avoided to the maximum extent possible.

A project communications strategy will be developed by DoE which drives active communication with potential beneficiary communities. This strategy will cover the purpose of the project, benefits of electrification, the need for tariffs to be paid and the role of the community in any operation and maintenance processes etc. To ensure beneficiaries and affected people fully understand (and are a part of) the project identification and delivery process, land and asset related aspects will form an important part of the communications strategy. If no land is able to be accessed for the purpose of the project in a given locality; the project will not be imposed in an involuntary manner upon the community.

C. PREPARING A RESETTLEMENT POLICY FRAMEWORK

The exact nature of the investments, detailed design of the engineering works and precise siting of infrastructure works for the projects has not been determined, and will be decided taking in to account the outcomes of a “roadshow” and consultations with stakeholders and affected people (APs). A Resettlement Policy Framework (RPF) has therefore been selected as the appropriate social safeguard instrument. No physical displacement is envisaged.

The project will not – by design – require involuntary land acquisition.

The RPF describes the strategy which will be adopted by the project to access land. It also includes – if in the unlikely event that involuntary land acquisition is required –the policies and procedures leading to development of the abbreviated resettlement action plan (ARAP) if

required for a particular subproject.. Such circumstances may include the following two instances:

- If additional land is required and the landowner is not a beneficiary of the project and the pre-requisites for negotiated settlement are not satisfied; or
- where, for example, land access had been negotiated and agreed but (possibly prior to this being legally ratified), the land owner then rescinds this agreement once the sub project has commenced; thereby compromising project outcomes.

In such instances, the project would be able to involuntarily acquire land and an Abbreviated Resettlement Action Plan (ARAP) would be developed as per Operational Policy 4.12 for Involuntary Resettlement, Annex 1, paragraph 22. The ARAP will form part of the agreement between the GoV and the World Bank.

D. PROJECT DESCRIPTION AND LAND USE REQUIREMENTS FOR VREP II

D.1 System Components and Land Area Requirements

Mini-grids are small scale electricity infrastructure requiring limited land area. As shown in the schematic below (**Error! Reference source not found.**) land is required for several components as follows:

- photovoltaic (PV) array – sub-projects under VREP II are expected to comprise solar arrays. These arrays are likely to be ground-mounted; however there may be an option to install panels on roofs of community buildings if cyclone resistance is acceptable. The PV array will comprise the largest piece of infrastructure by area;
- battery storage and bio/diesel generator (genset) – these facilities will likely be housed together within a small building adjacent to the PV array. **Error! Reference source not found.** shows an example of a PV array and battery/genset building similar in scale to that being considered under VREP II. Inverters and transformers are small pieces of equipment that can also be housed within the battery/genset building;
- distribution system – this will comprise power poles or easement for underground cables, wires and household electricity meters. The footprint of pole foundations is approximately one square metre (m²) and electricity meters are the size of a shoe box.

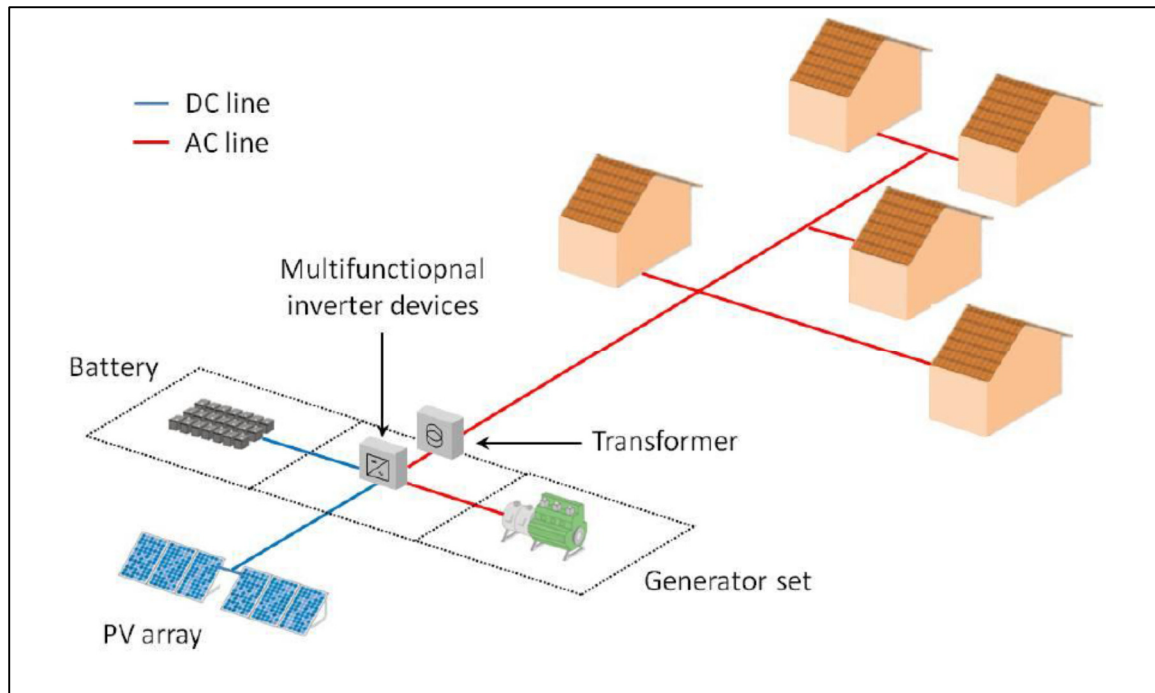


Figure 1 Mini-grid Schematic



Figure 2 Solar PV Array and Battery/Genset Building



Figure 3 Power Pole and Distribution Lines

E. OBJECTIVES AND KEY PRINCIPLES

The guiding principles for the project are that it will not create nor require involuntary resettlement and that all affected people - by definition those individuals affected by a project in either a positive or negative way - should be better off or at least as well off as before the project. All persons affected by the project are to be consulted throughout the project, have the opportunity to participate in planning, and to share in project benefits. The project should contribute to sustainable development.

These principles require a process of

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

The over-riding objective is to avoid any resettlement impacts via subproject identification, and effective infrastructure design. To ensure that the projects contribute to the objective of

sustainable development, DoE will adopt a comprehensive disclosure and consultation process that includes all stakeholders. The consultation process with APs will reveal all foreseeable impacts, and will elicit AP concepts of how mitigation options and resettlement planning can contribute to their aspirations for sustainable restoration or improvement of their livelihoods. In the unlikely event of loss of land, and land-based assets, the aim will be to replace like for like, and if this is not possible, to compensate for lost land, assets and income. Restoration includes not only physical assets, but also social and cultural assets. If there is a risk of disruption of these values, which are often disproportionately encountered by women, the APs will contribute to selection of mitigation and resettlement options to ensure policy objectives are met.

F. LAND TENURE TYPES IN PROJECT AREAS

Land within villages in Vanuatu is held under several tenures including Government-owned, Church-leased and customary as described below:

- Government-owned Land. When assessing expressions of interest from communities interested in receiving mini-grids under VREP II, DoE will consider the availability of Government-owned land. If suitable portions are available DoE would need to apply to the Minister for Lands to seek agreement to use the land for project infrastructure. Concurrence from the Provincial Government administration would also be required.
- Church-leased Land. Where Government-owned land is either not available or unsuitable, DoE will next consider Church-leased land. In this circumstance DoE would negotiate a sub-lease with the Church or (subject to meeting the requirements of this RPF) a voluntary land donation (VLD) arrangement.
- Customary Land. Customary land would only be considered once the previous two options have been discounted. In this case DoE would enter into negotiations directly with the custom owner. Two options would be considered: VLD and lease subject to the provisions of this RPF.

G. LEGAL AND REGULATORY FRAMEWORK

G.1 World Bank Operational Policy 4.12 - Involuntary Resettlement

World Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risk:

- production systems are dismantled;
- people face impoverishment when their productive assets or income sources are lost;
- people are relocated to environments where their productive skills may be less applicable and the competition for resources greater;
- community institutions and social networks are weakened;
- kin groups are dispersed; and
- cultural identity, traditional authority, and the potential for mutual help are diminished or lost.

This policy includes safeguards to address and mitigate these impoverishment risks.

Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of OP 4.12 are the following:

- involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs;
- where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits; and
- displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

G.2 Vanuatu Land Management Context

The Australian Agency for International Development (AusAID), as part of its Making Land Work: Reconciling Customary Ownership and Development publication (AusAID, 2008) undertook a case study which provides the following historical and political context for land management in Vanuatu:

“...the history of land management in Vanuatu can be divided into two periods—before and after independence. Before independence in 1980, around 20 per cent of the country’s land area (and a far greater percentage of the land suitable for agriculture) was owned by foreign interests. Beyond the boundaries of the two urban centres of Port Vila and Luganville, land management was almost entirely a matter of choice, with little in the way of planning and development requirements or land revenues. Titles in alienated lands were confirmed and registered by the Joint Court almost without exception, regardless of native claims to the contrary (Van Trease 1987). By the 1970s, however, as ni-Vanuatu became increasingly concerned that much of their most valuable land was in foreign hands, the level of protest increased greatly.

Measures were taken to return some land, but an Anglo–French Condominium with conflicting goals and agendas could not address the grievances. So these serious land problems were left to the incoming independent government to resolve. After a long struggle in which the central issue was returning alienated lands to their customary owners, the Constitution adopted at independence declared: ‘All land in the Republic of Vanuatu belongs to the indigenous custom owners and their descendants’ (Article 73). The only exception to this declaration was that the government could own land acquired in the public interest (Article 80). Under this power, much of the land within the town boundary of Port Vila became public land.

Whereas the land management system before independence could be called ‘laissezfaire’, for quite different reasons the system introduced at independence ended up being much the same. It was designed to deal with the pressing need to change the land tenure system from one dominated by outsiders to one giving priority to the needs of the nation’s citizens. All alienated lands were returned immediately to customary owners.

The Land Reform Act passed in 1980 enabled customary owners to negotiate leases for up to 75 years with the previous owners of their land. But this could be done directly without first determining customary ownership. Once registered under the Land Leases Act, no challenge to ownership can overturn a lease. Matters such as identifying customary owners, while not ignored by the incoming government, could not be given priority. Even the vital question ‘what are custom owners—individuals or groups?’ was left to be answered later by a national land law called for by the Constitution (Article 76). This law was also intended to address Vanuatu’s need for a comprehensive land administration system.

Chapter 5 of the Constitution provides for the National Council of Chiefs (Malvatumauri) a 'general competence to discuss all matters relating to custom and tradition'. Chiefs are officially recognised as having authority in a hierarchy—from village chiefs to area, island, provincial and national councils of chiefs. In 2006 the National Council of Chiefs Act was passed, providing an administrative structure for the National Council of Chiefs and identifying its role in registering island and urban councils of chiefs. Under the Customary Land Tribunals Act 2001 chiefs are the main authorities for settling land disputes.."

G.3 Vanuatu Land Management Context and Legislation

Land acquisition, resettlement and associated land issues are recognised in legal terms in Vanuatu by the Constitution and more than 10 laws (or Acts). This section presents a brief overview of the salient national legal instruments pertaining to land acquisition and resettlement.

The Vanuatu Constitution (1980) provides that -

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

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

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

The New Land Laws comprise the following:

- Customary Land Management (Amendment) Act (2014).
- Land Reform (Amendment) Act (2014).
- Customary Land Tribunal (Repeal) Act (2014).

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

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

G.4 World Bank Policy

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

G.5 Gap Analysis

Table 1 lists the gaps between the Vanuatu legislation and WB resettlement policy and proposed gap filling measures where there are differences.

Table 1 Legal Gap Analysis

Vanuatu Laws	World Bank Safeguard Policies	Gap-Filling Measures
There are no provisions to prepare resettlement plans (RP) based on meaningful consultations with APs, including the poor, the landless, elderly, women, and other vulnerable groups.	OP 4.12 requires that RPs must be prepared based on consultations with APs, and that poorer and vulnerable people are also consulted and informed of their entitlements and resettlement options.	ARAPs will be prepared in consultation with APs, including vulnerable groups, and disclosed by the DoE; translated or summary versions will be available at the provincial, district and local level. Local Nakamal leaders whose members are affected will also receive a copy of the ARAP.
There are no provisions to improve or at least restore the livelihoods of all APs.	It is necessary to improve or at least restore livelihoods of APs by a range of strategies targeted at APs. Nobody is to be worse off as a result of the development project.	Where such impacts will be experienced, ARAPs will include measures for improvement or at least restoration in living standards of APs to pre-project levels.
Very limited provisions to provide assistance or compensation to APs who lose access to non-land assets.	Requires that APs are compensated for all losses, including non-land assets, at full replacement cost.	The project will follow the principle of replacement cost for compensation of affected assets.
There is no requirement for the monitoring and assessment of resettlement outcomes.	OP 4.12 requires that resettlement outcomes be monitored and assessed.	ARAPs will include indicators and baseline data to monitor impacts on living standards of APs. The monitoring reports will also be disclosed including to APs.

H. PROJECT LAND ACCESS STRATEGY

VREP II will be a demand driven initiative where communities elect to benefit from project outcomes and will be delivered in partnership with the communities. The project is designed to engage with communities to determine where mini grids will be located with the objective of ensuring that all parties are actively involved and that no particular individuals experience an unequal burden on behalf of the community.

Involuntary resettlement will not form part of the project delivery framework.

Regardless of the land tenure type (Government, Church or Customary), the fundamental approach adopted for accessing the land will be through open communication and negotiation.

H.1 Types of land access arrangements

The project delivery approach is built around meaningful consultation and if no land is able to be accessed for the purpose of the project in a given locality; the project will not be imposed in an involuntary manner upon the community. Distribution lines will be within rights of ways for existing roads and paths and will be designed in consultation with communities to ensure any impacts on trees etc. are avoided.

Using engagement as the foundation, DoE will work to achieve community supported (and legally protected) land arrangements with each community. The main land transaction types envisaged are:

- Easement/Lease/License legally created under Vanuatu legislation to protect all parties
- MoU or other similar legally binding document which clearly defines the land to be used and the terms of the agreement

H.2 Type of “consideration” for land transactions proposed under the project

Based on the outcomes of the meaningful consultation and negotiations outlined below it is expected that one of three types of consideration will be involved in accessing land as follows:

Donation (VLD Protocol)

Where a land owner wishes to donate land required for project related activities, this will be permitted under this project where this occurs in accordance with the Voluntary Land Donation (VLD) protocol held at Annex 2. Subject to full documentation of the consultation process and assessment of any potential impacts on one particular household or group of people, it may also be applied to customary lands.

The fundamental aspects are ensuring that any donation is voluntary, that there is the “power of choice” and that people donating land are fully apprised of project impacts. OP 4.12, defines “involuntary” as “actions that maybe taken without the displaced person’s informed consent or power of choice.” Accordingly, in assessing whether a potential donation is voluntary, it is necessary to focus on whether the owner(s) or user(s) of the land understand:

- What the land is going to be used for, by whom and for how long;
- That they will be deprived of the ownership or right to use the land, and what this really means;
- That they have a right to refuse to donate the land;
- Whether there are proposals which would allow other land to be used;
- What they will need to do to donate the land, and what costs are involved;

- The effect of the donation on their family, what they can do if they (or their family or heirs) want the land back.

The issues above assume that it is straightforward to identify the owners or users of the land, and that there are no competing (or potential) competing claims to that land. Clearly this is not always the case.

Central to accepting VLD as an instrument for this project will be ensuring that the donation is being made by the right parties and is truly voluntary.

Payment of lease/license fee

Where, as a result of the consultation and negotiation process, a lease or licence is proposed, Government of Vanuatu/DoE will pay a negotiated and agreed rate to the land owner.

H.3 Land Access Process

The project land access process will be based on meaningful engagement with the communities who have been shortlisted by DoE as candidate communities. A project communications strategy will be developed which drives active communication with potential beneficiary communities. This strategy will cover:

- the purpose of the project,
- benefits of electrification,
- the need for tariffs to be paid
- the community in any operation and maintenance processes
- ways the community can contribute to project delivery etc.

To ensure beneficiaries and affected people fully understand (and are a part of) the project identification and delivery process, land and asset related aspects will form an important part of the communications strategy. This communications strategy will form the back-bone of a “road-show” to be run by DoE to build awareness about the project in long-listed communities.

The process will work with stakeholders to find Government-owned or Church-leased land which can be used for siting electricity generation and storage infrastructure. Distribution infrastructure will need to be sited on customary land in many instances to allow for household connections to be established. Discussions with the Lands Department during the preparation of this RPF provided guidance on the various pathways for securing land under the various tenures. In any event, a lease, license or easement will be negotiated in accordance with the requirements of the *Land Reform Act 1980* and *Customary Land Management Act 2014* to provide protection for both the project and the project communities.

When working through this process, the land used for the project will be prioritized as follows:

1. First preference will be to use vacant Government owned land as this will allow for direct negotiations to arrange a lease/license and represents the lowest risk in terms of scale of potential impacts. DoE would need to apply to the Minister for Lands to seek agreement to use the land for project infrastructure. Concurrence from the Provincial Government administration would also be required.
2. Second preference will be to use church owned land. Although this has the same advantages of vacant Government land, the negotiation process may take longer.
3. Finally, if no vacant government or church land is available - and subject to the project achieving broad community support from the owners - customary land will be obtained via lease or license. Customary land would only be considered once the previous two options have been discounted. In this case DoE would enter into negotiations directly with the custom owner to obtain a lease or license over the land. General agreement and interest in being involved in the project will need to be

demonstrated by the customary land owners prior to them submitting an EOIs to DoE.

Table 2 describes the proposed process for each phase of project development to allow effective land access while also ensuring full safeguards are provided. The process is divided into five different phases based on the anticipated project cycle.

For each stage (or phase) in the project cycle, different activities will be required in the process of accessing land including (i) Project level consultation and engagement; (ii) Design Process and resolution; and (iii) Land acquisition/ access in the design process designed to meet the requirements of each land type (Government, Church, customary or private).

I. DOCUMENTATION REQUIREMENTS FOR ACCESSING LAND

Documentation of community engagement in project design and full documentation of land type, transaction type and any consideration provided (lease payments etc.) for accessing the land is required.

Full documentation of the community engagement program including details of how the community has been able to contribute to the design and delivery of the project. This documentation will need to:

- Identify the agreement to make the transfer and any legal documentation that may be required;

Table 2 Land Access Process

	Phase 1 - Concept	Phase 2 – Preliminary Design	Phase 3 – Design Response	Phase 4 – Final Design	Phase 5 – Land Transaction
Consultation and engagement	Project awareness <ul style="list-style-type: none">What is it?Advantages of electricity/safetyTariff and other issuesLand issues	<ul style="list-style-type: none">Targeted community and stakeholder consultation	<ul style="list-style-type: none">Outreach on design responses to issuesLand areas and transaction type known at end of this phase	<ul style="list-style-type: none">Disclosure of design and response to land aspectsConsultation on non-land aspects continue.	<ul style="list-style-type: none">Disclosure of final design.
Design Process and resolution	<ul style="list-style-type: none">Generic design thoughts and land requirements; distribution setup.	<ul style="list-style-type: none">Design refined to address issues raised during consultation	<ul style="list-style-type: none">Design refined to interact effectively with available land areas	<ul style="list-style-type: none">Design finalization based on resolution of land aspects	<ul style="list-style-type: none">Design adjustments if needed
Land acquisition/ access	Land tenure	Process to access land	Transaction Type	Type of consideration	Transaction completion
	Government	Minister of Lands/ Provincial Government	Agreement/concurrence	Nil	Agreed transaction type completed including delivery of (or agreement on future delivery) of compensation on the agreed parcels of land for the agreed design outcome.
	Church	Direct negotiations	Agreement	Lease	
	Customary	Consultation and broad community support	Donation or lease	<ul style="list-style-type: none">Safeguard measures including verification of consultation and land transaction process. All consideration based on valuation at full replacement cost.Delivery modality (cash/in-kind etc based on outcome of negotiations)	
	Private	Direct negotiations with verification process	<ul style="list-style-type: none">DonationLeasePurchase		

- Ensure that the agreement:
 - Refers to the consultation that has taken place;
 - Sets out the terms of the transfer;
 - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
 - Attaches an accurate map of the land being transferred (boundaries, coordinates);
 - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights.
- Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
- Ensure that the transfer is registered or recorded; and
- Ensure that the land remaining is properly registered or recorded.

DoE should maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

Although one of the fundamental design principles of the project is that involuntary land acquisition will not apply, in the unlikely event that it is required, an Abbreviated Resettlement Action Plan (ARAP) will need to be prepared as outlined in this RPF (see following sections).

I.1 Communal Land Acquisition – Guiding Principles

Given the prevalence of customary (communal land) in Vanuatu, the following guidance is provided for the preparation of ARAPs for this project:

- The World Bank's Voluntary Land Donation protocol (see Annex 2) is to be applied in full where land donation is anticipated to allow project delivery.
- Alternatives to land acquisition are considered. Especially where replacement land is scarce or non-existent, or where customary land tenure is deemed inalienable, negotiated agreements for long-term lease, even for alternative infrastructure siting, should be considered.
- Where communal land must be acquired, collective compensation may be appropriate. Under such conditions, compensation is used solely for appropriate community purposes, or is distributed equitably among community members. The ARAP describes arrangements for usage of collective compensation.
- Individual users and occupants of acquired communal land are identified in the census prepared for the ARAP and the ARAP describes mitigation measures or negotiated agreements providing for restoration of their livelihoods or living standards.
- Where replacement land does not exist, it will be impossible to establish a technical valuation for replacement cost. The ARAP will describe alternative means used for valuation. This may include negotiated agreement with affected communities.
- If relevant, the ARAP describes any changes that may occur regarding land use and tenure arrangements for remaining communal land in project-affected areas.
- The ARAP describes a process by which conflicting claims to ownership or use rights will be addressed.

I.2 Process for Negotiation of Voluntary Land Donations (VLD) and Long Term Leases

Clear parameters are defined in the VLD protocol in Attachment 2. DoE will ensure that the requirements of the protocol are met for land is acquired via VLD. Where land is leased via negotiation, DoE will need to ensure the following matters are considered and documented:

- Establish informed consent of the person(s) donating the land. Power of choice is important
- Land owner(s) provide a legally binding agreement such as a lease or right of way over the land for the purposes of the project.
- May be accompanied by one-off or ongoing payment or other compensation for the provision
- Due diligence on owners and users of land to ensure correct parties are a part of the negotiated agreement
- Full consultation and disclosure (possibly without financial terms)
- Documentation of negotiated arrangement required.
- Grievance Redress Procedure and Mechanism.

I.3 Preparing ARAP where necessary

The design philosophy for VREP II does not contemplate involuntary land acquisition or resettlement. Sub-projects requiring involuntary resettlement will not be eligible for financing.

Notwithstanding these specified project design parameters, if there is a shift in design philosophy during implementation or a particular sub-project that otherwise has merit but cannot be delivered without involuntary resettlement an Abbreviated Resettlement Action Plan (ARAP) will need to be prepared. This will only potentially apply to sub-projects involving mini-grids.

The ARAP(s) will be prepared having regard to the following: Responsibility for preparation, implementation and monitoring of ARAPs (including responsibility for meeting all associated costs with their implementation), in accordance with the RPF in Appendix 1, rests with DoE. As necessary, DoE will coordinate actions with any other agencies involved to ensure timely and effective ARAP implementation.

If involuntary land acquisition is essential to complete any of the project activities it shall be finalized prior to the commencement of any works. DoE will carry out a census survey to identify Affected Persons (APs) and to identify and inventory land and other assets to be acquired. The census survey must cover 100% of the APs. The census survey also establishes whether any affected persons are significantly affected by loss of productive land, whether any commercial enterprises are affected, or whether any households will be required to physically relocate.

The ARAP will be prepared in accordance with the policy, principles and planning and implementation arrangements set forth in this RPF. The ARAP is to be based on accurate baseline census and socioeconomic survey information, and establishes appropriate mitigation measures (e.g., compensation at full replacement cost for loss assets, transitional assistance for relocation, and transitional assistance for livelihood restoration, and transitional assistance for commercial enterprises) for all relevant categories of adverse impacts.

I.4 Entitlements

Individuals will be eligible for entitlements where an ARAP is required and this will be determined in accordance with the matrix shown in Table 3.

Criteria Defining Affected Persons

Eligibility of an individual to entitlements under this RPF will relate to their:

- Loss of land, whether an owner, lessee or informal occupant.
- Loss of trees or other plants, whether on owned, leased or informally accessed land.
- Loss of land-based improvements – houses, shelters, business buildings, irrespective of the ownership status of the land.
- Loss of access to commons and reserves, e.g. road reserves, whether or not legally encroached, and restricted areas.

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

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

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

Table 3 Entitlement Matrix

Type of Impact	Entitled Person(s)	Entitlements
Temporary use of land.	Legal/ customary landowners/land users	Will only occur with agreement with landowners/APs. Affected landowners/APs will be paid rent on terms negotiated and agreed with them. The land will be returned to respective landowners/APs after its restoration.
Permanent acquisition of land	Legal owner(s)/ customary landowners	Landowners will be provided equivalent size and quality of land, or cash compensation at replacement cost.
	Informal settlers (e.g. on land acquired for ROW) with no legal rights	APs will be provided compensation for their damaged non-land assets (e.g. crops, trees, and structures) on project-affected land.
Loss of crops and trees	All APs irrespective of their legal status	APs will be given notice to harvest crops and trees before site clearance or removal from required land. If APs are not able to harvest, they will be paid cash compensation at replacement cost. In case of perennial crops and trees, the compensation will also include loss of income for a period until new crops or trees produce an equivalent income

Type of Impact	Entitled Person(s)	Entitlements
Loss of structures	All APs (whether having legal title to land or not)	APs will be provided compensation at replacement cost without deductions for depreciation or salvaged materials and assistance in finding an alternative site. It will be ensured that replacement structures are ready to move before relocation of existing structures. In case business activities are disrupted, the business owners will be provided disruption allowance for the duration of business being disrupted.
Displacement of community structures (if any)	Community representatives as identified by the social impact assessment	Affected structures will be restored in consultation with community or the affected community will be provided with cash compensation at replacement value without deductions for any materials salvaged. Community will be assisted in dismantling and relocating structure/property.
Inclusion of vulnerable APs	Vulnerable AP households identified by social assessment.	Vulnerable households will be target beneficiaries of the project. .
Unforeseen impacts	Concerned affected persons	These will be determined as per the principles of the RF

I.5 Land Asset Transfer

Finalization of land and asset transfer (as relevant) as well as any associated payments (such as where there is a “willing buyer-willing seller” arrangement and/or for fixed assets etc.) should be completed at least one month prior to land acquisition. If there is a delay of one year or more between land or asset valuation and payment of compensation, compensation rates will be adjusted for inflation purposes.

I.6 Budget and Costs

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

J. GRIEVANCE PROCEDURES

During the course of the project it is possible that affected persons or communities may have concerns with the project’s social or environmental implementation occurring during construction and possibly during operation. Any ARAP or other documentation prepared to meet the requirements of this RPF will include details of the specific GRM process applying

to that activity. This GRM process will need to ensure that any concerns are addressed quickly and transparently, and without retribution to the affected parties.

World Bank funded projects are required to implement a grievance redress mechanism (GRM) to receive and facilitate resolution of affected peoples' concerns, complaints, and grievances about the project's performance, including concerning environmental and social impacts and issues. The mechanism ensures that: (i) the basic rights and interests of every affected person by poor environmental performance or social management of the project are protected; and (ii) their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

The grievance process is based upon the premise that it imposes no cost to those raising the grievances; that concerns arising from project implementation are adequately addressed in a timely manner; and that participation in the grievance process does not preclude pursuit of legal remedies under national law.

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's GRS please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

K. DISCLOSURE AND CONSULTATION ON THE RPF

Extensive consultation was carried out during the preparation of the RPF including discussion with key stakeholders including DoE, Lands Department and Provincial governments and members of potential subproject communities in September/October 2016. During these consultations, the various issues associated with accessing land for the purposes of project delivery – especially the focus on identification and design of projects so that any land impacts would be avoided - were discussed. The ESMF including land aspects was formally submitted to and disclosed on the World Bank's InfoShop and on the DoE website in December 2016

This RPF will be made available on the WB Infoshop and DoE websites.

ANNEX 1

Abbreviated Resettlement Action Plan Contents

A. Introduction

This section provides the rationale for preparing an ARAP and the key elements of an ARAP.

In the PICs, most World Bank-supported projects involve relatively minor land acquisition, if any. The amount of land to be acquired, if any, is usually small, and the associated impacts are typically of limited significance – usually no households are physically displaced and means of livelihood are not significantly disrupted.

World Bank OP 4.12, Involuntary Resettlement, distinguishes between projects with more significant adverse impacts associated with land acquisition and projects with less significant impacts. The policy (para. 19) states that the scope and level of resettlement planning should be commensurate to the scale and complexity of those impacts. The policy establishes that an “abbreviated resettlement plan” may be prepared when fewer than 200 people are affected, or when impacts are considered to be minor. The policy (para. 25, fn. 26) indicates that impacts are considered minor if those affected are not to be physically displaced, and less than 10 percent of an affected person’s productive assets are lost.

As these conditions usually (but not always) are met in PIC projects, preparation of an abbreviated action plan, as described in OP 4.12 Annex A, Involuntary Resettlement Instruments, is usually appropriate. While the specific information needed for an abbreviated plan necessarily varies with the particular circumstances of each project, key elements that are essential for all abbreviated plans include:

- (a) A census survey of displaced persons and valuation of assets;
- (b) Description of compensation and other resettlement assistance to be provided;
- (c) Consultations with displaced people about acceptable alternatives;
- (d) Institutional responsibility for implementation and procedures for grievance redress;
- (e) Arrangements for monitoring and implementation; and
- (f) A timetable and budget

These key elements are described below, to assist teams in efficient and effective preparation of plans for PIC projects.

B. Census Survey and Asset Inventory

This section provides information on the process for conducting a census survey and asset inventory.

A census survey is conducted early in project preparation, as soon as all siting requirements are known. The primary purposes of the census survey are to identify and enumerate affected persons, and to establish an inventory of land and other fixed assets to be affected by the project. The census survey also provides the bulk of the information necessary for most other aspects of resettlement planning, including determination of categories of affected persons; categories of impact and corresponding forms of assistance; eligibility criteria for assistance; and baseline data for monitoring and evaluation (and often for addressing grievances), for estimating costs and budgeting, for identifying persons with particular vulnerabilities, and for determining the significance of impacts (as described above). Census survey results are necessary before determining whether preparation of an abbreviated plan is appropriate.

The assistance of traditional leaders or community associations may be very useful in conducting the census survey for PIC projects. Since coverage of 100 percent of potentially affected households is intended, it cannot be conducted on a sample basis. This is necessary

to achieve full identification and enumeration of affected persons, and to identify, measure and categorize affected land and other fixed assets. In practice, reaching all potentially affected households often means that the census survey team must make repeated visits to project areas. Leaders or residents may be helpful in identifying and contacting absentee landowners or others not present at the time of the census. The census also requires direct household contact; it cannot be based solely on land registry or other records that may be out of date or that would provide an incomplete basis for identifying persons in actual occupancy of affected lands, or who own or use fixed assets.

Census survey data may be presented in varying ways in the abbreviated plan, depending on project context:

(a) One or more tables may be prepared to enumerate and categorize affected persons. A sample table regarding affected persons is attached (Attachment 1).

(b) One or more tables may be prepared to enumerate and categorize affected land and other fixed assets. A sample impact table is attached (Attachment 2).

(c) In most resettlement plans, an Entitlements Matrix summarizing categories of impact, eligibility criteria, and compensation and other assistance measures is included. A sample Entitlements Matrix is attached (Attachment 3).

To discourage opportunistic land invasion or fraudulent claims for compensation, the first day of the census survey normally is taken to be (and is publicized as) the cut-off date in determining eligibility for compensation or other assistance. It is important to emphasize, however, that the census can be amended if required; for example, persons able to demonstrate that they were mistakenly excluded from the census, or for whom the scope or scale of impacts was not properly registered, remain eligible for assistance.

Because local economic and social conditions can change, census survey data must be considered to be perishable. The census survey may need to be repeated if there is a prolonged delay (e.g., more than 1-2 years) between completion of the survey and actual taking of land and assets.

For PIC projects, identification of all affected persons and assets is also necessary to determine whether land or other fixed assets may be, or have been, contributed voluntarily by owners or users for project purposes. (See “Protocol for Project Land Donation for Pacific Island Countries” for additional information.)

C. Valuation of Assets

This section provides information on the valuation method for replacing assets impacted by the project.

World Bank policy requires that compensation for land and other fixed assets be calculated and provided at full replacement cost. The replacement cost criterion is intended to incorporate both the actual value of the land or asset and any associated transaction costs borne by the affected person in adapting to involuntarily imposed changes.

Because economic conditions throughout the world are not the same, the replacement cost criterion is based on widely varying valuation methods. Where active markets exist, real estate prices usually provide a sound basis for valuation. Where markets do not function well, replacement cost can be established for land by reference to its output value in agricultural areas, and by reference to the cost of necessary material and labor inputs for structures and other fixed assets. In some instances, government procurement prices for materials are accepted as a basis for initiating negotiations on compensation amounts with affected persons. Negotiated compensation may be appropriate in many PIC projects, providing that affected persons are made aware of their rights under the project, including the right to refuse settlement offers, and have access to a grievance redress mechanism (described below).

PIC projects may face an additional issue in areas in which land is viewed as inalienable communal property. Under such circumstances, the resettlement plan describes means by which the replacement cost criterion has been employed, establishes how compensation or other assistance is to be allocated among community members, and reviews the process by which owners, users and other community members have been consulted.

Where formal land acquisition processes are particularly onerous or contentious, the Bank task team should encourage PIC project proponents to consider obtaining rights to land through long-term leasing arrangements.

D. Compensation and Assistance

This section provides guidance on the benefits to be provided to displaced persons.

Normally, the resettlement plan includes unit compensation rates for various categories of land (e.g., type of agricultural use, residential, commercial, unutilized, or other) and for various categories of fixed assets (e.g., houses, shops or other commercial structures, livestock enclosures or other ancillary structures, fences, wells, irrigation channels, tombs, others). Unit rates, combined with reference to census survey results, provide the basis for determining how much compensation is due to each affected person.

Arrangements for distribution of compensation should ensure that compensation is paid (directly or through established bank accounts) to the head of the affected household, in full, without deduction for any purpose. Because compensation at replacement cost is intended to allow affected persons to replace lost assets, deductions from compensation because of tax arrears or other debts is not acceptable.

As noted above, many PIC communities view land as inalienable communal property (and this is consistent with legal arrangements in some areas). In such instances, it is appropriate to provide compensation for land to the community as a whole, though the resettlement plan should include provisions for ensuring adequate transitional support for households directly occupying or using the land to be acquired. Compensation for structures or other fixed assets should be paid to individual owners or users, unless improvements have been made by the community as a whole.

The resettlement plan also clearly establishes the basis for which all other forms of assistance are to be calculated for each household. This may include any transaction costs such as moving expenses, interim living expenses, or payment of fees or taxes that result from the project. It may also include any special measures intended to assist vulnerable persons (e.g., the disabled, elderly, single-parent households or others) that may have particular difficulties in adapting to changes imposed by the project. For projects with abbreviated plans, the scope of impacts is relatively minor so the need for supplemental assistance measures may be slight or non-existent.

E. Consultations

This section provides guidance to undertake consultations with displaced persons.

Bank experience demonstrates that affected persons adapt better and more quickly to land acquisition and other associated impacts when plans are based on their preferences and concerns. The resettlement plan is based, in part, on consultations with affected persons, and the results of consultations are briefly summarized in the resettlement plan.

The resettlement plan also briefly summarizes methods used in consultations, including special measures that have been taken to solicit the views of women, minorities, or others who may not be likely to make themselves heard in community-level consultations. Consultation methods also should be culturally appropriate, and conducted in a manner that encourages frank and open expression. While it is entirely appropriate to consult with traditional leaders, it also is necessary to ensure a broader representation in consulting about affected persons' preferences and concerns.

In addition to summarizing past consultation results, the resettlement plan describes arrangements for further consultation with affected persons during the course of project implementation. Though consultation arrangements may be free standing, in some PIC project contexts periodic resettlement monitoring may suffice as a form of consultation.

F. Implementation

This section provides details on the institutional arrangements and authority for ARAP implementation.

To promote effective implementation, the resettlement plan should clearly establish which agency or agencies are responsible for undertaking required actions. The plan should also establish that overall management responsibility is vested in an individual or group with the authority to ensure that necessary actions are undertaken in a timely and effective manner. Where more than one agency or one jurisdiction will be involved in implementation, the plan should describe means by which coordination among agencies or jurisdictions will be assured and any conflicts between or among them will be resolved.

Plans sometimes cannot be fully or effectively implemented because of unanticipated issues or changes in project circumstances. The plan should indicate who is responsible for making adaptive planning changes, and should indicate what form of planning change requires the prior approval of the World Bank. Normally, reductions in compensation or other forms of assistance, or restrictions on existing eligibility criteria, require prior Bank approval.

G. Grievance Redress Mechanism

This section provides guidance to deal with project-related grievances.

Even in projects with relatively minor and uncomplicated land acquisition, complaints may arise. In some cases, complaints may relate to implementation of planning provisions (e.g., late or insufficient compensation). In other cases, complaints may arise from unanticipated issues (e.g., property damage inadvertently caused during construction). A grievance redress mechanism (GRM) provides a venue for raising complaints and procedures for dealing with them. If effective, the GRM serves to mitigate harm to affected persons while increasing the likelihood that complaints can be addressed relatively quickly and quietly – without resort to other remedies (e.g., legal procedures or media attention) external to the project.

The resettlement plan describes the procedures by which persons can bring complaints to project attention, and performance standards by which project officials are to respond to complaints when received. In many areas, and especially in PIC projects, the first and best recourse available to persons with complaints may be the informal or traditional means by which intra-community conflicts are managed. As may be necessary these informal processes may be supplemented with formal, project-specific procedures.

In all instances, the resettlement plan includes measures to assure that affected persons are aware of GRM arrangements available to them, that the GRM arrangements are affordable and accessible, and that records are kept regarding complaints received through formal GRM channels, and the disposition of those complaints.

H. Monitoring Arrangements

This section provides details for monitoring implementation of the ARAP.

The resettlement plan establishes arrangements for monitoring its implementation. This may be particularly difficult in the PIC project context, where monitoring expertise may be slight and where travel logistics make on-the-spot field visits costly and burdensome.

The plan should specify the range of activities or issues to be monitored. Project authorities may monitor performance as it relates to construction progress. The primary purposes of resettlement monitoring, however, are to determine whether compensation and other assistance is flowing in the right amounts (and at the right time) to all those eligible to receive it, and whether provision of assistance is satisfactorily mitigating economic and social impacts.

Assuming that impacts in PIC projects are expected to be relatively minor in scope and scale, the range of monitoring information desired, and duration of time over which monitoring may be necessary, is likely to be limited.

More problematic, perhaps, will be identifying who will conduct periodic monitoring and how they will do their work. In some PICs, consultants may be available to conduct monitoring in an efficient and unbiased manner. In other PIC contexts, however, it may make more sense to make arrangements for community-based monitoring (e.g., members of affected communities report on implementation progress), and to rely on cell phones or other means of inter-island communications to overcome logistical constraints.

The resettlement plan also should indicate how and when monitoring information is to be provided to the primary project agency for review and consideration.

I. Timetable

This section sets out the detailed time-bound implementation of the ARAP.

Effective resettlement implementation requires timely actions undertaken in an appropriate sequence. Particularly, delivery of compensation and other assistance should be provided before corresponding impacts actually occur. For most PIC projects, a simple flow chart should be included in the resettlement plan, relating resettlement plan implementation steps to the overall project construction and implementation timetable. The resettlement plan should also establish that, except as may be agreed with the Bank, taking of land and other assets cannot commence prior to payment of compensation.

J. Budget and Financial Arrangements

This section provides information on the financial arrangements and detailed budget for ARAP implementation.

The resettlement plan includes a budget with a categorical estimation of costs for compensation and all other forms of assistance. The budget also includes administrative and other costs associated with implementation of the resettlement plan. The budget includes an amount for contingencies (usually 10 percent of all other costs), and the resettlement plan establishes responsibility for meeting all resettlement-related costs, including contingencies.

ANNEX 2

Voluntary Land Donation Protocol

To meet World Bank safeguard policies, the principles governing voluntary donation are as follows.

Voluntary land donation refers to a process by which an individual or communal owner agrees to provide land or property for project-related activities. In general, voluntary land contribution is undertaken without compensation. Voluntary contribution is an act of informed consent, made with the prior knowledge of other options available and their consequences, including the right not to contribute or transfer the land. It must be obtained without coercion or duress.

Voluntary land donation requires a declaration by the individual, household or group that they are donating either the land or the use of the land, for a specific purpose and a specific duration of time. It is noted that the project proposes permitting voluntary *use* of land but not *transfer of ownership*. This must include both women and men. It is provided freely and without compensation, and is acceptable only if the following safeguards are in place:

- 1) Full consultation with landowners and any non-titled affected people at the time of site selection (including the consultation with both women and men)
- 2) Voluntary donations should not severely affect the living standards of affected people based on the World Bank definition
- 3) Any voluntary donation will be confirmed through written record and verified by an independent third party such as customary tribunal, non-governmental organization (NGO) or legal authority
- 4) Adequate grievance redress mechanism should be in place.

If involuntary acquisition cannot be avoided, a Resettlement Action Plan is to be prepared according to the principles in the Resettlement Policy Framework.

Compensation Approach – Voluntary Land Use Consent

OP 4.12 defines “involuntary” as “actions that may be taken without the displaced person’s informed consent or power of choice”. If a clear choice exists, and if land is not transferred, there is no land acquisition (compulsory or otherwise). Notwithstanding this, DoE is cognizant of the potential perceived or real risks associated with this approach. Accordingly, an Abbreviated Resettlement Action Plan (ARAP) will be prepared to provide a full explanation of the design process, consultation process and an explanation of the land ownership and land management arrangements in the project area. Documentation of consultation and the legal agreements between the land owners and the GoV will be appended to the ARAP.

An assessment of the key aspects of Voluntary Land Donation is included in the following table.

Key consideration	Application to this project
What the land is going to be used for, by whom and for how long?	The land will be used by local communities for schools, water supplies, sanitation, dirt roads, culverts and other infrastructure. Benefits are primarily to the local community.
Will they be deprived of the ownership or right to use the land? What does this really mean?	No transfer of land ownership will take place. Land use rights will however be agreed and transferred to the GoV for the project. Based on ongoing consultation the proposal will be refined to reduce impacts on land, structures and crops. DoE will undertake consultation with affected communities during project implementation.

Key consideration	Application to this project
Do they have the right to refuse to donate the land?	Yes. If the community does not request (or want) the infrastructure, it would have every right to say so, and refuse to let the GoV to use the land.
Are there proposals which would allow other land to be used?	A key aspect of project implementation will be options assessment which will be undertaken in close consultation with the affected/beneficiary communities. Options will be appraised by both DoE and communities to develop and agree on preferred outcome.
What would the community need to do to donate the land, and what costs are involved?	The communities would sign an agreement allowing the DoE to use the land for the purpose of the investment project. All costs would be borne by the project.
What effect may the donation have on their family? What can they do if they (or their family or heirs) want the land back?	Once the beneficiaries have agreed to the voluntary land donation arrangement, there would be no ability to get the land back for another purpose.

VOLUNTARY LAND DONATION (OR LAND LEASE¹) FORM

This form or an equivalent document is to be used to record the consent of landowners who offer private land for a community good activity. The essentials of voluntary donation are that the donors have been freely consulted prior to the donation, were not pressured or coerced, that the donation will not affect a significant proportion (more than 10%) of their productive assets, and that they have the right to refuse and to lodge a complaint if they have a grievance about the process.

Consent Form for Voluntary Donation

I/We: _____ male household head _____ female household head, and/or person(s) exercising customary rights over land described as (legal description, GPS coordinates if available) in

Village _____

Island _____

Province _____

hereby declare that I/we/the group are the owners/users of the land required for (description):

I/we are voluntarily donating the use of land and or/ land-based assets (land area, type of assets /trees/crops etc) _____

for the purpose of: (specify activity)

We agree to this purpose from (date) _____ for as long as the purpose is served or until (specify end date, typically the life expectancy of the facility) _____

I/we make this donation of My/Our own free will. I/We are waiving My/Our right to compensation of any kind for the specified duration of the activity.

I/We affirm that we have been fully and freely consulted and informed about the activity prior to agreement, have not been subject to any form of coercion, understand that I/we have the right to refuse, and to seek redress for any grievance concerning this transaction.

Signed:

Male household head _____ /Female household head _____

Chief or Local Custom Authority _____

Representative of concerned Government Agency _____

Date:

¹ If leased land is to be used, this form may be adapted to record the agreement of both lessor and lessee