

**MinDiver****MINERAL SECTOR SUPPORT FOR ECONOMIC DIVERSIFICATION (MSSED)****(World Bank Assisted)****Ministry of Solid Minerals Development**

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## **RESETTLEMENT POLICY FRAMEWORK**

# **NIGERIA: MINERAL SECTOR SUPPORT FOR ECONOMIC DIVERSIFICATION PROJECT (MINDIVER)**

## **FINAL REPORT**

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## LIST OF ACRONYMS & ABBREVIATIONS

ARAP	Abbreviated Resettlement Action Plan
ASM	Artisanal and Small Scale Mining
DMS	Detailed Measurement Survey
EFO	Externally Financed Output
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental Social Management Framework
FGN	Federal Government of Nigeria
FPFMD	Federal Project Financial Management Division
GDP	Gross Domestic Product
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanisms
IEG	Independent Evaluation Group
ISDS	Integrated Safeguard Data Sheet
MDA	Ministries, Departments, and Agencies
MINDIVER	Mineral Sector Support For Economic Diversification Project
MMSD	Ministry of Mines and Steel Development
OAGF	Office of the Accountant General for the Federation
OVI	Objectively Verifiable Indicators
OP	Operational Policy
PAPs	Project Affected People
PCDP	Public Consultation and Disclosure Plan
PID	Project Information Document
PIU	Project Implementation Unit
RAP	Resettlement Action Plan
RC	Resettlement Committee
RPF	Resettlement Policy Framework
SMMRP	Sustainable Management of Mineral Resources Project
TBD	To Be Determined
TOR	Terms of Reference
WB	World Bank

## DEFINITION OF KEY TERMS

Word/Term	Definition
<b>Asset Inventory</b>	A complete count and description of all property that will be acquired.
<b>Bank</b>	The World Bank
<b>Census</b>	100% Enumeration of people and land and other assets affected by land acquisition and involuntary resettlement
<b>Cut - off Date</b>	Date of completion of the census and assets inventory of persons affected by the project. People occupying the project area after the cut-off date are not eligible for compensation and/or resettlement assistance.
<b>Compensation</b>	Payment in cash or in kind of the replacement value of the acquired land or property.
<b>Economic Resettlement/Displacement</b>	Loss of income streams or means of livelihood resulting from land acquisition or obstructed access to resources (land, water, or forest) resulting from the operation of a project.
<b>Entitlements</b>	Compensation and other forms of assistance provided to displaced persons in the respective eligibility category.
<b>Grievance Procedures</b>	The processes established under law, local regulations, or administrative decision to enable property owners and other displaced persons to redress issues related to acquisition, compensation, or other aspects of resettlement.
<b>Host Communities</b>	Communities receiving resettled people as a result of involuntary resettlement activities
<b>Involuntary Resettlement</b>	Involuntary Resettlement is when resettlement occurs without the informed consent of the displaced person or if they give their consent without the power to refuse resettlement.
<b>Land Acquisition</b>	The process whereby a person is compelled by a public agency to alienate all or part of the land he/she owns or possesses, to the ownership and possession of that agency, for public purpose in return for a consideration.
<b>Project Affected Person (s)</b>	A person that loses assets and/or usage rights and/or income generation capacities (e.g., land, structure, crops, businesses) because these assets/rights/capacities are located in land to be acquired or used, for needs of the project.
<b>Replacement Cost</b>	The rate of compensation for lost assets must be calculated at full replacement cost, that is, the current market value of the assets plus transaction costs.

## **EXECUTIVE SUMMARY**

### **ES 1: INTRODUCTION**

The mining sector has been identified by the newly elected government to be a potential source of growth for the future and government's efforts are focused on accelerating mining investments for resource development. Following the completion of the Sustainable Management of Mineral Resources Project (SMMRP), the World Bank provided support to the preparation of a strategic roadmap for mining sector development in Nigeria. The proposed Mining Mineral Sector Support for Economic Diversification Project (MinDiver) is designed to support the Nigerian Government in implementing its roadmap for the Growth and Development of the Nigerian Mining Industry.

### **ES 2: PROJECT OBJECTIVES AND COMPONENTS**

The Project Development Objective is to enhance the mining sector's contribution to the economy through improved governance, downstream linkages, and increased competitiveness.

The Project consists of three components:

**Component A:** Establishing a Strong Foundation for Mining Sector Development;

**Component B:** Facilitating Downstream Sector Development & Enhancing Competitiveness;

**Component C:** Project Management and Coordination

### **ES 3: RATIONALE FOR RPF**

This project is a technical assistance project although physical impacts of the project such as land acquisition may become a potential consideration under subcomponent B2. This sub-component will provide financing for small (minor) infrastructure development projects associated with facilitating mine development, such as building or refurbishing an access road, power interconnect, gas connection and water management system. These may involve involuntary resettlement and land acquisition as the project develops.

The Government of Nigeria and the World Bank both require careful investigation of the potential impacts of an investment project before it is begun and the adoption of a Resettlement Policy Framework (RPF) in accordance with World Bank operational policy OP/BP 4.12 (Involuntary Resettlement) in consideration of any potential requirements for resettlement which might arise from the development of mineral extraction and associated infrastructure activities.

An Environmental and Social Management Framework (ESMF) has also been prepared and adopted to complement this RPF to comply with our own safeguards framework (national legislations and procedure on environmental and social) and to satisfy the requirements of the applicable World Bank environmental and social safeguards policies.

### **ES 4: CRITERIA FOR ELIGIBILITY FOR COMPENSATION**

The Bank's OP4.12 classifies displaced persons in one of three groups:

- Those who have formal rights to land (including customary land, traditional and religious rights, recognized under the Federal and/or State Laws of Nigeria);

- Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets provided that such claims are recognized under the state and/or federal laws of Nigeria or become recognized through a process identified in the resettlement plan;
- Those who have no recognizable legal right or claim to the land they are occupying, using or getting their livelihood from; and
- Persons in the first two groups are provided with compensation for the land that they lose, and other assistance as the case may be. Persons in the last group are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance. In principle, all are eligible for compensation for loss of other assets than land (crops, structures etc.).

#### **ES 5: COMPENSATION PAYMENTS AND RELATED CONSIDERATIONS**

The type of compensation will be an individual choice although every effort will be made to instill the importance and preference of accepting in kind compensation if the loss amounts to more than 20% of the total loss of subsistence assets. Forms of compensation may include one or more of the following:

- **Cash Payments:** Cash compensation may be made for damage to or loss of land assets, damage to or loss of trees or other activities related to livelihood and damage to or loss of structures.
- **In – Kind Compensation:** Compensation may include items such as land, houses other buildings, building materials, seedlings, agricultural inputs and financial credits for equipment.
- **Assistance:** Assistance may include moving allowance, transportation and labour, title fees, or other related costs.

#### **ES 6: ARRANGEMENTS FOR COMPENSATION**

Any compensation for resettlement or loss of assets will be funded by the Federal Government and will comply with the financial arrangements agreed upon at project appraisal. The compensation process, which will involve several steps, would be in accordance with World Bank Operational Policy 4.12 as well as the individual participating state utility resettlement and compensation plans and will include public participation, notification, documentation and preparation of contracts and compensation payments. The grievance redress mechanism as detailed in this document should be followed in case of complaints.

#### **ES 7: PUBLIC CONSULTATION**

Public consultation and participation will afford the PAPs an opportunity to contribute to both the design and implementation of the program activities. The public and PAPs should be made to participate at all levels of the resettlement action. This means consultations with PAPs will be carried out at project inception and planning; during the screening process to determine eligibility; resettlement and compensation planning; drafting and reading/signing of the compensation contracts; payment of compensations; resettlement activities and; implementation of after-project community support activities.

Public consultation and participation shall take place through local meetings, radio and television programmes, request for written proposals/comments, completion of questionnaires/application forms, public readings and explanations of the project ideas and requirements.

#### **ES 8: MONITORING AND EVALUATION**

The PIU will have an overall responsibility for monitoring and evaluating the project sub-components/activities in accordance with the indicators and benchmarks included in the results framework. The other beneficiary agencies such as the Directorates for Mines Inspectorate, Metallurgical Inspectorate and Raw Material Development, Mines Environmental Compliance, and Artisanal & Small Scale Mining; the Mining Cadastre Office, and the Nigerian Geological Survey Agency will be responsible for collecting, analyzing and supplying the indicator data relevant to the project components/activities under their implementation to the PIU.

#### **ES 9: RAP IMPLEMENTATION BUDGET**

The RAP implementation budget will be funded from the Federal Government. Each subproject that requires a RAP will have its own project –specific budget.

RAP implementation budget shall include activities such as RAP preparation, RAP implementation, capacity building for compensation committee, provision of technical assistance and contingencies

The budget for resettlement will be known based on field assessments, prevailing asset values, numbers of households affected and actual experience based on sub-project RAPs to ensure that adequate funds for resettlement are allocated during the course of project implementation. The estimate for RAP preparation should include cost for census, public consultations and RAP report preparation.

## **CHAPTER ONE: INTRODUCTION**

### **1.1 BACKGROUND TO THE MINDIVER PROJECT**

One of the key priorities of the Nigerian government is to enhance the diversification of the economy to a broader range of productive sectors. In this context, the mining sector has been identified, by the newly elected government, as a potential source of growth for the future. The government efforts are focused on accelerating mining investment for resource development; capturing lateral economic linkages to diversify the economy; formalizing artisanal and small-scale mining, and increasing revenues while capturing leakages within the current system.

The proposed Mining Mineral Sector Support for Economic Diversification Project (MinDiver) is designed to support the Nigerian Government in implementing its roadmap for the Growth and Development of the Nigerian Mining Industry. This journey began about a decade ago with the World Bank's engagement in the Mining sector in 2005 with the Sustainable Management of Mineral Resources Project (SMMRP). The Government of Nigeria embarked on a series of institutional and administrative reforms, aimed at refocusing the role of the State at removing inefficient and discretionary regulation in the mining sector. At project closure, in May 2012, implementation was rated as Satisfactory by the World Bank's Independent Evaluation Group (IEG).

Following the completion of the SMMRP, the Bank provided support to the Preparation of a Strategic Roadmap for Mining Sector Development in Nigeria through an Externally Funded Output (EFO) financed by the Australian and Canadian governments from 2012 to 2015. Recognizing the need to strategically and systematically address the challenges facing the mining industry, in early 2016 the MMSD, led by its newly appointed minister, began the process of preparing a detailed sector roadmap. The road map recognizes that building a competitive mining value chain means firms operating in Nigeria must compete on quality and cost versus its global peers; and that government and the private sector will have to share the responsibility of investing in key drivers of success such as the availability of (and access to) public geosciences data that investors need, the appropriate infrastructure (e.g. access roads, railways, power, and bulk ports, mine security networks), specialized technical talent, and of course, regulatory and enforcement capacity. Moreover, given one indicator of sector performance is payment of direct and indirect taxes, there is a compelling need for strengthening the systems for assessment, collection and transparent reporting that underpin tax policy and tax administration.

Successful implementation of the roadmap is expected to result in inter alia (a) new exploration activity and discoveries, (b) increased mine production emerging from both new discoveries and the unblocking of assets impeded by current regulatory, institutional and infrastructure deficiencies, (c) expanded processing and refining capacity, (d) improved economic, social and environmental performance of the artisanal sector, and (e) higher value-addition in exports. As with all sector activities an overall macro outcome is expected to be (i) the creation of direct jobs and indirect jobs, and (ii) increased GDP and balance of payments.

### **1.2 PROJECT DEVELOPMENT OBJECTIVES**

The Project Development Objective is to enhance the mining sector's contribution to the economy through improved governance, downstream linkages, and increased competitiveness.

### 1.3 PROJECT COMPONENTS

The MinDiver project has three components. The project components are:

**Component A:** Establishing a Strong Foundation for Mining Sector Development (US \$68.4 million)

**Component B:** Facilitating Downstream Sector Development & Enhancing Competitiveness (US \$66.6 million)

**Component C:** Project Management and Coordination (US \$9 mil)

#### 1.3.1 Project Component triggering Safeguard Management

***Sub-Component B2: Catalyzing the mineral sector for regional development (US \$9.0 mil).***

The objective of this project activity is to leverage the mining sector to enhance regional development in several strategic resource-rich regions identified as priorities for the government: Northeast, Northwest, and Southwest regions. This involves developing an enhanced regionally-based resource corridor analysis (DSS) to provide detailed analysis on opportunities for value chain and local content development, as well as infrastructure development in those regions. This sub-component will also provide financing for small (minor) infrastructure development projects associated with facilitating mine development, such as building or refurbishing an access road, power interconnect, gas connection, water management system, etc. Any such support will be in accordance with the Project's ESMF/RFP, and will include an ESIA and a site-specific environmental impact assessment (EIA), and resettlement action plans (RAPs) where relevant.

### 1.4 PROJECT LOCATION

Project activities will primarily focus on building capacity and providing technical assistance to the federal government, in particular the Ministry of Solid Mineral Development (MMSD). However, several targeted activities (i.e on ASM and environmental/social regulations) are expected to have a direct impact on specific localities located in the mineral rich regions throughout the country. The exact locations and impacts of the infrastructural development activities have not been identified; thus, this RPF provides guidelines for screening project activities to determine the need for the taking of land, and the preparation and implementation of RAPs as needed.

### 1.5 SOCIO-ECONOMIC BASELINE OF THE MINING SECTOR

The Federal Republic of Nigeria commonly referred to as Nigeria, is a federal constitutional republic in West Africa, bordering Benin in the west, Chad and Cameroon in the east, and Niger in the north. Its coast in the south lies on the Gulf of Guinea in the Atlantic Ocean. It comprises 36 states and the Federal Capital Territory, where the capital, Abuja is located.

It has a total area of 923,768 km<sup>2</sup> (356,669 sq mi), making it the world's 32nd-largest country (after Tanzania). It shares a 4,047-kilometre (2,515 mi) border with Benin (773 km), Niger (1497 km), Chad (87 km), Cameroon (1690 km), and has a coastline of at least 853 km. Nigeria lies between latitudes 4° and 14°N, and longitudes 2° and 15°E.

Nigeria was estimated at 182.2 million people in 2015, according to the latest census figures. Nigeria population is equivalent to 2.48% of the total world population. The population density in Nigeria is 205 per km<sup>2</sup> (532 people per mi<sup>2</sup>).

### **1.5.1 Mining sector and the economy**

Nigeria has over 34 different solid minerals distributed in the country's richly endowed geology. Some of the known minerals include; gold, coal, bitumen, iron-ore, tantalite/columbite, lead / zinc, sulphides, barytes, cassiterite, limestones, talc, feldspar and marble. Despite the country resource potential and its past experience as a significant player in solid minerals development (about 4-5% in the 1960s-70s), today the sector has one of the lowest outputs in the Nigerian economy. The mining sector's contributions to GDP has steadily declined from 5.6% in 1980 to around 0.33% of GDP by 2015, which is significantly lower than other mineral rich countries in the region.

Exploration expenditure in Nigeria from 2011-14 has been estimated in US \$ 88 million, including fees and royalties. Activities in the solid minerals sector can be grouped according to their contribution to the GDP, for instance in, Ghana 6.16%, Mali 8%, Guinea 20%, Niger 3%, Senegal 20%, and Mauritania 24%. In 2015, Nigeria gained about 0.02% of its export earnings from solid minerals, compared to more than 20 percent in Namibia, Botswana and Zambia, and more than 50 percent of export earnings were generated in the Democratic of Congo. The sector faces several challenges with geosciences, Industry participants, Stakeholders, Institutions, Governance and other enablers of the sector.

Nigeria has an existing pool of current mining operators, active in developing, operating, or re-opening mines. Mining is geographically widespread across almost all the states of the Federation, being conducted by a small number of companies and individuals who are focused primarily on gold, iron ore, lead-zinc, and coal mineral resources. The most active participants in the sector are the quarry operators for construction stones (mostly aggregates), cement companies for limestone, artisanal miners and mineral traders.

### **1.5.2 Nigeria's Mineral Endowment**

Nigeria's mining sector is defined by a diversity of mineral resources, classified into five broad groups:

- Industrial minerals (e.g. barite, kaolin, gypsum, feldspar, limestone);
- Energy minerals (e.g. coal, bitumen, lignite, uranium);
- Metallic ore minerals (e.g., gold, cassiterite, columbite, iron ore, lead-zinc, copper, and rare earth elements);
- Construction material/dimension stones (e.g., granite, migmatite gneiss, gravel, laterite, sand); and
- Precious stones (e.g. sapphire, tourmaline, emerald, topaz, amethyst, garnet, etc.

### **1.5.3 Mining Livelihoods**

The mining sector in Nigeria today is dominated primarily by domestic small scale companies and artisanal miners. Nigeria currently does not have any active operations by major international mining companies, due in part to the lack of sufficient geo-data. There have been a few intermediate to junior mining companies (from Australia, UK, China, Ukraine, and India) actively engaged in the sector, focused primarily on the exploration and exploitation of gold, iron ore, lead-zinc, and coal. There are a large number of small domestic mining

companies (around 633 as of December 2015), primarily involved in quarry operations for construction stones and limestone. Over 90 percent of the revenue accrued to the government from royalties in the mining sector comes from quarrying operations. Most of the quarrying supplies the local construction industry, and in more recent years, local cement manufacturing. Interviews with a range of key informants in 13 mining and quarrying sites across 7 states indicate that mining livelihoods in Nigeria tend to fall into the categories set out in Table 1 below.

Table 1: Mining Livelihoods

Mining type	Settlement status	Link with other livelihood activities
Large/Medium scale Mining	Mainly local (unskilled & semi-skilled) labour	Household farms using inputs purchased with mining income. Miners do limited farming themselves.
ASM	Local	Household farms using inputs purchased with mining income. Many miners are part-time farmers. Some invest in productive assets in nearby rural towns.
ASM	Migrant	Most remit some money but do not have local land. Money may be used to purchase inputs for farming “back home” or for productive assets

#### 1.5.4 Gender Gaps between Men and Women in the Mining /ASM sectors

The number of women who are employed in the mining sector is still smaller than that of men resulting from occupational segregation. This situation stems from cultural, religious beliefs and stereotypes. There is a severe wage gap in the ASM sectors, with women receiving meagre wages and the number of ASM women’s groups with small-scale mining leases is still smaller than that of ASM men’s groups. There are literacy gaps, especially among ASM operators which exacerbates the skill gap, with the men acquiring better skills than the women. There are also gender gaps in the access to and control of resources.

#### 1.5.5 Conflict in mining in Nigeria

There are many reported conflicts in Nigeria, mostly related to the oil extraction in the Niger delta region. However, there are also reported cases of conflict resulting from extracting of solid minerals.

Natural resources in general play a key role in triggering conflicts, especially in low-income countries; and mining appears often to be a conflict generator whenever a valuable resource is discovered. Conflict is therefore a recurring problem, which must be recognised by the Government and its authorities, as conflicts exist even if they are not reported.

The influx of migrant miners to communities with a different ethnic and religious make up may have been expected to provoke conflict. The reasons for this are likely to be that:

- Migrants are identified as miners (rather than by ethnic or religious group) in their dealings with the community;
- Migrant mining groups tend to be comprised of a diverse ethnic and religious mix of people drawn from neighbouring states; and
- Small migrant mining groups (regardless of their origin) are required to pay compensation by the traditional authority while the community is typically in no position to challenge mass migrations.

## **CHAPTER TWO: OBJECTIVES AND BASIC TERMS OF PREPARATION OF THE RPF**

### **2.1 RATIONALE FOR THE RPF**

The World Bank's Involuntary Resettlement Operational Policy 4.12 has been triggered by the project's intention to provide financing for small (minor) infrastructure development projects associated with facilitating mine development, such as building or refurbishing an access road, power interconnect, gas connection, water management system, which all may involve involuntary resettlement and land acquisition. When this policy is triggered but the zone of impact and precise alignments cannot yet be determined at the time of project's appraisal by the World Bank and therefore it is not yet possible to prepare a RAP by that time, an RPF is required to guide any subsequent RAPs. This project is a technical assistance project although physical impacts of the project such as land acquisition may become a potential consideration as the project develops. The proposed project is classified under the Nigerian Environmental Act as "Category 2," or, under the World Bank's Operational Policy on Environmental Assessment (OP/BP4.01), as "Category B."

The Government of Nigeria and the World Bank both require careful investigation of the potential impacts of an investment project before it is begun and the adoption of a Resettlement Policy Framework (RPF) in accordance with World Bank operational policy OP/BP 4.12 (Involuntary Resettlement) in consideration of any potential or theoretical requirements for resettlement which might arise from the development of mineral extraction and associated infrastructure activities.

This RPF sets out a framework and process for the application of the World Bank's Resettlement Policy through the life of the project. In any case, a separate Resettlement Action Plan (RAP) satisfactory to the World Bank must be prepared for each case where land is permanently or temporarily acquired or persons are displaced from the homes, lands or businesses.

This RPF sets out the policies, principles, institutional arrangements, schedules and budget arrangements that will take care of any anticipated resettlements. These arrangements shall also ensure that there is a systematic process during implementation that assures participation of affected persons, involvement of relevant institutions and stakeholders, adherence to both World Bank and Government procedures and requirements, and outline compensation for affected persons.

### **2.2 WORLD BANK POLICY ON INVOLUNTARY RESETTLEMENT (OP.4.12) AND MINDIVER PROJECT**

The World Bank's Operational Policy on Involuntary Resettlement (OP 4.12) must be applied to any project which displaces people from their homes or land or productive resources, and which results in relocation, the loss of shelter, the loss of assets or access to assets important to production, the loss of income sources or means of livelihood. The policy also applies to land acquisition whether or not the project affected persons (PAPs) will move to another location; therefore people are in most cases compensated for their loss (of land, property or access) either in kind or in cash.

The World Bank's resettlement policy framework has the following objectives:

- Involuntary resettlement and land acquisition should be avoided where feasible, or minimized, exploring all viable alternatives;
- Where involuntary resettlement and land acquisition is unavoidable, resettlement and compensation activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons displaced by the project the opportunity to share in project benefits. Displaced and compensated persons must be meaningfully consulted and have opportunities to participate in planning and implementing the programs linked to their resettlement; and
- Displaced persons should be assisted in their efforts to improve their livelihoods; standards of living should be improved as a result of the resettlement program, or at least restored, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of project implementation, whichever is higher.

## 2.3 IMPACTS DUE TO INVOLUNTARY RESETTLEMENT

It is generally recognized that the adverse impacts due to involuntary resettlement from the development activities can give rise to severe economic, social and environmental risks if left unmitigated such as listed in table 2:

Table 2: Impact and Potential Risks of Involuntary Resettlement

S/N	Impacts	Potential Risks
a	Landlessness	<ul style="list-style-type: none"> <li>• Land expropriation removes the main foundation on which many people build productive systems, commercial activities and livelihoods.</li> <li>• Often land is lost forever and sometimes it is partially replaced, seldom fully replaced or fully compensated. This is the main form of de-capitalization and pauperization of the people who are displaced, and both natural and man-made capital is lost.</li> </ul>
b	Homelessness	<ul style="list-style-type: none"> <li>• Loss of shelter may be only temporary for many people, but for some it remains a chronic condition and is also felt as loss of identity and cultural impoverishment.</li> <li>• Loss of housing may have consequences on family cohesion and on mutual help networks if neighbouring households of the same kinship group get scattered.</li> <li>• Group relocation of neighbours is therefore usually preferable over dispersed relocation.</li> </ul>
c	Joblessness	<ul style="list-style-type: none"> <li>• Loss of salaried employment occurs both in rural and urban displacement.</li> <li>• People losing jobs may be industrial or service workers, landless agricultural labourers, or artisans.</li> <li>• Unemployment or under-employment among those who are resettled may linger long after physical relocation.</li> <li>• Creating new jobs for them is difficult and requires substantial investments, new creative approaches, and reliance on sharing project benefits.</li> </ul>
d	Food Insecurity	<ul style="list-style-type: none"> <li>• Destruction of crops diminishes self-sufficiency, dismantles local arrangements for food supply, and thus increases the risk of chronic food insecurity. This is defined as calorie-protein intake levels below the minimum necessary for normal growth and work.</li> </ul>
e	Increased Morbidity and Mortality	<ul style="list-style-type: none"> <li>• Vulnerability of the poorest people to illness is increased by forced relocation, because it tends to be associated with increased stress, psychological traumas, or the outbreak of parasitic diseases.</li> <li>• Decreases in health levels result from unsafe water supply and sewage systems that proliferate epidemic infections, diarrhoea, dysentery, etc.</li> </ul>
f	Educational Loss	<ul style="list-style-type: none"> <li>• Involuntary displacement disrupts all public services at the departure sites, with heavy effects particularly on school programmes. Interruption of school attendance causes prolonged loss of access to education; some children do not return to school at all and are prematurely sent by their families to join the labour force</li> </ul>
g	Social	<ul style="list-style-type: none"> <li>• The dismantling of community structures and social organization, the dispersion of</li> </ul>

	Displacement	informal and formal networks, local associations, etc. is a massive loss of social capital. Such displacement undermines livelihoods in ways usually not recognized and not measured by planners, and is a cause of disempowerment and impoverishment.
h	Marginalization	<ul style="list-style-type: none"> <li>•This occurs when relocated families lose economic power and slide down towards lesser socio-economic positions.</li> <li>•Middle-income households become small landholders while small shopkeepers and craftsmen lose business and fall below poverty thresholds.</li> <li>•Economic marginalization tends to be accompanied by social and psychological marginalization.</li> </ul>
i	Loss of Access to Common Property	<ul style="list-style-type: none"> <li>•Poor farmers, particularly those without assets, suffer loss of access to the common property goods belonging to communities that are relocated (e.g., loss of access to forests, water bodies, grazing lands, fishing areas, cemetery lands, etc.). This represents a form of income loss and livelihood deterioration that is typically overlooked by planners and therefore uncompensated</li> </ul>

## 2.4 OBJECTIVES OF THE RPF

The specific objectives of this RPF are to:

- Avoid and minimize involuntary resettlement resulting small (minor) infrastructure development projects associated with facilitating mine development, such as building or refurbishing an access road, power interconnect, gas connection, water management system from all components of sub-projects under the MinDiver;
- In the unlikely event that people are adversely affected by involuntary resettlement arising from sub-projects, ensure that they are fully compensated for the loss of assets, livelihoods, access rights, etc. and successfully relocated, the livelihoods of displaced people are re-established and the standard of living improved;
- Ensure that no impoverishment of people shall result as a consequence of involuntary land acquisition or acquisition of assets, for purposes of implementing sub-projects;
- Ensure no impacted person is worse off as a result of the project;
- Assist adversely affected persons in dealing with the psychological, cultural, social and other stresses caused by compulsory land acquisition;
- Make all affected persons aware of processes available for the redress of grievances that are easily accessible and immediately responsive;
- Have in place a consultative, transparent and accountable involuntary resettlement process with a time frame agreed to by the sub-project implementer and the affected persons; and
- Provide adequate assistance in the form of transport, temporary accommodation, housing, training, capacity building, service provision etc. to project affected persons (PAPS).

## 2.5 SAFEGUARDS MECHANISMS

It is anticipated that some of the institutions that will be receiving grants under this project will be from the private sector and thus some of the activities will be done with private sector actors. In these circumstances the World Bank Group performance standards as they apply to the private sector (see annex 3 for a summary of the Performance Standards) will be used instead of the policy safeguards if they are triggered. In summary, the adverse social impact of this project is anticipated to be minimal and the triggering of the main social safeguard or performance standard, except for the environmental and social assessment (OP 4.01), seems unlikely.

## **2.6 LEGACY ISSUES**

Though not a safeguard policy, the activities in component 2 may have legacy issues. These could include a situation where the World Bank is asked to participate in a relatively small or narrowly defined component of a much larger or broader project whose design has been completed and construction has progressed significantly or is near completion, with the exception of the component for which World Bank participation has been requested. The component for which World Bank support is solicited could be an associated facility in some cases. The World Bank requires a rapid assessment to be prepared by senior environmental and social specialists. This is in order to assess the existing safeguards documents and/or implementation measures, taking into account Bank safeguard requirements.

Appropriate follow-up in terms of safeguards due diligence, including updating or preparing new safeguards instruments, would be undertaken once the rapid assessment is completed.

## **2.7 METHODOLOGY FOR THE RPF PREPARATION**

The RPF was prepared in accordance with applicable World Bank safeguard policies and Nigerian guidelines and laws. The distinct phases for preparing this RPF include: review of existing RPF for SMMRP; stakeholder consultation (See Annex 13) and data gathering.

A review of relevant literature and existing RPFs was carried out. Thus, the following documents, amongst others, were considered: These include:

- The RPF for Sustainable Management of Mineral Resources Project (SMMRP);
- Literature on Mining Development in Nigeria;
- National Bureau of Statistics (2009) Social Statistics in Nigeria;
- The Nigeria Land Use Act, 1978 reviewed under Cap 202, 1990;
- MMSD's Environmental Compliance Department (MECD) policies, guidelines and regulations;
- Nigerian Mineral and Mining Act, 2007;
- National Minerals and Metals Policy;
- Nigerian Mineral and Mining Regulations, 2011;
- MMSD Community Development Agreement;
- Project Information Document/Integrated Safeguard Data Sheet (PID/ISDS);
- Sustainable Management of Mineral Resources Project (SMMRP) Process Framework;
- Guidelines for the development of Community Development Agreement;
- Nigeria's National laws and/or regulations;
- World Bank Operational Policies; OP 4.12, paras. 2 and 4;
- RPFs for other mining projects; and
- Other relevant documents, reports, publications on land acquisition, compensation that bears relevance to the RPF.

## CHAPTER THREE: LEGAL, REGULATORY AND INSTITUTIONAL FRAMEWORK

### 3.1 NIGERIAN MINERALS AND MINING ACT 2007

In the case of extractive resources, the Federal Government has always had exclusive responsibility over its exploitation and development since the 1963 constitution established Nigeria as a Federal Republic.

The Nigerian Minerals and Mining Act of 2007 is an act to repeal the Minerals and Mining Act no 34 of 1999 for the purposes of regulating all aspects of the exploration of solid minerals in Nigeria and for related purposes. According to the Act, the entire property and control of all mineral resources and all rivers, streams and water courses throughout Nigeria are vested in the State. The Nigerian Minerals and Mining Act also make provision for compensation of people displaced by mining activities. The following are selected relevant sections that pertain to resettlement. See table 3.

Table 3: Provisions for compensation in the Nigerian Minerals and Mining Act

Sections	Provisions
Section 56.(1)(e)	Reconnaissance Permit shall be granted subject to the covenants and conditions that the Holder thereof shall (e) compensate users of land for damage to land and property; and pay the prescribed fees.
Section 61.(1)(d)	Every Holder of an Exploration License shall maintain and restore, the land that is the subject of the license to a safe state from any disturbance resulting from exploration activities, including, but not limited to filling up any shafts, wells, holes or trenches made by the titleholder, and in compliance with applicable environmental laws and regulations.
Section 61 (1) (g)	Every holder of an exploration license shall compensate users or occupiers of land for damage to land and property resulting from activities in the exploration area.
Section 70 (1) (j)	Every holder of a Mining lease shall compensate owners or lawful occupiers of land for the revocation of their rights to use the land under this Act.
Section 71.(1)(d)	The Holder of the Mining Lease shall not commence any development work or extraction of Mineral Resources on the Mining Lease Area until after the Holder has duly notified, compensated, or offered compensation to all users of land within the Mining Lease Areas as provided for under this Act or in the event of a dispute, after the matter has been resolved by Arbitration.
Section 72	Subject to the Act and any other enactment, the lawful occupier of any land within an area subject to Mining Lease shall retain the right to graze livestock upon or to cultivate the surface of the land in so far as the grazing or cultivation does not interfere with the Mining Operations in the Mining Lease area.
Section 98 (3)	A licensee or lessee who causes injury or damage to any area, tree or thing mentioned in subsection (1) of this section shall pay fair and adequate compensation to the persons or communities affected by injury or damage.
Section 101 (3)	Subject to the provisions of section (2) of this Act, the lawful occupier of any land within an area subject to a mining lease shall retain the right to graze livestock upon or cultivate the surface of the land in so far as the grazing or cultivation does not interfere with the mining operations in the area.
Section 102 (6)	In fixing the surface rent payable, the minister shall take into consideration the damage which may be done to the surface of the land by the mining or other operations of the

	lessee, for which compensation is payable.
Section 113 (1)	In addition to any reimbursement payable to the Federal Government the Holder of a Mineral title shall pay to the owner or occupier of any land within the area of the lease or license, compensation for any crop, economic tree, building or work damaged, removed or destroyed by the holder of the lease or license or by his agent or servant.
Section 160 (4)	Where an agency of Government or an educational institution undertakes scientific studies authorized under subsections (1) and (2) of this section, compensation shall be paid by the agency or educational institution to the User or Occupier of that land or to the holder of Mineral Title to such land for any damage to the land or any property therein.

### 3.2 LAND USE ACT, 1990

The legal framework for land acquisition and resettlement in Nigeria is the Land Use Act (LUA) of 1978, reviewed under Cap 202, 1990.

The Land Use Act, Cap 202, 1990 Laws of the Federation of Nigeria is the applicable law regarding ownership, transfer, acquisition and all such dealings on Land. The provisions of the Act vest every parcel of land in every State of the Federation in the Executive Governor of the State. He holds such parcel of land in trust for the people and government of the State.

The Act categorized the land in a state to urban and non-urban or local areas. The administration of the urban land is vested in the Governor, while the latter is vested in the Local Government Councils. At any rate, all lands irrespective of the category belongs to the State while individuals only enjoy a right of occupancy as contained in the certificate of occupancy, or where the grants are “deemed”.

Thus the Land Use Act is the key legislation that has direct relevance to resettlement and compensation in Nigeria. Relevant Sections of these laws with respect to land ownership and property rights, resettlement and compensation are summarized in this section.

The following are selected relevant sections that pertain to resettlement. See table 4:

Table 4: Provisions for Compensation in the Land Use Act

Sections	Provisions
Section 1	Subject to the provisions of this Act, all land comprised in the territory of each State in the Federation are hereby vested in the Governor of each state and such land shall be held in trust and administered for the use and common benefit of all Nigerians in accordance with the provisions of this Act.
Section 2 (a):	All land in urban areas shall be under the control and management of the Governor of each State; and (d) all other land shall be under the control and management of local government within the area of jurisdiction in which the land is situated.
Section 2 (2) (c)	provides for the establishment of a Land Use and Allocation Committee in each State that determines disputes as to compensation payable for improvements on the land
Section 5 (1):	It shall be lawful for the Governor in respect of land, whether or not in an urban area (a) to grant statutory rights of occupancy to any person for all purposes
Section 6 (1):	It shall be lawful for a Local Government in respect of land not in an urban area, (a) to grant customary rights of occupancy to any person or organization for the use of land in the Local Government Area for agricultural, residential and other purposes; (b) to grant customary rights of occupancy to any person or organization for use of land for grazing purposes as may be customary in the Local Government Area concerned.
Section 6 (3):	It shall be lawful for a Local Government to enter upon, use and occupy for public purposes any land within the area of its jurisdiction, and for the purpose, to revoke any customary right of occupancy on any such land.

Section 6 (5):	The holder and the occupier according to their respective interests of any customary right of occupancy revoked under subsection (3) of this section shall be entitled to compensation, for the value at the date of revocation, of their unexhausted improvements.
Section 6 (6):	Where land in respect of which a customary right of occupancy is revoked under this Act was used for agricultural purposes by the holder, the Local Government shall allocate to such holder alternative land for use for the same purpose.
(Section 6) (7):	If Local Government refuses or neglects within a reasonable time to pay compensation to a holder or occupier, the Governor may proceed to effect assessment under section 29 and direct the Local Government to pay the amount of such compensation to the holder or occupier
Section 28 (1):	It shall be lawful for the Government to revoke a right of occupancy for overriding public interest.
Section 29 (1):	If a right of occupancy is revoked, the holder and the occupier shall be entitled to compensation for the value at the date of revocation of their unexhausted improvements.
Section 29 (3):	If the holder or occupier entitled to compensation under this section is a community the Governor may direct that any compensation payable to it shall be paid (a) to the community or (b) to the chief or leader of the community to be disposed of by him for the benefit of the community in accordance with the applicable customary law (c) into some fund specified by the Governor for the purpose for being utilized or applied for the benefit of the community.
Section 29 (4):	Compensation under subsection (1) of this section shall be, (a) the land, for the amount equal to the rent, if any, paid by the occupier during the year in which the right of occupancy was revoked, (b) buildings, installation or improvements thereon, for the amount of the replacement cost of the building, installation or improvement, that is to say, such cost as may be assessed on the basis of the prescribed method of assessment as determined by the appropriate officer less any depreciation, together with interests at the bank rate for delayed payment of compensation and in respect of any improvement in the nature of reclamation works, being such cost thereof as may be sustained by documentary evidence and proof to the satisfaction of the appropriate officer, (c) crops on land apart from any building, installation or improvement thereon, for an amount equal to the value as prescribed and determined by the appropriate officer.
Section 33 (1):	Where a right of occupancy in respect of any developed land on which a residential building had been erected is revoked under this Act, the Governor or the Local Government, as the case may be, may in his or its discretion offer in lieu of compensation payable in accordance with the provisions of this Act, resettlement in any other place or area by way of a reasonable alternative accommodation (if appropriate in the circumstances).
Section 50(1)	land where there exists any physical improvement in the nature of road development services, water, electricity, drainage, building, structure or such improvements that may enhance the value of the land for industrial, agricultural or residential purposes.

### 3.3 LAND TENURE SYSTEM IN NIGERIA

Land tenure is the way in which rights in land are held in Nigeria. The principles of Land Tenure, Powers of Governor and Local Governments, and Rights of Occupiers are contained in Part II of the Land Use Act.

Land ownership in Nigeria is subject to a range of diverse cultural and traditional practices and customs. Land can be classified according to the following broad categories:

- **Community land**, or land commonly referred to as ancestral land, is owned by all the people;
- **Communal land** consists mostly of under-developed forests and is owned by nobody. Those who clear it first claim ownership;
- **Clan or family land** is owned by clans and families, as the name suggests;
- **Institutional land**: land allocated to traditional institutions such as traditional authorities and chiefs; and
- **Individual land**: land acquired by an individual, which may be inherited by the immediate family, depending on customary practices or purchased or allocated by the government.

The Land Use Act of 1978 was enacted to nationalize land ownership in Nigeria as well as facilitate effective state control of the use and development of land. The Act provides that the Governor administers the land for the common good and benefits of all Nigerians. The law makes it lawful for the Governor to grant statutory rights of occupancy for all purposes; grant easements appurtenant to statutory rights of occupancy and to demand rent.

The three land asset types identified under Nigeria law in this policy framework are State (urban and non-urban) owned land; privately owned land; and assets held under customary law. The administration of land area is divided into urban land, which will be directly under the control and management of the Governor of each State; and non-urban land, which will be under the control and management of the Local Government. The Local Government Councils may grant customary rights of occupancy for agricultural (including grazing and ancillary activities), residential and other purposes. But the limit of such grant is 500 hectares for agricultural purpose and 5,000 for grazing except with the consent of the Governor. The Local Government, under the Act is allowed to enter, use and occupy for public purposes any land within its jurisdiction that does not fall within an area compulsorily acquired by the Government of the Federation or of relevant State; or subject to any laws relating to minerals or mineral oils.

By virtue of Section 1 of the Act, individuals cannot own freehold interest in land in Nigeria. Individuals can only be granted a right of occupancy for a maximum of 99 years, subject to payment of ground rent to the government as fixed by the governor. For citizens to occupy, buy, let or sell land, they have to obtain consent and approval of their governors as provided in Section 21 and 22 of the Land Use Act. Currently, only an average of 23.1% of households in Nigeria own land.

### **3.4 NATIONAL ENVIRONMENTAL REGULATIONS, S.I 27 OF 2009**

This Act is directed at the protection of Watershed, Mountainous, Hilly and Catchment Areas. The regulations require every land owner or occupier, while utilizing land in a watershed, mountainous, hilly or catchment area to: observe and respect the carrying capacity of the land; carry out soil conservation measures; carry out measures for the protection of water catchment areas; use the best available environmentally friendly technologies to minimize significant risks and damage to ecological and landscape aspects; and maintain adequate vegetation cover.

*An essential element noted in the regulations is the participatory approach admonished in watershed management; institutional arrangements; and fines, to name a few. It also made provisions for incentives, public education and the involvement of local communities.*

### **3.5 FORESTRY ACT, 1958**

This Act of 1958 provides for the preservation of forests and the setting up of forest reserves. It is an offence, punishable with up to 6 months imprisonment, to cut down trees over 2ft in girth or to set fire to the forest except under special circumstances.

Nigeria is at present a wood deficit nation. In order to ameliorate the situation, the policy on forest resources management and sustainable use is aimed at achieving self-sufficiency in all aspects of forest production through the use of sound forest management techniques as well as the mobilization of human and material resources. The overall objectives of forest policy are to prevent further deforestation and to recreate forest cover, either for productive or for protective purposes, on already deforested fragile land.

Specifically, the National Agricultural Policy of 1988 in which the Forestry Policy is subsumed, provides for:

- Consolidation and expansion of the forest estate in Nigeria and its management for sustained yield;
- Regeneration of the forests at rates higher than exploitation;
- Conservation and protection of the environment viz: forest, soil, water, flora, fauna and the protection of the forest resources from fires, cattle grazers and illegal encroachment;
- Development of Forestry industry through the harvesting and utilization of timber, its derivatives and the reduction of wastes; and
- Wildlife conservation, management and development through the creation and effective management of national parks, game reserves, tourist and recreational facilities, etc.

### **3.6 NIGERIAN LAW AND WORLD BANK OP 4.12 ON COMPENSATION– A COMPARISON**

#### **3.6.1 LAND ACQUISITION PROCEDURES**

The Nigerian law foresees the following as ways in which land can be acquired:

- Any person (above 21 years) or organisation can purchase land outright from the owner and apply for a Certificate of Occupancy at the Ministry of Lands. Although simple in legal terms, this solution does not protect the purchaser from competing claims that may arise after the purchase has taken place and might therefore result in a situation where some parcels need to be purchased twice;
- To address this risk, it is quite common, that the State Government expropriates the land and rents it to an investor for up to 99 years. All liabilities are in this case with the Government, while the investor can enjoy his leased or purchased land without risk; and
- The governor grants a statutory right of Occupancy to the holder who has the sole right to and absolute possession of all the improvements of the land. Subject to prior consent of the Governor, the holder may transfer, assign or mortgage any improvements on the land which have been effected pursuant to the terms and conditions of the certificate of occupancy relating to land.

According to the existing national legislation, the compulsory land acquisition needs to follow these steps:

- The investor requests land from the State Governor, who in turn instructs the Commissioner of Land to obtain the land through compulsory land acquisition;
- The Commissioner of Land instructs the Surveyor General to demarcate the land and conduct a land survey i.e. identifies the owner and establishes the compensation entitled under the national legislation;
- After the Commissioner of Land has reviewed and approved the survey results, the Director of Land issues a public announcement to the concerned communities that invites all right holders to identify themselves to the authorities;
- After the end of the public disclosure period a final survey is conducted to confirm validate the findings of the land survey and/or register any changes; and
- After the survey results have been either accepted by the right holders or confirmed by the Director of Lands, compensation is paid and the land becomes the possession

of the State government, which then in turn can issue a certificate of occupancy to the investor.

To conduct this process the State Government is required to establish a Land Use and Allocation Committee that reviews and solves disputes related to the compensation amounts. In addition, the State Government is required to set up a Land Allocation Advisory Committee, to advise the Local Governments on how to identify and allocate replacement land, when customary rights of occupancy on agriculture land are expropriated. The State Government has further the right to take over the process if the Local Government doesn't solve this issue in a reasonable time.

As the land is hold in trust by the State Government, there is no compensation foreseen for the land as such, but for the "unexhausted improvement", which is defined as anything of any quality permanently attached to the land directly resulting from the expenditure of capital or labour by any occupier or any person acting on his behalf, and increasing the productive capacity the utility or the amenity thereof and includes buildings plantations of long-lived crops or trees, fencing walls, roads and irrigation or reclamation works, but does not include the result of ordinary cultivation other than growing produce." Consequently developed land is defined in section 50(1) as "land where there exists any physical improvement in the nature of road development services, water, electricity, drainage, building, structure or such improvements that may enhance the value of the land for industrial, agricultural or residential purposes".

In sum, the provisions of the Land Use Act with a view on compensation are:

- Compensation is not paid for fallow or undeveloped land i.e. without any physical improvements resulting from expenditure, capital or labour;
- Compensation is estimated based on the value of improvements;
- The provision of Section 6(5) of the Act, which defines that the "holder" and the "occupier" of customary right of occupancy are entitled to this compensation, is rather confusing and vague as it fails to acknowledge that the holder of the certificate of occupancy might be different from the occupier /user of the land, just as the user of improvement on land (e.g. house) may be a tenant rather than the owner, who is the holder of certificate of occupancy; and
- When the right of occupancy is revoked in respect of a part of a larger portion of land, compensation shall be computed in respect of the whole land for an amount equal to the rent, if any, paid by the occupier during the year in which the right of occupancy was revoked less a proportionate amount calculated in relation to the area not affected by the revocation; and any interest payable shall be assessed and computed in the like manner. When there are buildings, improvement or crops on the portion revoked, the compensation amount shall follow the principle outlined above.

The Act makes no clear description of how the public or the PAPs will be consulted in the process of involuntary resettlement and again remains rather vague by saying "*there shall be a public notice so that those who have interest in the affected land will indicate their interest*".

### **3.6.2 INTERNATIONAL REQUIREMENTS FOR LAND ACQUISITION AND RESETTLEMENT**

Based on lessons learned from early investments that caused significant resistance, public and private actors in Nigeria gradually start to use international standards and approaches to access land and easement for proposed investments such as the MinDiver project.

The OP 4.12 applies to subcomponent B2 of the project investments that may result in involuntary resettlement. It also applies to other activities resulting in involuntary resettlement that are (a) directly and significantly related to the project, (b) necessary to achieve its objectives as set forth in the project documents and (c) carried out, or planned to be carried out, contemporaneously with the investments.

The OP 4.12 covers direct economic and social impacts caused by the involuntary taking of land resulting in:

- Relocation or loss of shelter;
- Loss of assets or access to assets;
- Loss of income sources or means of livelihood, whether or not the affected persons must move to another location.

To address these impacts a RPF and subsequent RAPs are prepared to ensure that the displaced persons are informed about their options and rights pertaining to resettlement, consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives, and provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the investment.

If the impacts include physical relocation, the RPF and RAPs include measures to ensure that the displaced persons are:

- Provided assistance (such as moving allowances) during relocation; and
- Provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.

Where necessary, the RPF and RAPs shall also include measures to ensure that displaced persons are:

- Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
- Provided with development assistance in addition to compensation measures outline above such as land preparation, credit facilities, training, or job opportunities. Particular attention should be paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.

The implementation of the land acquisition and resettlement activities shall be linked to the implementation of the investments to ensure that displacement does not occur before necessary measures for resettlement are in place. These measures include provision of

compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets shall take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons.

As indicated for displaced people whose livelihoods are land-based, preference should be given to land-based resettlement strategies and resettlers provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

Payment of cash compensation for lost assets may be appropriate where;

- Livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual is economically viable;
- Active markets for land, housing, and labour exist, displaced persons use such markets, and there is sufficient supply of land and housing; or
- Livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

Displaced persons may be classified in one of the following three groups:

- Those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
- Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets--provided that such claims are recognized under the laws of the country or become recognized through a process identified in the RAP; and
- Those who have no recognizable legal right or claim to the land they are occupying.

Persons covered under para. (a) and (b) are provided compensation for the land they lose, and other assistance. Persons covered under para. (c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons are provided compensation for loss of assets other than land.

In Table 5, a comparison between compensation in Nigerian Land law and the WB policy is shown and measures on how to bridge the gaps that exist between the World Bank OP 4.12 and the Nigerian Land Law. Where there is a gap between national law and World Bank OP 4.12 (See Annex 2 for a detailed description), the higher standard shall prevail.

### **3.6.3 GAP ANALYSIS BETWEEN NATIONAL AND INTERNATIONAL STANDARDS AND GAP FILLING MEASURES**

This includes streamlining the compensation review process under the Nigerian law to ensure that approvals are consistent with those required by the World Bank for timely

approval and implementation. The following are required measures to close the gaps: (See Table 5 for details)

Table 5: Measures to filling the gaps regarding compensation between the Nigerian Law and World Bank OP4.12

Category	Nigerian Law	World Bank OP4.12	Measures to Filling the Gaps
Minimization of resettlement	No requirement to consider all options of project design in order to minimize the need for resettlement or displacement	Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs	Design of footprints of project-related activities, particularly commercial farmland, will be undertaken so as to minimize resettlement.
Information and Consultation	It's lawful to revoke or acquire land by the governor after issuance of notice. No consultation is required.	PAPs are required to be meaningfully consulted and participate in the resettlement process	PAPs shall be meaningfully consulted and engaged in the resettlement process.
Timing of Compensation	The law is silent on timing of payment	Compensation implementation to take precedence before construction or displacement	Compensation and resettlement implementation to take place before construction or displacement.
Livelihood restoration	Makes no proscription on livelihood restoration measures	Requires that vulnerable PAPs be rehabilitated	Livelihood restoration measures will be put in place for vulnerable PAPs
Grievance Process	The land use and allocation committee appointed by the Governor is vexed with all disputes/grievances and compensation matters	Requires that a grievance redress mechanism be set early constituting the representative of PAPs and, prefers local redress mechanism. The law court is the last resort when available mechanism or outcome is unsatisfactory to PAP	A grievance redress committee (GRC) shall be established early and existing local redress process shall be considered to address issues of project induced grievances. PAPs or their representatives shall be members of the GRC.
Owners of economic trees and crops	Compensation for an amount equal to the value as prescribed by the appropriate officer of the government	Compensation for the market value of the yield plus the cost of nursery to maturity (for economic tree) and labour	Compensation for the market value of the yield plus the cost of nursery to maturity (for economic tree) and labour
Community land with customary right	Compensation in cash to the community, chief or leader of the community for the benefit of the community	Land for land compensation	Land for land compensation or any other in-kind compensation agreed to with the community. Preference must be given to land-based resettlement strategies when livelihoods are land-based. If land is not the preferred option of the displaced persons (or in limited number of other cases mentioned in Op 4.12) non--land based options built around opportunities for employment should be provided in addition to cash compensation for land and other assets lost
Agricultural	Entitled to alternative agricultural land	Land for land compensation	Land for land compensation (with a combination of

land			productive potential, locational advantages and other factors, at least equivalent to the land taken)
Fallow land	No compensation	Land for land compensation	Land for land compensation (with a combination of productive potential, locational advantages and other factors, at least equivalent to the land taken)
Statutory and customary right Land Owners	Cash compensation equal to the rent paid by the occupier during the year in which the right of occupancy was revoked	Recommends land-for-land compensation or other form of compensation at full replacement cost.	Recommends land-for-land compensation or other form of compensation at full replacement cost.
Land Tenants	Entitled to compensation based upon the amount of rights they hold upon land.	Are entitled to some form of compensation whatever the legal recognition of their occupancy.	Are entitled to some form of compensation whatever the legal recognition of their occupancy.
Squatters	Not entitled to compensation for land, but entitled to compensation for crops .	Are to be provided resettlement assistance in addition to compensation for affected assets; but no compensation for land	Are to be provided resettlement assistance in addition to compensation for affected assets; but no compensation for land
Owners of "Non-permanent" Buildings	Cash compensation based on market value of the building (that means depreciation is allowed)	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.
Owners of "Permanent" buildings, installations	Resettlement in any other place by way of reasonable alternative accommodation or Cash Compensation based on market value.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.

## CHAPTER FOUR: RAP PREPARATION, REVIEW AND APPROVAL

### 4.1 INTRODUCTION

To address the adverse impacts under OP 4.12, Resettlement Action Plans (RAPs) must include measures to ensure that displaced persons are;

- Informed about their options and rights pertaining to resettlement and compensation;
- Consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives;
- Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project; and
- Enabled to restore but preferably, to improve upon their pre-project living standards and conditions.

The first stage in the process of preparing the individual resettlement and compensation plans is the screening process to identify the land/sites due to an adverse impact (i.e. resettlement). The Resettlement Action Plans will contain the analysis of alternative sites undertaken during the screening process.

### 4.2 SCREENING FOR INVOLUNTARY RESETTLEMENT

A review process will be put in place to ensure screening of all potential infrastructural development activities for resettlement impacts prior to approval by the PIU. The screening can be carried out by the designated officers of the PIU (Environmental Safeguard Specialist and Social Safeguard Specialist). The screening process would take the form below. See table 6:

Table 6: Screening Process for Resettlement

S/N	Items	Procedure
1	General sub- project sub sector classification:	As outlined in the MinDiver project description, classification will take into cognizance interventions that will include structural, vegetative and water resources planning where necessary.
2	Classifying the sub projects by activity into categories	Each subproject planned for implementation under the project shall be screened for possible triggering of OP 4.12 (Involuntary Resettlement). In general subprojects that entail new construction are more likely to trigger the policy if the activity involves acquisition of land and if displacement or restriction of access may result. Some typical activities that may trigger the policy are small (minor) infrastructure development projects associated with facilitating mine development, such as building or refurbishing an access road, power interconnect, gas connection, water management system, etc.
3	Identifying and evaluating potential impacts for each proposed sub project	<p>According to whether land is acquired and whether displacement or loss of access may result. Triggering of the resettlement policy will require further preliminary determination of whether the sub project should be proposed or not, based on an assessment of the intensity of the impact and on the mitigation measures that will need to be developed and proposed.</p> <p>The impact significance of involuntary resettlement as envisaged in the MinDiver Project can be seen in these ways in relation to the likely sub-projects that could be embarked upon. Any sub-project where 200 or more persons are anticipated to</p>

		<p>experience adverse impacts or physical displacement from housing will be lost will require the preparation of a RAP. A subproject displacing fewer than 200 people is anticipated to experience adverse impacts.</p> <p>The Resettlement Plans (RAPs or ARAPs) with time-bound actions and budgets are to be prepared for every sub-project in which there are resettlement effects.</p>
4	Use of the Socio Economic Studies	<p>To identify affected people at the household level and vulnerable groups in the sub project impact area(s) and to calculate household economies. The purpose of the socio-economic study is to collect baseline data within the chosen sites thereby enabling the social assessment/survey of potentially affected populations/communities. The socio-economic study will focus on the identification of stakeholders, the participation process, identification of affected people (including owners and users of land) and baseline information on livelihoods and income.</p> <p>The socioeconomic study should focus on such issues as livelihoods, incomes, household and compound composition, clan and sub-clan organization, other forms of social organization, ethnic groups, traditional and non-traditional leadership and other factors in the area, conflict and other issues relevant to the implementation of a resettlement plan. The census should include information on all income sources including remittances.</p>
5	Preparation of individual resettlement and compensation plans	<p>The RAP provides a link between the impacts identified and proposed mitigation measures to realize the objectives of involuntary resettlement. The RAPs will take into account magnitude of impacts and accordingly prepare a resettlement plan consistent with this framework for Bank approval before the sub-project is accepted for Bank financing. Figure. 1 outline steps in social screening process for RAP/ARAP preparation.</p> <p>The preparation of RAPs is anticipated to be undertaken by a consultant commissioned for this task. It will be prepared in consultation with affected parties, particularly in relation to the cut-off date for eligibility, disturbances to livelihoods and income-earning activities, methods of valuation, compensation payments, potential assistance and timeframes.</p> <p>An outline of the basic elements of a Resettlement Action Plan is given in Annex 5. More detailed guidelines for preparing these instruments are available on the World Bank's Website (<a href="http://www.worldbank.org">www.worldbank.org</a>) or in the World Bank's Resettlement Rehabilitation Guidebook.</p>

Figure 1 below depicts the process of scoping for potential resettlement implications at the design and implementation stages of each individual sub-project.

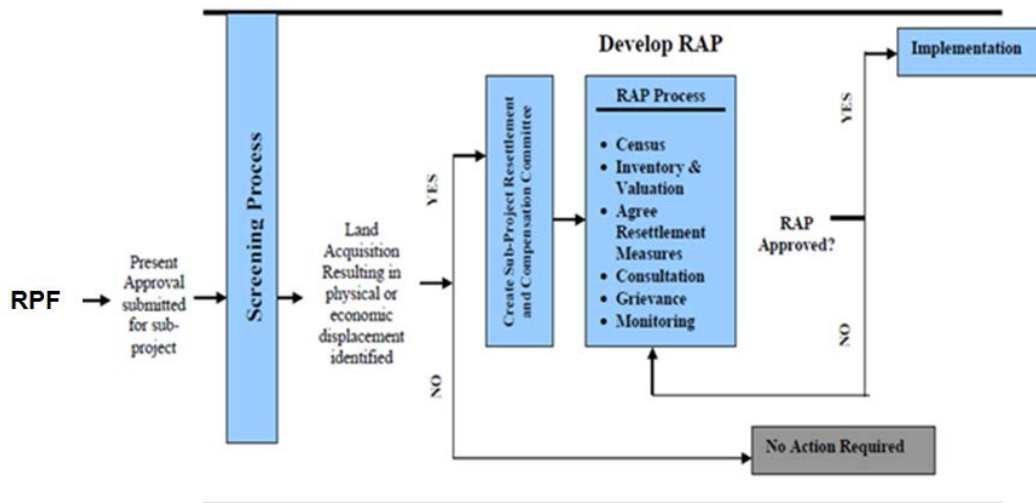


Figure 1: Typical Process for Resettlement Plans (RAPs/ARAPs)

### 4.3 PREPARATION OF RESETTLEMENT PLANS

Where the adverse impacts on the displaced population are minor (i.e. if affected people are not physically displaced and less than 10% of their productive assets are lost) or fewer than 200 people are displaced per state, then the Bank may approve the preparation of an Abbreviated Resettlement Action Plan (ARAP). The contents of the ARAP are to be:

- A census of displaced persons and valuation of assets (See annex 4.1-4.3);
- Description of compensation and other resettlement assistance to be provided;
- Consultations with displaced people about acceptable alternatives (see annex 9);
- Institutional responsibility for implementation and procedures for grievance redress;
- Arrangements for monitoring and implementation; and
- A timetable and budget (annex 7).

Note however that where some of the displaced persons lose more than 10% of their productive assets or require physical relocation the plan must cover a socio-economic survey and income restoration measures.

For adverse impacts that are not considered minor, the preparation of a Resettlement Action Plan (RAP) is required for each site. World Bank OP 4.12 article 25 sets the requirements of the RAP to include; See Annex 5 for template for preparing Resettlement Action Plans (RAPs).

### 4.4 APPROVAL PROCESS

The resettlement plans prepared by the RAP consultant should be forwarded to the PIU and approval by the MMSD in compliance with the project institutional and administrative requirements.

All approved productive investments that trigger OP4.12 and their resettlement plans (RAPs and ARAPs) will be subject to the prior approval of the World Bank to ensure compliance with Bank safeguards policies.

## **CHAPTER FIVE: COMPENSATION ELIGIBILITY CATEGORIES**

In this section, an eligibility criterion which is necessary to determine who will be eligible for resettlement and benefits and to discourage inflow of ineligible persons is set out.

### **5.1 ELIGIBILITY CRITERIA FOR VARIOUS CATEGORIES OF PROJECT AFFECTED PERSONS**

PAPs will be entitled to compensation and/or assistance based on the status of their occupation of the potential project area. Under the WB's OP 4.12, PAPs are defined as those who are affected by project activities which result in:

- Relocation or loss of shelter;
- Loss of assets or access to assets; and/or;
- Loss of income source, business or means of livelihood, whether or not affected person must move to another location.

### **5.2 ELIGIBILITY**

All PAPs irrespective of their status or whether they have formal titles, legal rights or not, squatters or otherwise encroaching illegally on land, are eligible for some kind of assistance if they occupied the project area before the cut-off date. Persons who occupied the area after the cut-off date – i.e. after the census are not eligible for compensation or any form of resettlement assistance. All persons residing, conducting activities or earning income within the project affected areas at the cut-off-date, which is the last day of inventory of loss will be entitled to compensation and resettlement assistance. To determine their eligibility, PAPs are classified as follows:

- Person who have formal right to land (including customary and traditional rights recognized under Nigerian law);
- Persons with temporary or leased rights to use land; and
- Persons who do not have formal legal right to lands or other assets at the time of the census, but who have claim to such legal rights by virtue of occupation or use of those assets.

Those who do not have the legal title to land but reside in the affected area before the cut-off-date will be compensated for properties such as houses and other investment on the land, but will not be compensated for the land. To achieve the objectives set in this RPF, persons who encroached into the project affected area after the cut –off-date are not entitled to compensation or any form of assistance. The World Bank's OP 4.12 guidelines require compensation for lost, or impacted, assets and replacement costs to both titled and non-titled landholders and resettlement assistance for lost income and livelihood. In this project, the absence of formal titles should not constitute a barrier to resettlement assistance and rehabilitation.

### **5.3 PROOF OF ELIGIBILITY**

The PIUs will consider various forms of evidence as proof of eligibility to cover:

- Affected persons with legal/formal legal rights, documented in the form of certificates of occupancy, tenancy agreements, rent receipts, building and planning permits, business operating licenses, utility bills among others.

Unprocessed/unregistered formal legal documents will not bar eligibility and procedures for confirming authenticity of such documents will be established in the RAP;

- Affected persons with no formal or recognized legal rights; and
- Criteria for establishing non-formal, undocumented or unrecognized claims to eligibility shall be established paying particular attention to each situation and its peculiarities. Alternative means of proof of eligibility will include:
  - Affidavit signed by landlords and tenants; and
  - Witnessing or evidence by recognized trade union heads, traditional authority, customary heads, community elders, family heads and elders and the general community.

#### **5.4 ELIGIBILITY FOR COMMUNITY COMPENSATION**

Eligibility may be claimed collectively e.g. as a community or religious group. Communities permanently losing land and/or access to assets and or resources under statutory/customary rights will be eligible for compensation. Example of community compensation includes public toilets, market places, taxi parks, schools and health centres. The rationale for this is to ensure that the pre-project socio-economic status of communities adversely impacted is also restored. The local community leaders will play a crucial role in identifying users of land.

Eligibility criteria will also be determined by the status of development up to when the study starts and will further determined by other development approval as issued by the government. The RAP consultant will interview key government officers in the various local government Areas.

#### **5.5 DEFINING ENTITLEMENTS AND PREPARING AN ENTITLEMENT MATRIX**

The basis of what is to be paid as compensation will be determined by identifying the most appropriate entitlement for each loss. Based on the entitlements, options for resettlement would be selected in accordance with Bank Policy OP 4.12 (6a (i) and (ii)) and the merits of the option.

The RAP consultant hired by the PIU will prepare an entitlement matrix with respect to both temporary and permanent displacement. This matrix will set the measure for the payment for all losses or impacts. It will also list the type of loss, criteria for eligibility and define entitlements as presented in Table 7.

#### **5.6 CUT-OFF DATE**

##### **5.6.1 JUSTIFICATION FOR CUT-OFF-DATE**

The entitlement cut-off date refers to the day on and beyond which any person who occupies land or assets, or constructs assets on land, required for project use, will not be eligible for compensation. The date is often the day when the assessment of persons and their property in the project area is started. It is also the date after which no new cases of affected people will be considered. The establishment of a cut-off date is required to prevent opportunistic invasions /rush migration into the chosen land thereby posing a major risk to the project. Besides it helps to avoid unidentified costs for the project. Given its importance therefore, this date must be effectively communicated to the project affected persons through the community leaders and other interest groups in the project area and using available and preferred means/medium of public communication in the community.

### **5.6.2 COMMON COMPLICATIONS IN THE APPLICATION OF CUT-OFF DATE**

The application of a cut-off date sometimes become controversial especially if there is a delay between the time the census is carried out and the start and completion of the project. However, the World Bank OP 4.12 recognizes that individuals and households who occupy project-affected areas after the cut-off date are not eligible for compensation. The World Bank's OP 4.12 sets a caveat for nullifying new claims as follows "provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx'.

There is also the complication of unfinished structures which were later finished at or after the time of census / cut-off date. Unfinished structures should be identified during mapping prior to setting of cut-off date. Thus, unfinished sites should be secured, and unused materials piled at the site should be noted and the cut -off survey can estimate investment which should be compensated for in lieu of expenses (including labour) incurred until the cut - off date. Nevertheless, if works are not initiated two years or more after declaration of a cut-off date, a new census and evaluation of properties must be carried out.

### **5.6.3 ESTABLISHING THE CUT-OFF-DATE**

Establishment of a cut-off date is of critical importance. To avoid an influx of outsiders to subproject areas and misuse of the compensation policy, the date of the census will serve as the cut-off date for eligibility and no new PAPs will be eligible for compensation after this date. The cut-off date must be chosen in close collaboration with community leaders, PAPs and representatives of PAPs social groups and shall be announced / made public through appropriate means of reach-out in the local area and/or via radio advertisement and fliers during the community awareness campaigns.

Table 7: Entitlement Matrix

Asset	Type of Impact	Affected Person/unit	Eligibility Criteria	Financial or In-Kind Compensation	Allowances/Assistance
Land (including fallow land used as part of agricultural cycle)	Permanent acquisition of land	Land owner (individual, clan or community)	Persons with formal right to land or without formal legal right to land but have recognizable claim to land recognized under the prevailing local land tenure	Replacement with land of equal size and quality in locations adjudged as same in value to the acquired one. If land replacement is not possible or available then cash compensation at full replacement value as well as disturbance allowance of 10%	<u>Land Transfer allowance</u>  10 % of market value in cash;  Moving allowance
	Temporary acquisition of land	Tenant/User Are entitled to compensation for crops cultivated on their rented land and any other improvements made, as well as livelihood restoration.	Persons with no formal or customary rights to land will receive assistance to move to a place where they legally reside and work, as well as compensation for lost assets, but will not be compensated for the land they are using.	Community land – replacement land or if unavailable, compensation to be paid to the community with their full consultation and participation	Moving allowance
				<p>Full restoration to pre-project conditions;</p> <p>Financial compensation for any crops or trees acquired or destroyed; compensation for any rent received from land; replacement land if lack of access will last for an agricultural cycle and prevent farmers from either planting or harvesting crops. Return of land to land user after use</p> <p>Compensation for the loss of assets other than land, such as dwellings and other improvements to the land, at full replacement cost.</p> <p>Relocation assistance should be sufficient for them to restore their standards of living at an adequate alternative site</p>	

Asset	Type of Impact	Affected Person/unit	Eligibility Criteria	Financial or In-Kind Compensation	Allowances/Assistance
<b>Cultural Heritage</b>	Permanent/Temporary loss of cultural heritage including sacred sites.	Community	Community Land not under dispute	Replacement in consultation with concerned parties including ministry of environment with respect to forest/trees  Cash compensation of temporary loss of income	
	Restriction /loss of grazing ground	Herdsmen and others	Established grazing pattern/history	Assistance to create grazing reserve elsewhere in consultation with PAPs and according to the Act, it is lawful for a Local Government in respect of land to grant customary right of occupancy to any person for the use of land for grazing purposes.; Cash compensation for temporary loss of income.	
<b>Crops / Trees</b>	Destruction/damage/ loss of crops	Landowner,	Landowner with formal or informal right to own land on which crops / trees are grown	Cash compensation for crops at full market value of crop yield per hectare	
	Loss of fruit trees				
	Destruction/Loss of wood trees	Tenants/Users of land and cultivators/owners of crops/trees, including individuals of the same household who tend their own piece of land and grow crops on it.	Recognized owner of affected fruit tree	Cash compensation for fruit or wood tree at current market value	Moving/Setup allowance
			Squatters who have made improvements to the land/are growing crops or trees	Cash compensation for crops at full market value of crop yield per hectare	
<b>Structures</b>	Destruction of permanent immovable	Owner	Recognized owner of affected structure irrespective of land	Cash compensation at full replacement value , or replacement structure	

Asset	Type of Impact	Affected Person/unit	Eligibility Criteria	Financial or In-Kind Compensation	Allowances/Assistance
	structures		ownership status	Cost of moving	
		Tenant/User	Recognized tenant	Disturbance assistance (10%)	
	Temporary displacement of moveable structures	Owner	Recognized owner of affected structure irrespective of land ownership status	Cost re-building and moving back to initial location  Disturbance allowance (10%)	
		Tenant	Recognized tenant/user		
	Businesses and Commercial Enterprises (formal and informal)	Business person distinct from owner of the structure	Those operating business on the affected project land irrespective of their land ownership status		
Loss of access to rivers or lakes	Loss of access to fishing livelihood	Recognized fishermen/women who substantially rely on fishing for their livelihood	Verification that fishing is important livelihood for household or individual	Compensation to be discussed with PAP. Could be a combination of cash compensation, livelihood restoration including micro credit to start alternative business or to get access to alternative fishing grounds/ forming cooperatives with others.	

## **CHAPTER SIX: METHODS OF VALUING AFFECTED ASSETS FOR COMPENSATION**

### **6.1 INTRODUCTION**

Valuation methods for affected land and assets would depend on the type of asset. The three land asset types identified under Nigeria law in this policy framework are:

- State (urban and non-urban) owned land;
- Privately owned land; and
- Assets held under customary law.

State owned land would be allocated free by the Governor or Local Government (perhaps except for processing and registration fees). Federal Government funds is expected to be utilized to pay compensation to acquire land in this category in cases where the state-owned land is being used by landlords or squatters, settled upon or otherwise being used. Privately owned property, would have to be acquired at the market value. The guiding principle is that whoever was using the land to be acquired would be provided other land of equal size and quality (See annex 12).

However, according to Nigeria Law, assets held under customary rights are in the Local Government jurisdictions only and would have to be valued, and compensation paid for, according to the following method.

- The project would compensate for assets and investments, including labor, buildings, and other improvements, according to the provisions of the resettlement plan;
- Compensation rates of assets and investments would be at full replacement cost without depreciation as of the date and time that the replacement is to be provided;
- Loss of structures will need to be compensated not at market, but at full replacement cost (i.e. no depreciation);
- Compensation would not be made after the entitlement cut-off date in compliance with this policy;
- Under customary law land belongs to chiefdoms, towns and villages. The permanent loss of any such land will be covered by community compensation, which will be in-kind, only; and
- However, because the Bank's policy on resettlement (OP4.12) makes no distinction between statute and customary rights, not only assets and investments will be compensated for, but also land. Thus, a customary land owner or land user on state owned land will be compensated for land, assets, investments, loss of access etc. at full replacement cost without depreciation at the time of the loss.

### **6.2 METHODS FOR INVENTORYING ASSETS**

Inventorying refers to the listing of assets in order to determine the value of each asset item and, consequently, the total value of assets.

In considering asset valuation, it is important to first agree on what is to be considered an asset. In this RPF, the term asset is being used in the sense of an advantage or resource that is available to an individual or household. As such, assets can be divided into five categories:

- **Natural assets** such as land and water;
- **Material assets** like household assets;
- **Financial / business assets**, such as main income, peripheral income and informal and formal credit and business enterprise;
- **Human assets** such as labour availability, and access to education and skills; and
- **Social asset**, which include informal support networks, support and interest groups and ability to participate in grassroots democracy.

Table 8 shows methods for asset valuation.

Table 8: Methods of Asset Valuation

Type of Loss	Method of Valuation	Basis of Valuation
Loss of land	Full Replacement Cost	Based on the open market value of comparable recent land transaction in county
Loss of buildings, structures and other civil works	Full Replacement Cost Method	Full replacement cost without depreciation
Loss of business Income and loss of business goodwill	Comparative method	Based on the average monthly net profit
Loss of income from rent and expenditure incurred for alternative accommodation during reinstatement period	Comparative sales method	Based on the comparable rent passing, rent advance paid
Expenditure incurred for transfer of movable properties and temporary structures	Comparative method	Based on truck/transport with hiring charges
Loss of Wages Loss of fees from apprentice Loss of job training	Comparative method	Based on Current Fees and Wages
Loss of Horticultural, Floricultural and Fruit trees	Replacement Cost	Based on replacing income derived from production

### 6.3 COMPENSATION PAYMENTS AND RELATED CONSIDERATIONS

The type of compensation will be an individual choice although every effort will be made to instill the importance and preference of accepting in kind compensation if the loss amounts to more than 20% of the total loss of subsistence assets.

Forms of compensation may include one or more of the following (see also entitlement matrix in Table 7):

- Cash Payments:** Cash compensation may be made for damage to or loss of land assets, damage to or loss of trees or other activities related to livelihood and damage to or loss of structures;
- In – Kind Compensation:** Compensation may include items such as land, houses other buildings, building materials, seedlings, agricultural inputs and financial credits for equipment; and
- Assistance:** Assistance may include moving allowance, transportation and labour, title fees, or other related costs.

Making compensation payments raises some issues regarding inflation, security and timing that must be considered. One purpose of providing in-kind compensation is to reduce inflationary pressures on the costs of goods and services. Local inflation may still occur, thus market prices will be monitored within the time period that compensation is being made to allow for adjustments in compensation values.

#### 6.4 COMPENSATION ARRANGEMENTS

A Compensation and Relocation Committee would be set up by the PIU and be responsible for planning, coordinating and monitoring of compensation and relocation activities. The compensation process for the subproject will involve several steps to be carried out in accordance with the resettlement and compensation plan and the RAP. This would be in accordance with the individual project resettlement and compensation plans as outlined in the table 9 below:

Table 9: Processes in Compensation Arrangement

S/n	Compensation Arrangement	Process
1	Public Participation	This process seeks the involvement and wishes of the PAPs and the communities in a participatory approach with the project, from the beginning to implementation. Public participation with local communities will be an ongoing process throughout resettlement planning and this would have taken off at the screening stage. PAPs will be notified during the identification of subprojects and consulted with as part of the screening process. The subsequent socio-economic survey will record all relevant information about the PAPs, and ensure that this is accurately reflected in the RAP in order to allocate the appropriate compensation. Periodic monitoring will ensure that PAPs have been consulted and that compensation and relocation has been carried out satisfactorily. This would ensure that no affected individual/household is simply “notified” one day that they are affected in this way.
2	Notification	Landowners will be notified that their property is required for development of the subproject. The owners will be informed through a formal notification, both written and verbal, delivered in the presence of the community heads and the Coordination Committee. To ensure that any sensitive areas are accurately identified during this procedure, all necessary community heads, religious leaders, other elders and individuals will accompany the project team to the site.
3	Documentation of Holdings and Assets	The PIU officials and the local community will arrange meetings with the project affected persons to discuss the compensation process. For each individual or household affected, the project officials completes a compensation dossier containing necessary personal information on, the affected party and those individuals considered as household members, total land holdings, inventory of assets affected, and information for monitoring future arrangements. The dossier must be confirmed and witnessed by village/community officials and will be kept up-to-date. This is necessary because it ensures monitoring of an individual over time. All claims and assets should be documented in writing.
4	Agreement on Compensation and Preparation of Contracts	The types of compensation must be clearly explained to the individual or household involved. The PIU will draw up a contract, listing all property and/or land being surrendered, and the types of compensation (cash and/or in-kind). A person selecting in-kind compensation has an order form, which is signed and witnessed. The compensation contract and the grievance redress mechanisms are to be read aloud in the presence of the affected party and the representative of the local government chairman (or his/her representative), the project officials, and other community leaders prior to signing.
5	Compensation Payments	All handing over of property such as land and buildings and

		compensation payments will be made in the presence of the affected party, representative of the state environmental agency and the community officials.
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## 6.5 PROCEDURES FOR DELIVERY OF COMPENSATION

The procedure for delivery of compensation will be detailed in each RAP. The PIU shall ensure that:

- Full payment of compensation is carried out before possession of acquired sites;
- PIUs formally make offers to affected persons and allow persons to accept or reject offer, offer a counter claim and seek redress under the grievance procedures established;
- Land/Asset valuation committee communicates the amount to be paid to the acquiring agency and the Ministry of lands will ensure that the amounts are fair and adequate;
- Cheques shall be the preferred and first mode of payment; however payment may be by banker's draft where the amounts involved are "minimal". PIUs shall make arrangements with nearest bank to effect payments by banker's draft;
- Payments are made to the affected person personally by the State Agency in the presence of Land/Asset Valuation Committee and an independent witness of the affected person/opinion leader Proper receipts are issued and copies given to the affected person, the Finance Department of the State Agency and the Land/Asset Valuation committee; and
- Comprehensive reports on payment made are submitted for review by Management of the PIUs and the Land/Asset Valuation committee;
- In-kind compensation will be provided in the form of materials required to re-erect affected structures at no less than the existing standard of the asset being displaced by the project. Such in-kind compensation will be made prior to the destruction of the pre-project assets, such that no loss of shelter and/or income-generating activities occurs as result of the project.

## 6.6 SOURCES OF FUNDING

Any compensation for resettlement or loss of assets from the MinDiver project will be funded by the Federal Government and will comply with the financial arrangements agreed upon at project appraisal. Responsibility for establishing and maintaining acceptable FM arrangements for the project will be handled by the existing the Federal Project Financial Management Department (FPFMD).

The Federal Treasury Circular of March 2010 established the Federal Project Financial Management Department (FPFMD) in the Office of the Accountant General for the Federation (OAGF) to handle the FM responsibilities for funds provided to Ministries Department and Agencies (MDAs) by Donor Partners.

## **CHAPTER SEVEN: IDENTIFICATION OF, AND SUPPORT TO VULNERABLE HOUSEHOLDS**

### **7.1 IDENTIFICATION OF VULNERABLE HOUSEHOLDS**

Vulnerable people are people who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by resettlement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. In this context, vulnerable households include the following categories, particularly where they cannot rely on a solidarity network, and insofar as they are affected by physical and/or economic displacement process:

- Households whose head or other members have a significant physical or mental handicap;
- Households headed by children;
- Female or single-headed households who live with very limited resources (e.g., landless;
- Households or people with very limited land;
- Seriously ill people, particularly those living with HIV/AIDS and other chronic illnesses; and
- The elderly (the benchmark age is normally but can be adjusted to the condition of the person).

### **7.2 POTENTIAL ASSISTANCE ACTIVITIES TO VULNERABLE HOUSEHOLDS**

Assistance to vulnerable households affected by land acquisition should be determined in close consultation with the PAPs and resettlement should include the following measures:

- Identification of vulnerable households and identification of the cause and impacts of their vulnerability, either through direct interviews by a Project social worker together with the Resettlement Committee;
- Identification of required additional assistance at the various stages of the process: negotiation, compensation, moving, etc;
- Monitoring and continuation of assistance after resettlement and/or additional compensation, if required; and
- Other specialized assistance, depending upon vulnerable households' requests and needs. This may include assisting identified vulnerable people in the moving process by providing them with transport services (their personal belongings are transported in project vehicles to the Resettlement site) and support to restore livelihoods such as help in preparing land, food support, jobs. Vulnerable people can also be assisted through the impact identification (census) and compensation processes.

### **7.3 GENDER ISSUES**

#### **7.3.1 Relationship to the World Bank's Gender Strategy**

The World Bank's new Gender Strategy with its emphasis on gender equality and poverty reduction will help to inform the project's gender analysis in order to increase the potential benefits of a strong mining sector equally between men and women. Building on the review report on gender mainstreaming implementation in the Nigeria Mining Industry under the EFO, the MinDiver project is linked to the Bank's Gender Strategy through the implementation of the following activities be done by: undertaking a gender impact

assessment; inclusive stakeholder consultations and a gender mapping exercise identifying the history of gender relations in formal and informal mining in Nigeria. In the bases of this analysis several inventions targeting women and gender inclusiveness should be designed and implemented throughout life of the project.

Based on the Bank's Gender Strategy, this RPF ensures gender equity in entitlements and project benefits throughout the resettlement process, in line with IFC requirements. The Resettlement Action Plans must incorporate measures to ensure that women and men receive equitable compensation for assets and share equitably in the related livelihood support programs.

Key principles to guide this gender equity strategy comprise the following:

- Including women in the planning, decision-making, and compensation process during the Resettlement of communities;
- Promoting women's and girls' economic rights and opportunities through programs that build their capabilities and help them to build their livelihoods;
- Ensuring that essential public services like health and education benefit women, men, girls and boys equitably;
- Supporting vulnerable households, particularly female-headed households and widows, throughout the resettlement process;
- Collecting and analyzing gender-disaggregated data in the Project-Affected Area; and
- Ensuring that women's rights are protected in particular with regard to compensation for assets and ownership of property.

The following procedures above have been established to ensure that gender equity principles are integrated into resettlement and compensation process. These procedures are to be informed by qualitative research collected from the communities including initial baseline and subsequent monitoring studies.

## **CHAPTER EIGHT: LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS AND RPF IMPLEMENTATION SCHEDULE**

This section emphasizes that in each sub-project, resettlement schedules should be coordinated with construction schedules. All resettlement activities arising out of the works to be implemented in a given year will be completed prior to the scheduled start-up date of those works on the respective sub-project, and prior to disbursements of funds for activities related to the respective sub-project.

### **8.1 IMPORTANT PRINCIPLES DURING PROJECT IMPLEMENTATION**

The project will adhere to the following important principles in its implementation:

- No civil works contracts for proposed projects site will be initiated unless land free of any encumbrance is made available; this could be done in phases;
- No construction should be undertaken unless PAPs are compensated for their losses, and have received their resettlement entitlements. That is, before any project activity is implemented, PAPs will need to be compensated in accordance with the resettlement policy framework;
- For activities involving land acquisition or loss, denial or restriction of access to land, it is further required that these measures include provision of compensation and of other assistance required for relocation prior to displacement and preparation of resettlement sites with adequate facilities, where required;
- Taking of land and related assets may take place only after compensation has been paid and where applicable, resettlement sites and moving allowances have been provided to displaced persons. For project activities requiring relocation or loss of shelter, the policy further requires that measures to assist the displaced persons are implemented in accordance with the individual RAPs. The measures to ensure compliance with this RPF will be included in the RAPs that will be prepared for each land involving resettlement or compensation;
- Entitlements shall include transitional support such as moving expenses, assistance with food and childcare during a move and other needed support;
- Information sharing and consultation with PAPs will continue throughout the planning and implementation phase of the resettlement program, including the relocation and the restoration of livelihoods;
- A completion survey of the delivery of compensation and resettlement entitlements will be undertaken as per the RPF requirement;
- The schedule for the implementation of resettlement activities must be agreed to between the Resettlement Committee and the PAPs. These include the target dates for start and completion of civil works; timetables for transfers of compensation to PAPs, and dates of possession of land that PAPs are using; and
- The dates must be after transfer date and payments of all compensation to PAPs. How these activities are linked to the implementation of the overall subproject must also be agreed between the parties.

### **8.2 LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS**

PAPs will need to be compensated, in accordance with this RPF and subsequent RAPs, before commencement of civil works.

When approving recommendations for resettlement by the PIU during screening, PAPs must confirm that the resettlement plans contain acceptable measures that link resettlement

activity to civil works, in compliance with this policy. Proper timing and coordination of the civil works shall ensure that no affected persons will be displaced (economically or physically) due to civil works activity, before compensation is paid and before any project activity can begin.

### **8.3 IMPLEMENTATION PROCESS**

In the Implementation Schedule of each RAP, details on resettlement and compensation must be provided. The schedule for the implementation of activities, as agreed between the Project Planning teams and PAPs must 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) and;
- The link between RAP activities to the implementation of the overall sub project.

The timing of the resettlement will be coordinated with the implementation of the main investment component of the project requiring resettlement. All RAPs will include an implementation schedule for each activity covering initial baseline and preparation, actual relocation, and post relocation economic and social activities. The plan should include a target date when the expected benefits for resettled persons and hosts would be achieved. Arrangements for monitoring implementation of resettlement and evaluating its impact will be developed during project preparation and used during supervision.

### **8.4 RAP IMPLEMENTATION BUDGET**

RAP implementation will be funded by the Federal Government. Each subproject that requires a RAP will have its own project –specific budget.

The budget for resettlement will be known based on field assessments, prevailing asset values and actual experience based on sub-project RAPs to ensure that adequate funds for resettlement are allocated during the course of project implementation. See annex 7 for sample template.

## CHAPTER NINE: STAKEHOLDER CONSULTATIONS AND PARTICIPATION

### 9.1 MECHANISM FOR CONSULTATION AND PARTICIPATION OF DISPLACED PERSONS

Public consultation and participation are essential because they afford PAPs the opportunity to contribute to both the design and implementation of the project activities and reduce the likelihood for conflicts as well as increase benefits being realized by PAPs.

#### 9.1.1 Approaches for Identification and Participation of Stakeholders

Stakeholders for the purpose of this project shall be defined as all those people and institutions that have an interest in the successful planning and execution of the project. This includes those positively and negatively affected by the project. Annex 13 presents consultations held with stakeholders.

Key members of the community should be consulted through different community based associations and social groups. Vulnerable groups including the physically challenged, visually impaired, elderly ones, children and pregnant women should also be consulted. Table 10 presents the stakeholders and how to identify them.

Table 10: The Stakeholder Identification Matrix

Those who may be affected by the project:	
These may include	How to identify them
People living in the vicinity of the proposed works	<ul style="list-style-type: none"><li>• Field Survey</li><li>• Review available data to determine the stakeholder profile of the stakeholder or relevant group.</li><li>• Use identified groups and individuals to tap into stakeholder networks to identify others</li></ul>
Special interest groups.	<ul style="list-style-type: none"><li>• Identify key individuals or groups through organized groups, community halls and religious places.</li><li>• Organizations such as environmental groups would be aware of similar local groups or individuals.</li></ul>
Individual people who own properties that will be directly or indirectly affected.	<ul style="list-style-type: none"><li>• Advertise in local newspapers, and communicate to PAPs to register interest in attending meetings or receiving further information.</li></ul>
Business (owners and employees).	<ul style="list-style-type: none"><li>• Field Survey</li><li>• Council lists or property registers.</li></ul>

The ensuing RAP will include an annex which identifies what issues were raised during the consultation process and how they were addressed.

### 9.2 PUBLIC CONSULTATION MECHANISMS

Public consultation and participation are essential because they provide an opportunity for informing the stakeholders about the proposed project. Public consultation and participation create a sense of ownership for the project, providing an opportunity for people to present their views and values and allowing consideration and discussion of sensitive measures for resettlement.

Public consultation and participation will afford the PAPs an opportunity to contribute to both the design and implementation of the program activities. In so doing, the likelihood for conflicts between PAPs and implementation agencies will be reduced.

Public consultation shall be an on-going activity taking place throughout the entire project cycle. Hence, public consultation shall take place during the:

- Project inception and planning
- Screening process
- Feasibility study
- Preparation of project designs
- Resettlement and compensation planning
- Drafting and reading/signing of the compensation contracts
- Payment of compensation
- Resettlement activities and
- Implementation of after-project community support activities

Public consultation and participation shall take place through local meetings, radio and television programmes, request for written proposals/comments, completion of questionnaires/application forms, public readings and explanations of the project ideas and requirements.

Public documents shall be made available in appropriate languages at the national, local levels and at suitable locations including the official residences/offices of community heads. Public consultation measures shall take into account the low literacy levels prevalent in the rural communities, by allowing enough time for discussions, consultations, questions, and feedback.

## CHAPTER TEN: INSTITUTIONAL ARRANGEMENT FOR RAP IMPLEMENTATION

### 10.1 IMPLEMENTATION RESPONSIBILITIES

The project will use streamlined institutional and implementation arrangements with the aim of maximizing project management, ensuring a high degree of technical input, and facilitating coordination within the MMSD and among all relevant government agencies. The project is designed to ensure that a wide range of stakeholders (government, industry, civil society) is actively participating in promoting transparency and accountability. See Table 11.

Table 11: Implementation Responsibilities

S/No	Stakeholders/ Institutions	Responsibilities
1	Ministry of Mines and Steel Development (MMSD)	<ul style="list-style-type: none"> <li>Overall coordination and implementation of the project, including the drafting of annual work programs and budgets of the project.</li> <li>provide updates and inputs to progress implementation reports for the project, which will be finalized by the PIU four times a year in a format and content acceptable by the Bank.</li> </ul>
2	PIU	<ul style="list-style-type: none"> <li>Establishment of Resettlement Committee (RC);</li> <li>Establishment of Grievance/Complaints Handling Mechanism</li> <li>Establishment of the grievance redress committee;</li> <li>Ensuring that the project conforms to World Bank safeguard policies, including implementation of the Resettlement Action Plan (RAP) and Abbreviated Resettlement Action Plan (ARAP), as required.</li> <li>Facilitating the invitation/engagement of external monitors/stakeholders to witness the RAP/ARAP implementation.</li> <li>Coordinate activities at local level during the preparation and implementation of the RAP/ARAP</li> <li>Ensure that there are sufficient resources (time, money and people) to supervise the environmental issues of the works.</li> <li>Responsible for the appraisal of properties affected by the project</li> <li>Provide necessary infrastructures in relocated areas (where applicable)</li> <li>Approval of payments for RAP/ARAP implementation activities</li> <li>Internal monitoring and evaluation of RAP/ARAP activities.</li> <li>Ensure that complaints received are treated with utmost urgency</li> <li>Interact continuously with the NGOs and community groups that would be involved the project</li> <li>Review RAP/ARAP and ensure its compliance to the applicable policies of the Bank</li> <li>Preparation of quarterly and annual progress reports on RAP/ARAP implementation.</li> <li>Submission of Reports to World Bank for review.</li> </ul>
3	High-Level Coordination Committee	<ul style="list-style-type: none"> <li>established under the project to facilitate sustainability and proper mainstreaming of project activities into the relevant ministries, departments, and agencies</li> <li>responsible for overall strategic planning and overall program development, coordination across the project at ensure coherence interrelated activities, and monitoring of progress</li> <li>Ensure coherence and synergies in policy level interventions related to the development of the mining sector in Nigeria;</li> <li>Promote effective coordination and communication across the various agencies, ministries, and departments on a macro level and project level;</li> <li>Provide strategic guidance and set priorities for project implementation;</li> <li>Review the project's progress in meeting its objectives and results indicators;</li> </ul>

S/No	Stakeholders/ Institutions	Responsibilities
		<ul style="list-style-type: none"> <li>• Approve Operational Manual and subsequent changes;</li> <li>• Approve on an annual basis the procurement and training plans submitted by the Beneficiaries;</li> <li>• Approve accounts and audits reports;</li> <li>• The Committee shall not intervene in day to day management of the project, which is the sole responsibility of the PIU</li> </ul>
4	World Bank	<ul style="list-style-type: none"> <li>• Maintain an oversight role to ensure compliance with the safeguards policies</li> <li>• Maintain an oversight role on the supervision of the RAP/ARAP implementation, and may conduct spot checks or audits (if necessary)</li> <li>• Provide overall guidance and recommend additional measures for strengthening the management framework and implementation performance.</li> <li>• Responsible for the final review, clearance and approval of RAPs and ARAPs;</li> <li>• Granting of “No objection” request for RAP/ARAP implementation</li> <li>• Conduct regular supervision missions throughout the project implementation, and monitor the progress of the construction project.</li> </ul>
5	MinDiver Technical Working Group	<ul style="list-style-type: none"> <li>• established to work directly with the PIU and Technical Advisor(s), primarily on the technical aspects of project implementation and coordination</li> <li>• composed of focal points, formally appointed by member of the High-Level Coordination Committee</li> <li>• expected to meet at least on a quarterly basis, if not more often depending on the pace of project implementation</li> </ul>
6	Procurement Consultant	<ul style="list-style-type: none"> <li>• provide procurement supports to the project team in the first two years of the project.</li> <li>• The Procurement of Goods, Works, Non-Consulting and Consulting Services under the MinDiver will be carried out in accordance with the World Bank's New Procurement Framework (NPF)</li> </ul>
7	RAP Consultant (where necessary)	<ul style="list-style-type: none"> <li>• Lead final enumeration exercise</li> <li>• Provide advisory services in final mapping out of alignments and application of measures to avoid unnecessary damage.</li> <li>• Conduct training</li> </ul>
8	Federal Project Financial Management Division (FPFMD)	<ul style="list-style-type: none"> <li>• In the Office of the Accountant General for the Federation (OAGF) to handle the FM responsibilities for funds provided to MDAs by Donor Partners.</li> <li>• Responsible for establishing and maintaining acceptable FM arrangements for the project</li> </ul>
9	State Ministry of Lands/Survey/Urban and Regional Planning & Rural Infrastructure	<ul style="list-style-type: none"> <li>• Processes all instruments evidencing ownership and possession of real estate in the states and also keeps in custody all real estate instruments, records, and their management.</li> <li>• Valuation of Affected Properties</li> </ul>
10	Ministry of Environment	<ul style="list-style-type: none"> <li>• Witness/monitor the RAP/ARAP compensation and implementation process;</li> <li>• Ensure environmental compliance in the civil work aspects of the RAP/ARAP implementation</li> <li>• Validation of Environmental and Social Audit Report to be prepared at the completion of works by the contractor</li> </ul>
11	LGA	<ul style="list-style-type: none"> <li>• Witness/monitor the RAP/ARAP compensation and implementation process</li> </ul>
12	Resettlement Committees (RCs)	<ul style="list-style-type: none"> <li>• Being responsible for guiding compensation and resettlement activities in the sub-project Lots/road routes and communities</li> <li>• Form a survey team to carry out Detailed Measurement Survey (DMS) for affected houses and assets; finalize DMS and Entitlement</li> </ul>

S/No	Stakeholders/ Institutions	Responsibilities
		<p>forms for each PAP.</p> <ul style="list-style-type: none"> <li>Actual implementation of the resettlement assistance and handling any grievances and complaints</li> <li>Checking the unit prices of compensation as used in RP, suggestions for adjusting the unit prices in conformation with market prices/replacement costs (if required) to PIU for approval.</li> <li>In co-ordination with PIU, organize meetings with PAPs, community authorities and disseminate copies of Resettlement Information Booklet (RIB) and entitlement forms.</li> <li>Based on the policy and proposed process/mechanism in RAP/ARAP, the RCs prepare the detailed implementation plan (quarterly, semi-annual, annual plans) and together with PIU staff pay entitlements to PAPs and implement other assistance and in-kind activities in a timely manner.</li> <li>Settling the complaints and grievances (if any) and suggest solutions for the outstanding issues to PIU for improving of the RAP/ARAP implementation.</li> <li>Organize seminars to disseminate the RAP/ARAP report to relevant stakeholders, communities, etc.</li> <li>Assisting local people in overcoming the difficulties during the implementation period.</li> </ul>
13	Contractor	<ul style="list-style-type: none"> <li>Compliance with the environmental and social management clauses in contract</li> <li>Ensure that there are sufficient resources (time, money and people) to manage the environmental issues of the works.</li> <li>Be responsible for ensuring that all site staff, including sub-contractors and sub-contracted activities will comply with the projects ESMP.</li> <li>Ensure that any changes during the implementation process that have a significant environmental and social impact are communicated to the Supervising Engineer in time and manage them accordingly.</li> <li>Ensure that the Monitoring and Evaluation Officer/Environmental and Social safeguards Officer is sufficiently informed on contractor's monitoring results.</li> <li>Organize work meetings on weekly or bi-monthly basis.</li> </ul>
14	External Monitoring firm	<ul style="list-style-type: none"> <li>Ensure compensation implementation details are implemented and documented</li> <li>Work with PIU to ensure finalization and payment of entitlements.</li> </ul>
15	Project Affected Persons (PAPs) and the Community	<ul style="list-style-type: none"> <li>Provide informed opinions, advise and support towards project decisions and alternatives</li> <li>Providing feedback on improving the quality of the RAP/ARAP and suggesting solutions for its effective implementation Attending meetings as may be necessary regarding the RAP/ARAP implementation</li> <li>Coordinating with the survey team in carefully checking and signing off their affected lands (where applicable) and other assets as well as their entitlements</li> </ul>
16	Grievance Redress Committee which include: <b>Government members:</b> RAP Implementation Consultant (if any), Project Coordinator, Environmental and Social safeguards officer; M&E officer, Communications officer and Project engineer; Other senior officers of MinDiver Project	<ul style="list-style-type: none"> <li>Ensure that grievances are settled promptly and locally as much as possible.</li> <li>Attend to PAPs on problems arising from loss of private properties</li> <li>Ensure that records of PAP's grievances are logged</li> <li>Categorize and prioritize the grievances that need to be resolved by the committee;</li> <li>Report to the aggrieved parties about the developments regarding their grievances</li> </ul>

S/No	Stakeholders/ Institutions	Responsibilities
	appointed by the PC; and; Representatives of appropriate stakeholders in the affected area of influence <b>Community members:</b> community paramount ruler, selected chiefs/opinion leaders, market women leader (s) and selected CDA members	

## 10.2 Measures for Strengthening Organizational Capability

Officers of the safeguard unit of MinDiver Project should have the basic knowledge of the fundamentals of the RPF/RAP. However, the knowledge could be deepened and made more uniform to bring key officers (safeguards, communication, engineering, accounts and M&E officers) in agreement. This would require training sessions on RPF/RAP basics, including the following:

- World Bank Safeguard Policy (O.P 4.12) on resettlement and other World Bank operational policies on environment;
- Relevant Nigerian laws and policies relating to land acquisition and resettlement;
- Compensation and supplementary assistance;
- RAP Implementation process;
- Monitoring and Evaluation of RAP Implementation; and
- Conflict Management and Resolution in RAP implementation.

As part of sensitization, introduction to social and resettlement aspects learning basic concepts and policy, legal and other relevant statutory requirements in Nigeria and World Bank.

Table 12 outlines an indicative training programme that with relevant topics that could be adapted.

Table 12: Typical Training Programme on Capacity Building of Relevant Stakeholders

S/ N	Programme/Description	Resources	Duration	Trainer	Participants	Trainin g Costs USD
<b>DAY ONE</b>						
1	<ul style="list-style-type: none"> <li>• Official opening</li> <li>• Introduction of Participants</li> <li>• Introduction to programme, Sessions and trainers</li> </ul>	<ul style="list-style-type: none"> <li>• List of participants</li> <li>• Agenda for training Session</li> </ul>	30mins	PIU	PIU, Federal and State MMSD and other project affiliated MDAs in host States.	TBD
2	<ul style="list-style-type: none"> <li>• General Introduction</li> <li>• Involuntary vs. Voluntary Resettlement</li> <li>• World Bank Safeguard policies</li> </ul>	<ul style="list-style-type: none"> <li>• PowerPoint presentation</li> <li>• Associated handouts</li> </ul>	60mins	World Bank	PIU, Federal and State MMSD and other project affiliated MDAs in host States.	TBD

	<ul style="list-style-type: none"> <li>• Policy, legal and other statutory requirements as per Government of Nigeria and World Bank</li> <li>• Main issues associated with Involuntary Resettlement</li> </ul>					
3	<ul style="list-style-type: none"> <li>• Introduction to Social and Resettlement Issues</li> <li>• Basic Concepts</li> </ul>	<ul style="list-style-type: none"> <li>• PowerPoint presentation</li> <li>• Associated handouts</li> </ul>	45mins	Relevant Consultant	PIU, Federal and State MMSD and other project affiliated MDAs in host States.	TBD
4	<ul style="list-style-type: none"> <li>• World Bank OP 4.12 Involuntary Resettlement</li> <li>• Principles of RAP/ARAP</li> <li>• Planning Requirements</li> <li>• Implementation Requirements</li> <li>• Grievance and Conflict Management and Resolution</li> <li>• Documentation and Disclosure Requirements</li> <li>• Monitoring and Evaluation of RAPs and ARAPs</li> </ul>	<ul style="list-style-type: none"> <li>• Full text of OP 4.12 for each participant</li> <li>• (included in the RPF</li> </ul>	60mins	World Bank	PIU, Federal and State MMSD and other project affiliated MDAs in host States.	TBD
5	<ul style="list-style-type: none"> <li>• Overview &amp; Objective of the RPF</li> <li>• Gaps between OP 4.12 &amp; Nigerian Land Use Act and how to bridge them</li> <li>• Eligibility and Entitlements</li> <li>• Resettlement and Compensations packages</li> </ul>	<ul style="list-style-type: none"> <li>• Full copy of the RPF for each participant</li> <li>• PowerPoint</li> <li>• Presentation</li> </ul>	45mins	Relevant Consultant	PIU	TBD
<b>DAY TWO</b>						
6	<ul style="list-style-type: none"> <li>• Assessment process (i.e. introduction to ARAPs and RAPs as proposed in the RPF)</li> <li>• Census &amp; Socio-economic Methodology</li> <li>• Content of an ARAP</li> <li>• Content of a RAP</li> <li>• Grievance and conflict Management</li> <li>• Vulnerable people</li> <li>• Monitoring and Evaluation tools</li> </ul>	<ul style="list-style-type: none"> <li>• Full copy of the RPF for each participant</li> <li>• PowerPoint Presentation</li> </ul>	60 mins	Relevant Consultant	PIU	TBD
7	<ul style="list-style-type: none"> <li>• RAMP Resettlement</li> </ul>	<ul style="list-style-type: none"> <li>• PowerPoint</li> </ul>	45 mins	Relevant	PIU	TBD

	Action Plan <ul style="list-style-type: none"> <li>• Background</li> <li>• Resettlement packages</li> <li>• Consultations and negotiations with affected people</li> <li>• Development of Resettlement sites</li> <li>• Potential strong point and weak points</li> </ul>	presentation <ul style="list-style-type: none"> <li>• Associated Handouts</li> </ul>		Consultant		
8	<ul style="list-style-type: none"> <li>• Social &amp; Resettlement Considerations in Urban and Rural Development Projects</li> <li>• Social and Resettlement aspects arising during construction and operation stages</li> <li>• Social and Resettlement Good Practices in Urban public works and rural agricultural practices</li> </ul>	<ul style="list-style-type: none"> <li>• PowerPoint presentation</li> <li>• Associated Handouts</li> </ul>	60mins	Relevant Consultant	PIU	TBD
	Total					TBD

## **CHAPTER ELEVEN: GRIEVANCE REDRESS MECHANISMS**

At the time that the individual RAPs are 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 and will be administered as far as possible, at local levels to facilitate access by PAPs. The Grievance Redress Mechanism, discussed below, will be one of the key tools and mechanisms to ensure accountability and social inclusion.

The GRM should be used in conjunction with a detailed stakeholder engagement plan and if the performance standards are triggered this would require a Public Consultation and Disclosure Plan (PCDP), which has more extensive requirements. (See annex 6 for sample grievance form).

### **11.1 POTENTIAL GRIEVANCE/DISPUTES**

Potential grievances and disputes that arise during the course of implementation of the resettlement and compensation program may be related to the following issues:

- Inventory mistakes made during the census as well as inadequate valuation of properties;
- Mistakes related to identification and disagreements on boundaries between affected individual(s) and specifying their land parcels and associated development;
- Disagreements on plot/asset valuation;
- Divorces, successor and family issues resulting into ownership dispute or disputes shared between heirs or family;
- Disputed ownership of a given assets (two or more affected individual(s) claim the same); and
- Where affected individual(s) opt for a settlement-based option, disagreement on the Resettlement package (the location of the resettlement site does not suit them).

### **11.2 GRIEVANCE REDRESS PROCEDURE**

Despite best efforts with regard to the public consultation and community relations, there will be times when the project sponsor and stakeholders disagree. Affected persons will be informed of their rights to raise grievances via RAP information sharing initiatives. Mechanisms have been put in place to ensure that grievances are recorded and considered fairly and appropriately. These include:

- A register of grievances which is held by the Project Liaison Officer or any appointed mechanism by the respective PIU;
- Receipt of grievances will be acknowledged as soon as possible (within 2 business days), by letter or verbal means;
- The grievance will be reviewed by the GR Committee and appropriate action will be implemented. The preferred course of action will be discussed with the person bringing the grievance. Wherever possible, grievances will be resolved at this level;
- For grievances relevant to the implementation of RAPs, a dedicated locally based Compensation Committee will be the responsible party for taking appropriate action to resolve such grievances;
- Relevant details of grievances, with outcomes, will be made available to the affected parties;

- Through personal notification of the PIU and through local newspapers, radio and TV; and
- The PIU should develop a communication strategy for grievance redress mechanism for the project which should include an explanation on the methods used in carrying out the project's activities and such compensation payments etc.

### 11.3 GRIEVANCE LOG

The Project Liaison officer will ensure that each complaint has an individual reference number, and is appropriately tracked and recorded actions are completed. A sample of a Grievance mechanism Form is included in Annex 8. The log also contains a record of the person responsible for an individual complaint, and records dates for the following events:

- Date the complaint was reported;
- Date the Grievance Log was uploaded onto the project database;
- Date information on proposed corrective action sent to complainant (if appropriate);
- Date the complaint was closed out; and
- Date response was sent to complainant.

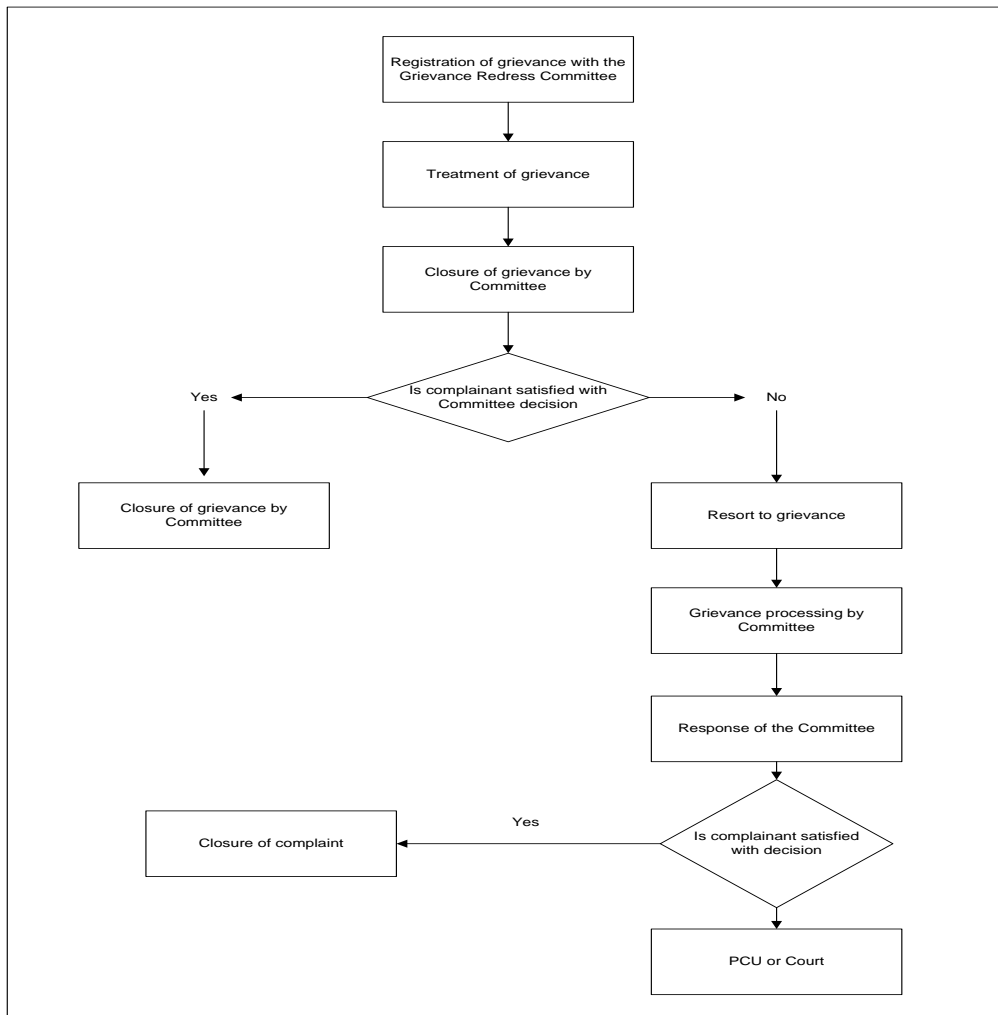


Figure 2: Flowchart for Grievance Mechanism

#### 11.4 UNRESOLVED GRIEVANCES AND DISPUTES

Unresolved issues will be referred to a credible and independent person or body for arbitration. Other RAP processes where disagreements are deep may opt to involve community recognized local institutions such as senior church officials, or other respected civil society figures. There are three ways in which grievances shall be resolved. These are:

- **Arbitration:** The Arbitration Act makes provisions for aggrieved parties to agree to settle disputes out of court through arbitration. In order to use arbitration in the settlement of disputes, the parties ought to make a written agreement to submit a present dispute, or future disputes to arbitration. The parties are at liberty whether or not to name an arbitrator in the agreement. Where an arbitrator is not named in the agreement, the agreement should designate a person who would appoint an arbitrator.
- **Courts of Law:** It should be noted that arbitration only works where the parties to a dispute agree to resolve a difference through arbitration. Where there is no consent, then a court of jurisdiction may be used to resolve a dispute.
- **Grievance Redress Committee:** There shall be a grievance redress committee made up of representatives from the community (the Area Development Committee) and the project implementers. This committee shall hear disputes regarding project impacts and cases shall only be referred to arbitration or courts of law when the grievance redress committee is unable to resolve an issue.

## **CHAPTER TWELVE: MONITORING AND EVALUATION ARRANGEMENTS**

### **12.1 INTRODUCTION**

Monitoring and Evaluation is a key activity in the project and will be carried out by the PIU at the MMSD on the basis of the indicators and milestones developed in the Results Framework. A robust M&E system will be developed early on in project implementation to monitor progress and ensure impact.

Where applicable, monitoring and evaluation will include gender-disaggregated data. Strengthening client capacity for monitoring and evaluation for the sector will be an integral part of the project to enable the relevant institutions to keep track of environmental and social safeguards implementation and compliance.

The PIU will have an overall responsibility for monitoring and evaluating the project sub-components/activities in accordance with the indicators and benchmarks included in the results framework. The other beneficiary agencies will be responsible for collecting, analyzing and supplying the indicator data relevant to the project components/activities under their implementation to the PIU. The mechanism of feeding the indicator data into a centrally managed system in MMSD will be also detailed in the Project Implementation Manual.

No later than 45 days after each quarter, the MMSD will submit to the Bank the consolidated quarterly progress reports covering all Project activities, including procurement and a financial summary report. Bi-annual reviews, the first one to take place six months after effectiveness, should provide detailed analysis of implementation progress toward achieving the project development objectives and include evaluation of the financial management and a post-review of procurement aspects.

### **12.2 INTERNAL MONITORING**

To enable the sub-project proponents to measure progress against set targets, performance monitoring will be carried out as an internal function by the organization(s) responsible for implementing the RAPs. In this regard performance monitoring reports will be prepared at monthly, quarterly, half yearly and yearly intervals depending on the issues to be monitored. Performance targets in this regard will include:

- Public meetings held;
- Compensation disbursed;
- Census surveys completed;
- Assets inventories and socio-economic studies completed;
- Number of people impacted;
- Proportion of displaced people relocated; and
- Income restoration and development activities initiated.

If the volume of work involved in performance monitoring is beyond the capacity of the RAP's implementing organization to carry out, then the monitoring function could be sub-contracted to a consultant.

### **12.3 IMPACT MONITORING**

Impact monitoring to be undertaken by the sub-project proponent, or an independent agency, will provide assessments of the effectiveness of the RAP strategies in meeting the affected populations needs. Quantitative and qualitative indicators will be used to compare the effects of the RAPs activities with the baseline conditions of the affected populations before and after the resettlement exercises. The satisfaction of the affected population with the resettlement initiatives will be assessed for their adequacy or deficiency, while the census assets inventories and socio-economic studies will constitute the baseline for the affected population, for the purpose of evaluating impact assessment.

### **12.4 EXTERNAL COMPLETION AUDIT**

Completion audit(s) shall be carried out after the completion of all RAP inputs. The main aim of the completion audit or external monitoring is to assess how far the sub-project proponents' efforts have gone in the restoration of the living standards of the affected population; and also assess whether the strategies for the restoration for the living standards of the affected people have been properly conceived and implemented. The following are some of the several issues which need to be verified in the external monitoring:

- Physical inputs committed in the RAPs;
- Delivery of services provided in the RAPs;
- The effects of mitigation measures prescribed in the RAPs; and
- The affected populations and host populations social economic status after project impacts measured against the baseline conditions after the exercise.

### **12.5 DEVELOPMENT OF VERIFIABLE INDICATORS**

In order to ensure that monitoring the impacts of the compensation and resettlement activities for the Project are done successfully, a number of objectively verifiable indicators (OVI's) shall be used. 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 wellbeing. Therefore, monitoring indicators to be used for the RAP will have to be developed to respond to specific site conditions. As a general guide, the following table provides a set of indicators which can be used.

### **12.6 EVALUATION**

Consistent with the RPF, the Environmental Safeguard Specialist and Social Safeguard Specialist attached to the PIU and his counterpart in the environment agencies would be responsible for periodically transferring the information compiled at the state level to the MMSD so that it is alerted in a timely manner to any difficulties arising at the local level. The objective will be to make a final evaluation in order to determine:

- If affected people have been paid in full and before implementation of the sub projects activities,
- If the people who were affected by the project 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 they are actually poorer than before.

## **ANNEXES**

### **ANNEX 1: TERMS OF REFERENCE (TOR)**

#### **CONSULTANCY SERVICES FOR THE PREPARATION OF A RESETTLEMENT POLICY FRAMEWORK (RPF) - CONTRACT EXTENSION FOR THE UPDATE OF ESMF**

##### **1.0 INTRODUCTION**

In furtherance of the services rendered by the Consultant for the preparation of the environmental and social management framework (ESMF), the project intends to extend the services of the Consultant to update the ESMF to include the preparation of a Resettlement Policy Framework (RPF) as a safeguarding measure in support of the project.

##### **2.0 OBJECTIVE**

This project is a technical assistance project although physical impacts of the project such as land acquisition may become a potential consideration as the project develops. Any potential physical works will not be directly funded by the IDA credit which will provide transactional support. The proposed project is classified under the Nigerian Environmental Act as "Category 2," or, under the World Bank's Operational Policy on Environmental Assessment (OP/BP4.01), as "Category B." This has been subjected to an environmental assessment, because the proposed project triggers OP 4.01 – Environmental Assessment of the World Bank Safeguard Policies.

A Strategic Environmental and Social Assessment (SESA) will be developed during implementation to ensure that any potential adverse social and environmental impacts are mitigated in accordance with World Bank policies.

The Government of Nigeria and the World Bank both require careful investigation of the potential impacts of an investment project *before* it is begun and the adoption of a Resettlement Policy Framework (RPF) in accordance with World Bank operational policy OP/BP 4.12 (Involuntary Resettlement) in consideration of any potential or theoretical requirements for resettlement which might arise from the development of mineral extraction and associated infrastructure activities. The RPF shall set out a framework and process for the application of the World Bank's Resettlement Policy through the life of the project. A separate Resettlement Action Plan (RAP) satisfactory to the World Bank must be prepared for each case where land is permanently or temporarily acquired or persons are displaced from the homes, lands or businesses.

The World Bank's Operational Policy on Involuntary Resettlement (OP 4.12) must be applied to any project which displaces people from their homes or land or productive resources, and which results in relocation, the loss of shelter, the loss of assets or access to assets important to production, the loss of income sources or means of livelihood. The policy also applies to land acquisition whether or not the project affected persons (PAPs) will move to another location; therefore people are in most cases compensated for their loss (of land, property or access) either in kind or in cash.

The World Bank's resettlement policy framework has the following objectives:

- (i) Involuntary resettlement and land acquisition should be avoided where feasible, or minimized, exploring all viable alternatives;
- (ii) Where involuntary resettlement and land acquisition is unavoidable, resettlement and compensation activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to

give the persons displaced by the project the opportunity to share in project benefits. Displaced and compensated persons must be meaningfully consulted and have opportunities to participate in planning and implementing the programs linked to their resettlement.

- (iii) Displaced persons should be assisted in their efforts to improve their livelihoods; standards of living should be improved as a result of the resettlement program, or at least restored, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of project implementation, whichever is higher.

The Consultant will therefore prepare a Resettlement Policy Framework (RPF) applicable to the project over its time frame.

In preparing the RPF, the Consultant will be required to carry out the following tasks:

- Review relevant Nigerian law and procedures regarding land taking and compensation;
- Review relevant World Bank Group Safeguards Policies on involuntary resettlement, including the performance standards of the International Finance Corporation (IFC)
- Review RPFs prepared for other recent World Bank projects in Nigeria (e.g. SMMRP)
- Consult with the appropriate Ministries, Department and Agencies as well as other key stakeholders;
- Consult with other key stakeholders- Community leaders, Community based organizations, relevant civil society organizations.

### **3.0 SCOPE OF WORK**

The updated ESMF should provide the project with the following:

- i. The Resettlement policy framework shall clarify resettlement principles, organizational arrangements and design criteria to be applied to sub-projects to be prepared during project implementation. Sub-project resettlement plans consistent with the RPF will subsequently be submitted to the Bank for approval after specific planning information becomes available.
- ii. The scope of work for the RPF assignment will cover the following elements, consistent with the provisions described in **OP 4.12**, paras. 2 and 4:
- iii. A brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a Resettlement Policy Framework is required ;
- iv. Principles and objectives governing resettlement preparation and implementation, including a legal analysis and framework, reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;
- v. A clearly set out screening process for all subcomponents and a description of the process for preparing and approving Resettlement Action Plans (RAP), including outlining the process and content required for the preparation of such plans;
- vi. Procedures to be followed in conducting a census (a sample questionnaire will be included) and declaring a cut-off date;
- vii. A Methodology to identify precisely the affected population before the intervention; and to assure that this population will be the beneficiary of the relocation;
- viii. An indicative compensation entitlement matrix, based on information gathered to date. explanation of the types of compensation that may be provided including land-for-land, cash compensation and others, taking into account the World Bank policy regarding situations where livelihoods are land-based
- ix. Legal Framework reviewing the gaps and synergies between Nigerian laws and

regulations on resettlement and compensation and those of the World Bank Group safeguards policies

- x. An institutional matrix that clearly identifies all the potential agencies, public or private, traditional, and statutory as identified in the stakeholder engagement section that will be involved in the delivery of the RAP. This should include: organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries and, the government,
- xi. Implementation Process. A description of the implementation process, linking resettlement planning and implementation to both civil works and livelihood strategies;
- xii. A description of possible mechanisms for transitional costs (such as moving expenses) and for restoring livelihoods where they are adversely affected;
- xiii. A description of the main stakeholders and their relationship to the project. Mechanisms and methods for developing a stakeholder engagement consultation plan which will include the identification of key actors, such as, project affected communities, federal, state and local government (LGAs), private investors, federal and line ministries. and
- xiv. A description of grievance and redress mechanisms, which should be closely aligned to the stakeholder engagement methods and mechanisms and findings, to be established taking into account the need for (a) registration of grievances; (b) prompt and transparent action on grievances; (c) due process; (d) opportunity for appeal; and (e) avoidance of legal proceedings to the extent possible;
- xv. A description of the arrangements for funding resettlement including the preparation and review of cost estimates, the flow of funds, and the contingency arrangements;
- xvi. An annotated template for the design of sub-project RAPs – which provides description and explanation of the main components of a RAP.
- xvii. A description of the processes of monitoring, verification and evaluation required for effective implementation of the resettlement process.

#### **4.0 DURATION OF THE ASSIGNMENT**

The Consultancy assignment for the preparation of the RPF shall be for 10 days within which the Consultant shall accomplish all the tasks including submission of the updated final RPF.

#### **5.0 REMUNERATION AND PAYMENT TERMS**

The successful consultant would be paid the agreed rate of professional fee and reimbursable.

#### **6.0 CLIENT INPUT**

The PIU will provide the necessary documents including the prepared ESMF, but the consultant is responsible for the analysis and interpretation of the documents. The PIU will also provide the appropriate liaison while the SPIU will organise the stakeholders' meeting and provide relevant information necessary for the updating process.

#### **7.0 OUTPUT**

- i. The Consultant should report directly to the Project Coordinator and work closely with the Ministry of Mines and Steel.
- ii. Submission of the updated final RPF.

## **ANNEX 2: World Bank Policy on Involuntary Resettlement (Revised April 2004)**

**Note: OP and BP 4.12 together replace OD 4.30, *Involuntary Resettlement*. This OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002.**

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1. The Bank's experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: 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.

### **Policy Objectives**

2. 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 the Bank's policy on involuntary resettlement are the following:
  - a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
  - b) 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 persons displaced by the project to share in project benefits. Displaced persons should be meaning fully consulted and should have opportunities to participate in planning and implementing resettlement programs.
  - c) 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 the beginning of project implementation, whichever is higher.

### **Impacts Covered**

3. This policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by
  - (a) the involuntary taking of land resulting in
    - (i) relocation or loss of shelter;
    - (ii) lost of assets or access to assets; or
    - (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
  - (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.
4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a)

directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.

5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see BP 4.12, para. 7).

#### **Required Measures**

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:
  - (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) informed about their options and rights pertaining to resettlement;
    - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
    - (iii) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.
  - (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) provided assistance (such as moving allowances) during relocation;
    - (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.
  - (c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are
    - (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
    - (ii) provided with development assistance in addition to compensation measures described in paragraph 6(a) (iii), such as land preparation, credit facilities, training, or job opportunities.
7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which
  - (a) specific components of the project will be prepared and implemented;
  - (b) the criteria for eligibility of displaced persons will be determined;
  - (c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and
  - (d) potential conflicts involving displaced persons will be resolved.

The process framework also includes a description of the arrangements for implementing and monitoring the process.

8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
9. Bank experience has shown that resettlement of indigenous peoples with traditional landbased modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see Annex A, para. 11).
10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).
11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.
12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land based but the land taken for the project is a small fraction of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:
- (a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
  - (b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).
  - (c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

### **Eligibility for Benefits**

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the Annex A, para. 6(a)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.
15. *Criteria for Eligibility.* Displaced persons may be classified in one of the following three groups:
- (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
  - (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see Annex A, para. 7(f)); and
  - (c) those who have no recognizable legal right or claim to the land they are occupying.
16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

## **Resettlement Planning, Implementation, and Monitoring**

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:
  - (a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and Annex A);
  - (b) a resettlement policy framework is required for operations referred to in paras. 26–30 that may entail involuntary resettlement, unless otherwise specified (see Annex A); and
  - (c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para. 31).
18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.
19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs. The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design. 20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the "without-project" circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.
20. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.
21. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.
22. The borrower's obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.

23. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also BP 4.12, para. 16).

## **Resettlement Instruments**

### *Resettlement Plan*

24. A draft resettlement plan that conforms to this policy is a condition of appraisal (see Annex A, paras. 2-21) for projects referred to in para. 17(a) above. However, where impacts on the entire displaced population are minor, and fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see Annex A, para. 22). The information disclosure procedures set forth in para. 22 apply.

### *Resettlement Policy Framework*

25. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see Annex A, paras. 23-25). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.
26. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see Annex A, paras. 23-25). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential sub borrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.
27. For other Bank-assisted project with multiple subprojects that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In

such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see Annex A, paras. 23-25). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.

28. For each subproject included in a project described in para. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.
29. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

#### *Process Framework*

30. For projects involving restriction of access in accordance with para. 3(b) above, the borrower provides the Bank with a draft process framework that conforms to the relevant provisions of this policy as a condition of appraisal. In addition, during project implementation and before to enforcing of the restriction, the borrower prepares a plan of action, acceptable to the Bank, describing the specific measures to be undertaken to assist the displaced persons and the arrangements for their implementation. The plan of action could take the form of a natural resources management plan prepared for the project.

#### **Assistance to the Borrower**

31. In furtherance of the objectives of this policy, the Bank may at a borrower's request support the borrower and other concerned entities by providing
  - (a) assistance to assess and strengthen resettlement policies, strategies, legal frameworks, and specific plans at a country, regional, or sectoral level;
  - (b) financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations;
  - (c) financing of technical assistance for developing resettlement policies, strategies, and specific plans, and for implementation, monitoring, and evaluation of resettlement activities; and
  - (d) financing of the investment costs of resettlement.
32. The Bank may finance either a component of the main investment causing displacement and requiring resettlement, or a free-standing resettlement project with appropriate cross-conditionalities, processed and implemented in parallel with the investment that causes the displacement. The Bank may finance resettlement even though it is not financing the main investment that makes resettlement necessary.

33. The Bank does not disburse against cash compensation and other resettlement assistance paid in cash, or against the cost of land (including compensation for land acquisition). However, it may finance the cost of land improvement associated with resettlement activities.
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1. "Bank" includes IDA; "loans" includes credits, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.
2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include OP 4.01 *Environmental Assessment*, OP 4.04 *Natural Habitats*, OP 4.11 *Safeguarding Cultural Property in Bank-Assisted Projects*, and OD 4.20 *Indigenous Peoples*.
3. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.
4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.
5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.
6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see OP/BP 8.50, *Emergency Recovery Assistance*).
7. For purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice.
8. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.
9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered

- under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).
10. The *Resettlement Sourcebook* (forthcoming) provides good practice guidance to staff on the policy.
  11. "Replacement 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 (for a detailed definition of replacement cost, see Annex A, footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.
  12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.
  13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.
  14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements
  15. See OD 4.20, *Indigenous Peoples*.
  16. See OP 4.04, *Natural Habitats*.
  17. As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.
  18. Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).
  19. Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.
  20. Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.
  21. Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.
  22. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under OP 4.01, *Environmental Assessment*, the resettlement panel may form part of the environmental panel of experts. See BP 17.50, *Disclosure of Operational Information* (forthcoming) for detailed disclosure procedures.
  23. An exception to this requirement may be made in highly unusual circumstances (such as emergency recovery operations) with the approval of Bank Management

(see BP 4.12, para. 8). In such cases, the Management's approval stipulates a timetable and budget arrangements for developing the resettlement plan.

24. Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost.
25. For purpose of this paragraph, the term "subprojects" includes components and subcomponents.

### Annex 3: Summary of IFC Performance Standards Triggered by sub-Projects

Performance Standard	Summary of Requirement
<b>Performance Standard (PS) 1:</b> <i>Assessment and Management of Environmental and Social Risks and Impacts</i>	The PS 1 underscores the importance of managing environmental and social performance throughout the life of a project. The Standard applies to projects with environmental and/or social risks and/or impacts. The objective of the Standard include to identify and evaluate environmental and social risks and impacts of the project and to adopt a mitigation hierarchy to anticipate and avoid, minimize, and where residual impacts remain, compensate/offset risks and impacts to workers, affected communities and the environment.
<b>Performance Standard (PS) 2:</b> <i>Labor and Working Conditions</i>	The PS 2 recognizes that the pursuit of economic growth through employment creation and income generation should be accompanied by protection of the fundamental rights of workers. The Standard recognizes the workforce as a valuable asset and recommends a sound worker-management relationship as a key ingredient in the sustainability of a company. The Standard requires the proponent <ul style="list-style-type: none"> <li>- to promote fair treatment, nondiscrimination, equal opportunity of workers, and promote compliance with national employment and labor laws;</li> <li>- to promote safe and healthy working conditions to protect and promote health of workers; and</li> <li>- to avoid the use of forced labor</li> </ul>
<b>Performance Standard (PS) 3:</b> <i>Resource Efficiency and Pollution Prevention</i>	The Standard recommends that proponents should undertake their developments and economic activities in a manner that will enhance human health and protect the environment by avoiding or minimizing pollution to air, water, and land, and to also ensure sustainable consumption of finite resources and reduce project-related GHG emissions
<b>Performance Standard (PS) 4:</b> <i>Community Health, Safety and Security</i>	The PS 4 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. The Standard therefore emphasizes the proponent's responsibility to avoid or minimize the risks and impacts to community health, safety, and security that may arise from project related-activities, with particular attention to vulnerable groups.
<b>Performance Standard (PS) 5:</b> <i>Land Acquisition and Involuntary Resettlement</i>	The Standard emphasizes the avoidance of involuntary displacement by exploring alternative project designs and when avoidance is not possible, to minimize. The Standard further recommends the total avoidance of forced eviction and improvement, or restoration of livelihoods and living conditions of displaced persons.
<b>Performance Standard (PS) 6:</b> <i>Biodiversity Conservation and Sustainable Management of Living Natural Resources</i>	The PS 6 recognizes that protecting and conserving biodiversity, maintaining ecosystem services, and sustainably managing living natural resources are fundamental to sustainable development. The Standard requires project proponents to sustainably manage and mitigate impacts on biodiversity and ecosystem services throughout the project's lifecycle.

## Annex 4: Framework for Census of Affected Assets and Affected Persons

### Annex 4.1: Affected Plot Sheet

#### Reference:

Reference: .....

Location: - County: ..... District: ..... Town: .....

GPS Coordinates: ..... Surface: ..... m<sup>2</sup>

Description of soil: .....

.....

.....

Perennial Crops:        1        Owner: .....  
                                 2        Owner: .....

Annual Crops:        1        Owner: .....  
                                 2        Owner: .....

Trees:                    1        Owner: .....  
                                 2        Owner: .....

Structures:        Movable structures: ..... Owner: .....  
                                 Immovable structures: ..... Owner: .....  
                                 Buildings: ..... Owner: .....

Users:                User 1: ..... Surface used: ..... Regime of tenure: .....  
                                 User 2: ..... Surface used: ..... Regime of tenure: .....  
                                 User 3: ..... Surface used: ..... Regime of tenure: .....  
                                 User 4: ..... Surface used: ..... Regime of tenure: .....

#### Valuation proposal (details of calculation on attached sheet):

Crops: .....  
.....  
.....

Structures: .....  
.....  
.....

#### Proposed distribution of compensation:

User 1: .....  
User 2: .....  
User 3: .....  
User 4: .....

Prepared By: ..... Date: .....

## Annex 4.2: Affected Building Sheet

Reference: .....

Location: - County: .....District: .....Town: .....

GPS Coordinates: ..... Photograph number: .....

### Owner:-

Full Name: .....

Address: .....

.....

### Description:-

Permanent:.....Non permanent: .....

Surface: ..... m<sup>2</sup> Number of rooms: .....

Walls: Material: ..... Condition: .....

Roof: Material: ..... Condition: .....

Floor: Material: ..... Condition: .....

Annexes outside:

Latrine: Material: ..... Condition: .....

Bathroom: Material: ..... Condition: .....

Kitchen: Material: ..... Condition: .....

Others: .....

Material: ..... Condition: .....

Additional features: .....

.....

Permanently Inhabited: ...By: .....Regime of occupation: .....

Periodically Inhabited: By: ..... Regime of occupation: .....

### Vulnerable group:

- a) Women-headed Household.....
- b) Family with physically and mentally.....
- c) Family with aged members.....
- d) Family with income below poverty line.....
- e) Family losing more than the economic threshold of their land through acquisition/negotiation.....

Valuation proposal (details of calculation on attached sheet): .....

.....

.....

Proposed distribution of compensation:

User 1: .....

User 2: .....

User 3: .....

User 4: .....

Prepared By: .....Date: .....

### Annex 4.3: Affected Household Sheet

Household Reference: .....

Location: - County: .....District: .....Town: .....

#### Reference of Affected Asset:-

Type: - Structure: ..... Plot: .....Crop: ..... (Tick one)

Reference of Affected Asset Sheet: .....

#### Household Information:-

Head of Household: - Name: .....Age: .....Sex .....

Identity Document: - Type: .....Number: .....

#### Composition of Household:-

Number	Name	Relationship with Household Head	Sex	Age
1				
2				
3				
4				
5				
6				
7				

#### Socio-Economic Information:-

Head of Household: .....

Occupations: - Primary: ..... Secondary: .....

#### Other members of Household:-

Number: ..... Occupation: ..... Highest education level attained: .....

Number: ..... Occupation: ..... Highest education level attained: .....

Number: ..... Occupation: ..... Highest education level attained: .....

Number: ..... Occupation: ..... Highest education level attained: .....

Total Estimated Household Cash Income: .....

#### Education level of Household Members:-

Number: ..... Level: .....

Number: ..... Level: .....

Number: ..... Level: .....

Number: ..... Level: .....

#### Project Impact:-

Assessment of the Impact of the Loss of the Affected Asset on Household's Livelihood:

.....

Amount of land owned; .....

Details of income loss due to loss of land; .....

#### Proposed Compensation or Resettlement Package:-

Household's Wishes: .....

.....

Proposed Package: .....

#### Proposed Livelihood Restoration Package:-

Household's Wishes: .....  
.....  
Proposed Package: .....  
.....

## ANNEX 5: An Outline of Resettlement Action Plan

S/No	Elements	Activities
1	Description of the Project	Define the Project, and its components and the Project Site (s)
		Determine whether the Project will require land acquisition and relocation of persons
		Describe the amount of land acquisition and resettlement required
		Identify options of reducing amount of resettlement
		Quantify the options of minimizing resettlement
2	Project Objectives	Formulate the main objectives of the Project
		Identify Specific Objectives
3	Socio-Economic Studies/Census	Carry out census of affected community/individual and their assets
		Determine income levels and livelihood patterns of the affected persons
		Identify alternatives of restoring income for the displaced population
		Define magnitude of the impacts with special reference to vulnerable groups( aged, HIV and other ailed persons, female headed households, the poor etc)
		Document landholding tenure system in place, lot sizes and any cultural heritages/values that may be restricted by the project
		Describe any social organizations in place that may be impacted
		Document type and size of infrastructure and other services that may be impacted
		Summarize impacts of the project for each categories of affected groups
		Provide mechanism for updating information on the displaced population
4	Legal/Institutional Framework	Define the Project affected Persons
		Identify local agencies responsible for resettlement
		Discuss staffing of the Project Resettlement Unit
		Assess capacity of the agencies to handle the magnitude of the resettlement
		Comply with national and local legislation on matters relating to land and environment
		Describe plan to inform the affected population
5	Eligibility and Entitlements	Set criteria for the displaced persons to be eligible for compensation and resettlement
		Prepare Entitlement Matrix
		Determine Assistance required for resettlement
6	Compensation Assessment	Appoint Registered/District Valuer for compensation purposes
		Carry out consultation with affected persons
		Identify and inspect affected assets for valuation
		Process Valuation Report and prepare Compensation Schedule
		Determine whether additional income assistance is necessary
7	Resettlement Plan	Determine need for relocation and discuss with affected person
		Select site for relocation and make arrangement for land titling in favour of resettlers
		In consultation with respective District Settlement Planning Department, prepare Resettlement Plan
		Discuss outsourced services if any and draw up cost implications
		Ensure Plan comply with environmental consideration
		Evaluate the impact of the Plan on host community
		Determine any special assistance measures necessary to vulnerable groups

S/No	Elements	Activities
		Identify risks associated with the Plan and chart out ways of overcoming them
		Provide information on updating of the Plan
8	Grievances Procedures	Design system for recording grievances and establish response time
		Discuss mechanism for hearing grievances
		Discuss appeal Measures
9	Organizational Responsibilities	Prepare implementation schedule indicating target dates and backstopping measures
		Discuss arrangements for coordinating agencies and other jurisdictions
		Describe measures of transferring responsibilities of resettlement sites back to respective authorities
10	Costs and Budgets	Prepare a financial plan with emphasis on responsibilities and accountability
		List sources of funds
		Identify components of the sub-project that may require additional external funding
		Discuss provisions for handling price fluctuations, contingencies and excess expenditure
		Prepare a template for Project Cost Estimate/budget
11	Monitoring and Evaluation	Discuss measures for external and internal monitoring
		Define monitoring indicators
		Determine mode and frequency of reporting and content of internal monitoring
		Discuss feedback mechanism

## Annex 6: Sample Grievance Form

Grievance Form				
Grievance Number		Copies to forward to:		
Name of Recorder		(Original) –Receiver Party		
County/District/Settlement		(Copy) – Responsible Party		
Date				
INFORMATION ABOUT GRIEVANCE				
Define the Grievance				
INFORMATION ABOUT THE COMPLAINANT				Forms of Receipt
Name – Surname				Phone line Community Information meeting Mail Informal Other
Telephone no				
Address				
Village/Settlement				
District/Province				
Signature of Complainant				
DETAILS OF GRIEVANCE				
1. Access to Land and Resources	2. Damage to	3. Damage to infrastructure or community Assets	4. Decrease or Loss of Livelihood	5. Traffic Accident
a) Lands b) Fishing Grounds c) Pasture Land d) House e) Commercial site f) Others	a) Land b) house c) livestock d) Means of Livelihoods e) Other	a) Roads/Railway b)Power/Telephone lines c) Water sources, canals and water infrastructure for irrigation and animals d) Drinking water e) Sewage System f) Other	a) Agriculture b)Animal Husbandry c) Beekeeping d) Small scale trade e) Other	a) Injury b) Damage to property c) Damage to livestock d) Other
6.Incidents Regarding Expropriation And compensation (specify)	7. Resettlement Process (Specify)	8.Employment and Recruitment (Specify)	9. Construction Camp and Community Relations	10. Other (Specify)
			a)Nuisance from dust b) Nuisance from noise c) Vibration due to explosion d) Misconduct of the project personal/worker e) Complaint follow-up f) Other	

## Annex 7: Template Itemization of RAP/ARAP Budget

No	Item (Break down and detail as appropriate)	Nigerian Naira	US Dollars	%
<b>A</b>	<b>COMPENSATION</b>			
A1	Compensation for Land Acquisition			
A2	Compensation for destruction and damages to crops			
A3	Compensations for Structures			
A4	Disturbance allowance			
A5	Contingencies – other compensations			
	<b>TOTAL COMPENSATION</b>			%
<b>B</b>	<b>RESETTLEMENT</b>			
B1`	Resettlement land Purchase			
B2	Resettlement Land Development			
B3	Housing Construction			
	<b>TOTAL RESETTLEMENT</b>			
<b>C</b>	<b>ADDITIONAL MITIGATIONS</b>			
C1	Livelihood restoration measures			
C2	Vulnerable groups			
C3	Coordination of additional mitigations			
C4	Grievance management			
	<b>TOTAL ADDITIONAL MITIGATIONS</b>			%
<b>D</b>	<b>IMPLEMENTATION COSTS</b>			
D1	Surveying and asset pre-identification			
D2	Valuation			
D3	Coordination and works supervision			
D4	Legal Advice			
D5	Monitoring			
D6	Evaluation			
D7	Capacity building			
	<b>TOTAL IMPLEMENTATION</b>			%
<b>E</b>	<b>CONTINGENCIES %</b>			%
	<b>GRAND TOTAL</b>			<b>100%</b>

## **Annex 8: Template of a Claim Registration and Follow-Up Form**

Prepared by:

Date:

Aggrieved person:

Full name:

Residence:

Project registration number:

Reason for the claim (detailed description of the aggrieved person's version):

Composition of the mediation committee:

Chair (name, position):

District chief executive representative (name, position):

Project (name, position):

Other elders (name, position):

Report of mediation efforts:

Agreed solution:

Implementation of the agreed solution:

Close-out:

In case no settlement is reached:

Reason why no settlement could be reached:

Follow-up by claimant:

## **Annex 9: Template of a Consultation Meeting Minute Form**

Date:

Venue:

Project participants:

Other participants (name, position):      Total number:

Objective and agenda of the meeting:

Points addressed by Project:

Points raised by participants:

Follow-up activities:

Prepared by:

Date:

## Annex 10: Resettlement Schedule

Activities	Dates	Budget	Comments
Planning of census and surveys			
Information to people affected			
Conduct census and socioeconomic survey			
Analysis of data and identification of impacts			
Definition of assistance measures			
Relocation/assistance			
Follow-up Visit by Responsible Agency			

### Annex 11: Cost Estimates and Contingencies

S/N	Item	Cost (Naira)	Assumptions
1	Compensation for land acquired	per hectare	For land acquisition purpose based on construction realized in projects involving similar issues in Nigeria
2	Compensation for loss of crops	per hectare of farm lost	Include cost of labour invested and average of highest price of staple food.
3	Compensation for buildings and structures	N/A	This compensation would be in-kind. New buildings will be built and given to those affected
4	Cost of relocation assistance/expenses	per household	This cost is to facilitate transportation
5	Cost of restoration of individual income	N/A	Assume to be higher than the GDP/capita
6	Cost of restoration of household income	N/A	For household of ten
7	Cost of Training	Per participant	Depends on the number of stakeholders in the counties selected
8	Cost of Management	Per sub-project site	Incurred by stakeholders such as ministries, districts
9	Cost of Monitoring and Evaluation	Per sub-project site	Dependent on the each sub-project site
10	TOTAL	Per sub-project site	Addition of all the cost incurred
11	Contingency	Per Total Cost	5% of the Total cost
12	Grand Total	N/A	Sum of Total and contingency costs

## Annex 12: Compensation Computation

This RPF recommends the following compensation rates for land, crops, labour, buildings and structures, vegetables, horticultural, floricultural and fruit trees.

S/N	COMPENSATION	COMPUTATION
1	Compensation for Land	Compensation for land is aimed at providing for loss of crop and the labour used to prepare the land and cultivate the crop. Compensation relating to land will cover the rates for labour invested, as well as the replacement cost of the crop lost.
2	Compensation Rates for Labour	The value of labour invested in preparing agricultural land will be compensated for at the average wage in the community for the same period of time. The labour cost for preparing replacement land is based on costs for clearing the land and ploughing.
3	Compensation for Buildings and Structures	Compensation for buildings and structures will be paid by replacing huts, houses, farm outbuildings, latrines, fences and other impacted structures. Any homes lost will be rebuilt on the acquired replacement land. However cash compensation will be available as a preferred option for structures such as extra buildings lost, that are not the main house or house in which someone is living. The applicable replacement costs for construction materials, as well as associated labour costs needed to build replacement structure, will be used to calculate the values. Alternatively, compensation will be paid in-kind for the replacement cost without depreciation of the structure.
4	Compensation for Sacred Sites	Compensation for sacred sites (e.g., proprietary rites and reconstruction) is determined through negotiation with the appropriate parties. Sacred sites include but are not restricted to: altars, initiation centres, ritual sites, tombs and cemeteries. Sacred sites include such sites or places/features that are accepted by local laws including customary practice, tradition and culture as sacred.
5	Compensation for Horticultural, Floricultural and Fruit trees	<p>A compensation schedule for fruits such as cashew, coconut, guava, mango and other trees can be developed, incorporating the following criteria:</p> <ul style="list-style-type: none"> <li>• Replace loss of income for subsistence fruit (e.g. coconut, cashew, guava or mango) based on production yields as quickly as possible. Cash payments to farmers will be aimed at replacing income derived from the sale of excess fruit production until replacement trees produce the equivalent (or more) in projected cash income.</li> <li>• Provide subsistence farmers with new tree seedlings to replace the affected trees to sustain future source of income and food from the fruits.</li> <li>• Provide farmers with the opportunity to derive alternative income from trees bearing more valuable fruits at off-season periods.</li> </ul>

### Annex 13: Outcome the stakeholder consultations

Items	Description
Date of Public consultation	24/10/16
Name of Stakeholders	CSO'S- Global Rights and Connected Development(CODE)
Language of communication	<i>English</i>
Introduction	<p>The Project Consultant, John Eyre, gave opening remarks on the overall MinDiver project objective and sub project interventions.</p> <p>The consultant highlighted the scope of the RPF and the need of a stakeholder consultation in order to efficiently deliver improved project sustainability.</p>
Issues/Comments of the Stakeholders -- Global Rights	<p>The development of the physical infrastructure is commendable considering the game changing outlook to develop the sector. However maintained that the economic corridors such as the development of railways etc should be commercial. The Country Director also remarked that issues related to the mining sector include forced evacuation of communities, conflicts etc. She specifically noted on Free Prior and Informed Consent (FPIC) to be able to ensure that there is a transparent EA and easy access to the communities who also want to read the document or consulted in a language in which the locals can understand. However, she commented through participatory governance, CSOs can dialogue with Government on these issues.</p>
Issues/Comments of the Stakeholders -- Connected Development	<p>The Chief Executive gave an overview of the focus of the organization highlighting the health, education and environment sectors. A campaign tagged 'Follow the money' meant to address different stakeholders focused on environmental remediation, health care treatment, safe mining practices.</p> <p>He commented on the Zamfara and Niger State Lead poisoning incidences and hinged it on illegal mining practices. However, the organization launched an advocacy for environmental cleanup and safer mining practices.</p> <p>He noted that the organizations key interest is timely data and open governance. He raised concerns on the MMSD focus on the machinery and not on a robust process or the people. Other concerns include: the quality of Environmental Assessments form the MECD, distrust/gaps from Federal, State and Local levels of Government. It was opined the MMSD should have a framework for ASM, junior mining companies and the top mining companies.</p>
Remarks/Recommendations	<p>As a precautionary measure, the Resettlement Management Framework (RPF) prepared for the SMMRP is been updated. Most of the infrastructural development activities are not expected to result in major losses or acquisition of land or in restrictions to sources of livelihoods.</p> <p>A participatory approach involving stakeholders for project sustainability is key.</p>

